URBIS

The brighter future blueprint for universities

August 2025

Today's tertiary sector, and where to next

Australia's universities are at an important juncture. This publication explores how challenges in the tertiary sector can be overcome with successful evidence-based master plans; smart industry partnerships; future-ready workforces; optimisation of existing assets; and an emphasis on student-centred living.

Policy decisions and market pressures have placed unprecedented financial strain on the tertiary sector. Recent moves by government to cap international student numbers threaten the financial stability of many institutions, making it harder to fund campus improvements and support research programs. Additionally, capital spending on infrastructure remains low, as universities lack the surplus funds they previously relied on for these investments.

The pandemic has also accelerated structural shifts in how students learn and engage with university life, and universities are now under pressure to align their course offerings, enrolments, curriculum design and campus experience with the needs of our future workforce.

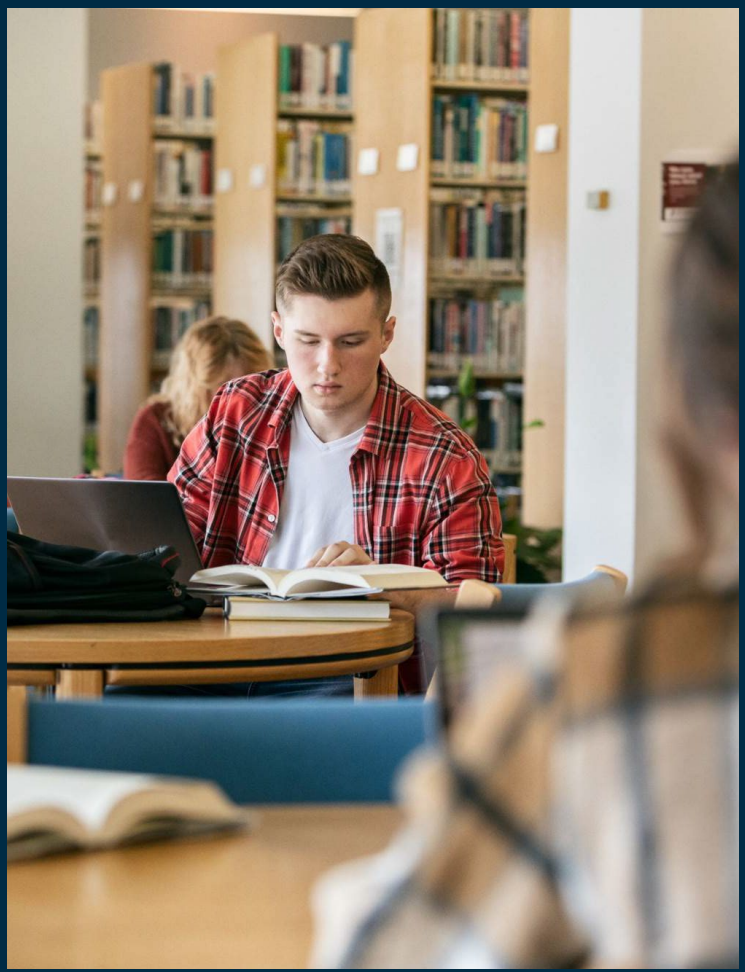
The vital research functions of universities are also challenged by comparatively low levels of investment from both government and private sources compared to our OECD counterparts.

Looking ahead

These factors underscore the urgent need for universities to build strategic and financial resilience. Many institutions are rethinking their future revenue models, seeking new ways to unlock value and strengthen their balance sheets against long-term risk and short-term policy changes.

The untapped value in university campuses can help universities fulfil their missions in research, teaching and learning, and underpin a more sustainable financial future. Strategies to achieve this include:

- **Maximising the value of existing infrastructure before investing in new facilities;**
- **Transforming under-utilised assets to create thriving 24/7 mixed use precincts; and**
- **Creating a new kind of campus experience to enhance student engagement, wellbeing and learning.**



With the right foresight and smart planning, all three strategies can be realised on Australian campuses.

Here are five places to start.

1. Master plan like you mean it.
2. Choose smart industry partnerships
3. Equipping a future-ready workforce
4. Sweat your assets and optimise sustainability
5. Create student-centred living

1. Master plan like you mean it.

Universities must now adopt a more strategic and commercial approach in their decision-making than ever before. The focus has shifted from maintaining the status quo to anticipating where the market is heading and how campus holdings can evolve over time. A well-crafted master plan does this, shaping the campus to reflect how students, staff, and the community live, learn, and connect.

The most successful master plans are evidence-based, supporting design outcomes that are both innovative and practical. This requires a deep understanding of the physical needs of a campus, from buildings, to landscaping and placemaking opportunities, while also considering global best practices, demographic shifts and the financial viability of future investment.

Gone are the days when universities could rely solely on students to bring life to their campuses. Today, the focus is on creating vibrant precincts that transcend the university boundaries, attracting a diverse mix of local and international students, staff, industry partners, alumni, and the broader community.

With universities increasingly becoming cultural and recreational hubs, hosting events, exhibitions and performances that attract visitors from all walks of life, **a future-focused master plan offers the opportunity to unlock the full potential of campuses.**

Urbis works with several universities across the country to shape future master plans and support place making outcomes with a solid evidence base.

This approach ensures the physical outcomes respond to economic and sustainable financial metrics.

Developing an economic rationale for campus design not only boosts confidence in its success but also provides compelling reasons for people to stay and engage.

Master planning encourages universities to consider the diverse needs of different users, creating spaces tailored to meet these varied requirements. From offering a home away from home for students with lounges, lockers and kitchens, to encouraging more time on campus through integrating digital learning outdoors with campus-wide access to Wi-Fi networks.

University of Queensland Student Experience Project

In 2022, in response to the impacts of COVID-19, Urbis undertook a significant project which involved comprehensive research and engagement with students, staff, and the community. **The goal** was to understand the needs and preferences of campus users and identify initiatives to support their return in an era of online work and study.

Urbis developed a series of recommendations to enhance campus facilities, services, and social spaces, ensuring they met contemporary student expectations. The project aimed to create a more vibrant, supportive, and engaging environment, fostering a sense of community and belonging among students.

Through this initiative, Urbis helped the University of Queensland better cater to the diverse needs of its student population, ultimately enriching their university experience.

Evidence based master-planning

Urbis have worked with many universities nationally to understand the future development potential that can be unlocked and directly influence the core education function.

This work has reviewed the opportunity for a range of uses (e.g., Build-to-Rent (BtR), commercial, innovation, short stay accommodation, evolving residential models, external partnerships etc.). Combined, they can deliver an active campus environment and 24/7 ecosystem as well as a diversified income stream for the university.

Using an evidence-based approach and learning from international best practice, we have been able to collaborate with design and architecture teams to ensure the vision and physical outcomes respond to future market expectations.

A master plan can incorporate innovation and technology modelling across the campus to highlight the dollar value of certain assets and systems. With this data, universities can make informed decisions about their master plans, working with experts to achieve the right balance between building new facilities and adapting existing ones.

Sustainable practices are now a fundamental part of this process. Smart technology helps to determine renewable energy solutions, sustainable transport options, waste minimisation strategies, and procurement solutions on campus – lowering both operational costs and emissions.

Some universities are more readily embracing their heritage features, thanks to smart technology that can now be retrofitted to unlock new value in older assets. This approach allows campuses to retain their unique character while meeting the evolving needs of students and staff.

2. Choose smart industry partnerships.

Industry partnerships – whether inviting local industries onto campus, partnering to develop new assets, or collaborating with businesses and others – create a richer campus ecosystem. When done well, **these partnerships can open career pathways for students, generate investment opportunities, and foster innovation.**

Such partnerships lead to knowledge exchange, research collaborations, enhanced student employability, as well as funding and commercialisation outcomes, which are clear wins for universities.

Moreover, partnerships are crucial for aligning course content to produce job-ready graduates, especially in sectors like renewable energy, advanced manufacturing, health, education and digital technology, which are poised for significant growth.

When industries collaborate with universities to offer valuable learning experiences for students, it fosters rewarding partnerships that benefit everyone involved. Partnering with developers or those who have the funds and expertise to deliver niche assets can also prove valuable over time.

Singapore Polytechnic Industry & Partnership Ecosystem -

Singapore Polytechnic's (SP) innovation precinct demonstrates how strategic industry partnerships can unlock significant value by integrating enterprise collaboration, real-world technology and hands-on learning within a campus environment. Co-location throughout the campus creates "living labs", where students, companies and SMEs collaborate on real deployments in advanced manufacturing, artificial intelligence and sustainability.

The ecosystem builds workforce-ready skills and accelerates SME transformation, with the success of the precinct highlighting:

- The power of cross-sector collaboration
- The importance of aligning with national innovation agendas
- The value of creating low-risk environments for industry experimentation and talent development.

Melbourne Connect, University of Melbourne, Carlton.

Partnering with industry allows universities to develop or acquire valuable assets without requiring large upfront capital investments.

Not all assets need to sit on a university's balance sheet to bring value. When universities face capital constraints, partnering with developers or private industry to develop new assets makes good business sense. Furthermore, where costs can be spread out over an extended period, this makes it more financially sustainable and attractive to external partners.

Universities must navigate a complex web of controls, often dealing with multiple layers of government and various jurisdictions, none of which have a comprehensive view of the university's broader goals.

Planning laws can be particularly restrictive, especially for universities with campuses built on crown land. While councils may publicly praise universities, the planning frameworks they oversee don't necessarily allow for the changes required to create a modern campus. Heritage controls add another layer of complexity, especially when they restrict the adaptation of buildings for modern teaching and learning practices.

Engaging experts in design, planning, heritage, and development can reveal opportunities to derive value from physical assets that universities might not have considered viable. This can lead to innovative uses of campus space, whether through consolidating teaching areas, repurposing parts of the campus, or generating revenue from under-utilised spaces.

Melbourne Connect

On the site of the former Women's Hospital in Melbourne, the University of Melbourne partnered with a Lendlease-led consortium, to deliver Melbourne Connect.

Here, researchers, start-ups, subject matter experts, government and industry can come together in a dedicated innovation precinct. The development comprises commercial accommodation for both the university (18,000 sq.m) and external tenants (10,900 sq.m), collaborative spaces (3,200 sq.m), as well as, conferencing, the Science Gallery Melbourne (3,800 sq.m), an early learning centre and a 527-bed graduate only, accommodation.

Melbourne Connect reflects a great example of partnership at the delivery model level and through fostering a dynamic ecosystem where knowledge, innovation and collaboration converge.

3. Equipping a future-ready workforce.

As the economy and industries evolve, and job categories are reshaped by technology, climate transitions and demographic shifts, **universities must adapt to remain relevant and meet the demands of the future workforce.**

Australia is experiencing skills shortages across various sectors, from construction and manufacturing to sustainability and health. This is largely driven by a mismatch between the skills available in the labour market and those demanded by employers.

For instance, a significant shortage of engineers and architects is hindering our ability to meet the growing demand for complex infrastructure. While increasing enrolment in these courses seems like an obvious solution, the pathway to becoming a qualified architect or engineer is time-intensive, often taking between 7 to 9 years. This extended timeline exacerbates the current skills shortage, impacting our capacity to support the pipeline of increasingly complex infrastructure projects.

So, how can universities help to address this challenge? In partnership with government and industry, universities need to continue to move away from traditional education models. This includes expanding work-integrated learning, co-designing curriculum with industry, better recognition of prior learning, harnessing the potential of qualified migrant talent, and streamlining administrative processes to make it easier for individuals to enrol in stackable micro-credential courses or enhance their degrees. By embracing these strategies, universities can play a pivotal role in bridging the skills gap and preparing a workforce that is ready to meet the challenges of the future.

Victorian Skills Authority Study

Victoria faces workforce shortages across various industries. The state government projects that the state will need an additional 373,000 workers – by this year.

Key industries expected to experience significant demand in Victoria include construction, the care economy, education and training, professional, scientific and technical services, and accommodation and food services. Urbis recently worked with the Victorian Skills Authority to support planning and strategy development to meet this pressing need.

1 DJSIR 2023, *Victorian Government Submission in response to the Australian Universities Accord Discussion Paper, May, State of Victoria.*

Monash University

Our planning efforts for Monash University focus on creating environments that support a future-ready workforce by fostering innovation, collaboration, and practical learning.

One such project is our work on strategy and approvals for the Point Nepean Research and Education Field Station, an exciting collaboration with Monash and the University of Melbourne. By aligning campus infrastructure with the needs of students and industry, we ensure the university remains at the forefront of education and research, equipping graduates to meet the challenges of tomorrow. This highlights the importance of strategic planning in a rapidly evolving world.

4. Sweat your assets and optimise sustainability.

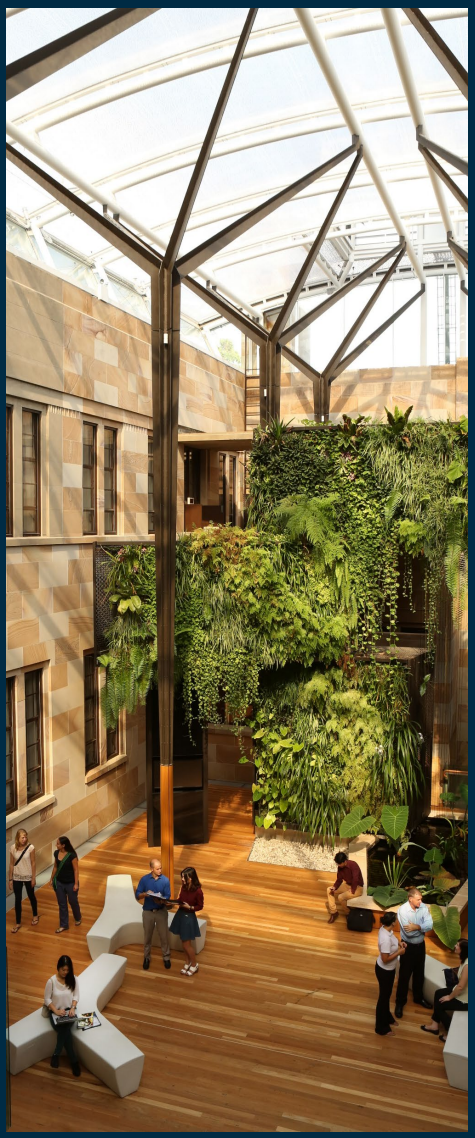
To unlock the full potential of their assets, universities must first gain a comprehensive understanding of what they own and how each asset is utilised. Conducting a thorough baseline assessment of campus operations, is essential to identify future growth opportunities.

With this knowledge, universities can make informed and strategic decisions about whether to upgrade, electrify, retrofit, or divest assets. This is a crucial step in developing a future-focused master plan grounded in evidence. Skipping this step leads to fragmented efforts and outcomes, wasting time, money, and resources.

Fortunately, there are innovative and sustainable ways for universities to optimise their assets. Smart infrastructure, such as building management systems (BMS), live monitoring, and digital operating platforms, help universities save money through energy efficiency improvements. These systems use sensors to provide real-time data, allowing for efficient management of heating, cooling, and lighting, reducing costs and emissions.

These smart systems offer valuable insights into asset usage. Over time, they can predict energy needs, enabling universities to tap into the energy market when prices are low and store energy for later use. This is a step towards a sustainable campus. Replacing energy-intensive equipment, retrofitting existing campus buildings, and implementing sustainable practices in new buildings are also critical.

Reducing energy demand on campus through energy efficiency upgrades, electrification of assets, and building onsite renewable energy and battery storage are essential steps towards achieving a sustainable and net zero campus. Implementing a circular economy through resource change programs, sustainable procurement practices, and material flow assessments is also important.



Global Change Institute, University of Queensland St Lucia Campus

The Great Court, UQ St Lucia Campus

Additionally, some universities are entering into Purchase Power Agreements (PPA) with green energy providers to secure 100 per cent renewable energy at fixed prices.

This not only supports sustainability goals but also helps universities move towards their net zero goals.

Human movement data *(mobile phone data)* is another tool helping universities understand campus activity patterns. By analysing how students navigate the campus, universities can make informed decisions about infrastructure changes that best serve different student cohorts and improve sustainability, active transport and ensure safe campus outcomes. Flexible building spaces that can be used for multiple purposes and adapt over time can also help universities to maximise the value of their assets.

This flexibility can be further enhanced by subleasing assets or accommodating multiple tenants in a single building for various uses at different times.

Heritage assets also hold significant value. While some institutions may find it challenging to commercialise heritage properties, Urbis has worked with universities to make it happen. Concern around the cost of upkeeping heritage features is mitigated when we realise all assets have a natural life cycle. One of the benefits of maintaining heritage elements is that it equates to a 100-year investment – as opposed to maintaining newer constructions.

University of Queensland Master Plan

For over a decade, Urbis has been collaborating with the University of Queensland (UQ) across multiple campuses. While much of our work has centred on the main **St Lucia** campus, we have also supported numerous projects at Gatton, Long Pocket, and Pinjarra Hills. Our design and planning efforts have focused on maximising the use of existing assets, identifying opportunities for diversification and renewal, and prioritising sustainability.

Our strategic planning ensures that campus resources are utilised efficiently, promoting environmental stewardship and long-term viability. The St Lucia campus, with its numerous sandstone heritage buildings, requires careful consideration in development. Our goal is to create a resilient and forward-thinking environment that supports the university's objectives and enhances the overall campus experience.

5. Create student-centred living.

Universities are facing financial challenges and potential impacts from student caps, yet student housing remains crucial for campus attraction. There are opportunities to develop underutilised or unused land for this purpose.

Urbis collaborates with universities, investor groups, developers and operators to provide insight and product analysis on student accommodation. Urbis' **Student Accommodation Benchmarks, developed through surveys of facility operators across Australia, helps universities understand the mix, demand, user demographics and availability of accommodation in major cities**. Since its launch, many major universities have contributed, making it a more comprehensive benchmark.

Each university faces unique challenges with student accommodation. Some have structural issues, such as where student accommodation sits on crown land, complicating long-term leases and developer attraction. Others are hindered by zoning constraints.

Urbis engages with various governments to advocate for adjustments to these controls, aiming to mitigate barriers to student housing development. These efforts seek to create attractive investment opportunities for developers, so that more students have access to high-quality, affordable and convenient housing.

Campus accommodation is not solely for students. As affordability issues persist in our major cities, providing housing for university staff and key workers, such as those from nearby hospitals is becoming increasingly important. This strategy, seen internationally, is likely to become a key component of recruitment and retention efforts in the future.

University of California in Los Angeles (UCLA)

...is an excellent example of a diverse university precinct that partners with industry and provides accommodation for staff, students, and the wider community.

This joint venture between UCLA Housing and UCLA Medical (UCLA Health) was established to address housing affordability and led to the development of Boulevard Apartment.

This site consists of a five-level residential complex that houses medical students and staff. Luskin Conference Centre and a 254-guest room hotel are close and offer premium amenities. This precinct shows what's possible through strategic partnerships designed from the outset, to create a 24-7 economy that supports workers as well as visitors.

Universities are tasked with considering housing that enhances the holistic student experience, that addresses the housing crisis, has regard to shifts in the resident profile, and finally, is a financially viable proposition.

When assessing demand and positioning new projects, the end resident profile is shifting in some instances. For example, co-living models, the need for larger rooms for postgraduate and researchers that may have a young family need to be considered alongside building amenity.

Travel patterns are also a key consideration, with human movement data helping universities better understand the travel patterns of students. By analysing catchment areas and public transport serviceability, universities can then more confidently advocate for improvements to the transport network. We are working with universities to reduce car parking on campuses, as it is costly and offers limited return on investment.

By challenging the planning codes that require a certain number of parking spaces for student accommodation, we aim to repurpose that space for smarter assets, enhancing project feasibility.

Assessing current and future demands for car parking, while providing direction and evidence, enables universities to consider green travel planning options. This is particularly relevant as car ownership rates decrease among students.

Deakin University

Urbis developed a **Green Travel Plan** for Deakin University to encourage staff and students at Waurn Ponds, Geelong Waterfront, and Burwood campuses to use sustainable travel options. The plan aligns with and further encourages Deakin's goal for most of the students and staff who have access to non-car modes to use sustainable green travel options.

In addition, Urbis undertook a study for a Zero Emissions Shuttle service connecting the new proposed Geelong Convention Centre to key activity nodes, supporting Deakin's 2030 sustainability goals. The study formulated a route option for the shuttle service, designed to operate as a 'park and ride' system, reducing the need for car parking spaces within the Geelong CBD campus.

The Urbis assessment estimated passenger demand and required services, which was compared to electric bus uses to determine the most viable Zero Emissions shuttle option.

Where to from *here...*

Australia's universities stand at the threshold of transformation.

By embracing strategic master planning, forging smart industry partnerships, preparing future-ready workforces, optimising assets, and prioritising student-centred living, they can navigate current challenges and unlock unprecedented potential.

The future of our universities is bright, and with visionary planning and collaboration, they will continue to be thriving ecosystem of innovation, learning, and community.

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