

Submission to Infrastructure Victoria

2023-05-31 12:38:14

Q1. A bit about you. Who is writing this idea? If you are submitting on behalf of an organisation please also identify this here.

This submission is on behalf of Glen Eira City Council

Q2. What matters to you?

- Partnerships arrangements by way of a Local Government Reference Group to inform and guide the development of the strategy, this will ensure this macro strategy will be well informed with local level insights on impacts and integration with local infrastructure.

- Addressing cost shifting and the funding gap for local government in maintaining and building new infrastructure. This puts further pressure on an already constrained financial position to continue to deliver appropriate and key services to residents

- Ensuring Long term sustainability and liveability for Victorian communities is the top priority, this has multi benefits in the form of social, economic and financial impacts.

- Infrastructure investment in Glen Eira meets the needs of our growing population and is resilient to current and future pressures. State Government has a responsibility to assist in facilitating Glen Eira's future.

Q3. Your proposed ideas: What strategic idea/s are you proposing for the 30-year infrastructure strategy that will achieve your desired outcomes?

Investing in high-quality infrastructure is critical to Victoria's future success.

It is essential that the government continues to prioritise infrastructure investment so Victoria can be resilient to the pressures facing our communities over the next 30 years including rising costs and climate change. High-quality infrastructure, including the infrastructure built by councils, is essential to improve the wellbeing of the community and drive economic growth to support the development of vibrant, sustainable communities. Population growth has put pressure on existing infrastructure, and additional investment from government is needed to accommodate the increase in demand.

Authentic partnership arrangements with local government must guide the development and delivery of the 30-year Strategy.

Councils manage approximately 33 per cent of the nation's infrastructure, but only has access to 3.8 per cent of tax revenues. The large-scale intergenerational infrastructure investments proposed by the Strategy doesn't consider impacts at the local level, beyond municipal boundaries. Given that

local government is the closest level of government to the community and has the best understanding of the community's concerns, appropriate local government representation is a must, to help develop and guide the revised 30-year Strategy.

It is becoming more challenging for councils to build and maintain infrastructure.

The local government sector is facing ongoing challenges to its financial sustainability due to increasing costs, cost shifting from other levels of government, and rate capping.

To ensure we can continue to deliver the infrastructure and services our communities need, we are calling for the Victorian Government to undertake a comprehensive assessment of the sector, include local government representation in decision making, provide adequate funding for essential services, ensure 50:50 funding models for certain programs, and provide secure funding streams which allow us to maintain and upgrade council-owned facilities, including continued access to interest free loans.

Addressing these challenges will enable local governments to provide better services to the community, invest in infrastructure, and create a strong local economy. This will support community health and wellbeing and improve the sustainability and livability of our community and state.

Q4. Why do you think your proposed ideas are better than the other options you might have considered?

This submission represents an industry lens of a compilation of ideas, which addresses macro issues faced by Local Government.

Q5. What sources of information do you think Infrastructure Victoria needs to consider when developing the 30-year Infrastructure Strategy for Victoria?

<https://engage.vic.gov.au/dash/project/1223/submission/survey/1107907/attachment/dXBsb2FkOjIwMjMtMDItMTIUMTE6MDg6MjEuNTMxWg==0-gecc-infrastucture-strategy-submission-may2023.pdf/download>

Q6. How are the documents or information you have shared relevant to your idea?

The attached submission provides further detail on the themes presented in earlier comments.



GLEN EIRA
CITY COUNCIL

BENTLEIGH
BENTLEIGH EAST
BRIGHTON EAST
CARNEGIE
CAULFIELD
ELSTERNWICK
GARDENVALE
GLEN HUNTLY
MCKINNON
MURRUMBEENA
ORMOND
ST KILDA EAST

VICTORIA'S 30-YEAR INFRASTRUCTURE STRATEGY SUBMISSION

MAY 2023



GLEN EIRA CITY COUNCIL
VICTORIA'S 30-YEAR INFRASTRUCTURE
STRATEGY SUBMISSION MAY 2023

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ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

Glen Eira City Council acknowledges the Boonwurrung/ Bunurong and Wurundjeri Woi Wurrung peoples of the Kulin Nation as Traditional Owners and Custodians, and pays respect to their Elders past, present and emerging. We acknowledge and uphold their continuing relationship to land and waterways. Council extends its respect to all Aboriginal and Torres Strait Islander peoples.

Council honours the rich histories and cultures of First Nations peoples and recognises and values the important contribution of Aboriginal and Torres Strait Islander peoples in enriching our community. We support the Uluru Statement from the Heart and are committed to a *Reconciliation Action Plan* which is underpinned by the principles of self-determination. We work towards improved outcomes and long-term generational change, and to consolidate Glen Eira as a culturally safe place for Aboriginal and Torres Strait Islander peoples. We are committed to achieving equality for Aboriginal and Torres Strait Islander people to live healthy and prosperous lives and to improve life outcomes for current and future generations.

Glen Eira resides on country that always was, and always will be, Aboriginal land.

Our ask

Glen Eira City Council values the opportunity to work with Infrastructure Victoria to bring representation of local government to the forefront through the development of this important, 30-year strategic direction for Victoria.

To achieve a shared outcome, we ask that:

- > Glen Eira City Council is a partner agency in the development of the new Strategy;
- > Cost shifting is addressed and the funding gap for local government in maintaining and building new infrastructure is resolved;
- > Long term sustainability and liveability for Victorian communities is the top priority; and
- > Infrastructure investment in Glen Eira meets the needs of our growing population and is resilient to current and future pressures.

Executive summary

Glen Eira City Council welcomes the opportunity to provide a submission in response to the development of *Victoria's 30-year infrastructure strategy*. Council, like all Councils across Victoria is focused on advocating for initiatives which allow us to improve infrastructure and assets to continue to meet the needs of our growing community.

Investing in high-quality infrastructure is critical to Victoria's future success

It is essential that the government continues to prioritise infrastructure investment so Victoria can be resilient to the pressures facing our communities over the next 30 years including rising costs and climate change. High-quality infrastructure, including the infrastructure built by councils, is essential to improve the wellbeing of the community and drive economic growth to support the development of vibrant, sustainable communities. Population growth has put pressure on existing infrastructure, and additional investment from government is needed to accommodate the increase in demand.

Authentic partnership arrangements with local government must guide the development and delivery of the 30-year Strategy

Councils manage approximately 33 per cent of the nation's infrastructure, but only has access to 3.8 per cent of tax revenues. The large-scale intergenerational infrastructure investments proposed by the Strategy doesn't consider impacts at the local level, beyond municipal boundaries. Given that local government is the closest level of government to the community and has the best understanding of the community's concerns, appropriate local government representation is a must, to help develop and guide the revised 30-year Strategy.

It is becoming more challenging for councils to build and maintain infrastructure

The local government sector is facing ongoing challenges to its financial sustainability due to increasing costs, cost shifting from other levels of government, and rate capping.

To ensure we can continue to deliver the infrastructure and services our communities need, we are calling for the Victorian Government to undertake a comprehensive assessment of the sector, include local government representation in decision making, provide adequate funding for essential services, ensure 50:50 funding models for certain programs, and provide secure funding streams which allow us to maintain and upgrade council-owned facilities, including continued access to interest free loans.

Addressing these challenges will enable local governments to provide better services to the community, invest in infrastructure, and create a strong local economy. This will support community health and wellbeing and improve the sustainability and livability of our community and state.

Our City

The City of Glen Eira is located approximately ten kilometres southeast of Melbourne's central business district, and forms part of Melbourne's inner south-east region. The municipality covers an area of 39 square kilometres and includes the suburbs of Bentleigh, Bentleigh East, Carnegie, Caulfield, Caulfield East, Caulfield North, Caulfield South, Elsternwick, Gardenvale, Glen Huntly, McKinnon, Murrumbeena, Ormond and parts of Brighton East and St Kilda East. Adjoining municipalities include the cities of Bayside, Kingston, Monash, Port Phillip and Stonnington.

Glen Eira's population is expected to reach 180,626 by 2036

Council is facing increasing challenges to meet the needs of the community. For example, Glen Eira currently has the lowest amount of open space per capita in metropolitan Melbourne with 1.3 hectares for every 1,000 residents or 4.4 per cent of the total municipal area.

Glen Eira City Council provides a wide range of services to its residents, including waste management, planning and building regulations, public parks, recreation facilities, libraries, and community services. It also works closely with local businesses and community organisations to promote economic development and social wellbeing in the area.

Our community expects high-quality infrastructure and assets

For local government to effectively deliver services, build community resilience, manage finances responsibly and stimulate economic growth, we must renew our focus on financial sustainability. This allows us to provide better and consistent services to the community, invest in infrastructure to improve the quality and availability of services to the community and create an environment for a strong local economy.

Delivering the infrastructure to provide community services such as immunisations, kindergartens, aged care facilities and maternal health centres is critical to supporting the community's health and wellbeing. Initiatives like climate change mitigation, urban planning reform, recycling and integrated transport options support valuable improvements for the sustainability, liveability and community wellbeing. They are also critical to adapting to the future and to community expectations.

Our position

Glen Eira City Council is the custodian of approximately \$1 billion of local infrastructure and assets, which are managed on behalf of the community. These assets help us to deliver vital community services and we must maintain and improve for the benefit of current and future generations.

As custodians of these assets, we have a responsibility to manage them in the most cost-effective way by considering the life cycle of the asset from creation and acquisition to maintenance and operation, through to rehabilitation, renewal and disposal.

Building and maintaining infrastructure is becoming more challenging for councils

Right now, costs are increasing faster than we can cover. For all councils — including Glen Eira — it is becoming tougher to build and maintain infrastructure and we need to plan now for our long-term sustainability.

Councils deliver far more than roads, rates and rubbish. We build and maintain infrastructure which allows us to deliver more than 120 different services to our community. As a local government sector, we are working in an environment that is changing and it is becoming more challenging to operate.

Our long-term sustainability is not guaranteed as costs are increasing faster than councils can cover, which puts our ability to maintain and build new infrastructure at risk. While inflation is at above six per cent, council rates are capped by the Victorian Government at just 3.5 per cent in 2023–2024— 0.5 below the Essential Services Commission's recommendation.

At the same time, other levels of government are shifting the cost of critical services — like maternal and child health services and school crossing supervision — through outdated funding models that see us wearing 70 per cent of the cost of programs that are purported to be 50:50.

Cost shifting has a real impact on our ability to build and maintain infrastructure. Cost shifting happens when other levels of government:

- > reduce, in real terms, payments to local government but maintain a requirement for the same level of service delivery; or
- > require councils to perform new functions without adequate resources.

Increasing costs are having a major impact on infrastructure delivery. In the past two years, the cost of building and maintaining infrastructure has soared. Inflation and construction costs are making it more challenging to deliver the assets the community expects. Every project that we put out to tender last year came in at 10 to 20 per cent above what we had planned for before inflation really took hold.

We need support from government to build and maintain infrastructure

While local government collects only 3.8 per cent of taxes, we manage one third of the nation's infrastructure.

For Council to build and maintain infrastructure and deliver strategies like its *Open Space Strategy*, *Climate Emergency Response Strategy*, *Integrated Transport Strategy* and *Asset Plan*, we need an increased commitment to infrastructure growth from other levels of government. This includes projects such as improved public transport

facilities and unlocking underutilised Victorian Government land for open space. Moreover, improved leadership, enablement and guidance is required from the state to facilitate outcomes and actions from these key strategies which provide benefits across municipal boundaries.

Affordable housing is integral to the liveability and accessibility of communities throughout Glen Eira. The trend over recent decades for rising house prices and rents with limited investment in social and affordable housing, has led to an increase in the number of households experiencing housing stress. There are currently 839 social housing dwellings in the municipality, which accounts for around 1.4 per cent of all dwellings. This is significantly lower than the Melbourne average, which is 3.3 per cent.

At present, the unmet need for affordable housing is in the order of 5,883 dwellings.

Infrastructure should be delivered in a way that considers equity and accessibility. This means ensuring that infrastructure projects are located in areas that are most in need, such as areas with high population growth, and strategically designed to ensure that the liveability, sustainability and well-being of communities are first priority.

When it comes to infrastructure, we are focused on:

- > environmental sustainability and taking a proactive approach to minimising the environmental and ecological impact of its buildings, infrastructure and assets, to prepare and enable for the future;

- > reducing the impacts of climate change by promoting sustainable transport options. This can include investments in public transport infrastructure, electric vehicle charging infrastructure, and active transport infrastructure such as bike lanes and footpaths;
- > progressing towards our target of zero net Council emissions by 2025, and for our community by 2030;
- > conserving energy and natural resources by reducing waste and increasing the circularity of materials through our *Circular Economy Plan 2022–2026*;
- > supporting the development of open space in Glen Eira. Glen Eira's population is expected to reach 180,626 by 2036 and needs the open space to accommodate this population growth;
- > robust and transparent planning that allows for a balance between growth, liveability and sustainability of our City;
- > addressing the significant housing crisis in Victoria, with a lack of affordable and social housing options and the need for rooming house regulation reform;
- > infrastructure delivery that involves community consultation to ensure that the infrastructure projects are responsive to local needs and concerns; and
- > supporting economic prosperity by promoting cost-effective infrastructure that delivers clear benefits to the long-term sustainability of the community.



Our advocacy

Council is committed to advocating for projects which are important to our community and deliver measurable results for Glen Eira residents — essential services, better facilities and key infrastructure that will benefit the community. We are focused on ensuring the long-term sustainability of both Council and the broader sector by advocating for reform.

To ensure Council has the ability to deliver infrastructure and assets for its community, the long-term sustainability of the local government sector must be addressed.

Council is advocating for the Victorian Government to:

Address cost shifting by:

- > undertaking a comprehensive assessment of the short, medium and long-term financial sustainability of the local government sector in Victoria, which considers factors such as the impact of cost shifting, rate capping, interest rate rises and costs increases, particularly in building and construction;
- > providing adequate funding for Council to deliver essential services where levies have increased, or state or federal regulations have created further costs. This may include landfill and waste services, urban stormwater management, electrical line clearance, liability for combustible cladding and climate change mitigation; and
- > funding the growing gap for maintaining and upgrading Council-owned early years and kindergarten centres.

Prioritise sustainability by:

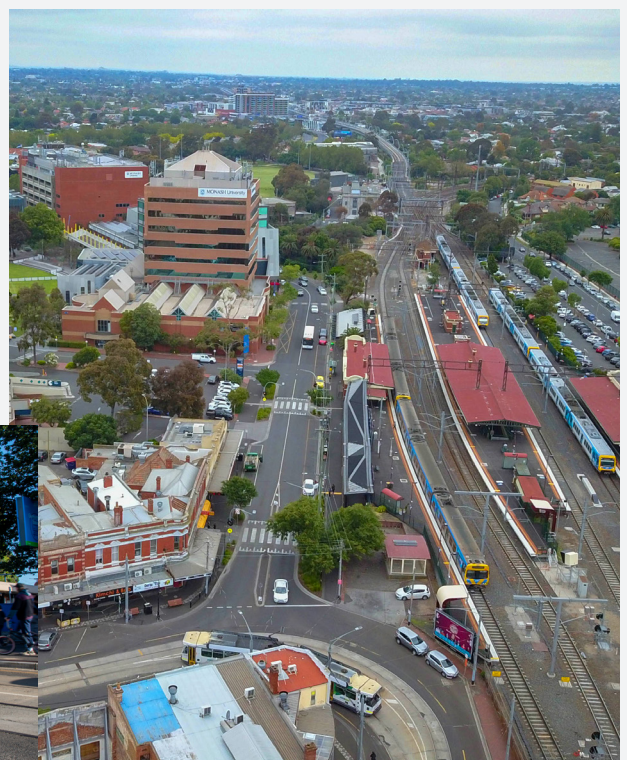
- > establishing a \$200 million local government climate partnership fund for adaptation and mitigation which would provide up to \$40 million for Victorian councils. Like many councils, Glen Eira faces the ongoing challenges of moving to renewable energy, future proofing infrastructure and protecting the environment at the same time as meeting the needs of a growing population;

- > increasing dedicated funding for recycling infrastructure through the Victorian Sustainability Fund or the federal Recycling Modernisation Fund, with a focus on boosting market capability to process and manufacture recycled materials;
- > setting state and national targets for the use of recycled content in the construction of public infrastructure;
- > leading and enabling collaboration on procurement opportunities on joint tenders, sharing of expertise, leveraging technology and negotiate cost savings. Collaboration can be a cost-effective way to pool buying power and achieve economies of scale in the procurement of goods and services;
- > investing in the development of recycling infrastructure and to support the development of end markets for recycled materials, including consideration of glass drop off points; and
- > leading on infrastructure the state is responsible for such as electric vehicle (EV) charging stations.

Improve liveability by:

- > delivering more funding and policy commitments which enable Council to unlock open space to provide access to a mix of passive and active spaces. Examples of this include providing higher minimum public space

- requirements as part of any state-approved planning proposal, and continuation of funding streams that allow local governments to deliver localised, community-defining, sustainable infrastructure (eg. the *Suburban Parks Program*);
- > greater involvement in Victorian Government planning decisions, so we can work together to identify and invest in new open spaces. This includes a genuine commitment to investment and partnerships at the building and construction phase, particularly in large infrastructure projects such as the LXR;P;
 - > appropriate funding commitments specifically for local government authorities to improve and implement integrated transport infrastructure to ensure safe, accessible and sustainable transport options for our community are available to achieve 50:50 mode share of car and non-car trips (in line with our *Integrated Transport Strategy*);
 - > improving the amenity and safety of the area surrounding Caulfield Station;
 - > supporting the campaign by Vicinity Centres/Monash University for trackless rapid transport from Caulfield to Rowville;
 - > Prioritise planning and investment in sustainable transport aligned with Glen Eira City Council *Integrated Transport Strategy* objective including, but not limited to;
 - Light Rail or trackless rapid transport (TRT) along North and East Boundary
 - Light Rail or TRT Elsternwick to Clayton
 - Improved Buses for our 'Bus Only' zone
 - Implementing the accessible Tram Stops
 - Enhanced local bus routes across the municipality
 - > committing to Environmentally Sustainable Design (ESD). In July 2022, 24 councils asked the Minister to authorise the 'elevating ESD' amendment that proposes a specific new control. This control would ensure new developments incorporate more environmentally sensitive design requirements and encourage a move towards net zero carbon development;
 - > requiring all state-owned property developments or redevelopments in the catchment to invest in flood mitigation. This includes funding to deliver major flood mitigation infrastructure under the *Elster Creek Catchment Flood Management Plan 2019–2024*; and
 - > requiring any *Big Housing Build* development to adhere to relevant planning controls associated with building heights, setbacks, and other controls.
 - > providing more efficient and clearer procedures in preparing developer contribution schemes that reduce the administrative burden on Council and time in seeking government approvals;
 - > securing community access to school sites and facilities outside of school hours to unlock more open space for recreation and sport.



Promote community wellbeing by:

- > funding commitments to progress infrastructure projects that have high community value. This includes projects such as the Carnegie Memorial Swimming Pool. The pool will be more than just a place to swim. It will be a community amenity that offers a range of benefits to improve physical and mental wellbeing. With an expected 300,000 community visits annually, the pool will provide access for 2,800 learn-to-swim enrolments, 100,000 visits to a therapeutic warm water pool, and will also host thirty school swimming carnivals and events each year;
- > a sustainable, long-term pipeline of state and federal investment in social and affordable housing infrastructure, noting the unmet need for social and affordable housing in Victoria alone has been estimated to be in the order of 75,000 to 100,000 households, while the Australian Government's \$350 million investment in its October 2022–2023 Budget will only deliver 10,000 additional homes by 2029; and

- > changing Victorian's planning schemes to include new mandatory criteria for developers to contribute funding and/or dwellings for affordable housing through the inclusionary zone provisions and Homes for Homes, or similar contribution programs where inclusionary zone provision does not apply.



Conclusion

Thank you for the opportunity to provide feedback and contribute to Victoria's 30-year infrastructure strategy.

Infrastructure and assets can only be built and maintained if councils are sustainable in the long-term. Council is ready and eager to work with the Victorian Government to bring about real policy reform to meaningfully improve infrastructure in Glen Eira.

Glen Eira City Council is at the forefront of collaboration with other councils to strategically lead regional investment in infrastructure to support our communities. We would welcome the opportunity to partner with Infrastructure Victoria in the development of this and future strategies.





GLEN EIRA
CITY COUNCIL

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