

Findings & Recommendations

This paper identifies six common challenges facing Australia's largest cities as they grow. Infrastructure Australia has used these findings to inform the development of nine recommendations to governments and industry on how to deliver best-practice sequencing. Together, the findings and recommendations are a call to action for all levels of government to ensure the right planning, governance, funding, and delivery frameworks are in place to make our cities liveable into the future.

Finding 1

Infrastructure delivery is struggling to keep pace with rapid population growth in our major cities.

Recommendation 1

The Australian Government should establish a process to better strategically plan for Australia's future population. It should partner with state, territory, and local governments to develop:

- A whole-of-government vision for the future liveability of the nation. This should underpin policy and investment decisions at all levels of government, and spatial planning by state, territory, and local governments.
- An evidence base to better understand the demographic drivers of change in our population and their spatial impact.
- Forecasts for population growth at a national level, which are translated to account for spatial impacts at the local level. These should include inputs from core policy areas including births, deaths, immigration and other demographic factors (such as ageing), skills and jobs, and infrastructure provision, and should be tested against a number of different scenarios.

Recommendation 2

Planning systems should focus the weight of decision-making on strategic level planning. State and local governments should work in partnership to:

- Develop local strategic plans that translate metropolitan strategies into tangible outcomes at the 'place' level.
- Ensure local strategic plans consider local infrastructure planning and sequencing requirements.
- Amend local planning controls and development assessment processes to reflect strategic plans.



Finding 2

Australia's three-tiered governance structure can make it challenging to consistently deliver liveable places.

Recommendation 3

Governance arrangements with appropriate funding, resourcing, and accountability arrangements are essential to ensuring that strategic metropolitan plans are translated into tangible local outcomes. State and local governments should work in partnership to:

- Clearly define roles and responsibilities to strengthen accountability for delivering the local strategic plans.
- Ensure local governments are adequately resourced and empowered to plan and deliver local strategic plans.

Recommendation 4

Enhancing existing incentive mechanisms that promote improved governance and better collaboration between all levels of government will help to achieve liveable outcomes in our largest cities. The Australian Government should work with state and local governments to:

- Establish a consistent hierarchy of incentive funding to drive nationally significant benefits for our largest cities, at the project, place, and reform levels.
- Continue to prioritise long-term metropolitan governance reform through City Deals to ensure progress on inter-governmental collaboration is institutionalised and ongoing.
- Prioritise governance reforms such as reforms to funding arrangements between levels of government, new or dedicated governance structures, and reforms to planning legislation.

Finding 3

Sector-led infrastructure planning can lead to uncoordinated outcomes for communities.

Recommendation 5

In areas of high growth, governments should identify and assess the full range of economic and social infrastructure required at a ‘place’ level. State governments should work with local governments and industry to:

- Establish adequately resourced governance arrangements that bring together a range of stakeholders who have an interest in the successful development of the place. For example, state agencies, local governments, land owners and developers, and business and community representatives.
- Align the objectives of stakeholders with state and local infrastructure strategies and commit agency budgets to ensure delivery and implementation.
- Improve coordination across sectors, through adopting approaches, such as the development of strategic ‘place-based’ business cases, to ensure that infrastructure is delivered to meet the demands of growth.
- Continue to evaluate individual projects as final business cases.

Finding 4

Communities are increasingly disappointed by their experience of growth.

Recommendation 6

Improving the quality, demonstrated outcomes, and longevity of community engagement is critical to the successful growth of our largest cities. All governments should work in partnership with industry to:

- Focus the weight of community engagement at the strategic level to enable the community to contribute to ‘telling the story’ of an area, beyond individual projects.
- Ensure a range of perspectives that reflect community demographics are considered.
- Use collaborative engagement models to co-create strategic goals.
- Design engagement processes that allow frank, honest, and forthright community conversation on expectations and trade-offs, with a commitment to tangible actions, transparent reporting, and accountability.



Image credit: METRONET WA

Finding 5

Our infrastructure funding mechanisms have not kept pace with growth.

Recommendation 7

Governments should undertake an independent review of local and state infrastructure funding mechanisms and policies. State governments should work with local governments and industry to:

- Assess the effectiveness of the full range of mechanisms available, including local government rates and taxes, developer contributions and user charges, to address long-term structural funding shortfalls for asset delivery and maintenance.
- Ensure policies facilitate the timely delivery of infrastructure, increase transparency, and provide governments, industry, and the community with as much certainty as possible of the cost of infrastructure and how it is paid for.
- Consider alternative and innovative funding mechanisms, such as a broad-based land tax and targeted levies, to promote equitable and efficient outcomes.

Recommendation 8

Making better use of existing infrastructure assets and networks will deliver improved outcomes for both communities and governments. Planners and asset owners should:

- Embed better-use principles in infrastructure decision-making, including consideration of non-capital options, such as optimisation, policy and regulatory reform, and governance reform, when developing solutions to upgrade infrastructure capacity.
- Prioritise the planning, funding, and delivery of maintenance to address backlogs.
- Use technological enhancements (such as smart motorways) and policy interventions (such as variable pricing) to improve user experience and reduce costs.
- Promote shared-use arrangements, such as opening up spaces like school playgrounds out of hours to increase community access to green space.

Finding 6

Governments and industry lack a shared understanding of the capacity of different infrastructure networks.

Recommendation 9

Our largest cities require a more coordinated, transparent and standardised understanding of current and future infrastructure capacity to help governments optimise infrastructure use and make better investment decisions. All levels of government should work with industry to further develop evidence bases that:

- Use new and existing data sources to provide more integrated and timely information on asset and network quality, capacity, and use.
- Inform cross-sectoral government planning and decision-making.
- Improve infrastructure optimisation, the transparency of infrastructure funding mechanisms, and reduce the cost of delivering and maintaining infrastructure.