### 28 April 2025

#### Infrastructure Victoria

Level 1, North Tower, 459 Collins Street Melbourne, VIC 3000

Dear Jonathan,

# Re: Victoria's draft 30-year infrastructure strategy

Congratulations to you and the team on the public release of *Victoria's draft 30-year infrastructure strategy* (the strategy). We commend this updated strategy for its well-considered recommendations for strengthening Victoria's infrastructure over the next 30 years. The commitment of Infrastructure Victoria (IV) to facilitating a healthier, safer and more equitable future for all Victorians is evident in the document; likewise, your dedication to environmental sustainability and resilience to climate change impacts is clear.

As you know, Regen Melbourne (RM) was formed in 2020 in response to the significant challenges facing our city. Together with an alliance of over 200 organisations, RM works in service of the regeneration of Greater Melbourne, by supporting system-level collaboration. We host a portfolio of 'Earthshots': wildly ambitious projects that demonstrate pathways towards a future that is socially just and ecologically safe. In addition, our Systems Lab takes an applied research approach to engage with a set of key enablers that can unlock long-term, systemic change. Our Living Strategy is available for review here.

We see consistency between RM's future vision for Greater Melbourne and IV's approach to infrastructure planning and development across the state. In late 2023, RM released the <u>Greater Melbourne City Portrait</u>, based on Doughnut Economics, to quantify the city's social and ecological performance. This methodology was piloted in Amsterdam in 2020 and has since been adopted by governments and communities globally (including in places such as Barcelona, Glasgow, London and California internationally, and Sydney and Gippsland closer to home).

Last year, we conducted <u>analysis to compare the City Portrait and IV's Choosing Victoria's Future</u> scenario modelling, published just prior to the City Portrait. We discussed this analysis with the IV team as it was coming together to test our assumptions and assertions, which opened thoughtful conversations on our respective roles. While RM and IV have different remits, and the origins and methodologies of the City Portrait and the scenario modelling differ, we found broad alignment between the preferred future visions described in both projects. This work also highlighted the complementarity of our roles, which are both critical to shaping positive change into the future and stimulating public engagement with the decisions that will impact our city.

RM shares IV's understanding of the size of the task at hand and the need to engage community and decision makers in system-level conversations. It is our view that IV's recommended form of future development would require a significant rethinking of policy, planning and investment in urban systems across Victoria – it is not merely a case of how and where infrastructure spending is prioritised. The assumptions embedded in the Compact City scenario (the preferred scenario in IV's modelling) suggested the need for a substantial shift in the values underpinning

current city-shaping practices. In this sense, IV's work represents important transitional thinking, aiming to elevate our current approach to infrastructure and planning decision-making from what are often isolated or unimodal decision points to a more systemic, long-term approach, which is more aligned with the holistic aspirations of the City Portrait, albeit still centred around economic growth. It is our view that City Portrait – as both a framework and a collaborative methodology – can offer a meaningful and participatory model to augment and supplement the infrastructure-specific scope of IV's work.

Our analysis of the synergies between RM's theory of change and the City Portrait and IV's methodology and success measures informed our subsequent submissions to the draft of *Plan for Victoria* and the *Draft National Urban Policy*; the full analysis document and both submissions are available for review on our website.

Within this context, we are grateful for the opportunity to reflect on and respond to *Victoria's draft 30-year infrastructure strategy*. The strategy shares several common objectives with RM's aspiration for the future of Melbourne, particularly in areas such as climate resilience, circular economy development and equitable urban development. However, there are additional areas that RM considers critical to Melbourne's future that we would encourage IV to also consider, particularly around the need to explore new urban governance structures and the critical role of community participation in decision-making.

Our submission here focuses on three themes that cover ten recommendations to IV:

- Reflections on the strategy's potential to incorporate holistic systems thinking
- 2. Alignment of the strategy with RM's Earthshots
- 3. Potential opportunities for IV-RM collaboration to progress our shared objectives

# 1. Reflections on the strategy's potential for holistic systems thinking

We acknowledge that IV has taken a broad approach to defining infrastructure and reflecting its importance in facilitating the state's social, environmental and economic health. For example, IV's previous work and strategy inclusions about social housing and housing diversity recognise that housing access and choice is more than a household-level consideration to be left to the private market: how we deliver housing has broad implications for people and planet, and must be guided by clear government policy and direction.

To this end, we would not dispute any of the individual recommendations included in the strategy. On its own, each recommendation presents a clear, practical response to a need or challenge that currently exists. However, we see opportunities to improve decision makers' understanding of the collective impact of the recommendations, reflecting the holistic, systemic nature of city-shaping investments. We know that IV has a strong understanding of the integrated nature of infrastructure planning, but as they stand, the recommendations are presented as a 'menu' that government could accept in a piecemeal fashion, without articulating the compounding impacts of under-investment in some or all of the areas contained in the strategy.

# Prioritisation of recommendations to support social and ecological thriving

The strategy is based on a framework that includes six objectives, with all of these named as "equally important" (p. 12). This framework largely maintains conventional economic growth narratives, despite mentioning productivity improvements through sustainability measures. A regenerative perspective would challenge the assumption that economic growth is inherently positive, instead focusing on a holistic goal for qualitative development that enhances systemic health over the long term. For example, the strategy emphasises multiple ways in which social inequity is worsening (e.g., in relation to access to libraries and aquatic centres, as well as accessibility of public transport), but the framework enables government decision–making to perpetuate inequalities under a growth–driven set of values, depending on which recommendations are adopted and implemented.

While we do not expect the strategy to fully challenge contemporary economic paradigms, we see an opportunity for greater prioritisation of recommendations within each objective based on social and ecological needs in Victoria. As presented, the Victorian Government could choose to adopt or prioritise recommendations based on their relative ease of delivery or their perceived direct economic benefit in the near term.

As an alternative, we suggest that recommendations could be prioritised based on the extent to which they contribute to the long-term, holistic positive outcomes of: 1) meeting basic social needs and thereby reduce social inequality (e.g., provision of housing and health infrastructure) and 2) reducing ecological risk and harm (e.g., water management and land use planning).

Such an approach would have positive flow-on effects for the economy over the long term, building its resilience to future change.

RM recommendation #1: Prioritise the recommendations within each strategy objective based on more holistic success measures like those articulated in the Greater Melbourne City Portrait, such as reducing social inequality, improving wellbeing and reducing ecological and environmental risk.

# Encouragement of integrated and holistic planning

The strategy neatly maps all recommendations to the objectives in the framework, but does not sufficiently represent the relationships between them, including where trade-offs and tensions may exist in implementation. These include:

- Environmental impact of delivering on individual recommendations or combinations of recommendations, including in relation to emissions reduction targets; and
- Social or environmental impacts of <u>not</u> delivering any number of the recommendations, or certain combinations of them.

The Victorian Government needs to plan and enable infrastructure investment with holistic impacts in mind, particularly given the long-term nature of the strategy. Without this, risk entrenching social disadvantage, particularly in parts of Victoria, and locking in climate risks.

*RM recommendation #2:* Map the relational nature of the strategy's objectives and provide an overarching recommendation to government about applying an integrated approach to strategy delivery.

# Translation to place-based impact

The recommendations are designed to be able to translate into discrete projects, rather than being presented in relation to place-based outcomes. While the current framing enables government to pick up individual recommendations and facilitate their implementation individually, it does not sufficiently consider the holistic impacts on individual places over time.

Likewise, recommendations will inevitably be delivered by a combination of state and local government, the private sector and the community / not-for-profit sector. While this type of collaborative approach to place-making is desirable, it requires great strategic oversight of place-based impacts. This raises questions such as:

- What happens if some recommendations are delivered without others in specific places (e.g., housing without transport or social infrastructure)?
- What are the impacts on specific places if they become sites of continued, disruptive infrastructure work for long periods of time?
- Where is there risk of recommendations competing for space in specific places?

Demonstrating what it could look like for the strategy's recommendations to 'land' in specific places around Victoria would again support a more holistic, integrated approach to adopting the strategy's recommendations.

RM recommendation #3: Provide a set of examples of what it could look like for the Victorian government to adopt the strategy's recommendations with a place-based lens in different contexts (e.g., inner, middle and outer suburbs in Melbourne, regional / rural Victoria settings).

### Cost / benefit modelling

Beyond strengthening the long-term imperative for holistic infrastructure development, a more systemic approach could help strengthen the case for each of IV's proposals. As presented, each recommendation is costed individually – again, to make it straightforward to scope into a project for implementation. However, understood holistically in a financial sense, the overall price tag could come down, making some costly investments less so over the long term. For example, considering the health value of social housing would offset health costs, which would have long-term benefits for government budgeting. Likewise, avoiding building in high flood and fire risk areas would reduce long-term disaster response and recovery expense.

IV will be familiar with the <u>Early Intervention Investment Framework</u> (EIIF), developed by the Victorian Department of Treasury and Finance as a means of facilitating upstream investment in service provision to improve downstream health and wellbeing outcomes and save future costs. It would seem that extending this model to apply to infrastructure investment could support the Victorian Government's nascent commitment to wellbeing economy principles and financing mechanisms.

RM recommendation #4: Incorporate holistic social and environmental cost-benefit analysis into delivery and operational costs of recommended actions.

# 2. Alignment of the strategy with RM Earthshots

### Swimmable Birrarung - Waterway infrastructure

The Birrarung (Yarra River) is one of Melbourne's most precious natural assets and a key infrastructure backbone serving the city and its natural environment. The Birrarung provides 70% of Melbourne's drinking water, and its catchment is home to 2 million people and 30% of Victoria's flora and fauna. Sustaining 57% of the agriculture and viticulture sectors, the river is an immense source of economic prosperity, cultural significance and local identity.

Regen Melbourne's Swimmable Birrarung Earthshot strives to use swimmability as a pathway to mobilise collective action required to clean up the Birrarung so that it is healthy and thriving again. Centering the river unlocks multiple social, cultural, environmental and economic benefits central to Melbourne's liveability and global appeal.

The increasing frequency and severity of climate change will affect the health of Victoria's rivers and subsequently the wellbeing of Victorians. Droughts, bushfires, storms and floods will affect river catchments across the state; for example, through water scarcity due to reduced snow fall, loss of biodiversity (flora and fauna), sedimentation and erosion damage to property located adjacent to the river banks in flood zones. The planning and implementation of adaptive and resilient infrastructure needs to therefore consider both traditional infrastructure and natural infrastructure / assets to be successful.

Burndap Birrarung, Burndap Umarkoo (Yarra Strategic Plan) is a key document that maps out the priorities and recommendations to protect the health of the Yarra River. Recommendations include planning scheme / policy changes, development of land use frameworks and adopting a minimum setback distance from the river for new developments. When considering integrated water management practices, planning for new sources of water, protecting our natural resources, it is important documents such as this are integrated into new plans / strategies.

RM recommendation #5: Consider river catchments as critical infrastructure when planning for adaptive and resilient infrastructure for Victoria. This should include, for each project recommended in the strategy, an initial assessment of potential impacts (positive or negative) on waterways prior to delivery.

# 15min Cornucopias - Food systems infrastructure

Regen Melbourne's vision for a resilient and equitable food system is encapsulated in the concept of the "15-Minute Cornucopia"—the idea that every community member should be able to access nourishing, culturally appropriate food within 15 minutes of where they live. This vision responds to the growing challenges of food insecurity, climate shocks and stressors and volatile global food markets. For Victorians to lead prosperous, healthy, and purposeful lives, equitable access to food is essential – and many forms of infrastructure are central to this.

Our food system is deeply interconnected with water and energy systems, yet it receives minimal attention in this strategy. There are only a few references to food throughout the document, and no specific recommendations mention food systems specifically as central to our long-term infrastructure needs. This omission overlooks a fundamental human need that is central to the economic prosperity and wellbeing of the State's population. Building a more resilient food system requires dedicated infrastructure—support for public markets and independent grocers, alternative freight and transport networks that reduce dependence on the supermarket duopoly and minimise vulnerability to floods, fires, and power outages, and stronger protections for peri-urban agricultural land from urban sprawl.

Infrastructure planning must explicitly address the food system to ensure that future growth, particularly in outer metropolitan areas, does not entrench food inequity. Many of these new suburbs already face limited access to fresh, healthy food and are becoming 'food swamps,' exacerbating health disparities and placing further pressure on our healthcare system.

RM recommendation #6: While challenging given the inherently systemic and multi-sectoral nature of food systems, RM strongly recommends that future infrastructure sector plans explicitly include infrastructure necessary to support resilient food systems as a key consideration.

### 300,000 Streets - Streets and public realm infrastructure

Our broad consultations and foundational work supporting neighbourhood-scale activations have affirmed the power of the street as a unit for change. Streets are shared spaces where we shift from the private sphere to one which is public. Much of daily life is spent on the street. The conditions of a street impact everyone, no matter how we each use them. The streets are for everyone; therefore they are a good place to start designing the future we need.

Across Greater Melbourne, we have over 300,000 streets that connect as a networked web. Individually, they may not register compared with the scale of other projects in the strategy. Collectively, however, they represent one of the city's largest infrastructure assets. Regen Melbourne's ambition is for these 300,000 streets to act as a network through which the people of Greater Melbourne build their capacity and agency to regenerate their communities and actively participate in decision–making and the ongoing care of their neighbourhoods. The vision is for every street in Greater Melbourne to be healthy, thriving and full of life.

There is a shared ambition to shape a better future and to do this using streets as a unit of action. Efforts to-date on this front - through various placemaking and related movements - have been fragmented and siloed, limiting the learnings, expertise and possibilities for reach.

RM recommendation #7: Highlight the potential of individual streets and neighbourhoods to play an active role in the planning and delivery of the infrastructure in the strategy. This would maximise the localised impact of the proposed investments, help to create social licence for the strategy and strengthen the agency of community.

### 3. Potential opportunities for IV-RM collaboration to progress our shared objectives

The substance of Infrastructure Victoria's draft strategy aligns with RM's goals in sustainability and resilience. When it comes to considering how the strategy will be implemented, however, IV's assumptions about the Victorian Government's mode of governance differ from RM's approach to governance. The strategy is designed for implementation via a traditional, top-down governance approach, which is consistent with the nature of state government currently. In contrast, RM's work is designed to facilitate more distributed and participatory governance models that deeply embed community voice in decision-making. This presents an opportunity for RM to play a complementary role, contributing as a key partner to demonstrate what participatory urban governance, systems thinking, and localised resilience strategies look like in relation to Victoria's long-term infrastructure future.

We have identified three opportunities for RM and IV to collaborate to test, explore and learn from holistic and participatory approaches to shaping infrastructure delivery:

# Participatory governance and decision-making

The strategy is well-designed to meet the needs of traditional governance models, but does not explicitly address opportunities for participatory governance mechanisms to emerge. The latter approach is aligned to RM's current work focused on New Urban Governance, which includes identifying and testing new governance models that facilitate community leadership and participation in localised decision-making.

We see an opportunity for RM and IV to collaborate and jointly develop pilot projects integrating community-led governance models into infrastructure planning (e.g., participatory budgeting for urban renewal). Learning from discrete pilots could inform new decision-making approaches to be recommended to government for broader use in planning and delivering infrastructure projects across the state.

*RM recommendation #8:* RM and IV meet to explore the potential of jointly-developed pilots to test and demonstrate participatory governance models in planning and delivery of 2-3 recommendations from the strategy.

#### Systems thinking and holistic infrastructure planning

As noted in our reflections in the above section, 'Reflections on the strategy's potential for holistic systems thinking,' there is an opportunity for IV to strengthen its systems-level approaches to infrastructure planning, thereby influencing state government and helping to build its capability in integrated planning.

Beyond the scope of this strategy, there is an opportunity for RM and IV to collaborate to explore how systems thinking can more deeply inform infrastructure planning into the future. RM has strategic expertise in applying systems and regenerative thinking and associated frameworks, such as the Three Horizons model. Testing these models in collaboration could provide a model for IV to transition from shorter-term, largely sectoral planning to long-term regenerative infrastructure strategies, in line with Treasury's aspirations for the EIIF.

*RM recommendation #9:* RM and IV meet to explore the potential of a joint research project to explore the application of systems thinking and frameworks to future infrastructure planning and strategic design.

# Place-based innovation and localised resilience-building

IV's role is to take a macro, state-wide view of infrastructure needs and priorities. As noted above in both the 'Reflections on the strategy's potential for holistic systems thinking' and 'Alignment of the strategy with RM Earthshots' sections, this macro view can have limitations, including overlooking the needs of unique communities.

The RM Earthshots are specifically designed to support place-based change in a range of contexts across Greater Melbourne. Each Earthshot understands 'place' in a different and complementary way. As such, each offers a useful context for testing localised infrastructure planning that embeds resilience and liveability into communities.

RM recommendation #10: RM and IV meet to explore the potential of a joint exploration of place-based infrastructure planning and delivery in the context of RM's Earthshots.

In summary, we share IV's aspiration for infrastructure development in Victoria to enable people and places to thrive over the long term. Regen Melbourne's role as an intermediary, designed to activate participatory governance, systems thinking in practice and place-based change, sets us up as a unique potential partner to collaborate and learn with IV to help advance this shared aspiration.

We would be pleased to discuss this submission and the potential opportunities for collaboration noted within it.

With gratitude,

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