The shape of the city

Melbourne is a well laid-out city. Growth areas have been encouraged to follow a good system of arterial roads and rail routes; the central city is strong; it is supported by a series of lively satellite activity centres; employment areas are accessible; and there are generous green spaces.

Melbourne has been spreading outward since it was founded, but until the late 1950s the focus remained on the central area, which boasted the city's only significant concentration of non-manufacturing activities. That has changed over the past four decades, with the middle and outer suburbs providing an increasing share of Melbourne's services and new jobs – a phenomenon observed in many major cities around the world.

While population growth is distributed fairly evenly between the south-east and the north and west of Melbourne, there will continue to be a marked concentration of development in the areas south-east of Dandenong.

The outward expansion of metropolitan Melbourne and its gravitation to the south-east have had a significant impact on the distribution of demand for services. The changes occurring are complex and in part reflect the fact that different suburban communities are at different stages in the lifecycle. Enrolments at once teeming inner suburban schools have fallen to a third or a quarter of their peak, while former village schools in the outer suburbs have often struggled to accommodate ever-increasing student numbers. The same applies to health, welfare, recreation and other facilities.

The Government has spent the last three years managing the distribution of services – especially in health and education – to match new demands. This process will be made easier in future by designing community facilities with the flexibility to meet different needs at different times. Community facilities will in future accommodate a range of services such as pre-school, primary education and health services within a single centre.

The distribution of services will also be made easier by careful strategic planning to anticipate and – when appropriate – influence where growth will occur. All spheres of government can contribute to specific regional programs which encourage development across the city by improving access to jobs, overcoming barriers to economic development and making additions to civic infrastructure in particular areas.

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.
The Princes Highway at Berwick. Melbourne has expanded along well defined road and rail corridors.

With these considerations in mind, this policy adopts five basic spatial objectives:

- multi-functional activity centres serving local and regional needs should be developed at key transport nodes around the suburbs
- optimum use should be made of existing urban land and land already set aside for growth
- land-use planning should recognise and, where appropriate, respond to the needs of business
- Melburnians should continue to have ready access to green spaces and non-urban land offering recreational and related opportunities
- the central city should continue to be a prime focus for commercial, retail, cultural and entertainment activity.

Managing the metropolis

*Living Suburbs* pays special attention to improving coordination between the different spheres of government and private interests involved in Melbourne's planning and development. This will be done by adopting a whole-of-government approach to infrastructure provision and other aspects of the development process.

If this policy is to be implemented successfully, account must be taken of the impact institutional arrangements have on the development process. Responsibility for urban management is currently shared between State Government agencies and local councils, with the Commonwealth taking a growing interest. The private sector is also increasingly involved in financing and delivering urban services. However, responsibility for setting the overall strategic direction for Melbourne's development remains with the Victorian Government.

In recent years, many of the authorities with a hand in managing Melbourne have undergone significant reform.
Local government in particular has been completely restructured. The principal objective of municipal reform has been to make councils more open and businesslike. As a result, local government can now take a stronger and more strategic approach to economic and social development, as well as playing a more effective role in land-use planning and delivering value-for-money services to the community within the strategic framework established by the State Government. The new municipalities established since 1992 will be key contributors to the economic health and vitality of Melbourne.

The introduction of compulsory competitive tendering at the local government level has also resulted in improved efficiency and prompted greater private sector participation in the delivery of physical and social services. Councils will remain responsible for the quality of services provided. Where appropriate, they will act in accordance with guidelines set by the State Government.

The Commonwealth Government has undertaken several initiatives designed to encourage innovative, integrated planning and development – among them the Better Cities Program, the Regional Development Program, the Prime Minister’s Task Force on Urban Design and the Australian Urban and Regional Development Review.

The Victorian Government will continue to work in partnership with the Commonwealth on these issues.

The private sector’s role in providing infrastructure

The private sector has long been responsible for providing neighbourhood infrastructure in new subdivisions. The Victorian Government has been instrumental in involving the private sector in financing metropolitan infrastructure – which allows the community to gain new facilities without sinking the State into debt. Giving the private sector a bigger role in infrastructure provision has also accelerated the introduction of more cost-effective construction and operating methods.

The private sector is currently involved in the provision of several major pieces of infrastructure, including roads like the Melbourne City Link and correctional facilities like the new women’s prison at Deer Park.

The benefits of private sector participation in the provision of public infrastructure include:

- the dissemination of private sector skills in design, construction, operation and customer responsiveness