ACTIVITY CENTRES REVIEW

A study of policy and centres of activity in metropolitan Melbourne and Geelong

FINAL REPORT
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EXECUTIVE SUMMARY

Activity centre policy is one of the key strategic issues identified by the Government to be addressed in a new Metropolitan Strategy. Underlying the strategy is the Government's concern for ecological sustainable development. For activity centres this highlights the need for better integration between mixed use development clustered in activity centres and increased public transport usage.

This report provides an innovative and comprehensive approach to activity centre policy. It considers the key outcomes that activity centre policies should be aiming to achieve. It examines this question by considering 'best practice' in such policies interstate and overseas, then reviews past policies in Melbourne. This leads to an evaluation of the performance of a sample of different centres in Melbourne and Geelong, as well as of the whole metropolitan network of centres, using an evaluation framework suggested for testing by the Department of Infrastructure.

Ecologically sustainable development (ESD) is the driving force behind this review. ESD encompasses a diverse range of issues from bio-diversity to global warming and greenhouse gas emissions. For activity centres in a metropolitan context the key ESD concerns are: conserving land; encouraging use of travel modes other than the automobile; making it easier for all people to gain access to employment, goods and services; creating and maintaining attractive, safe and functional community focal points; and providing robust clusters of jobs and services.

In this project, we have used a broad definition of 'activity centres'. They include about 1000 concentrations of activity of various kinds including the Central Activities Areas in Melbourne and Geelong; large and small retail and commercial centres, some of which also perform a civic, administrative, education, health or entertainment function; clusters or strings of superstores, peripheral sales or office developments along major roads; office parks; the four airports in Melbourne and Geelong; stand-alone campuses of tertiary education; and industrial estates including the Ports of Melbourne and Geelong. This broad approach has been used to examine the most appropriate policy response for different types of centres to achieve better ESD outcomes.

International and Interstate Experience with Centres Policies

The report takes a fresh look at some of the key assumptions and directions of past centres policies in Melbourne, drawing upon international and interstate examples where transit-oriented centres policies are central to metropolitan strategies promoting ESD. While the details of the various policies employed in cities around the globe may vary, there is considerable consensus on the importance and value of such policies.

From overseas experience, clustering activity and higher-density housing in designated centres that are well-served by public transport has increased both walking and public transport usage. Clustering activities has also contributed to innovation and economic growth. Overseas examples also highlight the importance of public transport infrastructure primarily based on a fixed rail system, complemented by an extensive bus network.

Transit-oriented sites for major activities seem to work best when coupled with networks of smaller centres for convenience shopping and other local activities, based around walking and cycling as the preferred access modes.

From the overseas and interstate experience, planning for the internal structure of centres needs to emphasise compactness, pedestrian-friendly layouts and mixing of land uses. This needs to be backed up by policies to assemble appropriate sites for developments, especially those which require large sites. Planning policies also need to restrain developments from locating outside centres. Policies that rely only on 'carrots' have not succeeded.

Supportive transport policies also are essential. These include provision of high-quality, integrated public transport services connecting the centres to their regions; parking policies within centres which emphasise 'demand-management' (e.g. ceilings rather than minimum requirements); and road construction policies which similarly emphasise demand management and which refrain developments which encourage travel patterns inconsistent with centres policies.

Consistent commitment to centres policies by local and state level governments is the final necessity. This commitment must be maintained over a significant period of time and includes ensuring that government agencies themselves locate people-attracting activities in centres. Since there will always be pressure on centres policies from developers wishing to avoid them, it is important to establish regular, orderly cycles for monitoring and review of centres policies to reduce the opportunity for ad-hoc modifications in response to developer pressure.

The overseas experience underlines the fact that, while it is possible to use integrated transport and land-use planning to promote modal shift, the task is not simple and requires firm, co-ordinated policies pursued consistently over many years. Cities which have pursued half-hearted policies, or which have failed to back land-use policies with supportive transport policies, have generally produced only partial success and in some cases no benefit at all.

Centres Policies in Melbourne

Activity centre policies for metropolitan Melbourne and Geelong have evolved over the last 50 years, acknowledging that most uses and activities should be in centres. There has been widespread acceptance of the need for centres policies, based on the central role that activity centres are considered to play in providing retail, commercial, industrial, education, health and entertainment goods and services; community infrastructure; employment; housing; identity and focus for communities; meeting places; and business synergies.

In Government policies, the primary concern has been with larger retail and commercial centres, including the Melbourne CAD. There have been virtually no policy directions for smaller, neighbourhood scale centres. However, this scale of centre is considered important overseas in providing a wide range of facilities at local level which can be reached on foot or bicycle.

Activity centre policy has been based on the need to provide certainty and clear decision-making mechanisms to resolve conflicts about the location of activities. The policy has gone some way to provide mechanisms to weigh up the interests of the various parties – developers, current operators, and the community – and assess the net community benefit of future land uses and developments.

Except for a brief period in the late 1970s and early 1980s, ESD has not been a driving force of centre policies. Unlike 'best practice' in international and national experience, there has not been a real emphasis on transit sustainability. The Government has had few supportive transport policies in place of the kind considered essential to achieve long-term ecological sustainability.

Centre policies were largely concerned with an orderly and hierarchical framework of centres and to some extent achieving self-containment in regions. A central tenet has been to reinforce the established pattern of activity centres. This emphasis has provided a sense of certainty and security for developers and investors in centres. It also has given preference to the status quo, and thereby required proponents of new developments to go through an extensive and prolonged review process. This is considered to have prevented much speculative development in Melbourne and Geelong and resulted in a system of fairly robust centres.

However, in terms of an ESD framework, this has been a static policy approach. It implies maintaining a fairly rigid framework of centres in the face of changing economic, social and environmental forces. It does not indicate any aspirations for a better pattern of centres nor improved conditions in centres to meet wider community and ESD goals.

Until the early 1990's in Melbourne, the emphasis in Government centres policy has been on fairly prescriptive statutory provisions governing major new retail and office development as well as overall centre development. Since the mid-1990's, there has

been a more laissez-faire approach allowing business growth in a wide range of locations. There are not sufficient controls within the existing State Planning Policy Framework to regulate development outside of centres. Policy and regulatory measures do not seem to be strong enough to control the proliferation of major stand-alone big box retailing outlets, or strings of convenience or peripheral sales retailing along major roads.

This flexible approach has been accompanied by limited facilitation policies and implementation programs of any real substance. There has been a very limited range of supportive Government programs with respect to transport management in centres; land consolidation to facilitate new developments; provision of major new infrastructure (hospitals, tertiary education campuses, public transport interchanges) and services; streetscape improvement programs; mainstreet initiatives; urban village projects; structure or business planning in centres; development incentives; and higher density housing in selected areas within or adjacent to centres.

Similarly, Government has not identified a range of pro-active programs that could be undertaken in centres in partnership with private sector or community interests.

The Performance of Individual Activity Centres and the Overall Network of Centres

To complement the review of metropolitan centres policy, the report provides an overview description of the current network of centres in Melbourne and Geelong using different variables, and examines the implications for activity centres of changing economic, social and environmental forces. This leads to an ESD evaluation of the performance of 26 different types of centres in Melbourne and Geelong, as well as the overall metropolitan network, using a framework developed for testing by the Department of Infrastructure and the consultant team. The evaluation approach was derived from the core objectives in the National Strategy for Ecologically Sustainable Development.

Several different concentrations of activity, in keeping with our expanded definition of 'activity centres' were examined - shopping and business centres of different sizes, ownership, location in different regions, and with different public transport and non-motorised transport infrastructure and services; a string of superstores, a stand-alone tertiary education campus, an office park, an industrial estate and an airport. The type, role, size and location of a centre of activity, its particular mix of uses and activities, and the availability of public transport services within individual centres were evaluated to assess how important they were to achieving ESD.

The results of the evaluation question previous assumptions. The key variables influencing ESD performance at the individual centre level did not relate exclusively to the role or size of the centre, or its perceived position in a 'hierarchy' of centres. The critical determinants had much more to do with whether the centre and its surrounding

area had a particular urban form, mix of uses and transit arrangement that encouraged low car use, high levels of walking, cycling and public transport usage, and encouraged high levels of social interaction.

Centres with different forms of public transport, particularly a railway station in the heart of the centre and high frequency of transit services, performed better. Centres in urban areas with a high level of density that are easily accessible from multiple entry points performed better. Centres with a mixture of uses and activities (without specifying what that mixture is) that generated a high level of business activity as well as multi-purpose trips performed better. Centres with a compact and integrated urban form with a sense of vitality and community focus performed better.

The desirable form arising from our evaluation is a mixed-use, pedestrian friendly, transit-oriented centre that has a distinctive sense of place and community, and is integrated with surrounding areas.

The more specialist concentrations of activity we have examined such as airports, industrial estates, and, to a lesser extent, business parks, and stand alone tertiary education campuses have difficulty fitting entirely into this desirable form. Whilst they did not achieve a high sustainability rating, these centres are necessary and could achieve better sustainability outcomes with appropriate strategies in place. Measures should be developed to enhance the concentration of activity in these centres and to encourage urban forms that facilitate a reduction in motorised trips to and within them. Other clusters of activity, such as stand alone superstores and strings of highway retailing, should be curtailed.

The evaluation of the overall network of centres also raises important policy issues. There are a large number of retail and commercial concentrations of activity, distributed throughout Melbourne and Geelong, which make up a viable and vibrant network of centres. Most centres have continued to evolve and change. Whilst most new development in Melbourne and Geelong has occurred in established or planned new centres, there has been continued growth in superstores (big box retail) and stand-alone corporate office complexes along major roads, as well as clusters of highway convenience retailing. This has undermined the environmental sustainability of the network.

Melbourne's CAD maintains its unique and predominant role. This has been critical to the sustainability of the overall network of activity centres. Other employment clusters, increasingly concentrated in knowledge-based industries and located strategically throughout the metropolitan area add to the economic competitiveness of the network. However, apart from those in Melbourne's inner areas, many new employment clusters have established quite removed from established mixed use transit-oriented centres. This also has occurred with most campuses of tertiary educational institutions and public hospitals in Melbourne's middle and outer areas. The potential for integrating land use and public transport at key locations has been reduced, inevitably leading to increased car dependency.

There is a key difference between the inner and outlying areas of Melbourne in all regions. While the inner area with its density of urban form and extensive public transport system has created a well serviced network of overlapping activity centres with generally high levels of environmental and social sustainability, this pattern has not been replicated in outlying areas. The sprawling subdivision layouts of the outer suburbs and limited public transport services have created a more dispersed network of centres with poor sustainability.

To improve this situation, it is considered important for the network to have a small number of major mixed use transit oriented centres in Melbourne's middle or outer areas to act as suburban demonstration projects. The focus on these centres also would be to facilitate a significant shift in transport mode towards non-motorised modes of transport at key points in the network.

Across the metropolitan area there has been a continuing increase of car usage, with few centres in the network exhibiting high levels of walking or cycling as the main means of access. This is the result of a multitude of factors including the deficiency of land use strategies to cluster sufficient or appropriate uses at key nodes, as well as the lack of supportive transport management strategies to shift more trip travel from car to public transport. There has been very little higher density housing within or adjacent to activity centres throughout the network. Only in the inner areas of Melbourne has this occurred to any significant extent.

Policy Directions and Implementation Mechanisms

We have developed a preferred policy approach that relates to sustainability outcomes derived from our evaluation of international, national and local centres as well as centres policies.

From the critical environmental sustainability point of view, the desired outcome is a network of centres which minimise overall transport requirements by achieving more multi-purpose trips to a single destination. They are centres that make maximum use of non-motorised transport so as to limit the depletion of fossil fuels and thereby reduce greenhouse gas emissions. They are centres that are efficient in terms of land use and infrastructure provision. They are centres that achieve energy efficient building design and layout, and protect the integrity of the natural environment.

From a social sustainability point of view, the desired outcome is a network of centres which have a high degree of attractiveness and liveability in terms of safety, convenience, comfort and aesthetics. They provide a lively community focus with increased opportunities for social interaction. There are increased opportunities to work and obtain services nearer to where people live. There is equality of access for users of centres to a wide range of facilities and services. There is equitable access to meet the

needs of those groups such as the young, elderly, disabled and low income earners normally disadvantaged by the lack of access to private transport.

From an economic sustainability point of view, the desired outcome is a network of centres which have an ongoing viability in terms of the goods and services provided. There are enhanced opportunities for business growth and increased employment, as well as business synergies. The centres contribute to the economic competitiveness of the urban system.

With these outcomes in mind, we recommend an action-oriented approach to a centres policy with the following directions:

- outline an overall performance evaluation process to assess, and recommend improvements to, new development applications both within and outside activity centres, in line with desired ESD outcomes;
- facilitate the further clustering of uses in mixed use transit-oriented as well as neighbourhood centres, so as to create a robust network of these centres having an integrated sense of place and community throughout the metropolitan area;
- give special attention to a limited number of major transit-oriented centres at strategic points in the outer areas of Melbourne along the radial rail network, to establish key demonstrations of the benefits of this approach including a significant shift in transport mode away from non-motorised transport;
- develop a network of strong neighbourhood centres in middle and outer areas;
- maintain the predominance of the Melbourne CAD within the network;
- outline a development approvals process for all private and public development proposals (particularly major retail and commercial development proposals) so as to curtail the dispersal of uses outside of transit-oriented and neighbourhood centres;
- develop upgraded transit arrangements geared to activity centres throughout the metropolitan area.

Implementation is critical to the success of our preferred centres policy. As a result, we suggest a comprehensive package of implementation measures. This package consists of:

- a specific policy statement for activity centres within the Metropolitan Strategy highlighting the importance of this policy;
- designation of a small number of mixed use transit-oriented centres in Melbourne's middle and outer areas for special attention;
- measures to strengthen neighbourhood centres, particularly in middle and outer areas;
- measures to maintain the predominant role of the Melbourne CAD within the metropolitan network;
- revisions to the State Planning Policy Framework (SPPF);
- revisions to the Retail and Office Development Guidelines;
- guidelines for the revitalisation of activity centres;
- supportive transport policies;

- a new Government Program geared to improving mixed use transit-oriented centres (TOC Program);
- measures to enhance corporate government commitment and partnerships;
- regular monitoring and evaluation.

Chapter 1 Introduction

1.1   Context of the Review

In December 1999, the Government announced the preparation of a Metropolitan Strategy as part of the State Planning Agenda, *A Sensible Balance*. The Strategy is intended to provide strategic guidance for Melbourne's future. Two principal themes of the Strategy are ecologically sustainable development (ESD) and the integration of land-use and transport planning.

One of the key strategic issues identified by Government to be addressed in the Metropolitan Strategy is activity centre policy. "A key element of sustainability is the need for better integration between mixed-use development concentrated around activity centres, and improved public transport use" (*A Sensible Balance*, p.23).

With this in mind, the Government has called for a review of activity centre policy to assess its "relevance and appropriateness….. in the light of emerging social, economic, land-use and institutional trends and influences". One of the aims of the review is to "provide a clear framework for decision-making so that industry can confidently make investment decisions in Victoria" (p.7). Another is to consider activity centre policy within the Government's commitment to the objectives of sustainability, equity and efficiency.

1.2   The Project Brief

The project brief, outlined by the Department of Infrastructure, is to undertake selected research and analysis on a range of activity centres in Melbourne and Geelong, and to review the Government's activity centre policy as it has emerged over the last fifty years.

Key components of the brief are to:

- understand the role and function of activity centres, present and future;
- review activity centre policy and objectives within the context of the Victorian land use planning system and the changing nature of activity centres;
- investigate the information and communication systems required to support ongoing strategic decision making on activity centre policy.

1.3   Approach to the Brief

The key questions posed by the Government for this review include: in the light of ESD, what are the economic, social and environmental outcomes that centres need to achieve in the evolving metropolitan urban system?; what kind of framework is necessary to guide decision-making on future private development?; what policies and programs are necessary for public and private organisations to improve individual centres, and the network of centres, to make them more sustainable?; and what are the priorities for State Government action and investment?

We have taken an innovative and comprehensive approach to the brief. Rather than examine activity centres and activity centre policy in terms of types and classifications of centres, our focus has been on the desired outcomes to achieve ESD and the policy measures needed to realise those outcomes.

Furthermore, we have not looked at activity centre policy simply in terms of the more traditional focus on retailing or commercial development. Consequently, we have not focused in this project on developing a revised statement of retail or office development policy for centres.

Our methodology has involved four stages. First we have examined, in the context of ESD, 'best practice' in centre policies interstate and overseas as it relates to desired outcomes (Chapter 2). Then, in a similar context, we have reviewed past and current centre policies in Melbourne and Geelong (Chapter 3). Then we have described and analysed patterns of activity centres in Melbourne and Geelong, and have undertaken an evaluation of a sample of centres of different type, as well as the whole metropolitan network of centres (Chapter 4). This evaluation has led to a discussion of policy issues, the development of a preferred outcomes-based policy approach and a set of implementation measures necessary to successfully achieve that approach (Chapter 5).

1.4   Ecologically Sustainable Development (ESD)

ESD is a fundamental principle of the Metropolitan Strategy and the activity centres review, so it is important to begin with a clear understanding of its origins and meaning.

1.4.1   The Meaning of Ecologically Sustainable Development

In the 1950s and 1960s, the notion of 'development' emerged as nations sought to define what was meant by 'progress'. It was soon agreed that, while economic growth was an essential element, social equity was critical for real human progress. In the late 1960s, the notion of ecological sustainability emerged, with growing public awareness about environmental issues such as global climate change, deforestation, depletion of the ozone

layer and pollution of air, water and land. Some observers, notably the Club of Rome in their famous 1972 report *Limits to Growth,* questioned whether development could be ecologically sustainable. Economic growth was, they argued, a major cause of environmental problems.

This was the issue that the United Nations Committee on Environment and Development, also known as the Bruntland Commission, addressed in its 1987 report *Our Common Future*. Development and ecological sustainability could be reconciled, the Bruntland report argued, if humanity found new ways of creating economic growth and social equity. It was not necessary to sacrifice the environment for the sake of development, or development for the sake of the environment. This idea, christened Ecologically Sustainable Development, was adopted by most governments of the world at the 1992 Rio Earth Summit and is embodied in the accompanying document *Agenda 21: Program of Action for Sustainable Development*. World governments, including Australia, re-committed themselves to Agenda 21 at the second World Conference on Environment and Development in New York in 1997.

The concept of ESD, while perhaps difficult to put into practice, is not difficult to understand. Its essence is the prohibition against trade-offs between development goals and environment goals. The same idea has been expressed in different words in the concept of the 'Triple Bottom Line' adopted at the Victorian Community Summit called by the Bracks Government earlier this year.

1.4.2 ESD and Activity Centre Policies

While ecological sustainability encompasses a diverse range of issues from bio-diversity to the greenhouse effect, some of these problems are not directly the province of a metropolitan strategy. The two issues that most clearly and directly bear on a metropolitan strategy are conserving land and sustainable transport.

In the case of transport sustainability, there are a range of views about the most useful policy measures. One school, often referred to as 'sustainable automobility', argues that technological advances in motor vehicles will solve air pollution problems. Critics argue that such developments are unlikely (for example, the fuel consumption of the Australian car fleet has not improved at all in the last four decades) and in any event will not deal with other environmental problems such as land wastage and noise. Fortunately, it is not necessary to revisit these debates in this report, because *Agenda 21*, to which Australia is committed, lays down clear recommendations in this area:

> *Promoting efficient and environmentally sound urban transport systems in all countries should be a comprehensive approach to urban transport planning and management. To this end, all countries should:*
>
> *(a)   Integrate land-use and transportation planning to encourage development patterns that reduce transport demand;*

(b) Adopt urban transport programs favouring high occupancy public transport;

(c) Encourage non-motorised modes of transport by providing safe cycleways and footways in urban and suburban centres,(Agenda 21, 7.52).

The essence of the *Agenda 21* approach is the integration of transport and land use policies to reduce the demand for car travel, and promote walking, cycling and public transport. This reflects the objectives of the State Planning Agenda set out in section 1.1.

1.5 Activity Centres Definition

In this project, we have used a new and very broad definition of 'activity centres'. In our approach, 'activity centres' are places where people congregate to carry out business, study, recreate, socialise, shop and/or work. They are locations where there has been private and public investment, in varying degrees, in buildings, transport and parking infrastructure, as well as public spaces and community facilities. They are places that attract a reasonably high number of trips to them.

In the Melbourne and Geelong context, activity centres for this project consist of:

- the Central Activities Areas in Melbourne and Geelong;
- retail and commercial centres, some of which also perform a civic, administrative, education, health or entertainment function;
- clusters or strings of superstores, peripheral sales or office developments along major roads
- office parks;
- the four airports in Melbourne and Geelong;
- stand-alone campuses of tertiary education;
- stand-alone hospitals;
- industrial estates including the Ports of Melbourne and Geelong.

In this context, there are about 1000 activity centres in metropolitan Melbourne and Geelong. Most of these are relatively small with a community or neighbourhood orientation towards shopping, local business activities and leisure pursuits.

Figure 1 illustrates the distribution of these centres across the Melbourne metropolitan area and Geelong region.

Activity Centres

- ● Melbourne CAD
- ● Retail and Commercial Centres
- ● Superstores
- ■ Airport / Port
- ■ Business / Industrial Estate
- ■ Tertiary Education Institution
- ■ Hospital

NORTH

0   5   10 km

Sunbury

Epping

Melton

Lilydale

Dandenong

Geelong

Frankston

Sorrento

Dromana
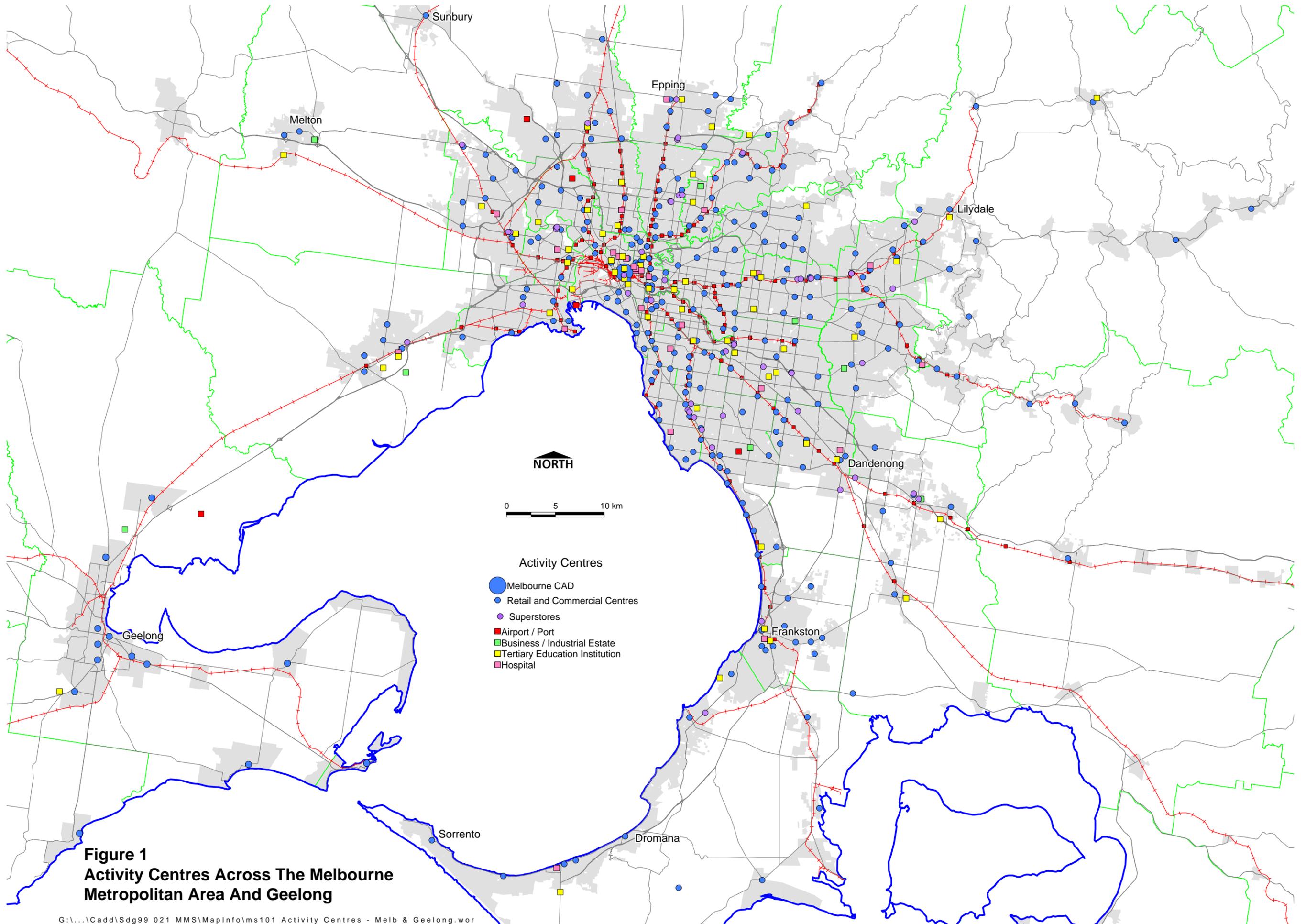
**Figure 1
Activity Centres Across The Melbourne
Metropolitan Area And Geelong**

1.6   Consultation and Market Research

We have considered it important to obtain the views of a range of stakeholders interested and involved in activity centre development in Melbourne and Geelong. Time limitations have prevented us covering all these people or institutions in detail, but the following have been covered in one form or another:

- State Government departments;
- all local Councils;
- retailers and retail associations;
- retail property owners and developers;
- representatives of key commercial operations (eg, REIV);
- investment and property interests (eg, Property Council of Australia);
- representatives of employer and employee peak bodies;
- social welfare, environmental and transport peak bodies;
- planning and local government associations;
- users of activity centres (eg, businesses, residents).

The techniques that we have used in this project are:

- focus group meetings with stakeholder representatives organised on both a geographical (for local government representatives) and interest basis;
- questionnaire and survey forms to all local Councils requesting comments on activity centre policy and details on the performance of about 15 activity centres in each local government area;
- telephone surveys of business and consumer users of four centres in different parts of Melbourne and Geelong Central, conducted by Roy Morgan Research.

Chapter 2 Interstate and Overseas Experience and 'Best Practice'

2.1 Origins Of Centres Policies

'Centres' policies have been a central theme of urban planning strategies in most Western cities since the Second World War. But their origins lie earlier in time.

The first half of the 20th Century saw the dissemination of a series of key concepts which, combined in different ways in different cities, formed the basis for much post-War city planning. Some of these ideas originated in the 19th century, but it was only in the 1920s and 1930s that they were discussed and debated by city planners. At the end of World War II, reconstruction was firmly on the agenda in Britain and Europe, where cities had been devastated by bombing, but also in countries like Australia and Canada, which had been devastated by the Depression. Urban planning was central to this reconstruction agenda, and this provided an opportunity for the application of many of the planning concepts debated before the War.

2.1.1 The Garden City

Probably the most influential idea of all was the Garden City model of Ebenezer Howard, which in Britain was promoted by the Town and Country Planning Association, founded by Howard. Howard proposed a 'Social City' comprised of a kind of federation of 'Garden Cities'. The garden cities were to be walking-scale towns, each with a full range of employment, retailing and cultural facilities. They would be separated by countryside and linked to one another – and the central city, for Howard realised that some specialised functions would still require an urban centre – by road and rail. The idea was to combine the advantages of country life – quiet, greenery, short travel distances – with the access to employment and urban services provided in cities.

The central, and most enduring, notion of Howard's scheme – apart from the 'green belts' surrounding each garden city – is self-containment. Self-containment would reduce the need to travel, thus cutting the length of the journey to work (a major concern at the time due to the high cost of public transport for all but the middle classes) and reducing crowding and congestion. Self-containment was also to be complemented in the political sphere by the garden cities being made self-governing municipalities organised on a co-operative basis. (Howard was influenced by the quasi-anarchist 'guild socialism' of William Morris.) Each of the garden city towns would be designed around a commercial and cultural centre of its own to give it a civic focus and sense of identity.

Two London suburbs – Letchworth and Welwyn – were designed in the early 20th century on principles derived from Howard's writings, but self-containment (like co-operative government) proved elusive. After World War II, the concept was tried on a

larger scale in the New Towns built around London and other major English cities (see below). Possibly the only attempt to plan an entire city – as opposed to individual suburbs – on the basis of Howard's ideas was Canberra (see below also).

2.1.2 Linear Cities and Corridors

At first glance the next major planning idea, the 'Linear City' first proposed by the Spanish engineer Arturo Soria y Mata, looks very different from Howard's scheme. The garden city was justified on the basis of the quality of life it offered its inhabitants: the linear city was intended primarily to maximise the efficiency of a fixed rail system. Soria y Mata's idea was that, by aligning the city as a whole with a linear rapid transit corridor, and by locating the activities that generated the most travel at stations on that system, transport efficiency would be maximised. The spread of activities would generate more even flows of patronage along the rail line, in contrast with the conventional, single-centred city, which focussed demand on the city terminal. So, like Howard, Soria y Mata advocated decentralising a uni-centred city; and he also supported his argument by noting that, in a linear city, all residents would have countryside close at hand, just as in Howard's model (Hall, 1996: 112-3).

Few complete linear cities have been attempted (again – see below – Canberra is one), but the linear notion has significantly influenced planning practice in a modified form, the 'corridor' metropolis featuring linear growth corridors separated by 'wedges' of green space.

2.1.3 The Radiant City

Integrating transport with land use was also a theme of the third great 20th century planning notion, Le Corbusier's 'Radiant City'. The primary objective here was to adapt the city to the motor vehicle by separating pedestrians from motor vehicle traffic. The street was to become a 'machine for traffic', just as the house was to be a 'machine for living in.' In stark contrast to Howard's notion of reducing congestion through self-containment, Le Corbusier proposed a paradoxical solution: 'to decongest the city, we must increase its density'. Providing residential and commercial premises in high-rise towers would free up land at surface level for open space and wide, grade-separated freeways. Le Corbusier's radiant city also incorporated rail rapid transit systems coverging on a central station, around which were arrayed the tallest buildings, but trams were to be banished: 'the tramcar has no place in the heart of a modern city', decreed Le Corbusier.

2.1.4 Central Place Theory

A final influence is the 'central place theory' developed by the German geographer Walter Christaller (1933). Although Christaller's theory was not extensively debated

before World War II, it greatly influenced urban planning following its publication in English in 1966. Christaller examined the role of villages and towns in southern Germany and surrounding areas, and proposed that they could be classified into a functional hierarchy, based around notions of catchment areas and specialisation. Thus, the small village served local needs, mainly for food shopping; the next step up the hierarchy was the local administrative centre; then the town; then the regional city. The arrangement was described as a 'nested' hierarchy, because the 'catchment' of each centre (except the lowest) was comprised of the catchments of a group on the next lowest centre (i.e. the catchments of the lower order centres are 'nested' within those of the next-highest order centre).

In the 1950s and 1960s, Christaller's ideas were adapted to describe the distribution of commercial centres in cities, with the most common categorisation following the pattern beginning with the neighbourhood or convenience centre, running through the sub-regional level to the regional centre and, at the top, the central business district. The theory could be used to explain urban phenomena, such as the reason why CADs of larger cities tend to contain a smaller share of metropolitan retailing than those of smaller cities.[1] From the 1960s, observers began to argue that the dominance of the automobile was changing the pattern, particularly in US cities. The walking-based neighbourhood centres were disappearing and the dominance of the CAD was declining, even for metropolitan-wide functions, as a new 'super-regional' category of centre emerged of which the CAD was but one example (Jones & Simmons, 1996).

In summary, then, the post-War planners inherited a body of sometimes-conflicting ideas from this debate in the first half of the century, with an important role for 'centres' policies. Centres were intended to promote self-containment (reducing the stress of travel as well as congestion); to help create local identity; to achieve efficient use of rail public transport systems. Centres may or may not be high-rise, but should be compact. Interestingly, one idea that is absent at this point is that rail-based centres would actually promote modal shift from the car to public transport (perhaps because car use was not at this time seen as a problem). This was to come later.

2.2   Archetypal Cities

2.2.1 London

The first application of these ideas to post-War reconstruction came with Patrick Abercrombie's two great plans for London: the 1943 County of London Plan (which dealt with what we would now consider the inner part of greater London) and his 1944

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[1] The CAD is a neighbourhood centre for CAD residents, a sub-regional centre for the city fringe and a regional centre for the inner city, as well as the primate centre for the whole metropolis; as the metropolis grows larger, the relative importance of the inner city declines, and along with it the relative importance of the local, sub-regional and regional role of the CAD.

Greater London Plan (which dealt primarily with the outer areas, and the Home Counties beyond, but also restated the basic ideas of the 1943 plan). Although the very high densities of Le Corbusier's radiant city were rejected, his freeways were not. Most of the other key elements of pre-War thinking can be identified: a green belt to limit the built-up area; 'green wedges leading from the open country into the heart of London' (p.99); decentralisation of both industry and population from inner London to reduce overcrowding.

Abercrombie proposed that some 700,000 people – almost a quarter – of inner London's residents be decentralised, both to existing towns and to purpose-built new towns beyond the green belt. The new towns were sited on existing rail lines, for ready access to London, but at sufficiently great distances – up to 80 km – to discourage regular commuting. The new towns were to be planned as self-contained communities: industry was to be decentralised along with residents, and a full range of retailing and community facilities provided in the towns.

The new towns were to be planned with clearly defined centres, a principle that was also to be applied to suburban centres within London. The rationale was to create local communities to address the formless 'urban sprawl' that had grown up before the War. As Abercrombie said:

> The sprawling outward expansion of London has engulfed many towns and villages… they are now embedded in a vast sea of inchoate development. Here they remain the only real centres of community life… it is noteworthy that within them is to be found a civic pride and healthy community life which is almost entirely lacking in the surrounding sea of incoherent housing… The planning task in the suburban ring is one of defining, completing and reclaiming communities (Abercrombie, 1944: 110-1).

In London, many activity centres had grown up around key points on the city's extensive rail system, and Abercrombie proposed reinforcing this pattern. This was partly because the majority of motorised travel in London at this time was by public transport, and this situation was expected to continue. By contrast, in the new towns, centres were not always placed near railway stations, since the stations served travellers to regions outside the town, not intra-town movement to the town centre. So in Abercrombie's plan, centres were primarily intended to provide civic focus rather than transit/land use integration. Indeed, the major transport concerns expressed were that each centre should be free of through traffic and should have sufficient car parking (p. 119).

2.2.2 Stockholm and Copenhagen

The first urban plan to directly link activity centres to transport policies was the General Plan for Stockholm, developed between 1945 and 1952, which proposed a series of satellite towns partly modelled on Abercrombie's London new towns (see Hall, 1998: 861-5). But there were crucial differences.

Firstly, the Stockholm satellites were much closer to the central city, and planners therefore aimed at only 50% self-containment (Hall, 1996: 308). There would be a considerable amount of external travel, mainly to the central city.

Secondly, the satellite centres were designed to ensure that this travel was undertaken by rail. The city council had in the 1940s decided to build a subway system, the Tunnelbana, and the satellites were designed around its stations with the express objective of generating sufficient ridership to make the subway economically viable. Each had its commercial and civic centre at the station, surrounded by high-rise housing on the Le Corbusier model, with densities declining with distance from the station. And the settlements were laid out in a linear pattern along the rail line. Interestingly, the concern was to protect rail from competition from buses, not cars (car ownership in Sweden was very low at the time). If the towns were allowed to spread too far from rail stations, then 'a demand would arise for bus connections direct to the centre [of Stockholm] which would cost, per person and per kilometre, 50 per cent more than the Tunnelbana' (Hall, 1996: 864).

Stockholm's suburban centres influenced generations of planners. As Hall (1996: 310) observes: 'The pilgrims still come in their reverent thousands to see them and are duly impressed.' Apart from the high quality of the urban design employed, planners have been impressed by the very close integration of transport and land use planning. The centre of Vallingby is perhaps the most famous example: above the Tunnelbana station is a town centre consisting of a major retail centre, together with civic, cultural and recreational facilities, grouped around a pedestrian town square. The centre is flanked on all sides by high-rise apartments.

The rail-based linear form of Stockholm's plan was parallelled by the Copenhagen 'finger plan' of 1947, which proposed a metropolis shaped like a hand, with 'fingers' of urban growth along rail corridors separated by 'green wedges' of farmland and open space. Each urban corridor would be a kind of linear city, with urban development following the city's rail lines, and activity centres located at railway stations. The original objectives of Copenhagen's plan were decentralisation, transport efficiency (particularly reducing the time taken to travel to work) and providing urban dwellers with green space close at hand. As in Stockholm, promoting the use of rail as an alternative to the car was not originally an explicit objective, because car ownership was very low.

2.2.3   Canberra

Canberra is about as different as a city can get from London, Stockholm and Copenhagen, being explicitly designed around low-density housing and the motor car. But like these three cities, Canberra's planning has been strongly influenced by notions of the ideal city derived from before World War II. The two strongest influences have been the linear city and garden city ideas, and 'centres' policies were again crucial to the result.

Canberra had been originally planned as a 'garden city' in the simplistic sense of being set in a treed, landscaped environment. But as the population began to grow rapidly in the late 1950s, the National Capital Development Commission (NCDC), strongly influenced by British planning experts, attempted to create the first complete example of Ebenezer Howard's 'social city', by surrounding the original settlement planned by Walter Burley Griffin with self-contained new towns. Each town was to feature a town centre comprising a full range of retail and community facilities, and a substantial concentration of employment, in the form of the headquarters of a government department.

Linear cities enjoyed a particular vogue among architects and urban planners in the 1960s (Fischer, 1984), and this corresponded with concern by the NCDC about the potential for transport problems as Canberra grew towards its then-anticipated likely population of one million. Even with decentralised new towns, the amount of traffic converging on the city centre would be considerable, and would require expensive and destructive freeways. And by the late 1960s, the NCDC for the first time expressed concern about the need to promote a viable public transport system.

The solution, adopted in 1969 and published in the 1970 report 'Tomorrow's Canberra', was to increase the degree of decentralisation of the new towns – and thus self-containment – and to change their physical arrangement. The NCDC's original plan of 1965 had the towns arranged around the city centre, but this was altered to a linear pattern following a public transport spine. To fit the linear city within the boundaries of the Australian Capital Territory, the linear form was modified to a 'Y' shape (NCDC 1970, p. 214), and thus the plan came to be known as the 'Y-plan'. There was also to be a hierarchy of retail centres, clearly influenced by central place theory (see above). At the top of the hierarchy was the city centre, Civic; next was the town (regional) centre; then a 'group centre' (sub-regional) based around a large supermarket, then finally a walking-based local (neighbourhood) centre (see Fischer, 1984).

The decentralised, linear pattern was intended to make large-scale car use possible without creating traffic congestion at the city centre, while leaving open the option for provision of trunk public transport along the spine connecting the town centres (at the time, it was assumed that this would be an express busway). Clustering activities and higher-density housing at the town centres and connecting them with a direct public transport route was intended to provide sufficient density of patronage to make a frequent service possible. Local (intra-town) bus services would connect residential areas to their respective town centres and thus to the express intertown public transport service.

The towns were also to be connected by an extensive freeway network located in the spaces between the towns. As it turned out, the freeway network was built, but the public transport spine was not. In its 1984 revision of the Y-plan, the NCDC quietly dropped the express public transport route, arguing that it did not anticipate a modal shift in the future (NCDC, 1984).

2.2.4 North America

Although ideal city concepts were debated just as enthusiastically in North America as in Britain, Europe or Australia, they were rarely implemented, largely owing to the absence of legal and institutional structures that would permit strong regional planning (Downs, 1992). Victor Gruen, the 'father' of the suburban shopping mall, tirelessly advocated the transformation of suburban malls into multi-use town centres on the European model. Perhaps ironically, the planner of the car-based mall strongly criticised the automobile-dominated nature of American cities during the 1960s, and expressly cited rail-based Stockholm satellites like Vallingby as models of 'the taming of the motor car' he advocated (Gruen, 1965: 240-1, 286-7). Similar arguments were raised, again based on the model of Stockholm, in Humphrey Carver's influential 'Cities in the Suburbs' (Carver, 1962).

While the absence of effective regional planning prevented the adoption of 'centres' policies in US cities, the 'cities in the suburbs' notion has been implemented in a number of Canadian cities from the 1970s onwards (see below).

2.3 Contemporary Centres Policies

2.3.1 Centres Policies and Sustainable Development

Contemporary activity centres policies in developed countries reflect a shift in focus from earlier concerns with providing a focus for the community and promoting self-containment. Although many cities justify 'centres' strategies by reference to these goals, in virtually all cities with 'centres' strategies, the primary justification for such policies now is the desire to achieve environmental benefits through transport/land-use integration.

Centres policies are generally designed to cluster activities and higher-density housing in walking-scale centres with high public transport accessibility, in order to promote a modal shift from the automobile to 'greener' modes. Specific objectives include:

- the use of public transport for 'inward' travel by people travelling to the centre for work, shopping, business and recreation;
- the establishment of sufficient density of demand to justify 'rapid transit' systems, preferably with 'balanced' flows on those systems (as in the original linear city proposal);
- the use of public transport for 'outward' journeys by centre residents and by those working in the centres (e.g. business travel to the CAD during the day);
- mixing of land uses to promote multi-purpose journeys and internal travel on foot (e.g. people employed in the centre doing business or shopping at lunch time); and

- reductions in the amount of car parking through multi-use of spaces (e.g. for office workers during the day; cinemas and restaurants at night).

In some cases, such as contemporary British planning, the focus is primarily on strengthening existing, transit-based centres – either traditional towns that existed before mass-suburbanisation, or pre-automobile suburb centres that grew up around railway stations. In North America, where suburban development generally proceeded prior to the construction of rapid transit systems, the emphasis tends to be on establishing such centres 'from scratch' to provide a focus for new, or proposed, rapid transit systems amid a 'sea' of automobile-based development.

2.3.2 Clustering for Economic Growth

In the last decade, a further rationale for centres policies has emerged in response to the emergence of a 'post-industrial' economy (cf. DOI, 1998: 15-19). A range of commentators have noted the relative decline in the importance of traditional manufacturing, as a source of employment, but also as a contributor to exports. Traditional, low-skilled 'Fordist' assembly-line manufacturing has either moved offshore to places with cheaper labour, or mechanised, reducing employment. Meanwhile, the growth in exports and employment is increasingly concentrated in 'knowledge-based' industries – the service sector and 'elaborately transformed manufactures'. A related trend has been for an increase in the number of firms, but a decrease in their average size, as out-sourcing and other forms of 'flexible specialisation' proceed.

Under the older 'Fordist' system, planners could encourage economic growth by providing large areas of industrially-zoned land, transport infrastructure and housing for industrial workers. It is less clear how 'footloose', knowledge-intensive industry can be attracted. It requires less land than older-style manufacturing, and arguably is less reliant on land-based transport. Those employed in such industries tend to be relatively highly-paid and can find their own housing.

Most current work on responses to post-industrial economic growth draws on Michael Porter's influential study *The Competitive Advantage of Nations*. Porter argues for the importance of 'creative milieux' or clusters which facilitate innovation through competition and knowledge-sharing (Porter, 1990; see also Hall, 1998). The need for clustering may be increased by the tendency for a larger number of smaller firms. This provides another reason for clustering suburban activity into multi-use centres: indeed, NIEIR (1996) argue that the lack (or at least small size) of such 'mini-CADs' in suburban Melbourne is a factor restricting the potential for growth of post-industrial economic activity in these areas.

A final point is worth noting here. Cost-benefit analyses of major transport infrastructure projects count 'economic benefits' almost exclusively in terms of travel time savings, with a higher 'value' assigned to business travel. If activity clustering enables businesses within a centre to interact without external travel, as in the Porter thesis, it presumably

generates such economic benefits as well. Past planning analyses have not brought these benefits into account, but perhaps they should be counted, given that activity clustering may prove less expensive than new infrastructure. So even if activity clustering does not reduce home-work travel time through self-containment, perhaps it has the potential to reduce business travel time. Unfortunately, there appears to be no empirical evidence available on this issue to date, but this is not a reason for ignoring it.

2.3.3 Contemporary Centres Policies in Australia and New Zealand

With the exception of Brisbane, all of the larger Australian cities prepared post-war metropolitan plans that were heavily influenced by Abercrombie's Greater London Plan 1944 (Alexander, 2000). The County of Cumberland Plan (released in 1948), Melbourne Metropolitan Planning Scheme (1953), Perth Metropolitan Region Plan (1955) and Metropolitan Adelaide Plan (1962) all featured 'District Centres' or 'District Business Centres'. Although (as in London) the primary motivations were community-building, reducing commuting to the CAD and civil defence, in all cities the proposed centres were adjacent to existing or proposed rail lines. The adoption of such locations seems to have been a response to the dominance of Australian urban travel by public transport at this time, rather than a deliberate policy to promote public transport.

The district centres suffered different fates in different cities. In Melbourne, the policy was quietly dropped in the 1960s, only to be revived in 1980, then dropped again in 1993. In Perth and Adelaide, the nominated centres remained in successive generations of plans with some additions and deletions, but until recently, few firm measures were enacted to support or enforce the policies. Sydney has adhered most strongly to its original 'centres' concept. For example, most of the regional shopping malls built in the 1960s were directed to district centres, in contrast to Melbourne, where these were largely constructed on greenfield sites. Although individual centres were added and deleted, the district centres notion has been retained with every revised metropolitan strategy prepared for Sydney, right down to the most recent revision, 'Shaping Our Cities' (1998), which states:

> Concentration of activities in centres ensures that public investment in transport infrastructure is supported and vehicle kilometres travelled are minimised through use of the public transport system (DUAP, 1998: 14).

Sydney's centres policy has been fairly consistently supported by a range of measures, including land assembly. But the policy has always relied heavily on development control to prohibit, or at least discourage, out-of-centre developments. Thus, the planning strategy for Sydney's West states:

> Policy: Intensive commercial activity should be located in centres.
> Actions: Strengthen existing policy of discouraging rezoning proposals for retail, office, entertainment and service uses to be located outside centres (DUAP, 1999: 15).

One thing that has changed is the rationale for district centres policies. As has been the case overseas, in other Australian capitals, district centre policies are now primarily directed at transport sustainability objectives. An example is provided by South-East Queensland, which in 1995 adopted a Regional Framework for Growth Management, which promotes five 'key employment centres' which are, or are planned to be, served by rail or other high capacity public transport, with the objective of encouraging public transport as an alternative to the private car.

New Zealand's cities share many similarities with their Australian counterparts, including low-density urban forms and car-dominated transport patterns. Auckland, with a regional population of 1.2 million, is of comparable size to Australia's mainland state capitals. Despite having a different urban planning system (under the Resource Management Act) and a long (until recently) history of national government support for deregulatory policies, Auckland's regional land use and transport strategy, like those of Australian cities outside Melbourne, promotes 'intensification of housing and employment around a number of inner city and suburban activity centres', selected on the basis of their ability to 'help reduce reliance on motor vehicles' (ARC, 1999: 32). This generally means the centres must be at stations on existing, or proposed, rapid transit lines.

2.3.4 Contemporary Policies in Canada

The three largest Canadian cities – Toronto, Montreal and Vancouver – have all adopted centres policies. Montreal has nominated three centres, Longueil, which is on a metro line and Anjou and Fairview, which are planned for connection, but few concrete measures have been enacted in support of the policy.

Toronto's activity centres policy, adopted by the Municipality of Metropolitan Toronto in 1980, has been widely – and perhaps excessively – praised in Australia. The policy was influenced by the ideas of Carver (see above), and of Jane Jacobs (who moved to Toronto from New York in the 1960s) and citizen's action groups of the 1970s. The idea of promoting suburban centres appealed to suburban councils concerned about the formlessness of Toronto's post-war sprawl, but also of inner city residents concerned at high-rise development in the city centre, and traffic problems. The policy was intended to reduce car commuting to the city centre and to make the urban rail system more efficient by promoting bi-directional commuting. Six centres were nominated, located at strategic sites along the rail rapid transit network, but one centre, which was performing poorly, was dropped in a review in 1990. A further revision in 1994 saw the adoption of a two-tier categorisation, with three 'major metro centres' and a much larger number of smaller 'centres'.

The longest-standing centres policy in Canada, is Vancouver's, which dates from the first 'Livable Region' strategy adopted by the Greater Vancouver Regional District in 1975. The adoption of this strategy followed public controversy that effectively ended urban

freeway building in Vancouver. A decision was made to build a rapid transit system (at the time, Vancouver was served only by buses), and the centres policy was, like Stockholm's decades earlier, expressly designed to create concentrations of activity and residential development that would ensure the viability of rapid transit (GVRD, 1993b: 9). Originally, four suburban centres were nominated, located at strategic points along the proposed rapid transit system. Subsequently, two further centres were added, based on extensions to the rapid transit system.

By the early 1990s, the rapid transit system had been partially built (in the form of a single 'Skytrain' line and an express ferry service called 'Seabus'), serving four of the six centres. The GVRD embarked on a revision of the Livable Region Strategy which had, to some extent, fallen into disuse during the 1980s. The process was an exemplar of participatory, co-operative planning, and produced a surprising degree of consensus among local governments, provincial agencies and community groups.

A renewed centres policy was a centrepiece of the resulting strategy, which focuses on curbing sprawl and shifting travel from the car to other modes (GVRD, 1993a). An extension of the Skytrain service is currently underway to Coquitlam, one of the two unserved centres, and this is to be followed by a final line to Richmond, the last unserved centre. The centres are to be promoted as preferred sites for major developments. As the strategy states:

> The development of centres is aimed at harnessing the trend to a dispersal of economic activity in growing metropolitan communities. The objective in Greater Vancouver is to take the activities that seek decentralised locations and accommodate them in centres, as opposed to a multitude of dispersed locations (GVRD, 1993b: 8).

Vancouver's centres are intended to promote self-containment as well as mode shift away from the automobile. As indicated above, this is an objective that has proven elusive in other places, but there are some grounds for thinking that Vancouver may have more success. In contrast with most other cities, Vancouver's transport policies are intended to reinforce self-containment as well as mode shift. In the case of roads, the policy is to use parking restraint, tolls and congestion as 'demand-management' tools and to refrain from building new high-speed expressways. The transit policy emphasises medium-speed, all-day 'regular' transit in preference to high-speed, limited stop 'commuter' transit that is seen as promoting sprawl.

2.3.5 Portland, Oregon

In the United States, as indicated above, the absence of effective regional planning makes the introduction of centres policies difficult, although they have widespread support among urban planners. A rare exception is Portland, Oregon, where a federal metropolitan government, modelled on Toronto's, was introduced in 1978. Metro Portland was given regional urban planning responsibility in 1990.

The Portland regional plan, the *Region 2020 Growth Concept*, was adopted by Metro in 1994. It shares many similarities with Vancouver's. Sprawling growth is to be contained by a 'growth boundary'; expressway building is de-emphasised in favour of expanding the (currently small) rapid transit system. The transit-oriented development pattern is to be reinforced through nine regional centres at strategic locations along existing and planned rapid transit lines. Significantly, this new planning direction was adopted as an alternative to proposed major new freeways. The policy change was largely the result of a transport and land-use modelling study carried out by a community group, the '1000 Friends of Oregon', called LUTRAQ (for Land use, Air Quality And Transport), which successfully discredited the traditional highway-based modelling which had produced the freeway plans (Cervero, 1998: 416-23).

2.3.6 European Centres Policies

Most European cities have in place planning policies designed to cluster activities in transit-oriented suburban centres. Paris provides an example, with suburban centres policy beginning in the 1960s with the objective of decentralising activities and providing a focus for otherwise centre-less suburbs, and gradually moving to a more explicit focus on promoting the use of public transport. Stockholm has already been discussed and is considered further in section 3.4. The European Commission's 1990 Green Paper on the Urban Environment formalised the situation, with express advocacy of concentration of activity in transit-oriented locations, along with controls on residential sprawl (CEC, 1990).

The transit/land-use integration objectives of Copenhagen's 'finger plan' were not vigorously pursued in the 1970s and early 1980s and suburban development began to assume an 'American' pattern. This led to a 'shoring-up' which began in 1987 and was progressively strengthened in the 1990, and which reasserted the requirement for residential development to follow the rail-based corridors and for major commercial development to be located at stations (Cervero, 1998: Chapter 5).

In 1997, the Danish government amended the national planning Act to require all urban areas to plan for the siting of retail facilities in locations that promote access on foot, by bicycle, or by public transport. The amendment was motivated by sustainability concerns and was expressly designed to prevent proposed 'out of centre' developments occurring (Laursen, 1997). Retailing is to be located in transit-oriented centres, but there are four exceptions. Three of these – local shopping; factory sales outlets; cities where the central core cannot expand due to historic conservation controls; are unexceptional, but the final exception is worth noting in the Melbourne context.

The 1997 amendment offers an exception for stores selling space demanding goods that cannot be located in centres. But the shops in question must sell only goods of this type, and there is a strict definition, which includes timber, building materials and cars, but specifically excludes food, electrical equipment such as televisions and washing

machines, furniture and hardware (Laursen, 1997). It is clear that most 'big-box' retailing in Denmark will be required to locate in centres.

2.3.7 The Dutch A-B-C concept

A final European approach that is worthy of mention is the Dutch 'A, B, C' concept. The national government issues planning guidance statements in a similar fashion to the United Kingdom (see below), and the 1995 guidance, titled 'The right business in the right place' requires local authorities to designate and promote activity centres on the basis of accessibility.

'A' locations are highly accessible by non-automobile forms of transport, a stipulation which usually means access by rail rapid transit. Activities that generate large volumes of person-traffic, but are not freight-intensive are directed to these sites.

'C' locations are usually poorly served by public transport, but well-served for freight transport (for example, near expressway exits). Warehousing, heavy industry and other freight-intensive activities are directed to these sites. These activities usually generate relatively few person-trips.

'B' locations are an intermediate state: with reasonable public transport (e.g. bus service along an arterial road) and road access, and activities that produce moderate intensities of fright and person movement are directed to these sites (Newman & Kenworthy, 1999: 180-1).

2.3.8 United Kingdom

Possibly the most strongly regulatory-based approach to 'centres' policy is that employed in the UK since 1993. That this should be so is remarkable, because the new policy was introduced under the Thatcher Conservative government, which in the 1980s had exhibited strong hostility to urban planning.

Planners in London and other UK cities in the 1950s, 1960s and 1970s strongly promoted existing 'town centres' as locations for retail and other commercial development. The original motivation appears to have been the desire, deriving from Abercrombie's London plans (see above) for clear centres of community activity. Free-standing suburban shopping malls and office parks were, by and large, simply prohibited.

With the election of the Thatcher government in 1979, this strong regulatory approach to planning was swept away in pursuit of an ideological commitment to the free market. The 1980s saw a boom in office and retail construction in the UK and, with the relaxation of planning controls, much of this development took the characteristically American 'edge city' form. This pattern was strongly criticised by practising and academic planners as well as by environmentalists.

But in the early 1990s, the British government – even Mrs. Thatcher herself – began to voice a commitment to environmental sustainability that coalesced with the 1990 publication of a national environmental strategy called 'This Common Inheritance', and was strongly reinforced by the 1994 report of the Royal Commission on Environmental Pollution. The commitment to sustainability saw a reappraisal of national planning and transport policies. A new national Planning Policy Guidance (PPG6)[2] was introduced in 1993 to cover 'town centres and retailing', followed by a related new guidance for transport (PPG13), then, in 1996, an updating and strengthening of PPG6.

The 1996 version of PPG6, which remains in force despite the election of the Blair government in 1997, explicitly states that its objective is to 'focus development' where it 'maximises the opportunity to use means of transport other than the car' (1.1). This is to be achieved by a strongly 'plan-led approach':

> Structure plans… should set out the hierarchy of centres and the strategy for the location of employment, shopping, leisure and entertainment, hospitals, higher education and other uses which generate many trips and should be well served by public transport. In particular, the development plan should indicate a range and hierarchy of centres, from city centre, through town centre, district centre, to local centres, where investment in new retailing and other development will be promoted and existing provision enhanced (1.5).

Proposals for new development are to be directed to existing, transit-oriented town centres. Only if such locations are unavailable are freestanding sites permitted (1.11). Local authorities are to help makes sites available through measures such as land assembly (1.13); developers wishing to locate in out-of-centre sites bear the onus of proving that a suitable site within a centre cannot be found (1.9); developments must be refused planning permission if they would undermine existing transit-oriented centres (4.2).

The new PPG6 is, if anything, stronger than the planning controls which applied to activity centres before the 1980s, since it includes things like hospitals and higher educational institutions that in past decades were allocated free-standing sites. The environmental justification is repeatedly stressed throughout the document.

2.3.9 Singapore

The ultimate realisation of the ideas of Stockholm city's planners came not in Sweden, but in Singapore (Hall, 1998: 885-7). As a unitary city-state with a shortage of land, Singapore provided an almost ideal proving-ground for the ideas pioneered in Stockholm. Comprehensively-planned, high-density mixed-use suburban centres have been planned along an excellent rail system, in an urban concept plan dating from 1971 (Cervero, 1998: Chapter 6).

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[2] PPGs are binding directions from central government to local authorities about how to prepare planning strategies and controls.

2.4   Assessing The Results Of Centres Policies

The experience of cities that have attempted to implement 'centres' policies has been extensively debated, but there has been surprisingly little rigorous statistical analysis of results. The 1991 report by Marjory Moodie on Melbourne's district centre policy (see Chapter 3) appears to be virtually unique. Some data collection has been carried out in other cities, but most of the research into the effectiveness of centres policies in promoting modal shift is based on modelling, rather than empirical evidence. When considering the success of centres policies, two questions logically arise. Have cities which have adopted centres policies actually succeeded in clustering activity in the way they sought? And has the clustering of activity produced the transport consequences desired? We will begin with the second of these.

2.4.1   Self-Containment Versus Public Transport Use

Cities and towns designed to promote self-containment have rarely fulfilled their planner's ambitions. In Canberra's new towns, self-containment (measured as the percentage of workers living in new towns who also work there) has been about half the 60% planned for by the NCDC. In Stockholm, which set a more modest target of 50%, again only about half as many workers as expected were employed locally (Cervero, 1998). The English new towns have achieved the highest self-containment ratios, in part at least due to their being built at long distances from London. But even here, the performance was less than planned for, with significant numbers of workers commuting to London, and also to other peripheral settlements.

But while self-containment has proven elusive, Stockholm's planned suburbs exhibit very high rates of public transport use, as well as moderately-high rates of walking and cycling, in contrast with Canberra and most British new towns[3], where transport patterns are dominated by the car. Robert Cervero (1998: 129) argues that there seems to be a trade-off between self-containment and non-automobile commuting, and Peter Hall (1998: 969) points out:

> If we decentralise activities two contradictory things happen: commuter journeys are shortened, but there is a huge transfer from public transport to the private car.

Cervero argues that the latter effect more than outweighs any benefits from the former, and that even self-contained, car-oriented English New Towns have among the highest per capita vehicles travel levels in Europe. Newman and Kenworthy (1999) cite statistics showing similar results in Canberra.

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[3] One small new town, Runcorn, was specifically designed to promote internal travel by public transport, with residential areas and activity centres grouped along a figure-of-eight-shaped busway. The result has been very high shares of internal travel – roughly 50% for all trip types – by public transport (Dupree, 1987).

2.4.2 'The 'Sustainable Automobility' Alternative

The apparent trade-off between self-containment and mode share has led to something of a debate among urban commentators. Peter Gordon and Harry Richardson of the University of Southern California at Los Angeles are the strongest proponents of what has been dubbed 'sustainable automobility'. They argue that people's natural reluctance to travel long distances produces spontaneous decentralisation of employment, which in turn promotes self-containment. Although the car will dominate travel, journeys will become shorter, leading to reductions in pollution and congestion. In summary:

> Spontaneous relocation decisions by firms and households do a very nice job of achieving balance, and keeping congestion within tolerable limits without costly planning intervention. The appropriate role for [planners] is to facilitate the decentralisation of jobs by relaxing zoning restrictions…. In other words to help the market work rather than strangle it (Gordon, Richardson & Jun, 1991: 419).

Australian support for such views can be found in the work of Kevin O'Connor (e.g. O'Connor, 1994) and John Brotchie (e.g. Brotchie et al, 1995).

The strongest American critic of the Gordon/Richardson thesis is Robert Cervero, who argues that unplanned decentralisation of employment to car-dependent 'edge cities' produces increases, not reductions, in travel. This is particularly because 'edge cities' have tended to cluster around key points on high-speed freeways (cf. Garreau, 1991). Although the debate in the USA continues, most commentators accept that it has been resolved in favour of Cervero's views. This is because the proponents of the 'sustainable automobility' view themselves proposed an empirical test of the hypothesis that, once the results came in, falsified it.

Gordon and Richardson argued that their hypothesis was validated by an apparent fall in commuting times between 1980 and 1985. The US census, which is conducted every 10 years, includes a question on the time taken for the journey to work, and Gordon & Richardson compared the results for the 1980 census with those from the 1985 American Housing Survey. They found the average time taken appeared to fall by around 8% and proclaimed that their hypothesis had been validated. The first response to this 'finding' is that it reflected faster, not shorter journeys, so environmental problems may still have been worsened.

A more telling response is that, since the figures were from two quite different sources, the discrepancy might have been due to incompatibility of data, rather than a genuine fall in times. The real test would have to await the results of the 1990 census. Prior to release of these results, one of Gordon & Richardson's supporters predicted that the average time taken for work journeys would fall from 21.7 minutes to 'closer to 20 minutes' (see Garreau, 1991: 127). In fact, the 1990 census showed an increase, to 22.4 minutes, and in urban areas, the increase was greater, from 22.8 to 24.5 minutes (Cervero, 1995: 340).

This finding has been backed up by detailed analysis of work journeys in the San Francisco Bay Area, which found that car-based employment dispersal was the main factor behind increasing work-related travel (Cervero, 1995). Further confirmation comes from the comparative travel data collected by Newman & Kenworthy (1999), which shows that US cities, where employment is more dispersed than in Australian, Canadian or European cities, have by far the highest travel per capita. In Australia, work by Brotchie based on the Australian census and apparently showing declining times for the journey to work in Melbourne turned out to have been based on an error (Mees, 1994).

Cervero concludes that 'transit-oriented' activity dispersal on the Stockholm model is the most efficient arrangement from a transport point of view, a position supported by other observers such as Hall (1998).

2.4.3 The Royal Commission on Environmental Pollution

The UK Royal Commission on Environmental Pollution's landmark 1994 report *Transport and the Environment* constitutes probably the most extensive and objective review of the evidence on the question of the influence of land-use patterns on transport generally. The Commission notes that the evidence – derived mainly from modelling, but also from some empirical work – is not always consistent, but that it does support 'centres' policies.

> We conclude, from a large amount of often confusing evidence, that there is no single pattern of land uses that will reduce the need to travel… but avoidance of obviously travel-intensive development patterns would be a significant improvement on the present situation…. In our view [policies] should include the promotion of development which does not rely on car access (hence no new out-of-town superstores, retail centres and business parks unless they bring demonstrable environmental benefits); the location of developments which generate high travel demand where they can be reached on foot, bicycle or public transport; the encouragement of a wide range of facilities at local level so that journeys can be made on foot or bicycle; traffic management (for instance by limiting parking provision); the encouragement of housing development which enables people to live near their work; the siting of freight depots where they can be served by rail or water; the encouragement of lively and attractive town centres; and the adoption of measures to foster walking, cycling and public transport. (RCEP, 1994: 151-2)

Interestingly, even the critics of 'urban consolidation' policies – or at least those critics who continue to support the concept of regional planning – strongly support centres policies. Thus, Patrick Troy in 'The Perils of Urban Consolidation' suggests:

> A series of sub centres in each metropolitan area would be identified to which commercial and cultural development would be directed… Government

administration would be decentralised to these centres and could even be accompanied by a substantial degree of devolution of responsibility…. local government would be reorganised so that the centres were the natural focus of local government activity and administration… The transport system, including the public transport system, would be developed to focus on and connect these centres to one another… (Troy, 1996: 175-6).

The reference to decentralisation of administration and local government even echoes Ebenezer Howard. The support for 'centre' policies, however, echoes that of other defenders of Australian suburbia, including Hugh Stretton and Miles Lewis (1999: 129-33).

2.4.4 What Determines the Effectiveness of Centres Policies?

This then brings us to the other question raised earlier, namely the effectiveness of planning policies in actually bringing about the desired clustering of activity in transit-oriented, mixed-use centres. Again, the field is remarkable for a lack of solid, empirical work, but some general conclusions can be drawn. In places where pro-active planning for greenfield sites has been coupled with strong regulatory planning – notably the City of Stockholm and Canberra – the resulting urban form closely resembles that laid down in the plans (Fischer, 1984; Cervero, 1998). In Stockholm's case, planned satellite suburbs (see above) were built from the 1950s through to the 1980s, but they did not comprise the only form of suburban development. As has been the case in many other cities, urban development has outgrown the boundaries of the City of Stockholm, and suburban municipalities have pursued much less stringent planning policies. Although regional plans were formulated, they seem to have been ineffective because real power rested with local government (Hall, 1998: 868).

Many of these municipalities were consciously reacting against the design of master-planned communities like Vallingby, which many Swedes regard as soulless examples of modernist architecture and planning. This partly parallels the average Australian's view of Canberra, except with the added problem of the unpopularity of high-rise public housing. A divide began to develop between higher-income, low-density suburban municipalities and the planned, high-density settlements, which increasingly attracted low-income residents (Hall, 1998: 872-8). And alongside the low-density residential developments grew dispersed, car-based commercial and retail developments on the American 'edge city' model. The result is an urban landscape that is divided along social lines, but also along transport mode share lines.

Canberra is probably the city where the planner's desired urban form has been most fully realised. Most higher-order suburban retailing and employment can be found in one of the three designated centres of Belconnen, Woden and Tuggeranong. Canberra is, of course, an unusual case given the high degree of control exercised by the National Capital Development Commission, which built the city's suburbs from scratch on greenfield sites.

Interestingly, however, while the land-use outcomes coincided with the planners' intentions, they did not produce the desired transport outcome (i.e. self-containment). As a result, per capita car travel in Canberra is actually higher than in Melbourne and Sydney (Newman & Kenworthy, 1999: 84). The high-speed freeways connecting the towns encourage travel between them and undermine the potential for self-containment. But Hugh Stretton and other commentators have argued that Canberra's structure, being based around activity centres along a linear public transport spine, would permit a relatively painless transition to a higher mode share for public transport.

In 1977, a modelling study commissioned by the NCDC and carried out by John Paterson Urban Systems and Pak-Poy & Associates, concluded that such a mode shift would be feasible, if a 'demand management' policy was adopted, comprising restraint on road building, improved public transport and charging for car parking in Civic and the town centres. It was estimated that the city-wide public transport mode share for work trips could be increased from 14% at that time to 33% (Pak-Poy et al, 1977, tables 5.21-5.25; by comparison, the current public transport mode share in Melbourne is approximately 15%[4]).

The possibility of a shift in transport mode existed because planning had clustered activity into a limited number of centres arranged along a public transport spine, underlining the point that supportive land-use policies are a necessary, but not sufficient, condition for mode shift. Unless they are backed up by supportive transport policies, land-use measures alone are likely to be ineffective.

At the other extreme, where 'centres' policies have consisted largely of exhortations in documents, they have had little impact on actual land-use trends. Examples here include Montreal, Perth and Adelaide.

Where centres policies have been pursued with positive incentives such as promotion and land assembly – as notably in Toronto – some success has been achieved. In the decade following the adoption of the 1980 centres policy, some 760,000 square metres of office space was added to the six designated centres, which planners in Metropolitan Toronto interpreted as evidence of success. This was, however, only a little more than a third of the suburban office space added in Metropolitan Toronto at the time (Metro Toronto, 1992). The share of new retailing that went to centres was considerably lower than for office space. The mixed fortunes of the six centres led to the 1990 and 1994 revisions of the policy (see above). The new policy also incorporates a mode share target that seeks to have 50% of travel to major centres by non-automobile modes (walking, cycling and public transport). Currently, the best-performing centre, North York, manages only 30%, but this is planned to improve as public transport links to the centres are upgraded. So Toronto's centres policy can be seen as a partial success.

Vancouver's centres policy initially relied mainly on 'carrots', like Toronto's, but has more recently begun to use the 'stick' of negative zoning (i.e. prohibition or

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[4] These figures refer to motorised trips, i.e. with walking and cycling excluded, as was the practice in the 1970s.

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discouragement of major developments outside the designated centres) as reinforcement. This is easier to achieve than in Toronto, owing to the existence of more effective regional planning processes in Vancouver. It is too early to tell what the effects of this policy are, but a review of the much weaker policy adopted in the 1970s suggested that it had been moderately successful at attracting commerical development, and quite successful at attracting higher-density housing to the designated centres (GVRD, 1993b).

Sydney also provides an example of positive measures (land assembly) backed up with negative zoning. Its district business centres policy has been pursued with varying degrees of consistency for five decades, but in contrast with Melbourne's (see next chapter) has remained in force throughout this time. Significantly, during the critical period of the 1960s, the policy was enforced and backed up with a program of land assembly. As a result, most suburban department stores and regional shopping malls are in designated, rail-based centres (see Chapter 3).

Surprisingly, there has been little research on the mode share effects of the policy. The more effective clustering of major suburban retailing and office space is an important reason for the much higher per capita patronage of rail in Sydney when compared with Melbourne.

A 1998 study (Gee et al, 1998) found that, between 1981 and 1996, employment in the 10 designated suburban centres in Sydney increased from 108,000 to 148,000, a rise of 37%, slightly higher than the overall rate of increase in employment across Sydney. The share of suburban (i.e. non-CAD) jobs in these centres increased from around 11% to around 12%. Sydney's centres are on average considerably larger than Melbourne's: Parramatta and North Sydney each employed 33,000 people in 1996, making them around twice the size of Box Hill, Melbourne's largest centre. The public transport mode split to most of Sydney's centres varies, but is also higher than in Melbourne. The highest share (for work trips) is 50% for North Sydney, followed by 36% for Chatswood, 28% for Parramatta, 28% for St. Leonards and 22% for Hornsby. The remaining centres vary from 9% to 16%, while in all 10 centres, walking and cycling account for around 5% of access trips.

Sydney's response (as discussed in section 3.3.3) has been to strengthen planning policies to concentrate more activity in centres, and to dramatically expand the urban rail system to better serve existing centres and also to bring two further centres – the Macquarie University area and the Central Industrial Zone adjacent to the Airport – into the 'transit-based' category. The overall concept, of a multi-nodal city served by a multi-directional rail system, corresponds (on a larger scale) to the structural principles underlying centres policy in Metropolitan Toronto.

What policy-makers in Sydney appear not to have realised, however, is that further supportive transport policies will be required. Most centres do not apply 'demand management' policies to car parking, and public transport access remains poor because, while the centres are on rail lines, most people travelling to them do not live within walking distance of rail stations. The poor quality of suburban bus services and the

absence of a multi-modal fare system make the bus-rail trips required to reach the centre unattractive for many patrons. This can be seen from the experience of the North Sydney centre which, under the leadership of Mayor Ted Mack in the 1980s began to adopt a demand management policy for parking, with the minimum levels in planning controls being replaced instead with maximums or 'caps'. The result is a mode split in favour of public transport of approximately 50%, compared with around 35% two decades ago (source: City of North Sydney). This result is probably also due to the unusually high level of public transport access provided to the centre, which is served by rail, but also by an extensive bus network.[5]

In the United Kingdom, the strict planning controls in place prior to the Thatcher era ensured that US-style freestanding retail and commercial parks barely existed. The return to planning only commenced in 1993, with the enactment of PPG6 and arguably really only commenced with the revision and strengthening of PPG6 in 1996, so it may be too early to judge the results. However, discussions with British planners suggest that, at the level of land use at least, significant change is occurring. It appears that no major new freestanding retail developments have received planning approval since 1996, and many retailers who formerly favoured such sites have found creative ways of adapting themselves to locations in centres. For example, smaller supermarkets with minimal or even no car parking have become popular – and the concept is spreading to Australia with concepts like 'Coles Express'. It seems that many apparently space-hungry uses are more flexible than many observers have assumed.

2.4.5   What Kinds of Land Uses are Directed to Centres?

As the objectives of centres policies have evolved over time, ideas have changed about the kinds of activity-generating land uses that should be located in centres. The tendency has been to add to, rather than subtract from, the list.

In the earliest, 'community-building' centres policies (such as Abercrombie's Greater London Plan), the emphasis was on the kind of uses traditionally found in town centres: town halls and libraries, churches, shops and local businesses. As the agenda shifted towards self-containment of travel, and as the importance of office jobs as a source of employment increased, attention was focused on employment and retailing, which were seen as major generators of travel (a notable example is Canberra – Fischer, 1984).

In earlier plans, industry was not seen as appropriate for siting in centres because of its large requirements for land and externalities like noise and air pollution. In addition, large public facilities like hospitals and, even more so, new universities, were given large freestanding sites. This seems to have been more a response to architectural fashions of the 1950s and 1960s, which favoured remote campuses surrounded by parkland to buffer

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[5] The bus network is an accident of history, rather than the result of conscious planning. Milsons Point used to be the terminus for the North Shore tram, bus and rail systems, as passengers transferred to ferries there prior to the opening of the Sydney Harbour Bridge. A reduced version of this network remained in place following the opening of the Bridge and exists to this day.

them from 'the world' (Monash and LaTrobe Universities in Melbourne are good examples), than to any inherent unsuitability of these uses to locations in centres. As more attention has focussed on environmental sustainability, and as ideas about the relationship between higher education institutions and the rest of the community have changed, these older views have begun to change. So, for example, the British PPG6 expressly refers to hospitals and higher education as uses which are to be directed to centres.

Industry and transport remain the classic examples of uses unsuited for location in centres – although some 'high-tech' industry probably is now clean enough and sufficiently economical in use of space to be considered. The major source of tension has been with newer forms of retailing, beginning with supermarkets and more recently including 'big box' stores and factory outlets. But even here, as the example of Denmark discussed in section 2.3.6 shows, there are relatively few retail uses that genuinely require spacious sites. In most cases, the large sites required are needed for extensive car parking, and so in cities where centres policies are co-ordinated with transport policies to promote mode shift, the force of this argument for freestanding sites is greatly diminished.

2.4.6 Conclusions

It is clear from this review of the international and interstate experience that an activity centres policy is an essential planning tool for achieving desired environmental, economic and social sustainability outcomes such as a significant shift in transport mode towards non-motorised transport. While the details of the various policies employed in cities around the globe may vary, there is considerable consensus among urban planning commentators and practitioners on the importance and value of such policies.

Activity centres policies have featured prominently in urban plans since the Second World War, in Australia and other developed countries. Although originally intended to serve a variety of purposes, such policies have increasingly become oriented primarily to transport sustainability objectives. Clustering activity and higher-density housing in designated walking-scale centres that are, or will be, well-served by public transport is intended to encourage use of public transport for trips to and from the centre, and walking for trips within the centre. Some commentators also argue that clustering can promote innovation and economic growth. Transit-oriented sites for major activities seem to work best when coupled with the encouragement of networks of smaller centres for convenience shopping and other local activities, based around walking (and cycling) as the preferred access modes.

Centres policies differ according to local circumstances: in some places, they are designed to reinforce existing, transit-oriented centres; in other places they are designed to create such centres where none exist. Some cities see their suburban centres as genuine alternatives to the CAD, leading to the creation of multi-centred urban areas served by multi-directional rapid transit systems; other places see such centres as

subordinate to CADs, drawing from locally- and radially-based catchments, and thus compatible with radial rapid transit systems and urban development corridors. But while cities differ on the details – how many centres; how strongly planning promotes them, etc – what is remarkable is the near-unanimity among urban planning commentators and practitioners in supporting such policies.

The actual experience with centres policies overall underlines the fact that, while it is possible to use integrated transport and land-use planning to promote modal shift, the task is not simple and requires firm, co-ordinated policies pursued consistently over many years. Cities which have pursued half-hearted policies, or which have failed to back land-use policies with supportive transport policies, have generally produced only partial success and in some cases no benefit at all. But conversely, cities which have pursued co-ordinated policies for long periods have managed to effect significant improvements in transport sustainability patterns.

The critical ingredients in successful interstate and overseas centres policies are:

- Designation or targeting of a small number of major mixed use centres that are, or will become, well served by public transport. This usually amounts to a rail rapid transit connection, coupled with an extensive bus network that doubles as a feeder service to rail and a direct service to the centre. In the case of a corridor-based centres policy, rail access from only one direction (radially outwards) may suffice; in the case of 'multi-CAD' style policies, multi-directional rapid transit access (as is being provided for Parramatta in Sydney) is required.
- Potential for expansion in priority transit-oriented centres. This means that suitable land be available, and the regional economic situation is supportive. This latter factor is much harder to quantify and is the subject of considerable debate.
- Integration of transit-oriented centres encompassing major activities with networks of smaller centres for convenience shopping and other local activities, based around walking and cycling as the preferred access modes.
- Emphasis in the planning of the internal structure of centres on compactness, pedestrian-friendly layouts and mixing of land uses. This needs to be backed up by policies to assemble appropriate sites for developments, especially those which require large sites.
- Regulatory planning policies that restrain developments that should be located in centres from locating outside centres. Policies that rely only on 'carrots' have not succeeded.
- Supportive transport policies. These include provision of high-quality, integrated public transport services connecting the centres to their regions; parking policies within centres which emphasise 'demand-management' (e.g. ceilings, rather than minimum requirements); and road construction policies which similarly emphasise demand management and which refrain developments which encourage travel patterns inconsistent with centres policies.
- Consistent commitment to centres policies by local and State level governments. This commitment must be maintained over a significant period of time and includes

ensuring that government agencies themselves locate people-attracting activities in centres.

- Orderly cycles for monitoring and review of centres policies to reduce the opportunity for ad-hoc modifications in response to developer pressure**.**

Chapter 3: Centres Policies in Melbourne and Geelong

3.1 Introduction

Centres policies came to Victorian urban planning in the 1950s, and were initially very closely derived from then-current British models. Subsequent decades have seen waxing and waning of enthusiasm for policies of this kind, together with rises and falls in the degree to which the policies are based on objectives consistent with ecologically sustainable development. This chapter reviews those changes, commencing with Metropolitan Melbourne and concluding with Geelong. The chapter concludes with a synthesis of the general orientation and effects of the policies, with an outline of policy issues to be considered in Chapter 5.

3.2 The Origins Of Melbourne Centres Policy: The 1950s

The first discussion of a centres policy for Melbourne was outlined in the two-volume report which accompanied the proposed Melbourne Metropolitan Planning Scheme 1954. This report, which was released in 1953, was the product of a two-year study by the Melbourne & Metropolitan Board of Works, which in 1949 had been appointed the regional planning agency for metropolitan Melbourne.

In contrast with other studies, notably Sydney's County of Cumberland Plan of 1948, which were copied on a wholesale and largely uncritical basis from Abercrombie's Greater London Plan, the MMBW's plan was based on a real attempt to adapt British planning ideas to the actual conditions of Melbourne, as uncovered in the Board's very comprehensive survey and analysis of existing conditions and trends. Thus, for example, the idea of a London-style green-belt was considered and rejected as unsuited to Melbourne's corridor pattern of urban growth.

Similarly, Abercrombie's emphasis on decentralisation of population from inner areas was also rejected in favour of an early version of what we would now call 'urban consolidation'. This policy was based on a survey of residential preferences which revealed, as early as the 1950s, a strong preference for centrally-located housing, provided it was affordable and of good quality. But the Board did strongly support decentralisation of industry and retailing from central Melbourne, which the Board believed was becoming too crowded.

Industrial decentralisation was to take the form of spacious factory zones, but commercial decentralisation was based around centres:

"A policy of business decentralisation is essential if our future civic development is to be sound, and should be encouraged in Melbourne. For such a policy to be effective, the decentralised activities should be grouped in centres which are not only well located geographically, but in which the existing physical conditions make it feasible to provide the necessary amenities and facilities by a program of progressive development…"

A hierarchy of existing shopping centres was identified - Major Shopping Centres, Secondary Shopping Centres, Minor Shopping Centres, Local Shops - but not all of the examples listed for 'major shopping centres' were regarded as suitable sites for major retail growth. Five District Business Centres were selected

"because they are well located geographically, and because they have the potentialities for progressive development. Whatever activities may be attracted to those centres, the main activity will be shopping but it is visualised that besides this nucleus these centres will provide facilities for retail marketing, for medical, dental and other professions, for branch offices for businesses and public administration and for entertainment and cultural activities. They will offer to residents of the locality many of the facilities of the central city area under more attractive conditions nearer to their homes." (p 53)

The five designated District Business Centres were Footscray, Preston, Box Hill, Moorabbin and Dandenong. The policy was expressed through the designation in the planning scheme of a hierarchy of business zones – District Business Zone, Restricted Business Zone and Local Business Zone. The Board also prepared sketch plans for the comprehensive redevelopment of each of the five centres to accommodate cinemas, department stores and offices.

It is significant that the five sites chosen were all adjacent to railway stations, but the Board's report does not expressly refer to the objective of promoting public transport use (or walking or cycling). Rather, the siting appears to have been a response to the then-current reality that the vast majority of travel in Melbourne was by public transport. Although the Board anticipated a growth in car usage, it did not predict the dramatic nature of the decline in public transport. Activity centre policy at this time was based more on a desire for self-containment in decentralised regions, intended to reduce pressure on both public transport and roads serving the city centre, than on the key principles underlying ecologically sustainable development. Sustainability was not on the planning agenda at that time.

3.3 Implementation of Melbourne Policy from the 1950's to the early 1970's

The MMBW's 1954 activity centre policy was implemented principally through the zoning of the designated centres or activity areas. None of the District Business Centres

was redeveloped as planned by the Board. Neither the MMBW nor the State Government provided any pro-active measures such as land assembly to channel new development into these preferred areas or provide supporting infrastructure. The reasons for this failure are unclear. It may have been a lack of legislative power for compulsory acquisition on the part of the Board; it may also have been a lack of funding (the MMBW had access only to a small levy on sewerage and water rates and devoted virtually all of this to road-building); it may have been the departure from the MMBW of some of the most able planners following the disbanding of the team which had produced the 1953 report (McLoughlin, 1992).

The result was that the Board's District Business Centres policy relied on adherence to a regulatory framework where decision-making responded to development applications from different industry sectors. The manufacturing sector largely followed the planning scheme's locational directions, because large tracts of broad-acre land had been set aside in the planning scheme. Major retail organisations found obtaining suitable sites more difficult.

The first company to begin planning a suburban retail centre was the Myer Emporium. Ken Myer had spent considerable time in the United States and was familiar with American retail malls. The history of the Myer Emporium claims the final impetus to move was driven by the declining quality and rising price of CAD-oriented public transport. But Myer initially sought a site in one of the MMBW's nominated, rail-served centres, because the firm was wary of relying solely on the automobile for access. But it proved impracticable to negotiate with the dozens of individual land-holders who owned sites in the nominated centres, so Myers sought other sites. After considering a site in Burwood, the firm purchased an orchard from the Sisters of the Good Shepherd in Dandenong Road, East Malvern and constructed the Chadstone centre, which opened there in 1960 (Marshall, 1964). The success of this centre led Myer and other firms to drop further attempts to find sites in transit-oriented locations (although when Ringwood Council provided one, Myer was happy to use it for Eastland). Chadstone was followed by Northland in 1964, then Doncaster, Eastland, Southland and Highpoint.

The MMBW, having reluctantly approved the rezoning necessary for Chadstone to go ahead, quietly abandoned its District Business Centre policy during the 1960s. The 1971 MMBW Report *Planning Policies for the Melbourne Metropolitan Region*, did not mention centres at all, not even to announce that the policy had been abandoned. It seems clear that the MMBW was embarrassed by the failure of its centres policy. The Board had good reason to feel embarrassed: by this time, Sydney had a considerably larger number of suburban retail centres than Melbourne, but with the crucial difference that most of them were located in transit-oriented sites. This was a result of strong land-assembly programs by the Cumberland County Council, the State government and some local councils. In Sydney, freestanding regional centres like Chadstone were the exception, rather than the rule.

The MMBW's 1971 report argued strongly in favour of a dominant role for the CBD, particularly maintaining and improving employment levels in the CBD in the face of

growing dispersal of activity, particularly retailing, to suburban areas. This may also have been a factor behind the abandonment of the District Business Centres.

The existing pattern of growth in the metropolitan area was to be continued, with a pattern of growth corridors based around radial rail lines separated by green wedges. This pattern was an adaptation of the linear city model from the influential Copenhagen 'finger-plan' (see Chapter 2), and was justified partly by reference to efficient provision of infrastructure and partly on the conservation value of some of the green wedges.

3.4   Revival of Centres Policies: The Late 1970s and 1980s

3.4.1   MMBW's New Metropolitan Strategy

The absence of policies to promote alternatives to automobile travel in the MMBW's 1971 plan soon caused public concern. As the 1970s unfolded, environmental consciousness and the OPEC oil embargo combined to produce a shift in public attitudes towards unrestrained growth in private car use. These concerns were initially highlighted by 'fringe' groups such as the Communist Party (through its influential 1969-72 *Plan for Melbourne* produced by Ruth and Maurie Crow), the Town and Country Planning Association and the Conservation Council of Victoria. These concerns were crystallised in two books, *Seeds for Change* (published by the Conservation Council in 1978), and *Melbourne's Development and Planning* (published in 1981 by Dr. Clive Beed of Melbourne University).

By the end of the 1970's, the MMBW's planners had begun to share some of these concerns. There were serious issues emerging from an increasingly dispersed city - energy management, capital shortage, structural unemployment and concern for the environment. Declining rates of investment and population growth, rising unemployment, rising fuel costs and concern about future fuel supplies, structural and technological change also were influencing the thinking about the future form of the metropolitan area.

The environmental concerns also coincided with concerns by retailers in the CAD and traditional centres about the effects of shopping mall growth on their viability. This led the State government to freeze new mall development and appoint a Technical Advisory Committee (TAC) on Retailing. The TAC reported in 1980 and argued the merits of agglomeration of complementary uses into selected centres rather than widespread dispersal. The TAC Report recommended the encouragement of large integrated activity centres and indicated a preference for the redevelopment or extension of existing centres prior to the establishment of major, one stop stores in freestanding locations, and the control of peripheral retailing uses away from industrial zones.

The Report's policy principles for retail development demonstrate the 'dual constituency' of environmental and local retail concerns that lay behind centres policies:

- "To ensure that net benefits to the public as a whole will result from retail development proposals, having regard to the strategic concerns relating to energy, efficiency, equity, environment and employment (the five E's) with associated structural implications for land use and transportation.
- To minimise the undue environmental impact of retail development proposals and to ensure the adequacy of public works and services.
- To keep the supply of retail facilities in reasonable balance with demand having regard to the influence and timing and location of development on that balance and the need to provide innovations in retailing which improve service to the consumer.
- To seek to ensure that established centres containing significant community assets are not prejudiced by new developments elsewhere.
- To reflect concern for a wide range of retail business operations including the particular interests of small business".

The MMBW's analysis of the problems associated with dispersal began with a series of seminars and discussion papers in 1978-79 and culminated in a new Metropolitan Strategy released in 1980 and an accompanying Implementation Report released in 1981. The new strategy emphasised urban consolidation and an MMBW recommended an "incremental approach to metropolitan policy" building on the existing metropolitan infrastructure. The policy encouraged growth primarily within existing areas while allowing for moderate expansion at the urban fringe. The MMBW believed that such an approach would entail better use of the vast public and private investment that already existed in urban areas, while enhancing the range of housing, employment and investment opportunities.

A major focus in the strategy was to

> "encourage and facilitate multi-purpose suburban activity centres at points of high accessibility, particularly by public transport and of high development potential and promote the supportive role of housing at such centres… The activity centre concept is one key element in the Board's strategic approach. They entail the application in a comprehensive way at selected locations, of all other policy objectives on housing, transport, employment and community facilities."

The Implementation Report, while perhaps a little inaccurate in its history, demonstrates the importance of environment and equity objectives:

> "The concept of activity centres, or the grouping of retail, commercial, entertainment and cultural uses in designated suburban centres has been a major component of Melbourne's planning policy for over 15 years. The Melbourne and Metropolitan Board of Works Metropolitan Strategy of 1980 outlined the benefits of activity centres as including reduced travel needs, better community

access to wide range of services and facilities, provision of a community focus, improved social and economic interaction, better support for public transport services, reduced pollution and more efficient use of land, buildings and urban infrastructure" (p 60).

The 1981 document conceptualised 'district centres' as mixed use <u>regional</u> centres spread strategically throughout the metropolitan area. They were to be secondary centres to the CBD serving people of their surrounding districts. The centres would be based not only on retailing but also on commercial and community offices, general commercial services, light and service industrial activities, and leisure and entertainment facilities. Opportunities were to be provided for residential development within these centres.

In addition to specifying strategic objectives for the District Centres, the Strategy Implementation Report set down proposed actions and supporting measures to be followed up by the MMBW and local Councils to implement the policy.

Although the overriding emphasis was on district centres, the 1981 *Metropolitan Strategy Implementation Report* also recognised, in a much more limited way, the role of other centres. It indicated, for example, that there was a need to provide for the continued functioning of commercial and community services at various levels, but did not propose any specific measures for achieving this.

3.4.2 Selection of 14 District Centres and Amendment 150

The selection of the 14 District Centres underlined the importance of <u>retail</u> <u>uses</u> as a key component of the MMBW's activity centre policy. This reflected the Board's thinking as far back as the 1950's. The Board initially identified the 35 largest suburban centres in Melbourne from a survey of retail floorspace undertaken in June 1979. These 35 centres were then scored in terms of the following criteria:

- accessibility of public and private transport;
- range of retail services;
- range of commercial services;
- range of community services;
- capacity of utility services.

As a result, 18 centres were chosen. The number was then reduced to 14 centres and six potential centres by the requirement that there be only one centre for every 100,000 – 150,000 persons. This meant that in the inner and middle areas of Melbourne, it was possible to have only one centre (eg, Prahran, Camberwell Junction) for a particular sub-regional area, whereas other centres in that area (eg, Glenferrie Hawthorn, High Street Armadale/Glenferrie Road Malvern) also met the original criteria. The influence of Central Place Theory in this decision is clear.

The nominated 14 District Centres were Box Hill, Camberwell Junction, Cheltenham/Southland, Dandenong, Footscray, Frankston, Glen Waverley, Greensborough, Moonee Ponds, Oakleigh, Prahran (Chapel St.), Preston, Ringwood and Sunshine. The six potential centres were indicated as Berwick, Sydenham, Mill Park, Broadmeadows, Werribee and Knox City.

In this process, the MMBW attempted to combine the provision of an orderly arrangement of 'higher order' mixed use centres (although predominantly retail centres) with environment and equity objectives. The result was that central place criteria overtook sustainability objectives, notably reducing car dependency.

Amendment 150 created a new District Centre Zone over the existing non-residential zones at the 14 designated centres. The new District Centre Zone allowed for larger office developments (up to 4,000 m^2 without a permit), more intense retail and residential developments and the encouragement of community services. A strategic plan was to be developed for each district centre to provide a positive framework for development.

Amendment 150 went to a Panel hearing in 1983 which suggested modifications to the proposed MMPS. The Panel's recommendations included that Chadstone and Northland be integrated with the district centres of Oakleigh and Preston in the same way that Southland was attached to Cheltenham. The Panel also wanted Doncaster to be added to the list of designated centres. The Panel's reasoning, that the most 'successful' existing centres should be included among the District Centres, indicated that in the Panel's mind at least, environmental sustainability was not the dominant consideration.

The State Government, however, supported the environmental objectives and rejected the Panel's advice. Only the 14 centres nominated by the MMBW were included when Amendment 150 was gazetted in 1984.

3.4.3 The Policy Comes Under Pressure

The District Centre policy was bound to produce opposition from vested interests in the development industry, particularly in its early stages. What was perhaps more surprising was the almost universal disdain expressed by academic urban planners. While it may have been poorly argued and largely unsupported by evidence, the academic assault magnified the normal pressure from development interests that would be expected to afflict any serious centres policy. The State government began to retreat from the original vision almost as soon as it had been given force in Amendment 150.

The District Centre concept was endorsed in the State Government's economic strategies of 1984 and 1987, but with a subtle shift in emphasis away from the environmental and equity concerns that had actually motivated the policy in the first place. The 1984 *Economic Strategy - Victoria. The Next Step* – considered that District Centres had a major role in enhancing the economic viability of Melbourne and Victoria as a whole, without indicating why that was the case. The Strategy stated that

"major new commercial activity was to be concentrated in these centres, together with the necessary infrastructure and support services, in order to make the suburbs more attractive as a business location. Particular attention is being given to transport and land use issues. Government activities are being regionalised to make services more accessible."

The focus of this Strategy was not so much on achieving an integrated set of ESD-type objectives, as on making the district centres stronger business nodes in Melbourne's suburbs. This lay the seeds for future conflict between economic development objectives and sustainability concerns.

During the early and mid-1980's, the pressure points on the Government's activity centre policy, particularly with its emphasis on district centres, came from retail developers proposing expansions to the major stand-alone shopping complexes such as Chadstone, Highpoint and Northland or applying to establish new complexes in free-standing locations. This was seen as undermining the Government's focus on all district centres to become major retail centres serving a wide regional catchment.

Other pressures came from large companies proposing to move their corporate headquarters out of the Melbourne CBD to large, stand-alone suburban locations removed from established activity centres. A critical decision was the approval in 1984 of an amendment allowing Coles Myer to establish a 30,000 square metre office development on a stand-alone site at Tooronga.

These decisions were considered to be contrary to the Government's district centre and activity centre policies, and the provisions of Amendment 150. This back down soon set the precedent for others: for example, the RACV obtained approval to establish its headquarters in a 16,000 square metre office block on a stand-alone site along the Princes Highway at Noble Park.

3.4.4   Summary of Melbourne Policy in the 1980's

It is clear that there was an overriding emphasis by the MMBW and later the State Government on a hierarchy of activity centres with particular focus on district centres. However, the difficulty with these strategies was the undue emphasis on rhetoric, reliance on a prescriptive statutory planning framework, and occasional planning decisions on major development applications which undermined the policy basis.

There was a lack of a comprehensive and adequately resourced Government programs to ensure substantial results on the ground. The Government provided very little of the necessary infrastructure and support services in district centres. A small pool of funds was allocated to the production of structure plans and to streetscape improvements in selected centres. No assistance was provided by the Government in land assembly and consolidation for major new developments.

Along with the lack of land assembly, the most serious policy failure was in the transport measures necessary to support the policy. The MMBW's policy direction as set out in the 1980 and 1981 Strategy documents was fundamentally opposed to that being pursued by the Ministry for Transport. The Ministry had more regard to the Victorian Transport Study or Lonie Report (released in the same year as the Board's Metropolitan Strategy) which recommended closure of the tram system, severe cuts to the rail system, and an accelerated program of freeway construction.

This conflict was alluded to in the Board's 1981 report (p. 96):

> "There is significant common ground between the Board's approach and the approach to transport advocated in the [Lonie Report]… Both the [Lonie Report] and the Board accept the objective of efficient use of resources. The Board's strategy would take up excess capacity by means of an increase in potential patronage of the public transport system".

Because the Ministry for Transport, not the MMBW, controlled transport policy, transport was not used to support the District Centre policy. Freeway construction continued apace, but there was little improvement in public transport services at or connecting with district centres, although this had been recognised as one of the major factors behind a successful policy. For example, shortly after Camberwell was nominated as a district centre, timetables on the Ringwood rail line were revised to reduce the number of express services calling at Camberwell.

The Government's effort concentrated on preparing structure plans for individual centres, implementing a limited area improvement program, and trying to control major new retail and commercial development through the regulatory land use planning system.

3.5 Abandonment of District Centre policy: the late 80s and 1990s

3.5.1 Shaping Melbourne's Future - 1987

The Government's *Metropolitan Policy - Shaping Melbourne's Future* – released in August 1987 marked a step back from the Government's previous emphasis on district centres. Rather like the MMBW in the 1960s, the Government appeared to have decided that the District Centre policy was 'too hard' and that 'going with the flow' would be more productive, at least economically. This is particularly remarkable, given that the policy had only been in force statutorily for some three years at this time.

Shaping Melbourne's Future highlighted the need for "a number of changes and refinements" to policy in recognition of:

- the changing patterns of retail and office development;
- the need for more flexible retail/office/business/light industrial mixed use zonings in appropriate areas;
- the different 'structural' roles played by various centres; and
- pressures for the development of adjoining areas and major sites outside district centres.

In fact, however, all these factors had been present at the time the policy was enacted. Their citation reads more like a rationalisation, than an explanation, of the back down. The same factors were present in Sydney at the same time, but did not produce a similar outcome.

The following key parameters of the policy reflected this changing emphasis:

- development, where appropriate, of creative new zones that offer incentives for development and new mixtures of land use;
- encouragement of individual distinctions between centres to help establish 'local' identity;
- creation of areas of high technology and knowledge-based industries in appropriate centres;
- better integration of environmental, design, and technical assistance into the policy measures being applied to all types of centres; and
- development of community and neighbourhood activity centres using a 'cluster and connect' concept, (pp 37-38).

This was a significant change of policy. The new emphasis was not on bolstering strategies to achieve environmental or social objectives, but on creating opportunities for economic growth and reclassifying existing centres to more accurately reflect their roles at that time. The District Centres were classified into three categories – 'established inner', 'regional' and 'outer strategic' as a basis for applying office and retailing and development policies.

In addition to this classification system, *Shaping Melbourne's Future* outlined a range of Government actions to be undertaken in the District Centres. It committed the State Government to:

- assist local councils to prepare structure plans for District Centres reflecting their designated role and local identity, and nominating a suitable mix of activities and locations for new developments;
- identify opportunities for major office and mixed use developments in and around District Centres and on other major industrial or publicly owned sites;

- use government land holdings, where appropriate, to assist in achieving appropriate forms of development and public facilities in all District Centres;
- assist local councils with land assembly and consolidation programs where existing patterns of ownership prevent redevelopment;
- continue investigation of other centres for designation as District Centres;
- encourage regional offices of Commonwealth and State agencies to locate in 'regional' and 'outer strategic' District Centres;
- continue a funding program for transport and traffic improvements in District Centres, and continue funding for environmental improvements; and
- increase provision of public housing near District Centres, (p. 38).

A few actions to achieve ESD-type objectives were outlined, but there was little Government implementation. The focus of the overall Strategy was on providing a new orderly framework which reflected changing land use patterns and on which major development applications could be assessed, rather than outlining a pro-active Government approach to achieving ESD-type outcomes.

The change in Government emphasis on activity centres was picked up in the *Metropolitan Activity Centres* document, produced by the Ministry for Planning and Environment in 1989. The document stated that:

> "The clustering of activities in a set of preferred centres, as far as practicable will help to achieve the fundamental objectives of efficiency and equity by:
> - promoting single destination multi-purpose trips;
> - improving access to services and facilities for those without cars;
> - maximising opportunities for viable public transport, thus minimising pollution and other costs associated with the use of private cars; and
> - maximising the benefits to businesses by the clustering of mutually supportive activities", (p 2).

In essence, the 1989 MAC report provided more of a practical explanatory framework of established activity patterns at that time and guidelines for developers, than a pro-active strategy to achieve desirable outcomes in line with current ESD-type principles. Contrary to previous and stronger statements of district centre policy, the MAC Report provided a flexible policy basis for the Government on which to justify a wide range of new retail and office developments – both in established activity centres but also in new locations. This flexibility diminished the Government's focus on a limited number of key suburban activity centres, and reduced the intensity of effort to achieve sustainability outcomes in areas such as public transport delivery.

There was a lot of focus on the different activity centre and retail hierarchies. It was inevitable that this would create confusion. As the *Report of the Retail Development Policy Review Panel* observed in 1996,

"the policies espoused in the 1989 MAC Report represent the culmination of planning policy's focus on a fairly prescriptive retail hierarchy. However, in seeking to meld activity centre policy with a hierarchical retailing policy, it led to a confusing statutory framework and debate on interpretation. This was largely due to the fact that the (activity centre) policy was not just about retailing, and yet did include this notion of a hierarchy of centres. The hierarchy of shopping centres was simply not the same as the hierarchy of more broadly based activity centres", (p 22).

3.5.2 Metropolitan Statutory Planning Provisions

The MAC report, however, did provide a set of retail and office development guidelines against which new development proposals were to be assessed. These guidelines were in operation until 2000. They were previously referenced in Clause 17.02-2 of the State Planning Policy Framework section of all new planning schemes.

The guidelines were based on a set of principles around the concept of net community benefit. This approach placed an emphasis on achieving a balance between new, innovative and competitive developments on the one hand, and certainty and consistency for industry, the wider community and activity centre patterns on the other. What the guidelines established was a conservative 'checks and balances' mechanism that necessitated rigorous and careful investigation of all new proposals.

These guidelines, which basically involve trading environmental sustainability off against other objectives, were the antithesis of Ecologically Sustainable Development.

Several other metropolitan policies directly relevant to activity centres and associated retail and office development were spelled out in Clause 14 of the Metropolitan Regional Section of planning schemes during the 1980's. A planning authority preparing amendments to these schemes, or a responsible authority administering these schemes, had to consider these policies.

The relevant policy clauses were outlined in Clauses 14-1 (Pattern of future metropolitan development), 14-3 (Urban growth corridor), 14-4 (Activity centres and commercial development), 14-5 (Retail development), and 14-6 (Office development). It is interesting to note that Clause 14-2 (Housing and Urban Consolidation), and Clause 14-13 (Transport) had few policies directly related to activity centres.

The key policy clauses relating to activity centres were designed to:

- reinforce the established pattern of activity centres;
- retain and strengthen Central Melbourne as the prime metropolitan focus for a range of activities;
- retain District Centres as secondary focuses for a similar range of activities;

- concentrate major suburban retail, commercial, administrative, entertainment and cultural developments around District Centres;
- differentiate between inner area, regional and outer strategic District Centres as a basis for applying the most appropriate office and retailing development policies;
- provide infrastructure, services and suitably zoned land to encourage employment growth throughout the metropolitan area, with emphasis on Outer Strategic District Centres;
- encourage individual distinctions between centres to help establish local identity;
- encourage the integrated planning of activity centres at all levels, including the planned location of land uses in centres and environmental improvements;
- improve the provision of family care facilities to a level consistent with the role of centres;
- minimise the effects on local amenity of the concentration of activity;
- give preference to new retail or office development in Central Melbourne or District centres, or locations that consolidate the role of existing centres rather than at new locations; and
- assess new retail or office development proposals according to published Retail and Office Development Guidelines (1989) with the key evaluation criteria being 'net community benefit'.

In essence, the policies contained in the statutory framework had a strong emphasis on an ordered and hierarchical approach to activity centres. The established pattern of centres was to be retained. This provided a sense of security to developers and investors in centres.

The policies also required a rigorous review of new development proposals. This prompted extensive and prolonged evaluations which sustained the existing order of centres, and probably restricted the establishment of completely new retail centres.

The statutory provisions provided the basis of a static approach to centres. There were no requirements to achieve a better pattern of activity centres, nor to attain improved conditions in centres to meet wider community or ESD-type goals.

3.5.3   Review of District Centre Policy in 1990-91

In 1990 the Department of Planning and Housing commissioned Marjorie Moodie to conduct a review of the district centre policy and its implementation. That report was completed in August 1991 and provided a comprehensive understanding of retail and office development patterns in the various centres, level of public sector employment, range of entertainment, leisure and community services, transport infrastructure and availability of medium density housing within or adjacent to these centres.

Key conclusions of this important review were:

- district centres vary a great deal in terms of their achievements, progress and interest shown in them, and the commitment of local government;
- the number of district centres fulfilling a fully fledged 'district centre' role is few – few provide for a broad spectrum of activities and fulfil a number of different roles at a regional level;
- the State Government's support for and promotion of the program has been ad hoc, fragmented and under-resourced;
- there should be a clear definitive statement of office and retail policy which discourages developments which are likely to have detrimental economic impacts on the viability of nearby district centres;
- policies relating to business office parks require re-examination. All future proposals should be assessed in terms of whether they warrant a freestanding location outside of an activity centre, and their impact on nearby district centres;
- the State Government should restate and widen its commitment to the District Centre Program, in terms of both resource allocation and awareness by all departments and agencies. All agencies of Government needed to adopt the policy and give priority to traffic improvements, public transport interchanges, and service upgrading;
- it was too early at this stage to make a final judgement on a policy only now being enacted in some centres, and which up to now has not enjoyed a high priority on the Government's agenda.

The Moodie report is a significant document in the history of 'centres' policies, for the breadth and thoroughness of its analysis. Its conclusions debunked the widespread 'urban myth' that centres policies had failed.

3.5.4   Shaping Victoria's Future and Cities in the Suburbs 1992

In the latter days of the Kirner Government, *Shaping Victoria's Future – A Place to Live* was released in August 1992. No mention was made of district centres, although activity centres in general were seen as part of a strategy to create a more compact city that was ecologically sustainable and had higher levels of regional self-containment. However, the language in the whole document is considerably vaguer than in the past and it is clear that the regulatory approach has been dropped.

The strategy was critical of single-function land uses such as office parks and stated that in future, office parks should host a broader mix of uses and be better integrated with public transport The overall preference, however, was to locate office developments in or around activity centres. *Shaping Victoria's Future* suggested that Melbourne would become a multi-centred city with three distinct sub regions - Central Melbourne, the north western suburbs focussing on a yet to be specified centre, and the south eastern

region focusing on Dandenong. Studies were to be carried out on practical ways of further developing Dandenong and the yet to be decided centre in the north-west.

The continuing expansion of the major freestanding shopping centres such as Chadstone caused the Government to initiate a review of District Centre Policy in 1991. This resulted in the release of *Cities in the Suburbs. The District Centre Policy for the 1990s*, in August 1992, just before the election of the Kennett Government.

The document presented a review of the current situation, and found a number of major shortcomings. It highlighted that there was considerable confusion over the relevance, role and meaning of district centres. The concept was not well understood and the place of the stand-alone shopping centres needed to be clarified. *Cities in the Suburbs* suggested that the State Government needed to take a stronger role in administration of the policy rather than leaving it to local government. It reported that there had been little higher density housing occurring around centres, and improvements were needed in the range of services (community, entertainment and recreation) at centres, with greater provision of facilities for all age groups during and after business hours.

Cities in the Suburbs put forward a "district centre policy for the 1990's". The new policy confirmed the primary role of Central Melbourne both as Victoria's national and international focal point and as a district centre for the inner suburbs. It outlined a further reclassification of District Centres - instead of three types there would now be two – 'Strategic District Centres' and 'Community District Centres'. While this policy supported more varied and intensive activities within all existing mixed-use activity centres that were well served by public transport and other public infrastructure, it also acknowledged the role of major free-standing retail centres as locations for regional shopping and entertainment activities.

Cities in the Suburbs outlined three further actions to support the new policy:

- redoubling of efforts to increase housing densities in and around activity centres, including district centres;
- more fully co-ordinated Government programs focusing on district centres; and
- a careful monitoring of the performance of both the policy and the district centres.

None of the policy framework or implementation actions outlined in *Cities in the Suburbs* was implemented owing to the change of government in 1992.

3.5.5 Pressure Points in the Early 1990's

A few key retail and office development applications tested the Kirner Government's activity centre and district centre policies just prior to the election.

In 1992, there was a rezoning proposal to extend the Parkmore Keysborough "sub-regional" shopping centre by an additional 25,000 square metres, particularly to

accommodate a new discount department store. Minister McCutcheon refused to approve the amendment. It was considered that this expansion at Parkmore would have an adverse impact on the further retail development of the Dandenong District Centre, particularly its ability to attract a new Target store as part of the Lend Lease development plan for Dandenong Plaza.

At about the same time in the then City of Waverley, there was a rezoning proposal to establish a new office park of some 30,000 square metres on a publicly owned, stand-alone site in England Road near the South Eastern Freeway, with very limited public transport. This rezoning was refused because it was considered that it did not provide a net community benefit.

The most controversial proposal at the time was a rezoning request to allow for the development of a 60,000 sq m corporate office block by National Mutual on the former Nicholas Kiwi site in Warrigal Road, Chadstone. Minister McCutcheon did not approve the amendment on advice from an independent panel. The panel concluded that the development proposal would not result in a net community benefit based on:

- the need to retain Central Melbourne as the prime metropolitan focus for administrative, cultural, retail, commercial and entertainment activities; and
- the need to reduce overall demand for private vehicular travel.

The panel argued that the development would not be contrary to certain elements of the Metropolitan Activity Centres Policy (particularly the clause on page 17 of the MAC report encouraging developers to submit major proposals for large sites occupied by redundant industrial activities). However, the panel considered it would be contrary to the underlying objectives of activity centres policy and would seriously undermine them.

Despite these pressure points and the watering down of the District Centre Policy, there were a number of applications in the early 1990's for major retail development proposals in district centres. By mid-1991, there were proposals in 13 of the 17 centres, with over half of these involving additions of between 20,000 and 80,000 square metres. The major proposals were at Sunshine, Glen Waverley, Frankston, Dandenong, Broadmeadows, Ringwood and Fountain Gate/Narre Warren, and all of them involved elevating the centre to a regional retailing position.

These applications also indicated developer support for the further significant clustering of activities at designated centres, in line with the District Centre Policy. In fact, the developers at Glen Waverley, Greensborough and Dandenong all confirmed that the status of the three centres as District Centres had been a significant factor in their confidence in investing there. Perhaps ironically, the new State government shortly indicated that the developers' confidence had been misplaced.

3.6 Melbourne Centres Policy During The Kennett Government

3.6.1 Perrott Committee Review and August 1993 Ministerial Statement

In late 1992, the Hon. Robert Maclellan as the new Minister for Planning established an Advisory Committee headed by Les Perrott to restructure the planning system in Victoria.

Various projects were initiated including one on Metropolitan Urban Centres. The aim of this project was to "propose a new metropolitan urban centres policy for Melbourne which reflects both market preferences and community interests." The report indicated that there were over 300 centres in the metropolitan area, but there was a need to concentrate on the 100 or so which had a regional or sub-regional role, and which therefore would be of concern to the State Government. The principles and actions recommended for these centres could also be applied to the many smaller centres.

The report recommended that "the State's task in future will be to encourage viable development in centres through a more dynamic policy framework. This will require a shift from control to facilitation, from negative regulations to positive incentives".

The Minister's Statement in August 1993 provided a general endorsement of the value of activity centres in the metropolitan area, formally abandoned the district centre policy, and signalled a more laissez faire approach to centres policy. The process of retreat from the 1980/81 District Centre Policy, which had begun in the early 1980s, was now complete.

3.6.2 Living Suburbs and Transporting Melbourne – 1995/96

Living Suburbs, adopted by the State Government and released in 1995, supported the long standing policy of promoting the development of multi-functional activity centres to serve local and regional needs, but subject to the 'more flexible' approach recommended by the Perrott Report. Consistent with the Minister's Statement in 1993, it did not include the designation of specific district centres, nor a prescriptive approach to the location of any suburban activity centres. Rather, it spelled out some general objectives for having a network of centres of various sizes and mixtures of uses, as well as the need for having a range of activity centres with a mixture of uses.

> "It is especially important to build up suburban activity centres at key locations which can offer a range of local services, contribute to a sense of place and support multiple activities, including shopping, employment and leisure. There are major efficiencies to be gained from promoting activity centres with good rail and road access." (p 9)

The policy did not have a strong emphasis on achieving ESD outcomes. The only reference to this seemed to be on creating a "more functional city" with "major efficiencies". It is by no means clear what these efficiencies are: after all, motor traffic functions less efficiently when destinations are concentrated; it is only public transport, walking and cycling that benefit from clustering.

Development of multi-functional activity centres was indicated, but these "key locations" were not specified, nor were criteria spelled out to indicate what they should constitute. Instead, the policy made general assertions:

> "Particular attention will be paid to developing and promoting centres offering a range of activities, services and employment opportunities. It is expected that each of these centres – or activity clusters – will be integrated with medium density housing and be directly served by several forms of transport."
> "The City centre …will be supported by other activity clusters, ranging from major regional centres to small neighbourhood ones", (p 67).

The Government adopted a laissez faire approach to the implementation of the policy. No specific Government projects or programs were outlined to assist the development and promotion of the activity clusters. It was assumed that these clusters would evolve naturally, or that the private development sector would focus on activity centres in preference to out-of-centre sites.

The strangest notion of all was the "Metropolitan Orbital Corridor", introduced in Living Suburbs and built upon in Transporting Melbourne. "Transport terminals, hotel and recreational developments, residential development, office park development, and high-technology industry" were encouraged as part of this concept.

The metropolitan orbital does integrate transport and land use, but it does so in the same way as the US "edge cities" do so. The likely outcome would be, as in the USA, the encouragement of car travel, and the discouragement of walking, cycling and public transport use. The Metropolitan Orbital concept marks the point at which the increasingly confused policies on district centres in Melbourne actually began to be used to promote the precise opposite of the ESD policies in *Agenda 21*.

3.6.3 Urban Villages Project 1995-1997

An indication of the lack of strategic direction in urban planning in Melbourne by this time is the release, simultaneously with Living Suburbs and Transporting Melbourne, of the Urban Villages report. The Urban Villages project was established to examine the role that mixed use centres in Melbourne with medium density housing, workplaces and a central public transport stop could play in achieving sustainable development. The project was jointly managed by the Department of Planning and Development; Energy Victoria and the EPA.

The project identified several benefits of urban village design over conventional urban form. The project conclusions and recommendations were released by the Minister for Planning in 1996 as a research document. Many of the concepts were then referred to individually in metropolitan strategies or State planning provision released during the next couple of years. However, the Government did not adopt and market an integrated package of urban village policies as part of metropolitan activity centre policy.

The important thing, however, was that the urban villages concept was picked up by local government and became a matter of local and rather than State planning policy. A number of metropolitan councils, for example, included urban village policies in their municipal strategic statements and initiated case studies. The Urban Villages Project provides a good example of the considerable efforts by many metropolitan councils during the 1990's to revitalise traditional mixed use centres to make them more sustainable. Structure plans were prepared; development and centre improvement projects were facilitated; and centre management and marketing programs were initiated to enhance the position of these centres.

3.6.4   Retailing Victoria

Living Suburbs promised a new retail development policy for Melbourne, indicating the growing dissatisfaction with a completely laissez-faire approach, even among retailers and developers. The result was *Retailing Victoria: The Report of the Retail Development Policy Review Panel*, May 1996. The Panel was

> "strongly supportive of the principle of aggregation of uses into activity centres, coupled with the provision of more walking-distance convenience and weekly shopping facilities. The Panel considers this to be in the interests of infrastructure efficiency, equitable access, environmental concerns, and the creation of a healthy sense of community", (p 1, 10).

The report recognised the importance of the existing network of centres of various sizes, as well as the need for these centres to evolve and change. Reference to ESD principles relating to the achievement of broad environmental, economic and social outcomes seemed to be an important consideration underlying the Panel's support for clustering of activities at centres, and its endorsement of the policy principles behind the *Report of the Technical Advisory Committee on Retailing* in 1980.

The Review Panel Report made several recommendations about retail development policy, transport policy, and activity centre policy. A couple of key recommendations reinforced ESD principles:

> "(A new retail development) policy should contain a series of objectives which spell out the principles underlying it. These should have as the overall objective community benefit and refer to issues of accessibility, efficient infrastructure use and the aggregation and sustainability of retail functions." (p 2, 11)

"Retail policy should embody the principle that every shopping centre should be adequately served by public transport." (p 2, 25)

But how was this to be done? Did it mean a return to the policy of designating specific centres? The answer was no:

"The (retail development) policy should contain an objective based on the principles behind activity centre policy and the aggregation of uses without specific reference to locations: that is, based on functional rather than geographical criteria… The policy should not include references to any priority among centres, or nominate specific preferred locations for retail development. Policy statements should contain statements which refer explicitly to retailing of every scale" (pp. 2, 26; 31)

The Report did not give any indication of the functional criteria that would be used. The Report rejected a prescriptive hierarchical framework as a means to guide development and infrastructure, although it recognised the value of a retail hierarchy as a means of <u>describing</u> the current retail system.

"The policy should contain a description of elements in the retail hierarchy to provide a common terminology with which to describe the retail system." (p 2, 33)

The report recognised that activity clustering can be used to promote sustainability, but did not indicate how.

The Retailing Victoria report was not formally adopted by the Minister for Planning. A comprehensive Retail Development Policy, as suggested, was not issued. However, it appears as if the recommendations of the Panel were taken into account when the Victorian Planning Provisions and in particular the State Planning Policy Framework were prepared. Development interests consider that many retail development applications are based to some extent on the recommendations in this report.

3.6.5   StreetLife Program

The StreetLife Program, a State Government initiative in 1996, is a program designed to assist communities in metropolitan and rural Victoria to have thriving commercial centres as well as strong small businesses. In the last four years, It has been one of the very few Government programs geared to activity centres.

Inspired by Mainstreet programs operating in the USA and Canada, StreetLife encourages communities to develop local strategies that would facilitate employment growth. The strategies focus on creating vibrant commercial centre environments

through an appropriate mix of businesses, a unified marketing and promotional image, and improved business performance. The Program is based on the premise that suburban and town centres are major concentrations of employment located at the local trading heart of communities.

In the last year, the StreetLife Program has focused more on small business retention, growth and attraction within communities. It has facilitated projects not only in centres but also with clusters of businesses in particular industry sectors.

3.6.6 Victorian Planning Provisions

During the 1990's, Minister Maclellan introduced a planning reform program with two major components:

- provision of a common set of tools to be used across the State in the form of the Victorian Planning Provisions,
- a shift in emphasis in decision-making from reliance on a prescriptive set of controls to encouragement of strategic outcomes.

A State Planning Policy Framework (SPPF) was incorporated into the beginning of all new format planning schemes. This framework sets out State Planning Policies that must be taken into account when preparing amendments to all planning schemes, or making decisions under these schemes.

Clause 13 of the SPPF outlines seven statements of general principles relating to settlement, environment, management of resources, infrastructure, economic well-being, social needs and regional co-operation. Although some of these statements relate to ESD principles, sustainability is not a driving force behind them

The key clauses in the SPPF relating to activity centres are outlined under the following headings:

- Metropolitan Development (Clause 14.02)
- Activity Centres (Clause 17.01)
- Business (Clause 17.02)

It should be emphasised that, in the SPPF, 'activity centres' are considered as retail and commercial centres (with ancillary uses), and are quite separate from airports or ports. There is no reference to tertiary educational institutions, hospitals, business parks or industrial estates in the SPPF, and they are not included as activity centres except where they might be part of a larger retail or commercial centre.

The major activity centre policies and implementation measures indicated in the SPPF are that:

- the Capital City role of the City of Melbourne is to be strengthened;
- major suburban retail, commercial, administrative, health, education, entertainment and cultural developments should be concentrated in and around activity centres which provide a variety of land uses, have good access to integrated transport modes, and are highly accessible to the community;
- higher land use densities and mixed use developments should be encouraged near railway stations, major bus terminals, transport interchanges and trams and principal bus routes;
- the location of new activity centres in the metropolitan area is to be consistent with the objectives of Transporting Melbourne;
- developments are to be encouraged which meet community's needs for retail, entertainment, office and other commercial services and provide net community benefit in relation to accessibility, efficient infrastructure use and the aggregation and sustainability of commercial facilities;
- commercial facilities should be located in existing or planned activity centres unless they are:
  - new freestanding commercial developments in new residential areas which have extensive potential for population growth or will accommodate facilities that improve the overall level of accessibility for the community, particularly by public transport;
  - new convenience shopping facilities to provide for the needs of the local population in new residential areas and within, or immediately adjacent to, existing commercial centres;
  - outlets of trade-related goods or services directly selling or ancillary to industry and which have adequate on-site car parking;
- cinema based entertainment facilities should be located within or on the periphery of existing or planned activity centres and such facilities should not be encouraged on freestanding sites;
- A five year limit for commencement should be attached to the planning approval for all shopping centres or expansions of over 1,000 square metres in floorspace.

In 2000, Clause 17.02-2 was amended to remove the following implementation clause:

Information in support of retail and office development proposals in excess of 4000 square metres in floorspace must include an assessment of net community benefit and costs of the development as well as its traffic and environmental impacts in accordance with the Retail and Office Development Guidelines (Ministry for Planning and Environment 1989).

The provisions in the SPPF, which still apply as a cornerstone of activity centre policy, place strong emphasis on business growth and the general planning of activity centres, rather than the achievement of ESD outcomes. They still incorporate a requirement that the location of new activity centres be consistent with Transporting Melbourne, which in key respects, does not promote ESD-oriented outcomes.

The result of the policy emphasis in the SPPF in the late 1990's was that business growth was allowed in a wide range of locations. The laissez-faire approach implied in policy and regulatory measures led to the proliferation of new forms of retailing such as stand-alone outlets or as strings of related uses along major roads quite removed from existing or planned centres**.**

3.7   *Geelong Activity Centre Policies*

Activity centre policies for Geelong over the last 30 years have been structured to provide a framework more at the regional than broader metropolitan level.

The Geelong Regional Commission was established in the early 1970's. Working with the Department of Urban and Regional Development in Canberra and the Town and Country Planning Board in Melbourne, the Commission developed a package of planning policies and strategies to make Geelong and its hinterland an important growth centre.

During the 1980's, the emphasis of the Geelong Regional Commission was to expand the economic and physical base of Geelong as a major regional centre. Growth was encouraged in the tertiary sector to diversify Geelong beyond its strong manufacturing base. With respect to activity centres, the policy emphasis as espoused in the *Geelong Regional Development Strategy* was on retaining a hierarchy of retail centres in the main urban area of Geelong with the Geelong Central Area as the predominant focus.

There was some recognition that although Geelong and its activity centres had a distinctive regional identity, there were close economic and social links to metropolitan Melbourne.

Encouragement was given to the further expansion of centres associated with identified residential growth areas to the south of Geelong such as Grovedale and Mount Duneed.

The Commission recognised the increasing tourism, holiday and retirement focus in the wider Geelong Region by encouraging further growth adjacent to three designated coastal towns – Torquay, Ocean Grove and Drysdale.

The current activity centres policy for Geelong is outlined in the Municipal Strategic Statement incorporated into the new Greater Geelong Planing Scheme, which was approved on 17 August 2000.

The MSS acknowledges that the future of activity centres in Greater Geelong is influenced by the several major urban growth directions. To deal with these influences, the MSS has policies and strategies on environmental management, energy efficiency, housing, economic development, industry and integrated transport which affect the mixture of uses in, and performance of, centres.

The most specific clauses in the MSS and new Planning Scheme dealing with activity centres are outlined in Section 21.20 and 21.21 of the scheme. These clauses do not provide policy directions for the broad range of activity centres being considered in this project, but relate to retail and commercial centres only. They also revolve around the concept of a hierarchy of centres. The key strategies indicated in Section 21.20 of the scheme are:

- support the existing hierarchy of retail centres in Greater Geelong;
- encourage and promote the important regional commercial and community function of the Geelong Central Activities Area.
- utilise the provisions of the Retail Strategy as the tools to guide the planning for a successful and sustainable hierarchy of retail centres;
- integrate retail facilities and services as appropriate with other community, personal, professional and business facilities and services and with the local environment;
- implement high standards of urban design in retail centres and developments;
- recognise and facilitate the emerging pattern of peripheral retailing; and
- assess new retailing proposals using the concept of net community benefit and population influences.

Local policies have been developed in the MSS to:

- encourage compact and identifiable retail cores along specified pedestrian routes;
- ensure that peripheral sales retailing is planned and developed at appropriate locations and integrated into the retail hierarchy;
- support the establishment of free-standing retail facilities on sites where there is a net community benefit and where the impact on the viability of established shopping centres is acceptable;
- support use and development applications that are in keeping with the established hierarchy of centres and emerging retail trends, and can be shown to generate a net community benefit;
- use the retail hierarchy as a useful planning tool to guide the location and volume of new or expanded retail development;
- consider the need to maintain the primacy of the Geelong CAA when all retail and related proposals are being considered;
- take into account the role of existing centres when proposals are being considered for the introduction of new or expanded retail provision in a catchment;
- consider residential and seasonal population influences when reviewing proposals for retail shopping centres or free-standing sites.

Other actions outlined in the MSS and Planning Scheme to enhance the policy directions for retail and commercial centres are:

- identifying and planning for physical improvements to urban design, streetscape, amenity and pedestrian access in shopping centres;

- identifying traffic management and safety issues in shopping centres and implementing appropriate measures;
- promoting to retail and traders associations the benefits of self-help strategies in the upgrade, revitalisation and marketing of their shopping centres;
- encouraging new or expanding activities (most likely focusing on non-retail activities) to locate in vacant shop space in existing centres, where appropriate.

Section 21.21 has a series of policies and implementation measures to revitalise the Geelong Central Activities Area, maintain and strengthen its primacy within Greater Geelong, and maximise its competitive advantages as a multi-purpose centre. Key strategies are to:

- establish an independent management body for the City Centre with representation from key stakeholders;
- promote an identifiable retail core along significant pedestrian routes;
- work with the private sector to implement the revitalisation actions;
- pursue opportunities to locate entertainment and associated attractions and supporting facilities in appropriate parts of the CAA;
- encourage a CAA location for service industries;
- facilitate the development of more CAA attractions associated with the waterfront;
- encourage and assist expansion and upgrading of educational and medical institutions;
- enhance the physical appearance and functional operation of the CAA;
- improve the image and readability of Geelong's streets for motorists, including developing a clear sense of entry into the CAA;
- maintain and strengthen the CAA's position in the regional retail hierarchy by making it a vibrant and viable location for retail activity;
- strengthen the office-based role of the CAA in the regional economy;
- provide greater opportunities for housing in and around the CAA, in under-utilised buildings and on under-utilised sites.

This policy framework does not provide a comprehensive approach to meeting ESD objectives. There are some provisions that will facilitate the economic and social development of centres within a hierarchical framework. However, the policies are largely deficient in working towards the achievement of environmental sustainability.

3.8   Local Government Policies and Programs

In recent years, local governments throughout Melbourne and Geelong have put together policy packages and action strategies to develop and revitalise activity centres in their municipality.

As outlined for Geelong, local policies have been specified particularly in Municipal Strategic Statements. These policies have focused particularly on retail centres, and often have been based on a hierarchy of centres in the municipality. Policies and strategies also have been developed to provide a framework for commercial development, physical streetscape, traffic and pedestrian, public transport, marketing and centre management improvements in centres.

More detailed structure plans, urban design frameworks and transport studies have been prepared. These have been followed up by local physical improvement programs; traffic, car parking and pedestrian improvement works; marketing and promotional schemes organised through special levies; as well as business retention, expansion and attraction programs. Implementation of some projects have been assisted by State Government funding provided under programs such as Vic Roads Blackspot Funding, StreetLife, and the Powerline Relocation Program. A few major State Government programs such as the public transport interchange enhancement efforts at Ringwood have augmented local government and private sector initiatives.

Several local governments have taken a very pro-active role in encouraging new private sector investment in their centres. This applies to the development of new retail floorspace and its improved integration with existing retail and other uses in a centre. In a few instances, it also applies to the facilitation of new housing such as shoptop housing or medium density developments within or immediately adjacent to centres.

Through these policy and implementation mechanisms, local government in Melbourne and Geelong have played an important role in advancing centres. However, the policy and implementation frameworks often are not concerned with, or do not give a high priority to, meeting ESD objectives. As outlined with respect to Geelong, there are some provisions in local government policies that will facilitate the economic and social development of centres. However, the policies are largely deficient in working towards the achievement of environmental sustainability.

3.9 Synthesis of Activity Centre Policy Orientation and Outcomes

3.9.1 Recognised Need for Activity Centres Policies

Over the last 50 years, there have been many policy statements supporting the concept and benefits of clustering uses and activities in centres, rather than permitting or promoting their dispersal. Government policy has widely acknowledged that business and community uses and associated activities should be in centres.

Similarly, there has been widespread acceptance of the need for centres policies based on the central role that centres are considered to play in a wider metropolitan area, including Geelong, in providing:

- retail, commercial, industrial, education, health and entertainment goods and services;
- community infrastructure and services;
- employment;
- housing;
- identity and focus for communities;
- meeting places;
- business synergies.

The need for a centres policy also is based on the conflicts that arise among stakeholders and potential stakeholders not only within these clusters of activity, but outside where new proposals could potentially have adverse impacts on established centres. A centres policy can provide mechanisms to weigh up the interests of the various parties – developers, current operators, and the community – so as to arrive at judgments on future land uses and developments.

3.9.2 Sustainability Not a Driving Force

None of these concerns, however, necessarily has any connection with sustainability. Sustainability has not been a driving force of centres policy, except for a brief period in the late 1970s and early 1980s. There have been greater concerns about achieving self-containment in regions, or an orderly or hierarchical framework of centres, or an abstract and operationally meaningless notion of "transport / land-use integration".

Our review of national and international 'best practice' in Chapter 2 highlighted successful policies that worked to cluster more metropolitan activity into a limited number of transit-oriented centres to achieve a shift of transport mode away from cars towards public transport, walking or cycling. Apart from the years when the District Centre Policy was actively being pursued in Melbourne in the 1980's, there has not been this kind of emphasis on transport sustainability. And, even in that period, the emphasis was weak. Within the metropolitan policy framework at that time, there were few supportive transport policies in place of the kind considered essential in Chapter 2 to achieve long-term environmental sustainability.

At best, there has been, for many years, a common set of underlying themes to which lip-service is paid. Quite a few of these are based on ESD-type principles, for example:

- reducing dependence on motor vehicles;
- improving the viability and use of public transport;
- creating opportunities for business growth within clusters;
- developing further business synergies as a result of the clustering;
- providing equitable access to employment, facilities and services; and
- providing robust community focal points.

One notable omission – highlighted in the reference in Chapter 2 to the UK Royal Commission Report in 1994 on Environmental Pollution – is facilitating more non-motorised travel (walking and cycling) by encouraging strong neighbourhood centres where journeys to them can be made on foot or bicycle. There have been virtually no policy directions for smaller, neighbourhood scale centres.

There has been a further problem. Although the rhetoric of centre policy objectives is related to ESD principles, the policy objectives have not generally been translated into active strategies or implementation measures to achieve ESD outcomes on the ground.

3.9.3 Focus on Retail and Commercial Centres

Centres policies in Melbourne and Geelong have been concerned primarily with centres having a significant retail and/or commercial base, although a number of these also perform important administrative, civic, health, education and entertainment roles.

They have not been concerned with the other types of activity centres being considered in this project – industrial estates, airports, ports, and campuses of tertiary education. These types of clusters have largely been dealt with in separate policies.

This focus on retail and commercial centres in activity centre policy is based on:

- the central role of the retail and commercial goods and services function in the majority of activity centres in Melbourne and Geelong;
- the dominance of goods and services retailing in the expenditure patterns of households;
- the links between the shopping function and the establishment of a local community focus in centres;
- the number of individual businesses and the extent of business investment in commercial and/or retail centres, compared with other concentrations of activity;
- the number of trips generated to these kinds of centres, compared with other concentrations of activity;
- the ongoing pressures for change in and outside these centres, and the conflicts generated between developer, business and community interests in dealing with those pressures; and
- uncertainty, lack of action, or conflicts associated with the integration of land use and transport at these centres.

The high number of trips generated by these kinds of centres compared with others, the considerable opportunities to integrate land use and transport planning at these clusters, and the level of debate generated about major retail and office development proposals outside of centres, suggest that these kinds of centres should remain an important, but not exclusive, focus of activity centre policy.

3.9.4   Emphasis on Larger Centres

Over the last 50 years, activity centre policy in Melbourne has been concerned primarily with the larger retail and commercial centres. Policy documents such as *Shaping Melbourne's Future* provide illustrations of "existing activity centres", but refer only to 45 large or medium-sized centres - all with a predominantly retail focus and many with a mixed use character and provided with good public transport facilities. The reason for Government emphasis on larger centres was likely based on the assumption that these centres provided the key opportunity for new private sector investment, as well as the satisfaction of consumer demands for higher order goods and services.

Medium or large centres may still be important in future activity centre policy, not because of their size or position in the retail hierarchy, but because of their potential to achieve ESD outcomes in terms of a greater shift in mode share to non-motorised transport or their significance as lively community focal points with increased opportunities for social and business interaction.

In contrast to the focus on larger centres, there have been virtually no policy directions for smaller, neighbourhood scale centres. However, overseas reports on 'best practice', such as the Report of the UK Royal Commission on Environmental Pollution (1994) referred to in Chapter 2, highlight the importance of these smaller centres in providing a wide range of facilities at local level which can be reached on foot or bicycle. This issue needs to be addressed in this review. The key issue is that being "small" or "local" does not downplay the vital importance of these types of centres to the achievement of overall ESD outcomes.

3.9.5   Special Role for the Melbourne Central City

Activity centre polices for the last 50 years have recognised the special role of the central city area of Melbourne including the CBD, Southbank, Docklands, the St Kilda Road precinct, and other areas in close proximity. Policies have consistently aimed to retain and strengthen the central city as the prime metropolitan focus for a range of activities.

In terms of environmental sustainability as discussed in Chapter 2, activity centre policies have revolved around the fact that the Melbourne central city is the hub of Melbourne's public transport system. The ability to enhance rail train, tram and bus systems in the metropolitan area radiates from that hub.

In terms of social sustainability, activity centre policies have recognised that the CAD and the rest of the central city provides an important community focus for the whole Victorian community. It is the seat of the State Government. The CAD is the place where decision-making and co-ordination of key services for metropolitan Melbourne and Victoria occurs. It is the centre in Victoria for many cultural and sporting activities as well as specialist educational and medical services.

In terms of economic sustainability, various policies have recognised that the Melbourne central city is the key wealth-generating centre of the State. A major proportion of Melbourne's workforce commutes from the suburbs to the CAD and contributes to considerable business activity in the centre. Employment growth in the 'new economy' has a particularly strong base in the CAD. Many specialist services such as legal and financial services used by industry in metropolitan, regional and rural Victoria are provided in the CAD.

There are strong synergies between the central city and other parts of Victoria. It is the State's international gateway and showcase for much tourist and business activity.

The Capital City role of the Melbourne CAD and the rest of the central city, together with its interrelations with all regions in the metropolitan area, suggests that the Melbourne central city should continue be given special attention in activity centre policies. This emphasis should highlight the importance of the Melbourne central city to the metropolitan network of activity centres in achieving ESD and Capital City outcomes.

3.9.6 Emphasis on Framework and Classification Systems

For many years, a central tenet of metropolitan policy in Melbourne and Geelong has been to reinforce the established pattern of centres. This was a key clause in the metropolitan planning provisions prior to the introduction of the State Planning Policy Framework. In Geelong, it is still a key strategy in its recently approved planning scheme.

In one sense, this emphasis provides a sense of certainty and security to developers and investors in centres in that it is geared to sustaining their investments and assets. It also gives preference to the status quo, and thereby requires proponents of new developments to go through an extensive and prolonged review process. It is argued that this has prevented much speculative development in Melbourne and Geelong, and resulted in a system of fairly robust centres.

However, in terms of an ESD framework, this is a static policy approach. It implies maintaining a fairly rigid framework of centres in the face of changing economic, social and environmental forces. It does not indicate any aspirations for a better pattern of centres nor improved conditions in centres to meet wider community goals.

As indicated above in Section 3.6.4, a classification or hierarchical system, particularly in relation to retail centres, can be a useful tool in describing the elements of the system, and maintaining a balance among the commercial interests within it. It also can be helpful in focusing major private development or Government programs to a select number of centres. However, a classification or hierarchical system has its downfalls when it does not deliver the desired outcomes or makes decision-making more difficult.

3.9.7 Regulatory Orientation

From 1980 until the early 1990's in Melbourne, the emphasis in Government centres policy has been on fairly prescriptive statutory provisions governing major new retail and office development as well as overall centre development. Since the mid-1990's, there has been a more laissez-faire approach with encouragement given to business growth in a wide range of centres.

However, there are circumstances where regulatory controls are very important. For example, there are not sufficient controls within the existing planning framework to regulate development outside of centres. In the SPPF, policy and regulatory measures seem to encourage, rather than control, the proliferation of major stand-alone big box retailing outlets, or strings of convenience or peripheral sales retailing along major roads. This issue needs to be addressed.

3.9.8 Limited Facilitation Policies and Implementation Measures

The reduced emphasis on a regulatory approach has been accompanied by limited facilitation policies of any real substance. Most of the State policies of this kind have been scarce and expressed in very general terms. In the State Planning Policy Framework, for example, activity centres are encouraged to be planned to:

- provide a range of shopping facilities in readily accessible locations;
- incorporate and integrate a variety of land uses;
- provide good accessibility by all available modes of transport (particularly public transport) and encourage multi-purpose trip-making to such centres;
- facilitate ease of pedestrian movement between components of centres, public transport interchanges and parking areas;
- maximise opportunities for the co-location, multiple use and sharing of facilities;
- provide child care facilities to a level consistent with the role of the centres;
- minimise the effects of commercial development on the amenity of residential and parkland areas, for example as a result of traffic congestion, noise or overshadowing; and
- provide attractive environments for community activities.

The policies in the Greater Geelong MSS and planning scheme operate at a different scale, and, as a result, provide more detail and substance. They refer to urban design and streetscape improvement approaches, traffic management, pedestrian improvement, centre management and marketing, and active approaches to fill vacant premises with new or expanding activities likely of a non-retail orientation.

The generalised policies outlined in the SPPF to facilitate activity centres have been further weakened by the lack of a range of specific implementation measures. Over the years, there has been a very limited range of supportive Government programs with respect to:

- transport management;
- land consolidation to facilitate new developments;
- provision of major new infrastructure (hospitals, tertiary education campuses, public transport interchanges) and services;
- streetscape improvement programs;
- mainstreet initiatives, except for the StreetLife Program operating since 1996;
- urban village projects;
- structure or business planning in centres;
- development incentives; and
- medium density Government housing within or adjacent to centres.

Similarly, Government has not identified a range of pro-active programs that could be undertaken in centres in partnership with private sector or community interests. This is a key problem that needs to be addressed in this review.