



INVESTING IN CITIES

Prioritising a Cities and Urban Policy Framework for
productivity, prosperity and a better standard of living

AUSTRALIA IS THE MOST URBANISED NATION IN THE WORLD.

THE AUSTRALIAN SUSTAINABLE BUILT ENVIRONMENT COUNCIL (ASBEC) HAS DEVELOPED THIS PLATFORM TO PROGRESS THE ADOPTION OF BETTER PUBLIC POLICY THROUGH EVERY SPHERE OF GOVERNMENT, SUPPORTING THE PRODUCTIVITY, LIVEABILITY, SUSTAINABILITY AND RESILIENCE OF OUR CITIES.

WHY FOCUS ON CITIES?

The United Nations forecasts that today's global urban population of 3.2 billion will rise to nearly 5 billion by 2030 (i.e. 60% of the World's population). In Australia:

- Two thirds of us live in greater capital cities.
- More than 80 per cent of our GDP is generated within our cities.
- Regional and capital cities serve as important hubs for jobs and services, with regional cities in particular acting as service centres for nearby townships.
- Our cities are key drivers of knowledge-intensive services. Services industries now employ 85% of Australians and contribute 78% of industry value - add.
- More economic and employment growth is based in larger regional and capital cities.
- The gap between housing supply and demand is a problem across Australia - a shortfall of 228,000 new homes.
- Construction has become Australia's third largest industry as a proportion of GDP, after Finance and Manufacturing and the second largest group of small to medium business enterprises in the economy.
- The shift to public transport and active travel is continuing, with more than 11.5 million bicycles sold in the period between 2001 and 2010 - 2 million more than cars.
- The biggest natural disaster threat – particularly in terms of loss of life – remains heatwaves.
- Our cities consume more than 60% of our energy demand (through buildings, manufacturing and transport related activities).
- Commercial and residential buildings alone contribute 23 per cent of Australia's total greenhouse gas emissions.
- The design of our cities can make a significant contribution to the health and wellbeing of Australians by encouraging active transport, liveable streets and high quality open spaces.

These findings represent opportunities for policy-makers to achieve multiple objectives across a wide range of portfolios through a coordinated and strategic focus on improving the productivity, liveability, and sustainability of our cities. As we transition towards a more services-driven, knowledge based economy our cities are engines of growth, and we must focus on achieving their maximum value with benefits for both business and the broader community.

The inaugural Sustainable Cities Index, compiled by the London-based Center for Economics and Business Research, bases its ranking on how cities fare in three areas: social (people), environmental (planet) and economic (profit.) It finds that mature cities achieve the best balance but cannot rely on historic investment. It also finds there's no utopia, suggesting that all cities struggle in some way to meet the needs of their people.

Australia must capitalise on the elements of its cities which perform well against global benchmarks and learn from the successes of other cities around the world. Investing in Cities will reap substantial, tangible and simultaneous benefits in economic, health, social, and environmental policy. The outcome will be cities that deliver greater productivity, increased resilience, reduced impact on our environment and a higher and more equitable standard of living for all Australians.



OUR RECOMMENDATIONS

Our four priority recommendations aim to ensure we are maximising the benefits created by the world's most urbanised nation. They are:

- 1. Better leverage the unique roles and responsibilities of all those with a stake in our cities.**
- 2. Measure and report success.**
- 3. Deliver best practice infrastructure planning and new investment.**
- 4. Create sustainable places for people supporting best practice building and urban design.**

This platform creates the basis for an ongoing conversation with governments to support better urban centres and cities. The realisation of these recommendations will depend on visionary leadership supported by individual champions, coordination across government, and effective engagement with the community and business.


1 FULLY LEVERAGE THE UNIQUE ROLES AND RESPONSIBILITIES AFFORDED TO EVERY SPHERE OF GOVERNMENT, INDUSTRY AND THE COMMUNITY IN DEVELOPING OUR BEST URBAN CENTRES AND CITIES.

Different spheres of government hold different roles and responsibilities in ensuring the productivity, sustainability and liveability of our cities and urban communities. Each sphere of government must maximise the potential of our urban centres and cities through a coordinated approach leveraging all available powers. In particular:

- ASBEC recommends through a Minister for Cities, the Australian Government lead the development of an Intergovernmental Agreement with the states and territories supporting: better data collection and research to understand our cities; evidence-based investment to drive productivity; new financing arrangements that leverage the strengths of every sphere of government helping to deliver more productive, liveable and sustainable cities.
- ASBEC recommends state and territory governments work with the Australian Government to implement, and more broadly encourage, good and best practice urban design in their own projects;
- ASBEC recommends local governments collaborate to lead the identification and prioritisation of infrastructure for funding based on positive business case assessments developed through effective community engagement, as it contributes to local productivity, liveability and resilience.
- ASBEC recommends state, territory and local governments commit to achieving and requiring best practice buildings and urban design supported by third party verification, wherever practical, in those projects where they have development control.

Governments must have effective city strategic planning systems and work collaboratively to: establish clear roles and responsibilities across spheres of government; and remove duplication and red-tape to incentivise best practice development and value-for-money outcomes. In addition there is a critical role for industry to support best practice and continuous improvement:

- ASBEC recommends industry work collaboratively with government and the community to identify, apply and promulgate best practice approaches to urban planning and design including commercial and residential buildings, streetscape and public space development and infrastructure.

 [See Fact Sheet \(PDF\)](#)
[Roles and Responsibilities](#)

2 MEASURE AND REPORT SUCCESS THROUGH TRANSPARENT AND CONSISTENT INDICATORS APPLIED ACROSS ALL OUR MAJOR CITIES.

Measuring and reporting success, not as a score-card but to track progress, will incentivise best practice and support long-term evidence-based policy development.

- ASBEC recommends the adoption of transparent and consistent indicators by all state and territory governments applied across all our major cities. These may include but not necessarily be limited to measurement of:
 - Economic prosperity;
 - Natural resources;
 - Greenhouse gas emissions
 - Health and liveability;
 - Good governance;
 - Sustainable land-use and transport;
 - Green infrastructure and ecosystem health;
 - Resilience;
 - Social inclusiveness;
 - Housing diversity & supply.

Leading 'flagship' indicators, drawing on the core categories above, should be developed in consultation with stakeholders and encourage public debate about city performance. Existing, recognised rating tools such as NABERS, IS rating tool and Green Star align with many of the indicators and can be used to measure achievement and progress in a range of situations.

 [See Fact Sheet \(PDF\)](#)
[ASBEC'S Success Indicator Framework for Cities](#)

3 WORK COLLABORATIVELY ACROSS GOVERNMENTS AND WITH THE PRIVATE-SECTOR TO ENSURE BEST PRACTICE INFRASTRUCTURE PLANNING AND NEW INVESTMENT, BASED ON INDEPENDENT, TRANSPARENT ADVICE SUPPORTED BY BROAD COST-BENEFIT ANALYSIS.


Good infrastructure planning and development in Australia is inhibited by: the politicisation of plans and decisions; funding and finance constraints; narrow business case analysis; lack of foresight; inefficient procurement processes; and ineffective community engagement. There is no shortage of recommendations and ideas to overcome these challenges. Most recently the Productivity Commission Inquiry into Public Infrastructure and the House of Representatives Inquiry into Infrastructure Planning and Procurement identified much-needed reforms. What is required urgently off the back of these comprehensive policy analyses, is leadership to take these recommendations forward to deliver the infrastructure desperately needed to support business, build more liveable and resilient communities, and create new jobs.

- ASBEC recommends Infrastructure Australia lead the development of a transparently evaluated 30 Year Infrastructure Plan, through effective engagement with state, territory and local governments, community and business (see also our recommendation for a new IGA supporting cities research, investment and planning).

A 30 Year Infrastructure Plan would be implemented through effective engagement, planning, decision-making, funding and execution across electoral cycles with support from the community and industry. A National Spatial Masterplan could further augment the Infrastructure Plan and in parallel outline a new vision for the infrastructure needs of the nation, transparently identifying key growth areas and infrastructure priorities in line with the roles and responsibilities of the Federal Government and in collaboration with the states and territories. Critical to the realisation of this vision is funding.

- ASBEC recommends governments work collaboratively with each other and with the private-sector to release new funds for infrastructure investment based on independent, transparent advice supported by broad cost-benefit analysis.

Models like the United Kingdom's City Deals illustrate the potential for new financing mechanisms delivered through a better understanding of the value and breadth of productivity benefits that flow, not just from individual projects, but also from packages of projects and initiatives coupled with a range of innovative financing strategies. This approach better reflects the true value of infrastructure investment, supporting jobs and more liveable, healthy, productive and sustainable communities with a focus on economic, environmental and social objectives.

 [See Fact Sheet \(PDF\)](#)
[Investing in Infrastructure](#)

4 DELIVER BEST PRACTICE URBAN ENVIRONMENTS THROUGH A COMMITMENT BY ALL SPHERES OF GOVERNMENT TO ADOPT AND CHAMPION *CREATING PLACES FOR PEOPLE: AN URBAN DESIGN PROTOCOL FOR AUSTRALIAN CITIES.*

Creating Places for People: An Urban Design Protocol for Australian Cities (the Protocol) is a collaborative commitment to best practice urban design in Australia. It is championed by peak community and professional organisations, businesses and all three levels of government. Urban design is both a process and an outcome of creating localities in which people live, engage with each other, and participate in the physical place around them. *Creating Places for People* does not take a 'one size fits all' approach. It provides broad principles that take into account the unique characteristics of a location, people's experience and well-being; and encourages excellence and collaboration in the design and custodianship of urban places. *The Protocol* establishes twelve broadly agreed principles for quality urban places in the Australian context, such as: physical and social connection; safety; and custodianship. These principles can be applied to any project or location—whether it is in a large capital city, regional centre or rural town.

- ASBEC recommends all governments deliver best practice urban environments through a renewed commitment to adopt and champion *Creating Places for People: An Urban Design Protocol for Australian Cities*.

 [See Fact Sheet \(PDF\)](#)
[Creating Places for People](#)

WHO BENEFITS?

Who doesn't?

Our cities and urban communities represent the economic drivers of the nation: providing homes for millions, delivering and exporting our goods and services, creating jobs, providing centres of cultural and social exchange and a door to the rest of the world.

As we grapple with the challenges of climate change, an ageing and growing population, congestion, urban expansion, housing affordability, cost of living pressures and social marginalisation of minority groups, it is important we do not simply maintain the status-quo. It is timely to take stock; to consider what next steps should be taken. Priorities need to be set, and a plan for action which will realise a positive future for our cities must take priority.

With benefits across the nation, focusing on *Investing in Cities* will deliver more prosperous, liveable, healthier and more sustainable communities across Australia.

The outcome will be cities that deliver greater productivity, increased resilience, reduced impact on our environment and a higher and more equitable standard of living for all Australians.

“ OUR WORLD IS CHANGING AT A FASTER PACE THAN EVER BEFORE [...] DEVELOPING TECHNOLOGY, POPULATION GROWTH AND THE EMERGENCE OF A TRULY GLOBAL ECONOMY MEAN THAT THE NOTION OF NATIONAL BORDERS IS BECOMING LESS RELEVANT. INSTEAD, WE SEE THE CONCEPT OF THE ‘GLOBAL CITY’ TAKING HOLD. ”

**JOHN BATTEN, GLOBAL CITIES DIRECTOR,
ARCADIS (FUNDER OF THE SUSTAINABLE CITIES INDEX)**

IMPLEMENTING OUR RECOMMENDATIONS AND INVESTING IN CITIES WILL DELIVER:

- Greater economic prosperity.
- Improved social equality.
- Enhanced environmental outcomes.
- Better value for money outcomes through competition supported by coordinated strategic planning and information sharing across governments.
- A more robust evidence base for governments to develop policies that use our cities to deliver outcomes across multiple portfolios.
- New infrastructure targeted to create jobs, improve housing supply, increase productivity and foster more liveable and resilient communities.
- World's best practice in urban design, piloted and modelled throughout Australia as a showcase locally, nationally and to the rest of the world.
- More liveable, productive, sustainable and resilient buildings, communities and cities.
- A vision for the nation for the next thirty years that resonates with the millions of Australians who call a city home.



The Australian Sustainable Built Environment Council (ASBEC) is the peak body of key organisations committed to a sustainable built environment in Australia.

ASBEC's membership consists of industry and professional associations, non-government organisations and government observers who are involved in the planning, design, delivery and operation of our built environment, and are concerned with the social and environmental impacts of this sector.

ASBEC provides a forum for diverse groups involved in the built environment to gather, find common ground and intelligently discuss contentious issues as well as advocate their own sustainability products, policies and initiatives.

ASBEC is a non-profit volunteer organisation. Members commit their time, resources and energy to developing practical opportunities for a more sustainable built environment

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