

2020

# Future Victoria

COVID-19 impacting  
liveability across  
Victoria's suburbs

June 2020



# Foreword

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## New CityPulse insights show new opportunities for Victorians

Those tasked with shaping great cities and regions for Victoria all agree that to thrive they must provide opportunities, places and services for all of our citizens to live, to work and to play. To better understand how we are performing as a state, and where challenges and opportunities lie, PwC Australia looks closely at [these elements](#) analysing things like how affordable housing is (Live), how accessible jobs, schools and hospitals are (Live and Work); and what entertainment or cultural activities exist within a particular area (Play).

So, when PwC Australia undertook the first CityPulse analysis two years ago, we were unsurprised to find that proximity to the CBD and the related access to jobs and amenity was a strong factor in determining a suburb's liveability.

It meant that Melbourne's inner-city suburbs like Richmond and Hawthorn received the highest scores on both Live and Work and ultimately ranked as the most desirable places to live in our capital city for Victorians.

The COVID-19 pandemic has reshaped the way we live in many ways, and most notably has successfully shifted the way we work. Many businesses and employees alike have made successful transitions to more flexible ways of working with less demand to be located in the office or workplace. This 'new way of working' is expected to continue, at least in some part.

We have now sought to understand how this shift, with potentially less dependence on transport and proximity to the CBD, might affect liveability across Victoria's suburbs.

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## More affordable suburbs now more liveable

The new CityPulse analysis shows that the liveability scores - that is, how each area performs against each of the three Live, Work, Play metrics - of suburbs in Melbourne's middle/outer ring have jumped significantly when reduced commute times for white collar workers were taken into account.

While inner-city suburbs continued to be the majority of suburbs with the highest absolute liveability scores, the improved scores for middle/outer ring suburbs now presents a more balanced picture of liveability across Melbourne. Among the most improved are Point Cook in the West, Mount Eliza in the South, Pantmon Hill in the North and Beaconsfield in the East.

This finding suggests new modes of working can reduce the gap between the 'haves' and 'have-nots'. While acknowledging that not every Victorian worker can actually work remotely (for example, the construction industry and trades or courier and delivery drivers), the findings do indicate that Victorians in many middle and outer suburbs have received an unforeseen benefit with COVID-19 forcing new work patterns.

## But the mix needs to be right: access to great places to ‘play’ are vital

To make a suburb truly liveable, it needs to provide ways for people to connect, explore and recharge. The CityPulse Play score measures aspects of the locality that make it an appealing place due to access to leisure activities such as entertainment, dining and cultural or sporting activities.

Importantly and perhaps not surprisingly, those outer and middle suburbs that had better Play scores before COVID-19 are now seeing seriously strong improvements in their overall liveability ratings due to the reduction of commute time and ability to work from home.

Suburbs such as Warrandyte, Donvale and Ringwood East have seen significant increase in liveability due to their already high access to fitness and sports facilities, entertainment and cultural attractions, and open areas like reserves and parks.

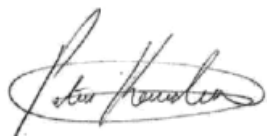
Suburbs greater than 20km from Melbourne’s CBD which could benefit from improved access to leisure facilities such as Cranbourne East, Point Cook and Beaconsfield could become even more liveable with improvements in recreational options. They are poised for success with their newfound high Live scores.

## What are the implications for Victorians?

While it is still too early to say with any certainty what the long lasting impacts will be in people’s work habits, some possible impacts for Victorians in terms of liveability may include:

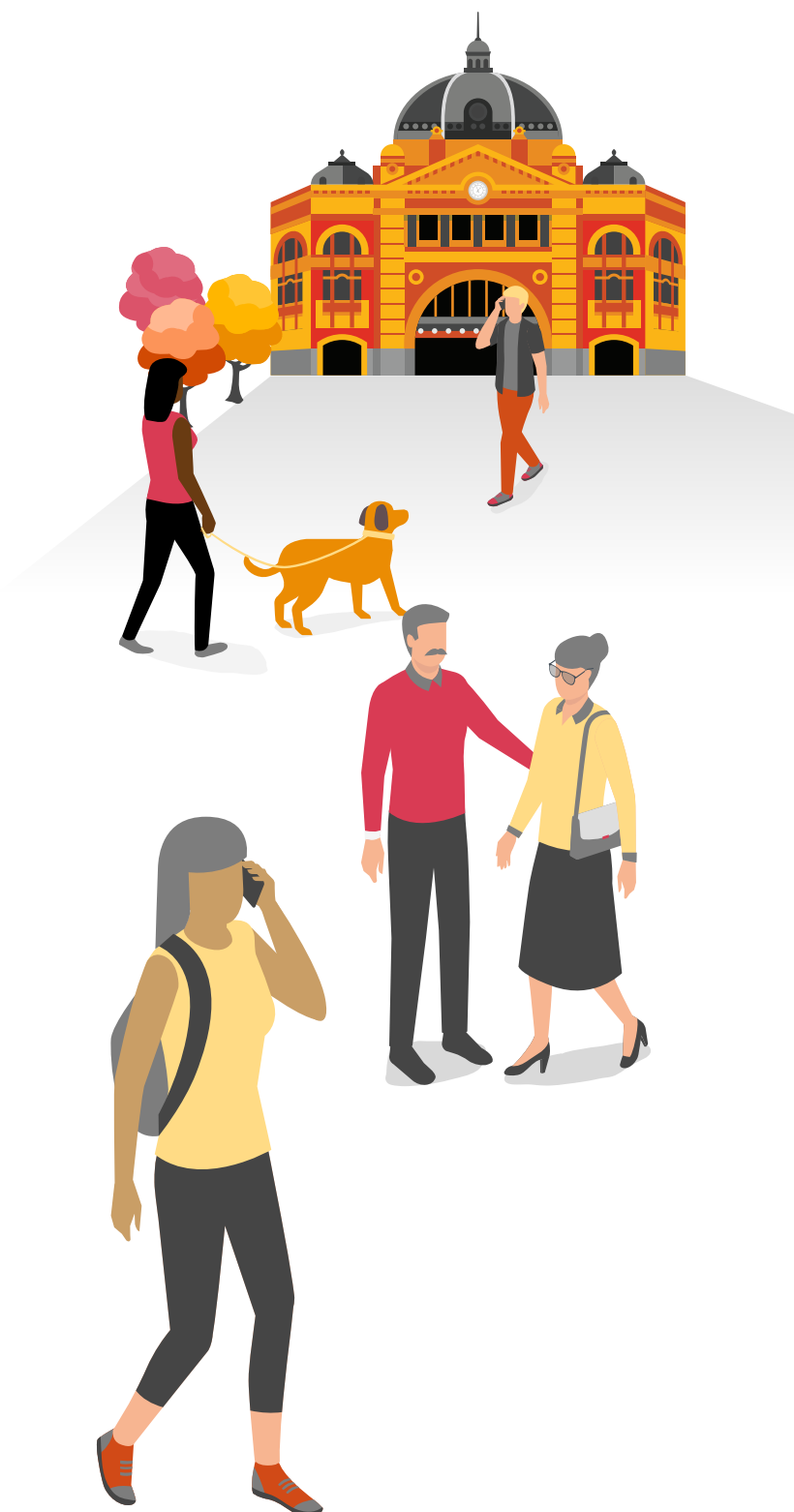
- 1 Suburbs in the middle to outer rings which have traditionally been more affordable than inner Melbourne see their values rise as people crave larger homes and more space;
- 2 Conversely, the skyrocketing land values in inner Melbourne’s suburbs may see a pause in growth as Victorians reconsider what they want from their homes;
- 3 Infrastructure and transport connectivity to the CBD from middle and outer suburbs may become less of a priority. Potentially, travel around the suburbs becomes more important - with projects such as the Suburban Rail Loop connecting Melbourne’s middle ring of suburbs from the east around to the west - becoming far more relevant.
- 4 Our local bus and tram networks may also become increasingly important, with an opportunity for more on-demand public transport options to respond to shorter, local trip needs;
- 5 Amenity investment such as high quality Play in terms of bars and cafes may see more opportunity in these middle and outer suburbs as they become more affluent due to rising home values - could you imagine a Michelin-star restaurant in Point Cook or Arts Centre Beaconsfield?

The ‘new Victoria’ promises a wealth of opportunities. We must work together – businesses, governments and communities – to convert these opportunities into reality.



**Peter Konidaris**

Melbourne Managing Partner  
PwC Australia



# A new CityPulse Live score has been created to consider the impact of greater remote working

## Original City Pulse Live Score

- In the 2018 CityPulse, Live scores were generated based on the following four metrics:
  - Housing Affordability (26.3% weighting)
  - Access to Amenities, such as education facilities, places of worship and aged care (26.3% weighting)
  - Access to Health, such as medical centres and hospitals (26.3% weighting)
  - Rate of Crime (21.1% weighting)

## Creation of New Live Score

- COVID-19 has demonstrated that many people have been able to work effectively from home and avoid often lengthy work commutes
- Assuming this results in a sustained increase in remote working, we have modified the live score to reflect the impact this may have on the liveability of Melbourne's suburbs
- An new fifth metric (Commute Saving) has been added based on:
  - % of working population with potential to work from home; multiplied by
  - Average commute distance
- The new live score weighting are as follows:
  - 16.7% for Crime
  - 20.8% for each of Commute Saving, Housing Affordability, Amenities and Health

## Comparison of Original vs. New Live Score

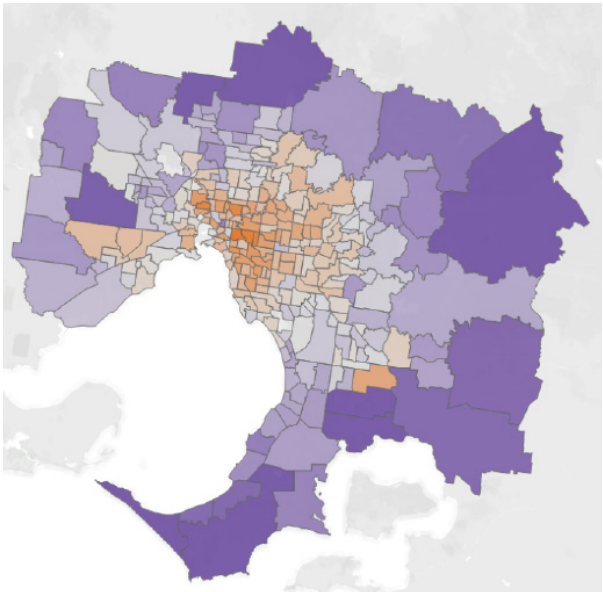
- The following pages outline the impact of the shift from original to new live score and the implications for suburb liveability, particularly in the outer areas of Melbourne



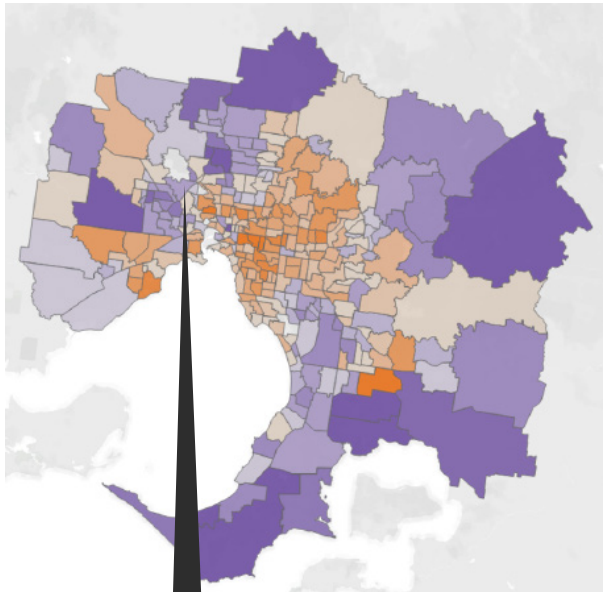
**CityPulse** research suggests that **effective** and **thriving** cities are those that connect the three elements of 'live', 'work' and 'play' – it is this interconnection that brings **vibrancy, community involvement** and **fulfillment**

# The new approach has resulted in relatively higher Live scores in Melbourne's outer suburbs

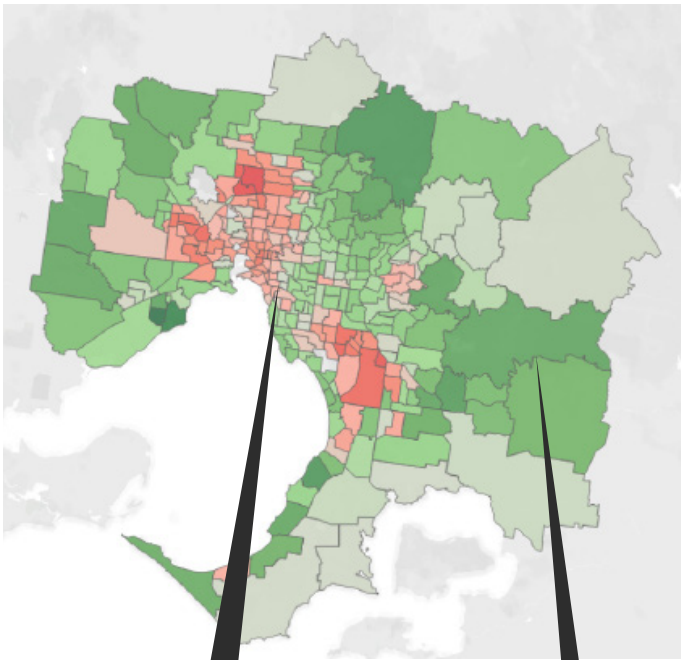
Original Live Scores by SA2



New Live Scores by SA2



Change in Live Scores by SA2



Inner suburbs have a higher proportion of people who can potentially work remotely (i.e. professional occupations) but the shorter commute distances results in lower benefit compared with the outer suburbs

The significantly longer work commute distances in the outer suburbs results in these suburbs have the largest improvement in their Live scores



# The suburbs with the most improved Live scores occur in pockets across the northern, southern, eastern and western city boundaries

## Top 20 Most Improved Live Score Suburbs

### Western Pocket

Suburb	Map Abbreviation	New Live Score	Change in Live Score
Point Cook - South	PCS	8.4	+3.8
Point Cook - East	PCE	8.9	+3.2
Point Cook - North	PCN	7.6	+2.2
Melton South	MLS	5.7	+2.2
Wyndham Vale	WYV	4.7	+2.1
Sunbury - South	SUS	6.5	+2.0
Sunbury	SUN	3.7	+1.9

### Southern Pocket

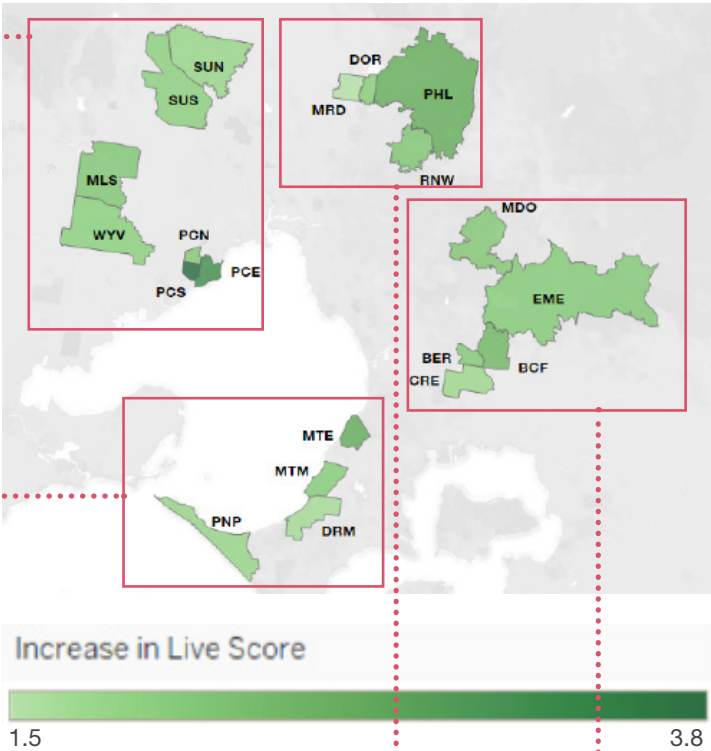
Suburb	Map Abbreviation	New Live Score	Change in Live Score
Mount Eliza	MTE	5.6	+2.6
Mount Martha	MTM	4.4	+2.1
Point Nepean	PNP	1.9	+1.9
Dromana	DRM	2.5	+1.8

### Northern Pocket

Suburb	Map Abbreviation	New Live Score	Change in Live Score
Panton Hill - St Andrews	PHL	5.2	+2.6
Research - North Warrandyte	RNW	6.8	+2.2
Doreen	DOR	5.7	+2.1
Mernda	MRD	5.9	+1.7

### Eastern Pocket

Suburb	Map Abbreviation	New Live Score	Change in Live Score
Beaconsfield - Officer	BCF	8.3	+2.4
Berwick - South	BER	7.0	+2.2
Mount Dandenong - Olinda	MDO	6.5	+2.2
Emerald - Cockatoo	EME	5.5	+2.2
Cranbourne East	CRE	9.7	+1.9



# The new Live score has resulted in 10 new suburbs breaking into the Top 40 for Live, with 8 being greater than 20km from the CBD

## New Live Score - Top 40 Suburbs Overall

New Live Score Ranking	Suburb	Change in Live Ranking	New Live Score
1	Hawthorn East	+1	10.0
2	Hawthorn	+1	9.8
3	Richmond (Vic.)	-2	9.7
<b>4</b>	<b>Cranbourne East</b>	<b>+19</b>	<b>9.7</b>
5	Moonee Ponds	-1	9.4
6	Northcote	-1	9.1
7	Malvern - Glen Iris	0	8.9
8	Surrey Hills (West) - Canterbury	+6	8.9
<b>9</b>	<b>Point Cook - East</b>	<b>+109</b>	<b>8.9</b>
10	Carnegie	0	8.8
11	Surrey Hills (East) - Mont Albert	+11	8.7
<b>12</b>	<b>Mitcham (Vic.)</b>	<b>+22</b>	<b>8.7</b>
13	Malvern East	-2	8.6
14	Camberwell	+3	8.6
15	Essendon - Aberfeldie	-7	8.5
16	Blackburn	+11	8.5
17	Bentleigh - McKinnon	+2	8.4
<b>18</b>	<b>Point Cook - South</b>	<b>+169</b>	<b>8.4</b>
<b>19</b>	<b>Eltham</b>	<b>+39</b>	<b>8.4</b>
20	Prahran - Windsor	-14	8.4

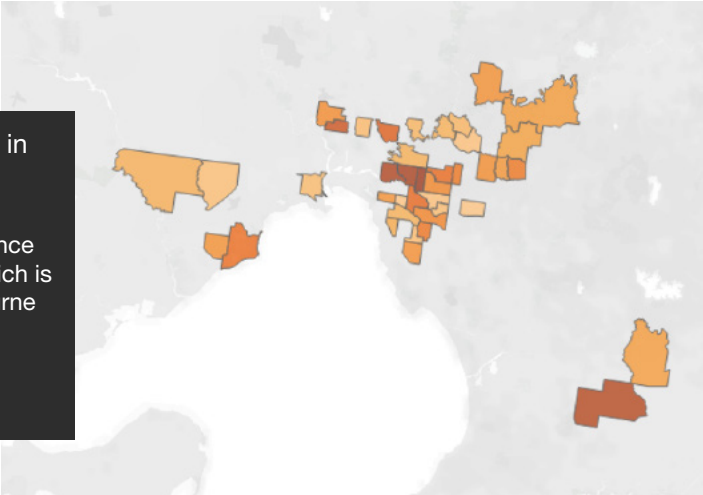
New Live Score Ranking	Suburb	Change in Live Ranking	New Live Score
<b>21</b>	<b>Nunawading</b>	<b>+16</b>	<b>8.3</b>
<b>22</b>	<b>Warrandyte - Wonga Park</b>	<b>+45</b>	<b>8.3</b>
<b>23</b>	<b>Beaconsfield - Officer</b>	<b>+86</b>	<b>8.3</b>
<b>24</b>	<b>Donvale - Park Orchards</b>	<b>+24</b>	<b>8.2</b>
25	Elsternwick	-10	8.1
<b>26</b>	<b>Trarkeit</b>	<b>+39</b>	<b>8.0</b>
27	Kew	-14	8.0
28	Caulfield - North	-16	8.0
29	Bulleen	-4	8.0
30	Ivanhoe	-9	7.9
31	Templestowe Lower	+5	7.9
32	Brunswick	-23	7.9
33	Newport	+8	7.9
34	Ormond - Glen Huntly	-5	7.8
35	Ashburton (Vic.)	0	7.8
<b>36</b>	<b>Truganina</b>	<b>+32</b>	<b>7.8</b>
37	Glen Iris - East	+3	7.7
38	Doncaster	+1	7.7
39	Armadales	-11	7.7
40	Mount Waverley - North	+6	7.7

 = New Top 40 Live Score Suburb    **Bold** = more than 20km from the CBD)

Point Cook in Melbourne’s west has seen the greatest jump in Live scores. That’s based on two factors:

All three Point Cook regions (North, South, East) currently have residents with a 50% potential to work from home (versus the average of 42% in Melbourne)

The average commute distance is approximately 20.5km which is 30% higher than the Melbourne average of 15.7km



7.600

10.000

# Bang for your buck suburbs

## Greater than 20km from CBD

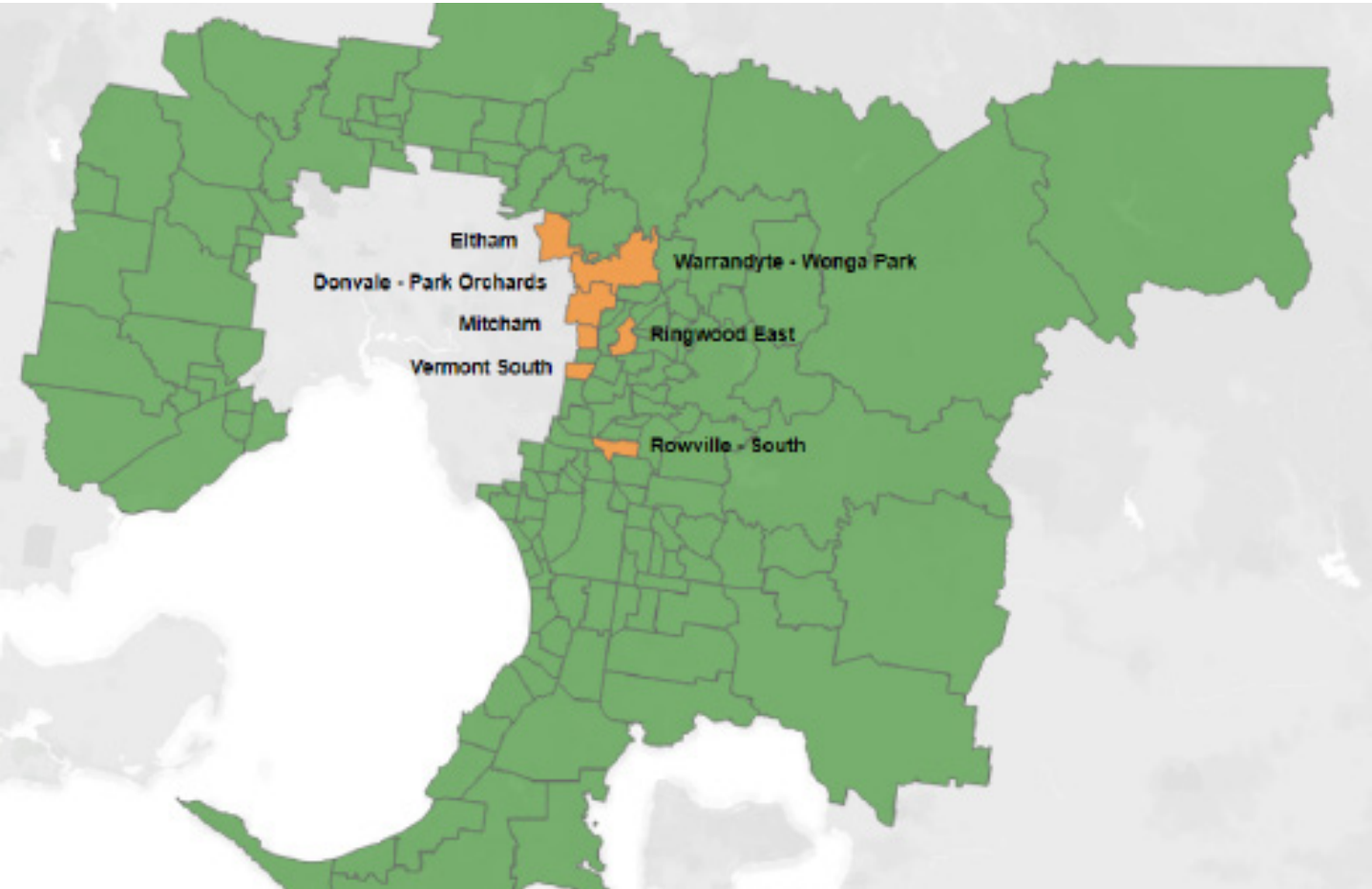
Seven suburbs in the >20km ring stand out with Live and Play scores above the average suburb in the 10-20km ring

### Analysis Approach

- Melbourne has been divided into 4 distance bands from the CBD to understand the average live and play score in each ring
- For the middle/outer rings we have identified suburbs that could represent strong “bang for your buck” for those individuals that take advantage of greater remote working

Suburb	“New” Live Score	Play Score
Mitcham (Vic.)	8.7	5.5
Eltham	8.4	5.1
Warrandyte - Wonga Park	8.3	6.2
Donvale - Park Orchards	8.2	5.7
Rowville - South	7.2	5.0
Vermont South	7.2	5.1
Ringwood East	6.9	5.8

	Original Live Average	Play Score
Greater Melbourne Average	5.3	4.3
Next Closest Ring (10-20km)	5.5	4.6



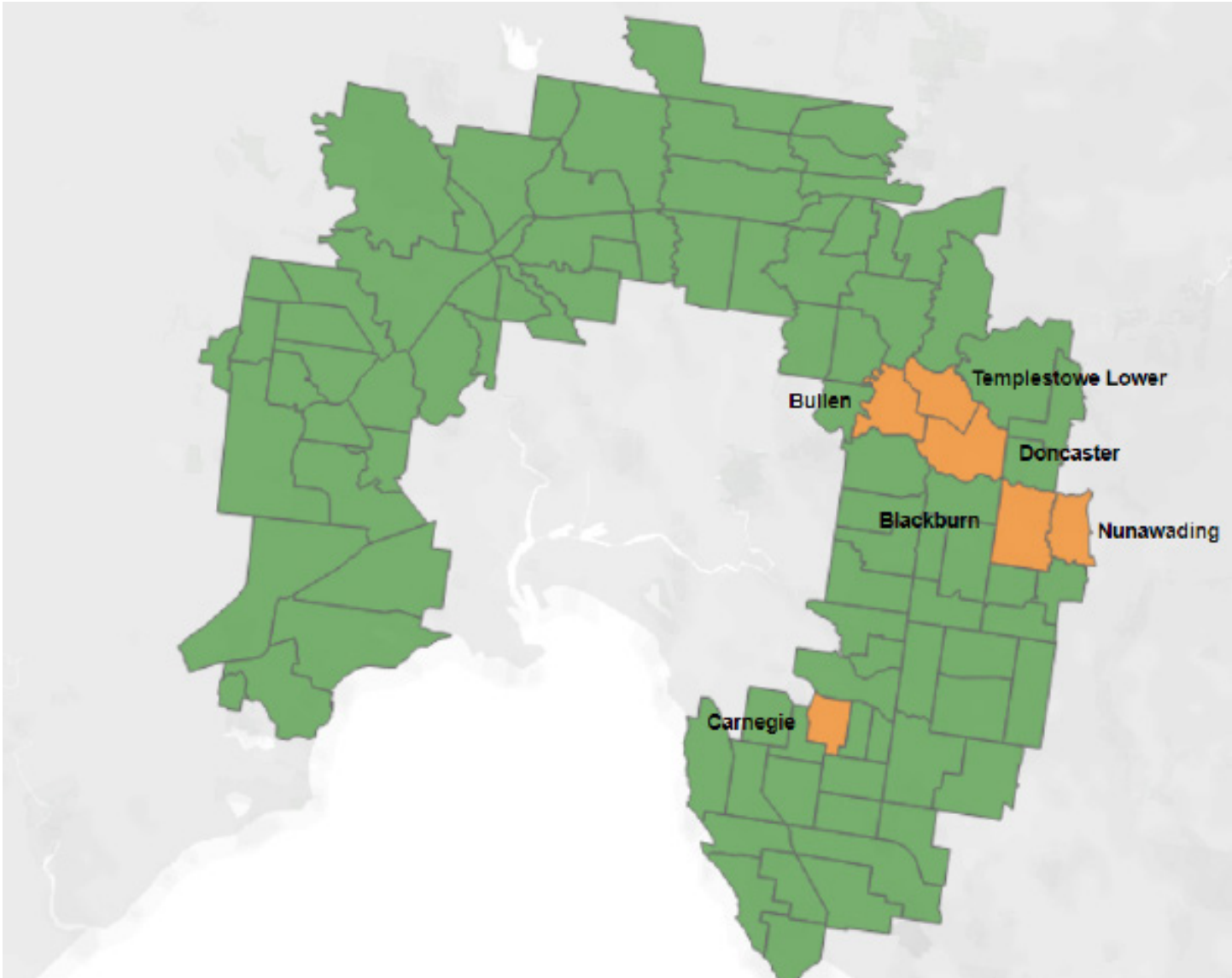
# Bang for your buck suburbs

## 10 to 20km from CBD

Six suburbs in the 10-20km ring stand out with Live and Play scores above the average suburb in the 5-10km ring

Suburb	"New" Live Score	Play Score
Carnegie	8.8	6.1
Blackburn	8.5	6.2
Nunawading	8.3	5.9
Bulleen	8.0	5.8
Templestowe Lower	7.9	5.9
Doncaster	7.7	6.6

	Original Live Average	Play Score
Greater Melbourne Average	5.3	4.3
Next Closest Ring (5-10km)	6.9	6.3



# Appendix



## People at the heart of our cities

Our cities are living things, constantly growing and evolving. They are the sum of their many parts, both tangible and intangible. And at the heart of every city is its people. That means a city thrives when it is an inclusive environment, when these people feel connected to each other, to their community, and to their built environment.

Our cities are not made up of a single, homogenous urban region. To succeed, they must reflect the diversity of our communities and their needs.

They must provide opportunities, places and services for all citizens to live, to work and to play. Creating those opportunities starts – and continues – with the many strategic, planning and policy decisions we make in relation to our cities. For our citizens, those decisions create very real outcomes – things like how affordable housing is, how accessible jobs, schools and hospitals are; and what entertainment or cultural activities exist within a particular area.

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## CityPulse helps us maximise liveability in our cities through data-led insights

CityPulse provides a national dataset that looks at our cities across three simple measures – live, work and play. To effect real change, PwC is taking a data-driven approach that will provide insights into how our cities function. CityPulse establishes a considered, independent baseline for conversations with government, the private sector and the community on how we work together to maximise the opportunities in each city.

CityPulse goes beyond the economic opportunities that exist in each area to the other things like the availability of the services we need, and the other facilities we like to use. Together, the three factors – live, work and play – offer a unique perspective of the city and let us look at it in the context of what makes it truly liveable.

### Live

A well-functioning city is one where people feel safe, comfortable and able to access the services they need. Live measures the overall amenity of a locality based on factors such as housing affordability, crime rates and access to services such as health care and schools.

### Work

Does a city provide its residents with economic opportunity through access to viable employment options? Work assesses a range of economic factors such as business activity, employment rates, access to jobs and economic performance.

### Play

To make a city truly liveable, it needs to provide ways for people to connect, explore and recharge. Play measures aspects of the locality that make it an appealing place for leisure activities such as entertainment, dining and cultural or sporting activities.

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## Smart data for a different view of our cities

CityPulse uses data collated from a wide range of sources to calculate a list of measurable indicators down to an SA2 level (ABS statistical area roughly the size of a postcode).

To ensure the outputs are based on real-world scenarios, the data takes into account granular factors and the relationships between them, such as peak and off-peak journey times by public transport and road, and the number as well as the proximity of places within a school or beds in a hospital.

As CityPulse is based on a range of data sources it focuses on general access and availability and does not currently take into account the demographics or preferences of local residents.

Accessibility measures are based on 30-minute drive time and 30-minute transit radius from each SA2. This is an important element of CityPulse: accessibility defines our experience of a city and affects our quality of life.

As explained in the geography of time, report when people are freed from the commute, they start spending their time budget on other things. They see more friends and spend more time with family. They invest more time on education, leisure or keeping fit. They take the job that makes them feel more satisfied and stimulated. They become more productive. This city, the 30-minute city, has more social cohesion, stronger social capital and a happier, healthier population.

Once the indicators have been calculated, we weight and combine them into thematic groups to calculate a mid-level 'metric' score. These metrics are then themselves weighted and combined to give the headline category scores of Live, Work and Play. Importantly, the results are assessed by our local experts in each city to ensure the output reflects the reality of that location.

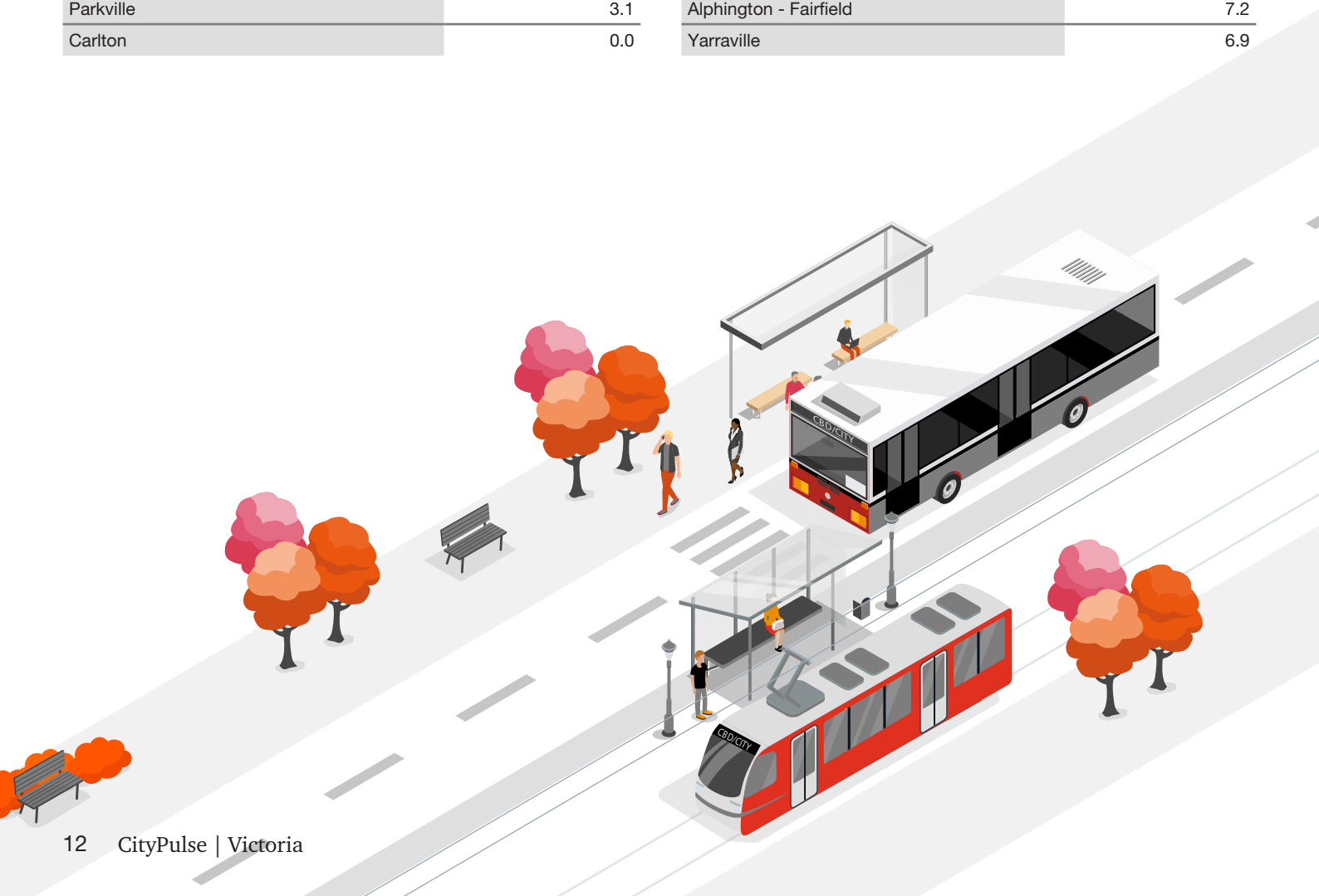
# Top 20 Live Suburbs: Less than 5km and 5 to 10km from CBD

## Top 20 Live Scores <5km from CBD

Suburb	"New" Live Score
Richmond (Vic.)	9.7
Southbank	7.3
South Yarra - East	7.1
North Melbourne	7.0
Abbotsford	6.8
Albert Park	6.7
Kensington (Vic.)	6.5
Fitzroy North	6.2
Carlton North - Princes Hill	5.7
Collingwood	5.6
Flemington	5.4
South Melbourne	5.4
Fitzroy	5.3
Melbourne	5.0
Port Melbourne	5.0
South Yarra - West	4.4
East Melbourne	4.3
Docklands	4.1
Parkville	3.1
Carlton	0.0

## Top 20 Live Scores 5-10km from CBD

Suburb	"New" Live Score
Hawthorn East	10.0
Hawthorn	9.8
Moonee Ponds	9.4
Northcote	9.1
Malvern - Glen Iris	8.9
Essendon - Aberfeldie	8.5
Prahran - Windsor	8.4
Elsternwick	8.1
Kew	8.0
Caulfield - North	8.0
Ivanhoe	7.9
Brunswick	7.9
Newport	7.9
Armadale	7.7
Brunswick East	7.5
Ascot Vale	7.5
St Kilda East	7.3
Kew East	7.3
Alphington - Fairfield	7.2
Yarraville	6.9



# Top 20 Live Suburbs: 10 to 20km and greater than 20km from CBD

## Top 20 Live Scores 10-20km from CBD

Suburb	"New" Live Score
Surrey Hills (West) - Canterbury	8.9
Carnegie	8.8
Surrey Hills (East) - Mont Albert	8.7
Malvern East	8.6
Camberwell	8.6
Blackburn	8.5
Bentleigh - McKinnon	8.4
Nunawading	8.3
Bulleen	8.0
Templestowe Lower	7.9
Ormond - Glen Huntly	7.8
Ashburton (Vic.)	7.8
Glen Iris - East	7.7
Doncaster	7.7
Mount Waverley - North	7.7
Mount Waverley - South	7.6
Balwyn North	7.6
Laverton	7.5
Heidelberg - Rosanna	7.5
Box Hill North	7.3

## Top 20 Live Scores >20km from CBD

Suburb	"New" Live Score
Cranbourne East	9.7
Point Cook - East	8.9
Mitcham (Vic.)	8.7
Point Cook - South	8.4
Eltham	8.4
Warrandyte - Wonga Park	8.3
Beaconsfield - Officer	8.3
Donvale - Park Orchards	8.2
Tarneit	8.0
Truganina	7.8
Point Cook - North	7.6
Plenty - Yarrambat	7.6
Vermont South	7.2
Rowville - South	7.2
Wattle Glen - Diamond Creek	7.2
Berwick - South	7.0
Wheelers Hill	6.9
Ringwood East	6.9
Research - North Warrandyte	6.8
Ringwood North	6.8



# Thank you

# 2020

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