15 August 2022

Director – Engagement, Advisory and Projects Section Department of Infrastructure, Transport, Regional Development, Communications and the Arts GPO Box 594 CANBERRA ACT 2601

IA.Review@infrastructure.gov.au

CONSULTING

Dear Madam / Sir

RE: Independent review of Infrastructure Australia

These comments are provided by Niobe Consulting Pty Ltd for the consideration of the review team. Niobe Consulting is a small strategic advisory firm, based in Sydney and specialising in active and public transport urban planning services. By way of full disclosure, please note that:

- Niobe Consulting provided transport planning services to IA in connection with the preparation of the 2019 Australian Infrastructure Audit
- The undersigned (Matt Faber, Director, Niobe Consulting) was during 2021-22 directly employed by IA in the limited duration position of Associate Director – Transport, for the Australian Infrastructure Plan 2021 project
- In principle, Niobe Consulting could be in the market for the provision of future strategic planning services to IA, should the opportunity arise.

Comments are provided under relevant guiding questions. They need not be treated as anonymous.

IA was established to advise the Australian Government on nationally significant infrastructure matters including transport, energy, communications and water infrastructure.

- **b** Do you consider IA best placed to provide advice on nationally significant infrastructure?
 - Yes, in principle. The impact of the Australian Government's infrastructure-related decisions on outcomes ranging from the national economy to individuals' quality of life is such that a permanent, funded and arms-length entity is required to provide sectoral advice.
- Do you use IA's advice when considering infrastructure matters?
 - Yes as a consultancy firm, we find the evidence base assembled by IA through its various activities extremely valuable in informing our own strategic advice to clients.



- IA's outputs offer a line of sight between strategic objectives and the ways in which best-practice 'on-the-ground' infrastructure decisions can and should be made. For a firm based in Sydney, IA's national perspective is also useful, assisting crossjurisdictional comparisons and knowledge transfer.
- > Do you use advice from other advisory bodies on infrastructure matters? If so, why?
 - Yes this is in principle a contestable space where (for instance) state government decisions are necessarily guided by their own i-bodies. Also, in recognition that Australian infrastructure policy is not an island, and many Australian transport innovations and outcome trends are inherited from overseas, value can and should be drawn from the work of similar organisations in countries including the UK and New Zealand.
- How does the quality of IA's advice compare to other infrastructure advice you receive?
 - From the perspective of a third-party user, IA's advice is of an excellent quality in the strategic space typified by its *Audit*, *Plan* and various research reports. These advisory products are broad and deep in their content, strongly and transparently evidence-based, professionally produced and easily accessed.
- Is there a role for a national investment plan, and if so, what role should IA take in this?
 - Yes, assuming that this would embody or apply some key new directions as outlined in comments below.

IA publishes a range of products including: the Australian Infrastructure Audit; the Australian Infrastructure Plan; the Infrastructure Priority List; Infrastructure Market Capacity reports; business case evaluation summaries; and other research reports as requested by the Government.

- Which of IA's products is the most effective for your work or organisation, and why?
 - We use, and find effective, the products that are relevant to our strategic advisory work – being the IPL and associated guidance (in supporting clients who are proponents for infrastructure of potential national significance), the Audit and Plan (for evidence and ideas around transport infrastructure-related problems and solutions) and research reports (such as Outer Urban Public Transport, due to its high relevance to Western Sydney local council clients).
- ◊ If you could change any of IA's products, which would you change, and why?
 - There would be a simplified version of the IA Assessment Framework that relatively poorly resourced proponents could use to develop best-practice submissions for smaller infrastructure projects. These might include projects that were marginal in terms of meeting or surpassing national significance thresholds on their own, but which could contribute (in combination with other projects, potentially from other proponents) towards nationally beneficial outcomes.
- ♦ Has any of IA's reports assisted with targeting specific priority areas?
 - Yes the Outer Urban Public Transport research report, and the Urban Transport Congestion and Crowding report that supported the last Audit, have been particularly relevant and useful to the development of strategic transport planning advice.
- Do you think the frequency and volume of IA's products provide the best outcome? Why or why not?
 - In their recent form the Audit and Plan have for outputs reinvented every five years – been overlong. This cycle, coupled to the reports' scale, means that the period when IA is renewing its view of problems and solutions is shorter than the period when it should be working with stakeholders to help them deliver articulated

reforms. The resourcing effort required to maintain this cycle could be more effectively invested instead in an agile set of shorter thematic products produced quickly in response to sectoral challenges as these arise.

IA is required to review infrastructure proposals where more than \$250 million in Australian Government funding has been committed.

- How effective has IA been in integrating the planning and investment decisions / approaches governments have taken for transport, energy, communications and utilities? What more needs to be done?
 - The 'Place-based outcomes for communities' chapter in the most recent *Plan* provides an overarching reform framework to support an integrated approach. The electrification of transport in line with decarbonisation objectives is one domain where coordinated planning and investment must encompass (for example) the evolution of transport fleets, the provision of e-vehicle recharging facilities (and associated changes to electricity supply) and the digitalisation of systems that both enable a transition towards the increased sharing of e-vehicles and impose a price on road users that replaces (and improves on the efficiency of) Fuel Excise.

IA was established as an independent body, to ensure the integrity of Commonwealth investment in infrastructure.

- How could IA's role be strengthened to improve the integrity of infrastructure investment across Australia, and across industries?
 - Collectively, infrastructure investment by Australia's councils is of an order of magnitude equivalent to a state jurisdiction. Strengthening IA's ability to work with local government is increasingly important. This work should include offering bilateral contact to individual larger councils and, especially, providing encouragement and support to regional groupings of smaller councils looking to develop and implement cross-boundary infrastructure solutions at a mutually beneficial economic scale.
- Is IA's structure fit-for-purpose, or what barriers do you believe prohibit useful work for IA?
 - COVID-19 working from home conditions enabled an increasingly devolved structure and dispersed location for IA resources. This should be encouraged and taken further, so that 'local IA contacts' are an available presence in as many jurisdictions as possible in addition to Sydney / NSW. Also, based on work on the 2021 *Plan* there would be value in IA being able to connect and liaise informally with DITRDC business areas during the policy development process, to draw on these areas' experience of the practical challenges faced during the implementation of reforms. (See also the comments below on a possible Cities and Suburbs Unit.)

Part of IA's role is to ensure infrastructure investment is prioritised for nationally significant projects that deliver maximum benefits for Australia.

- Or How could IA's role be changed or strengthened to ensure the most beneficial or transformative projects are identified and prioritised for investment?
 - IA might adopt a much more proactive approach to maintaining and adding projects to the IPL. A greater proportion of projects on the list could originate with IA, as initiatives deliberately originated or sponsored by the agency in direct response to the problems and opportunities identified in the *Audit* and *Plan* respectively.

As part of the Government's six-point plan for cities policy, the Government has committed to the creation of an Australian Cities and Suburbs Unit (CSU).

What role and responsibilities would best place a Cities and Suburbs Unit to support the Australian Government's Vision for Cities?

- What could be the focus and form of this role in delivering on the Australian Government's Vision for Cities?
- What and where are the options for the structure and location for the CSU?
 - To fully follow through on the Australian Government's intentions for the development of cities, the CSU should be embedded in the line agency under current arrangements, DITRDC where it can have the greatest direct influence over relevant policy and (especially) funding decisions. At the same time, the CSU should have a close (as in daily or at least weekly interaction) with IA as the provider of independent, evidence-based advice on best-practice urban infrastructure governance.

IA is currently legislated to focus its work on nationally significant infrastructure, which is defined to include transport, energy, communications and water infrastructure categories.

- What benefits might there be in including social infrastructure as an additional focus area for IA's work, where the Commonwealth is not generally involved in delivering or directly funding social infrastructure?
 - Commonwealth responsibilities in relation to (for example) tertiary education, nongovernment sector schools funding and Medicare result in the Australian Government having a de facto impact on social infrastructure outcomes that is to all extents and purposes that of a major funding stakeholder. Social infrastructure was a theme successfully integrated within the 2021 *Plan* – with strong policy relationships across Place, Transport and more – and belongs within the permanent scope of IA's ongoing activities.

How effective will the current IA role and responsibilities, and business approach be to handling the national investment challenges Australia faces in the coming decades?

- Is there a role for a national plan for investment which links and supports the economic re-structure required to transition the economy in the coming decade?
 - Yes in line with earlier comments on the scope for IA to be a proactive strategic sponsor of Australia's future infrastructure priorities, there is a need for this. It would represent the natural evolution of the IPL, from being the repository of others' ideas, to also include an independent view of the projects, potentially 'coming over the horizon,' that will be critical to sustaining Australians' health, wellbeing and quality of life, as well as economic prosperity.

Thanks for the opportunity to contribute to the independent review.

Yours sincerely

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Matt Faber Director