

28th April 2025

Infrastructure Victoria
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Attention : enquiries@infrastructurevictoria.com.au

To whom it may concern,

VICTORIA'S DRAFT 30-YEAR INFRASTRUCTURE STRATEGY – SUBMISSION

We would like to thank Infrastructure Victoria for providing the opportunity to lodge a submission responding to Victoria's Draft 30-Year Infrastructure Strategy. We would also like to commend Infrastructure Victoria for taking a proactive stance in developing a strategy that provides realistic and obtainable goals that aim to sustainably meet the future infrastructure needs of the State of Victoria.

With offices located within Metropolitan Melbourne and Regional Victoria, Niche Studio (Niche) has a keen and vested interest in the continued growth and development of Victoria from a local and professional planning perspective.

Niche is a specialised planning and urban design consultancy operating across Australia with offices in Victoria, Tasmania, and Western Australia. We provide a variety of statutory, strategic, and urban design services to multiple governments, advocacy groups, and private organisations across Australia. Much of our work is residentially based, from regional higher density projects to precinct planning and greenfield planning.

We appreciate Infrastructure Victoria's evident collaborative approach to preparing a comprehensive selection of recommendations and future options for the State of Victoria. As IAP2 qualified community engagement practitioners, Niche emphasises the importance of preparing strategic directions that are curated from a foundation of engagement and dissemination activities.

In this submission, we would like to reflect on the proposed recommendations and future options prepared by Infrastructure Victoria from a planning perspective and provide commentary on areas we support and areas we believe may require further consideration.

KEY POINTS OF THE DRAFT 30-YEAR INFRASTRUCTURE STRATEGY WE SUPPORT

Draft 30-Year Infrastructure Strategy Recommendations and Future Options

The draft 30-year Infrastructure Strategy contains a total of 43 recommendations which propose actions for the Victorian Government to start within the first 5 year period. These recommendations contain projects, policies, and reforms that Victoria will need to implement before 2030. The Strategy also contains a seven (7) future options which consist of projects, policies, and reforms that are identified to be required over the next 30 years.

It is noted that Infrastructure Victoria have significantly reduced the number of recommendations when compared to the 2021-2051 iteration of the Strategy. Previously, 94 recommendations were

proposed (*30-Year Infrastructure Strategy 2021-2051*) which resulted in an 80% implementation/action rate by the Victorian Government. Whilst we commend this achievement and believe that this is a strong implementation/action rate, Infrastructure Victoria's decision to reduce the number of recommendations to 43 should result in an increased implementation/action rate by the Victorian Government. Infrastructure Victoria's approach to reduce the number of proposed recommendations is strongly supported by Niche.

Integration of Land-Use Planning and Future Infrastructure Development

Draft recommendation 35 proposes the requirement for each department owning infrastructure to develop an Infrastructure Sector Plan to be published for public viewing. The proposed Infrastructure Sector Plans should cover a 15 to 20 year period and name timelines, triggers, and order of infrastructure design and delivery. Departments that prepare Infrastructure Sector Plans should then publish their high level plans which allow local governments, businesses, and non-for-profit organisations to better align their development decisions with future infrastructure directions. We strongly encourage better alignment of land-use planning and future infrastructure development through recommendations such as the proposed Infrastructure Sector Plans. With over 12 years' experience facilitating development of large scale housing project within a greenfield setting, Niche is well aware of the implications caused by out of sequence infrastructure delivery. Therefore, we strongly emphasise that Infrastructure Victoria advocate for this recommendation to be considered a priority by the Victorian Government, specifically in regard to the realisation of the current target of building 800,000 new homes by 2050.

Rezone locations near existing infrastructure for more home choices

Draft recommendation 7 acknowledges the current effort the Victorian Government is undertaking to collocate high density housing closer to existing transport infrastructure through the ongoing Activity Centres Program implemented across Metropolitan Melbourne. The Strategy acknowledges that most middle suburbs in Melbourne's and Victoria's Regional cities are low-density neighbourhoods and often do not offer many housing options apart from detached homes. Whilst the Victorian Government are proactively addressing this situation through the Activity Centre Program which seeks to increase density around existing railway stations through rezoning processes. The draft recommendation seeks to further expand on this direction, by advocating for State Government to investigate the potential to plan and rezone areas close to other public transport infrastructure and well connected open space areas not only within Melbourne but across the State of Victoria. Niche strongly support the implementation of this recommendation and commends Infrastructure Victoria for advocating for yet another practical solution to minimise infrastructure implementation costs whilst aligning with State Government's 800,000 new homes objective. We agree that the co-location of new homes with upgraded existing infrastructure is a cost-effective initiative for infrastructure implementation that will better align land-use planning and future infrastructure delivery.

Road safety improvements for vulnerable road users

Draft recommendation 14 acknowledges that Victoria's neighbourhoods should be safe for people to travel and children to play. Draft recommendation 15 acknowledges that whilst over 60% of Victorian's trips are under 5km in distance, many people do not choose to use active transport choices due to safety concerns. Together, through practical solutions, these recommendations seek to create a safer

environment for Victorians to traverse our streets. Draft recommendation 14 seeks to improve safety of local streets by proposing to reduce speed limits to 30 km/h in neighbourhood areas, starting with high traffic areas for children such as schools, playgrounds, childcare centres, and kindergartens. Draft recommendation 15 proposes a strategic cycling corridor network and advocates for further support from the Victorian Government at developing over 180km of continuous safe cycle connections. As a company with a number of employees raising young families and employees who commute via active travel methods, Niche strongly supports the implementation of recommendations 14 and 15. With road related trauma being a leading cause in death of children ages 1 to 14 in Australia, it is critical that our infrastructure is safe for all users and should be considered a high priority for the Victorian Government.

KEY POINTS FOR FURTHER REFLECTION AND DISCUSSION

Investment and utilisation of digital technologies

Draft recommendation 19 (Invest in digital healthcare) and draft recommendation 39 (use digital technologies to better design, build and maintain government infrastructure) both seek to invest and utilise developing digital technologies to better improve delivery efficiencies within their retrospective environments. The ability to harness emerging technologies such as artificial intelligence (AI) to create efficient and expedited outcomes for infrastructure delivery is a prosperous ideology for the State of Victoria. Whilst Niche are supportive of the recommendations to utilise digital technology more regularly within our developing State, we are acutely aware of the resource demands a digital system like this would require at a State-wide scale. It is noted that whilst Infrastructure Victoria have acknowledged the need for a new software 'infrastructure' to assist with the implementation of these objections, there does not seem to be consideration for the hardware 'infrastructure' that would be required to enable their effective development.

It is very likely that the demand created from a State-wide digital advancement would require major upgrades to the existing physical infrastructure and may not be as feasible as once thought. However, with the growing interest in locating Data Centres within Victoria, specifically Melbourne, there is an opportunity for State Government to capitalise on private investment and expedite the development of Data Centres to be utilised for digital technologies.

Plan for and invest in manufactured water

As detailed within our discussion regarding recommendations 19 and 39, the utilisation of emerging digital technologies, a process that is inevitable within the 21st century, creates a new demand for the development of physical digital infrastructure. Data Centres are physical facilities that centralises and houses large-scale IT equipment, such as networking equipment or data storage devices. The operation of a number of existing data centres has sparked ongoing concerns regarding the large-scale resource consumption, specifically water which is used to cool the equipment housed within a data centre.

Infrastructure Victoria have presented a draft future option (Plan for and invest in manufactured water) that identifies that Melbourne's water supply might need to double within 50 years and therefore recommending that State Government invest in manufactured water facilities to alleviate this demand. We agree with Infrastructure Victoria's future option to plan for and invest in manufactured water, but we believe this should be reconsidered as a recommendation for immediate action.

To elaborate on our previous point, recent rulings from the U.S have granted Australia privileged access to their Nvidia AI chips, which have accelerated investment opportunities for digital technologies across Australia. However, with increasing restrictions on power availability and insufficient land area in Sydney, Melbourne is quickly becoming the most attractive location for new Data Centre development.

In this instance, State Government needs to acknowledge that digital technologies and associated physical infrastructure (Data Centres) are part of Victoria's future and therefore require careful and proactive planning to ensure our residents have uncontested access to services such as water and electricity.

Reform Infrastructure Contributions

Draft recommendation 36 seeks to simplify Victoria's infrastructure contributions schemes to cover all types of housing developments and reflect the cost of infrastructure in different developing settings. Niche agrees that the current state of infrastructure contributions models are complex and inconsistent across Local Authorities and an infrastructure contribution framework will assist in applying a fair and consistent approach to obtaining infrastructure contributions.

However, we would like to suggest that any reformed infrastructure contributions model should apply to all development regardless of location, which will raise valuable infrastructure contributions in alignment with State Governments objectives to increase infill development.

We believe that raising infrastructure contributions in areas where delivery costs are higher will likely stall greenfield development and ultimately increase housing prices, an outcome not favourable by any Victorian looking to purchase a home. Instead, further resources should be spent on reducing the cost of delivering infrastructure within these greenfield areas through integrating land-use planning and infrastructure delivery as recommended in recommendation 35.

Expand TAFE in Melbourne's growth areas and some large regional centres

Draft recommendation 4 seeks to expand existing TAFE campuses across Metropolitan Melbourne, as well as within some large Regional centres across Victoria. TAFE institutes are recognised as critical for providing training for workers across a number of sectors that are currently experiencing skill shortages. Recently, TAFE institutes have received an increase in enrolment numbers, due to the Victorian Governments Free TAFE program. Infrastructure Victoria have recommended that a number of TAFE campuses undergo expansion and redevelopment to cope with the increase demand and ensure TAFE remains an attractive pathway for many Australians. Niche supports this recommendation and agrees that our education is the foundation of a stronger, more resilient economy. However, we believe that there needs to be more transparent communication between State Government and Local Authorities where TAFE campuses are located. Working alongside Local Authority, Niche have firsthand experience where a strategic project on behalf of Council had potential to align with the expansion of a TAFE institute situated within the same precinct. However, due to a lack of transparency, the delivery of these project resulted in a misalignment. An opportunity for a collaborative approach at placemaking within a precinct was missed, which potentially could have resulted in a more cost-efficient and harmonious delivery of key infrastructure.

Charge people fairly to use roads

Infrastructure Victoria have presented a draft future option (Charge people fairly to use roads) that identifies ongoing work to reduce congestion rates across Melbourne and other Regional Cities. To achieve this, Infrastructure Victoria have recommended a number of options which could help reduce congestion rates across Melbourne including:

- *Further expand the reach and scope of Melbourne's congestion levy to include current and future higher density precincts and activity centres, following the recent expansion into inner-eastern suburbs in December 2024.*
- *Introduce cheaper tolls on freeways outside of peak hours*
- *Trial low-emission zones or congestion charging at ports, in major precincts or inner Melbourne.*

Whilst Niche is supportive of the above-mentioned recommendations and believe that these are practical solutions to reducing congestion and enforcing positive travel behaviour. There is one recommendation that Niche disagrees with, as stated below:

- *Work with the Australian Government to introduce variable distance-based road user charging.*

It is noted that a large proportion of infrastructure contributions obtained by drivers is through taxation generated by the fuel excise. Infrastructure Victoria note that the increased use of Electric Vehicles (EVs), which do not pay the fuel excise have resulted in a reduced revenue obtained by road users. A solution to this observation has been recommended by Infrastructure Victoria and seeks to create a variable distance-based road user charging system which seeks to reclaim revenue lost by increasing EV drivers. Whilst Niche recognises that EVs still contribute to the issue of congestion, their reduced carbon emissions and increased benefit to local air quality should be an outcome we are seeking to promote and not punish. We agree that lost revenue from increasing EV numbers needs to be obtained to ensure the proper maintenance of our road infrastructure, but there are more appropriate opportunities to raise revenue without 'punishing' drivers for choosing a more sustainable transport option.

Once again, we would like to thank Infrastructure Victoria for providing the opportunity to lodge a submission responding to Victoria's Draft 30-Year Infrastructure Strategy. We would also like to thank you for ensuring a proactive stance in preparing a strategy that provides realistic and obtainable goals that aim to sustainably meet the future infrastructure needs of the State of Victoria.

Niche Studio continues to share a keen interest in the delivery of infrastructure across the State of Victoria given our ongoing involvement with numerous large and small scale developments across the state. We would be happy to discuss this submission further and ask that if Infrastructure Victoria have any comments, that you contact Jake Heath via email at [REDACTED]

Kind regards,



Jake Heath

Urban Planner