

Submission to Infrastructure Victoria

2023-05-26 11:02:43

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

Melton City Council

Q2. What matters to you?

- Depoliticise the delivery of infrastructure in growth areas.
- Improve the delivery of health and social infrastructure in growth areas.
- Improve the role of regional planning in metropolitan Melbourne.
- Introduce development sequencing to new precinct structure plans.
- Address transport inequity in growth areas.
- Review infrastructure and development contribution plan systems.
- Review the Growth Area Infrastructure Charge (GAIC) system.
- Improve the delivery of utility services to make more liveable cities.
- Address the need for investment in transformation infrastructure.
- Respond to the housing affordability crisis.

See detail in attached submission

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

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- Respond to the housing affordability crisis.

See detail in attached submission

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

See detail in attached submission

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/1107602/attachment/dXBsb2FkOjIwMjMtMDItMTIUMTE6MDg6MjEuNTMxWg==0-melton-city-council-submission.pdf/download>

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

A Vibrant, Safe and Liveable City Accessible to All



Melton City Council Submission
Victoria's 30-year infrastructure strategy

Melton City Council

May 2023

INTRODUCTION

Thank you for the opportunity to provide Melton City Council's feedback for the review of Victoria's 30 year infrastructure strategy.

This submission provides information on the following changes we recommend for consideration in your review of the infrastructure strategy:

- Depoliticise the delivery of infrastructure in growth areas.
- Improve the delivery of health and social infrastructure in growth areas.
- Improve the role of regional planning in metropolitan Melbourne.
- Introduce development sequencing to new precinct structure plans.
- Address transport inequity in growth areas.
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- Address the need for investment in transformation infrastructure.
- Respond to the housing affordability crisis.

Should you wish to discuss our submission, please contact me on [REDACTED] or [REDACTED]

Yours sincerely,

[REDACTED]

BACKGROUND

The City of Melton is experiencing significant growth. Since the last opportunity to provide input into Infrastructure Victoria's 30 Year Infrastructure Plan, our municipality, designated as a one of Melbourne's growth areas, has grown by 6.42% with 58 new babies born and 72 new families every week. Babies alone, that's two new classrooms every week.

Whilst we welcome the Infrastructure Victoria's *Our Housing Choices* paper that identifies a need for greater diversity in affordable housing and increasing location closer to existing infrastructure, the "horse has already bolted" so to speak, with on average 32 new people moving into the City of Melton every day.

Based on the high rate of growth, infrastructure and services cannot be delayed. The outer metropolitan growth areas will still need the delivery of planned infrastructure and much needed services to meet existing demand as well as growing demand.

FEEDBACK FOR THE UPCOMING INFRASTRUCTURE STRATEGY

Depoliticise the delivery of infrastructure in growth areas

Melton City Council is concerned that Infrastructure Victoria's paper *Our Housing Choices*, which seeks to rebalance housing development from greenfield areas to established areas, could result in a moratorium on the development of infrastructure in greenfield areas. It is critical that infrastructure investment is provided as soon as possible to support the residents who have already moved and planning to move to greenfield suburbs.

Currently construction of infrastructure in Victoria's growth areas is piecemeal and uncoordinated. A more mature approach to investment is required where a whole of government approach is taken rather than the current silo approach.

Benchmark rates need to be prepared by the State government for the delivery of infrastructure. Through the development of PSPs we know the State government will provide one government primary school per 10,000 residents and one secondary school for every 30,000 people, however, there appears to be no equivalent benchmarks for the delivery of tertiary education, emergency services (fire, police, ambulance, and SES), justice services (law courts), health and community support services and transport services.

Once benchmark rates are established it would be possible for the delivery of infrastructure in growth areas to be depoliticised and properly planned for. An example of benchmark rates are as follows every time a growth area council grows by:

- 10,000 people money is allocated to acquire land and build a new primary school.
- 30,000 people money is allocated to acquire land and build a new secondary school.

This could be extended to include the other critical infrastructure required to support population growth – health services / emergency services / tertiary education / justice services and transport services.

A good example of delivery of infrastructure is the Victorian School Building Authority (VSBA) which provides input into the development of Precinct Structure Plans, and they work with Council on creating a pipeline of investment for school development (land acquisition / construction / redevelopment).

Unfortunately, other government service providers do not have defined service models with agreed service provision standards. Most service providers do not know what infrastructure they need, where it is required, and when it will be delivered. This results in ad hoc decisions being made by government to deliver critical services such as emergency, justice, health, housing, transport, and tertiary education. This is exacerbated by the failure of Precinct Structure Plans to identify concrete timelines for delivery, which creates expectations of delivery without any real planning for delivery.

The State government would benefit from the creation of plans that identify what infrastructure will be required to service growth areas. For example a police service plan would identify:

- How many police stations will be required e.g. one police station per 50,000 people.
- Identify a hierarchy of police stations, which identifies different sizes of police stations, and identifies where each of the stations will be. For example, integrated justice precinct (Cobblebank magistrates court and police station) / district station / precinct station / police station (24 hour) / police station (16 hour).
- Where they will be located e.g. in Major Activity Centres.
- Whether any services should be delivered in integrated emergency service stations with ambulance and / or fire services.
- When they should be delivered, for example, when a municipality grows by 50,000 people.

The State government in turn could consider the creation of authorities like the VSBA to help create a pipeline of infrastructure projects, for example:

- Authority for emergency and justice services – police stations / ambulance stations / fire and rescue services / SES / law courts – the coordination of planning could create integrated emergency and justice service precincts in new suburbs.
- The Authority for tertiary education services – plans the delivery of TAFEs and Universities.
- Authority for transport services – bus services, train services, road infrastructure upgrades, and level crossing removals.
- The Victorian Health Building Authority could be expanded to include planning for health and community support services – plans for community health, public health, public housing, and community support services.

Consideration should be given to the early purchase of land for community and transport infrastructure in PSP areas. The State government trend is to buy land long after development has occurred resulting in delays to the infrastructure and the State government paying a premium cost for land. This removes the benefit of building in greenfield sites and the cost savings could then be allocated in the delivery of infrastructure and services.

Improve the delivery of Health and Social infrastructure in growth areas

The delivery of education facilities, while lagging development is well considered in planning for our growing community. Whilst Council would like to see more funding committed to the delivery of education facilities, there also needs to be a focus on the delivery models for other important health and social infrastructure.

Residents of the City of Melton have minimal access to health and social services. Residents are often expected to travel to the neighbouring municipality of Brimbank to access services which should be locally accessible and address the needs of the community, be it mental health, support services, or family violence services.

Despite the population of the City of Melton already being greater than the City of Brimbank, residents in Melton are dependent on services in Brimbank (population forecast for Melton in 2023 is 209,145 compared to 200,403 in Brimbank).

Melton City Council would welcome the opportunity to be identified as a pilot Council to work through a new service delivery model for the early delivery of these important health and social services to support our growing community.

Improve the role of regional planning in metropolitan Melbourne

In 2021, the then Department of Environment, Land, Water and Planning created draft Land Use Framework Plans for the inner metro, inner south, southern, western, northern and eastern metropolitan regions of Melbourne.

The draft Land Use Framework Plans were criticised by Local government as they were limited plans that only showed infrastructure that was already committed by the State government and could be delivered in one or two terms of government.

Local government needs ambitious regional plans that take a longer term view and are up to the task of identifying what infrastructure should to be delivered to service the projected population of 8 million in 2050.

Introduce development sequencing to new precinct structure plans

Despite repeated requests from Local government, no development sequencing has been built into Precinct Structure Plans in the City of Melton. As a result, the City of Melton has multiple development fronts across ten approved PSPs.

This results in residents moving into new residential estates that are removed from existing services. For example, residents moving into The Millstone estate in Strathulloh are located more than 4 kilometres from the nearest footpath, school, shopping centre, and train station.

Any work around development sequencing must include detailed discussions with Local government to ensure that any policy change does not result in creation of disparate and isolated communities across the growth areas.

Address transport inequity in growth areas

The western region of Melbourne, particularly the City of Melton, suffers from transport inequity. Previous infrastructure strategies have focused on key infrastructure projects that have largely been announced, and apart from the Outer Metropolitan Ring (which does not have committed funding) is largely silent on any improvements to the network, services or infrastructure that would directly benefit the 500,000 Victorians who will call the City of Melton home within the lifetime of this plan.

The new Strategy should be stronger on the issue of transport equity across all modes of transport and ensure that planning and delivery is future focused and includes needs based recommendations. This transport inequity needs to be rectified to ensure our residents can access employment, health and skills and training which are lagging in terms of localised delivery.

Council has created an evidence-based tool, [Moving Melton](#), which shows the detailed road, rail, bus and active transport infrastructure projects that are required to be delivered to support residents and businesses in the City of Melton. Council has also identified critical transport projects that are needed to create an additional 120,000 jobs in the City of Melton by 2050.

Council have done the work through Moving Melton and now seeks assistance from Infrastructure Victoria to advocate for this investment.

Review infrastructure and development contributions plan systems

Infrastructure contribution plans and development contribution plans should be reviewed. The review must not further complicate the administration of the system for growth area Councils. The review should properly consider the cost of delivering infrastructure and the cost impost that capped levies put on Council and their ability to be financially responsible.

Consideration should be given to revising the current levy rates, which has resulted in serious underfunding of community and recreation infrastructure. Infrastructure Contributions Plans (ICP) for Growth Areas currently have an arbitrary cap on levies. Melton City Council are experiencing significant shortfalls because of the rate of contributions being collected for community and recreation infrastructure in the ICP system:

- In the Mt Atkinson ICP, Council is collecting 63.5% of the money required to construct community and recreation infrastructure identified in the plan – resulting in a shortfall of \$21.1 million.
- In the Plumpton and Kororoit ICP, Council is collecting 75.6% of the money required to construct community and recreation infrastructure identified in the plan – resulting in a shortfall of \$32.7 million.

Whilst MCC accepts that Councils contribute to the development of community facilities, the Development Contribution Plan (DCP) system has historically funded 80-90% of the community and recreation infrastructure. The additional shortfall created by the ICP system unsustainable in a rate capping environment if MCC is to continue to delivery our local infrastructure in a timely way across all our growth fronts. Additionally, the cost of inflation, and material and workforce shortages, has contributed to cost blow outs for infrastructure projects. These funding shortfalls revert to council to deliver.

Review the Growth Area Infrastructure Charge (GAIC) system

The Growth Areas Infrastructure Contribution (GAIC) should be reviewed in line with the recommendation of the VAGO report. Greater collaboration is required between Local governments and the State government on the spending of GAIC to ensure there is a nexus between the money being collected in a Local government area, and the money being spent in the Local government area.

It is essential that the review of the infrastructure strategy should make recommendations on the expenditure of GAIC and make sure there is a nexus between where it is being collected and how it is being spent and ultimately the benefit to the communities who will live there. For example the VAGO report public in late 2019/20 noted that as of October 2019 approximately \$1.8 billion of GAIC had been collected but only \$600 million had been expended.

The State government's [GAIC webpage](#) indicates \$292.3 million has been collected from development in the City of Melton, however only \$125.8 million has been committed. This is concerning given that Council has multiple suburbs where residents have no access to schools and bus services.

In this review, consideration should also be given to funding for the construction of regional

facilities such as Regional Active Open Space, Aquatic Centres, Indoor Recreation Centres, Performing Arts Centres, and Libraries. Local government cannot deliver these alone as these are costly items to construct and run. Residents in growth areas are being underserved for these essential community services because of the expense for construction. Aquatic and leisure centres in other growth areas for example are being costed at \$180 million as a result, the City of Melton has one aged aquatic facility in Melton Township and is currently working on a business case to deliver a second. Likewise, there are two libraries and an additional small access point to service the municipality.

Improve the delivery of utility services to create more liveable cities

If we are truly to deliver a good outcome for Victoria, then not only should we have an integrated land use and transport framework, we should also have an integrated utilities and water infrastructure framework. These services have large impacts on streetscapes, and the impact of timely delivery of key infrastructure on general liveability cannot be understated.

The need for investment in transformational infrastructure

With over 70% of the workforce leaving the municipality for work every day to access employment, there will be an additional 65,000 residents commuting and a local jobs gap of 110,000 jobs by 2050. As a result, there needs to be a joint approach to meeting need:

1. Increase employment opportunity locally with diverse, quality jobs.
2. Investment in supporting infrastructure to ensure public transport and road infrastructure can service the demand.

The City of Melton needs investment in transformational infrastructure, which will enrich the lives of residents and improve the way businesses operate.

In 2020, Council released its [Investment Attraction Strategy](#), which provides a vision for the creation of 100,000 new jobs in the City of Melton by 2050 to increase employment self-sufficiency. To achieve this target the City of Melton needs investment in the following projects:

- The electrification of the rail line to Melton and the construction of new train stations at Thornhill Park and Mt Atkinson.
- The upgrade of the Western Highway to an urban freeway standard.
- The construction of Melton Hospital in the Cobblebank Metropolitan Activity Centre.
- The delivery of the Western Interstate Freight Precinct and the investigation of a co-located training facility.
- The creation of a freight link between the Western Interstate Freight Precinct and the interstate rail corridors.
- The delivery of the Outer Metropolitan Ring, including a new passenger rail service between Melbourne Airport and Werribee.
- Critical road duplications and intersections including Hopkins Road, Christies Road, and Melton Highway.
- The delivery of a Tier 1 University in the City of Melton.
- The delivery of the tertiary education precinct and the justice precinct in the Cobblebank Metropolitan Activity Centre.

We acknowledge that significant investment is required in upgrading Victoria's freight network to see increased movement of freight away from trucks to rail. Council is of the view that both the Beveridge and Western Interstate Freight Precincts are needed in the short term to deliver

this outcome. Beveridge may have a focus on northern freight movements to New South Wales and Queensland, whilst the Western freight precinct may focus on east - west movements to rural Victoria, South Australia, and Western Australia. The WIFP is also instrumental in replacing the Dynon Terminal, so investment should ensure the WIFP is open for business by 2030.

Respond to the housing affordability crisis

We acknowledge, there is a housing shortfall in Victoria and the Federal government has identified the need for increased migration to do the heavy lifting to address workplace shortages.

Urban growth areas are essential to the delivery of housing need and Melton City Council is committed to working collaboratively to welcome new residents to our growing community. But we can't do it alone. We seek the assistance of Infrastructure Victoria to help us advocate for lagging services and infrastructure and ensure planning for their delivery and funding is secured. Our communities should no longer be isolated from employment, services, and education. Our communities should no longer be disadvantaged by the lack of access to affordable housing and affordable living.