

Submission to Infrastructure Victoria's 30-Year Infrastructure Strategy

Introduction

The Eastern Region Group of Councils (ERG) appreciates the opportunity to comment on *Victoria's Draft 30-Year Infrastructure Strategy*. The ERG comprises five councils in Melbourne's east - Knox, Manningham, Maroondah, Whitehorse and Yarra Ranges.

The draft Strategy prepared by Infrastructure Victoria (IV) aligns well with the ERG's current thinking on long term planning for the region (*Plan East*), our submissions to a *Plan for Victoria* and our (draft) 2025-29 Strategic Plan.

In that context the Group is broadly supportive of the inherent principles identified by IV to:

- leverage existing investments
- do more with less
- set out a more strategic way forward, with a strong evidence base.

Context

The ERG acknowledges the challenging context of cost-of-living pressures, reduced housing affordability, a severely constrained State Government budget, and that deficit budgets are projected federally for a decade.

We also recognise that metropolitan councils are undergoing a significant 'step change' driven by prolonged rate capping, new and higher State taxes (such as the Windfall Gains Tax) and rapid and disconnected changes to strategic and statutory planning.

These changes are occurring in the absence of a spatially resolved and integrated infrastructure plan which is inefficient and will have unintended consequences for communities.

While the State Government has released a *Plan for Victoria*, incorporating a focus on developing activity centres for more intensive development and a housing target of an additional 71 per cent into the Eastern Region, the Plan is poorly resolved, does not leverage and build on current strategic work, nor set out a plan for infrastructure and service delivery to support growth.

Plan for Victoria envisages the Eastern Region growing by 212,500 dwellings, housing more than half a million residents, with over 330,000 vehicles, to reach a population of 1.6 million within 30 years.

Planning for additional community infrastructure and to ensure its optimal use is now more important than ever.

Plan East

Recognising this, the ERG prepared *Plan East* and undertook a community awareness campaign, *Voice for the East*. Priorities identified for our urban areas:

1. Improve community accessibility and productivity by increasing sustainable integrated transport options and reducing car dependency.

- Fund and deliver bus network reform recommendations to improve integration and service frequency of the bus network
- Integrate intelligent transport systems, including EV charging infrastructure to support active and public transport to support delivery on activity centre plans, improve connectivity and enable freight
- Establish express train services from outer to inner key stations to support non-CBD employment hubs/activity centres and to reinforce the Lilydale Activity Centre and Bayswater Business Precinct in the outer east

- Introduce a rapid bus service to mimic the SRL Stage 2 alignment.
2. **Fund and better coordinate the planning and delivery of the major infrastructure needed to support sustainable growth for the region without adverse environmental or amenity impacts (blue-green infrastructure)**
 - State government to commit to 'service standards' and funding in a regional Integrated Water Management Plan
 - Identify a consistent regional approach to flood modelling, to map flood risk and guide development
 - Regional drainage planning to improve water quality and de-risk for government
 - Develop a strategy for regional stadia and community facilities
 - Progress shared services models for social and community infrastructure (e.g. uses of schools)
 - Provide a series of flat rate 'off the shelf' development contribution mechanism (or a licence fee) to address local infrastructure funding constraints (around \$20,000 per dwelling or \$40,000 including drainage)
 3. **Protect the character and amenity of the region, including through infrastructure that works with the natural environment (blue green infrastructure)**
 - Develop a shared strategy for an eastern region open space network
 - Develop and implement tools and a planning mechanism to deliver 30 per cent canopy cover, support re-greening and build climate resilience
 - Adopt a minimum open space provision (such as 30 square metres high quality and accessible public open space per capita within urban areas)
 4. **Promote sequenced infill housing development in the region that incorporates activity centres and growth corridors, SRL precincts, and areas for greyfield housing**
 - Integrate SRL planning work with surrounds to deliver social infrastructure
 - Identify how core 'missing middle' principles may benefit housing provision in the Eastern Region
 - Review the greening the greyfields initiative to extend to additional precincts as a mechanism to achieve precinct based rather than 'lot-by-lot' infill development
 - Advocate for a metropolitan and/or eastern sub-region plan or spatial framework under the umbrella of Plan for Victoria that identifies the region's housing and infrastructure needs
 - Broad-based inclusionary zoning contributions to fund social and affordable housing
 - Remove windfall gains tax on Council land (currently a disincentive to release land for housing or community infrastructure) or, at a minimum, exempt these outcomes from the windfall gains tax

Alignment with other Government Strategies

The ERG is disappointed that the State Government did not take the opportunity to align the development of *Plan for Victoria* with an Infrastructure Strategy. This would have made for a far more rigorous, future focused and useful land use strategy.

The infrastructure position is changing as Melbourne's east grows

The region extends from 15 kilometres to Melbourne's CBD eastwards into the Yarra Valley and Dandenong Ranges. It is a major population centre with a significant industry base with specialisations in advanced manufacturing, wholesale /distribution, health services, education (including Universities and TAFE institutes), as well as retail, tourism and other service industries. The region includes the Box Hill Metropolitan Activity Centre, Ringwood Metropolitan Activity Centre and the Bayswater Business Precinct.

Residents enjoy a broad choice of health and recreation facilities, local and regional shopping destinations, and access to leading schools, universities, and other tertiary institutions. The region functions as 'Melbourne's lungs', with extensive green wedge areas, mature canopy trees and is Melbourne's primary water catchment.

The region's economy is significant, containing 11 per cent of Greater Melbourne's jobs and over \$49.5 billion Gross Regional Product (GRP). The manufacturing sector is of greatest value but not the largest employer. The top five

employing industries are health care & social assistance; retail trade; education & training; manufacturing; and construction.



Total population

746,067

(Approximately 14% of Greater Melbourne's total)



Total land area (hectares)

282,115

(28% of Greater Melbourne's 999,251 hectares)



Gross regional product (\$B)

\$49.5

(Approximately 11% of Greater Melbourne's total)

As stated, the housing target for the region is significant - 71 per cent. While some areas have planned to accommodate additional growth with little impact, particularly to 2030, recent planning changes make it difficult to focus growth in those areas. While there is now less certainty about how the region will develop by 2050, it is clear that the projected growth will severely stretch the region. Community infrastructure such as maternal and child health care, kindergartens, sport and leisure facilities, open space and local roads will need upgrades and council services such as waste, libraries and other community services will require significant augmentation.

Infrastructure Victoria's approach and objectives

In a high demand, resource constrained environment, prioritisation matters

IV have not prioritised some recommendations over others, and instead presented an integrated, interlinked and interconnected set of recommendations.

We acknowledge Government is ultimately responsible for prioritising infrastructure spending according to the prevailing financial position and broader fiscal and policy settings. However, Government has shown a reluctance to plan and to allocate resources based on evidenced need, with short term political objectives influencing decision making. This has cascading implications for investment by local government and the private sector.

A lack of prioritisation can enable a focus on easier, less impactful recommendations at the expense of critical recommendations. A prioritisation framework would be a good place to start to deliver more certainty about the infrastructure pipeline and ensure a focus on what matters.

Review and reprioritise 'big build' delivery timelines to free up resources

IV has not recommended a capital heavy program of infrastructure investment. While this appears sensible recognising existing Government commitments to 'big build' projects, it means that funding for community infrastructure, open space, public transport service improvements and sport and recreation becomes harder to secure and will increasingly struggle to keep up with community expectations.

It also means that the Government's own under-investment in public and community housing remains unaddressed.

A review and re-prioritisation of major Government commitments is the only way to free up resources to invest in community infrastructure in the short and medium term.

Resilient assets will reduce the Eastern Region's exposure to climate risk

The Eastern Region is highly exposed to flood, fire, landslip, extreme weather and other climate related shocks.

IV's intent behind the climate change and resilience sections - to build back better after an event; to embed resilience and climate risk assessment into infrastructure planning and delivery; and to avoid investment in areas of known risk are supported but investment is needed to reduce the increasing cost of damage related to extreme events.

Build the detailed foundations necessary for long term change now - and this must include the future road network

The draft IV Strategy seems to pull back significantly from the previous Strategy in terms of laying down foundations for long term change/transition and suggests that Government will simply undertake recommendations as part of business as usual. The ERG does not have the same confidence that the required changes will occur.

Similarly the focus on our road network in the earlier IV strategy is now missing. This is a major gap, particularly for Melbourne's outer suburbs and rural hinterland, that depend on the road network for tourism, freight, access and for the region's bus network.

Additionally, despite the many recommendations, the ERG would still like to see recommendations relating to:

- publishing a Transport Plan and recognise the importance of road infrastructure to the outer suburban and rural areas in Melbourne's east
- the mechanism to realise value capture, particularly for public housing (and community infrastructure)
- developing an interconnected and growing metropolitan open space network
- a focus on Major Activity Centres and industrial precincts to ensure future land availability
- inking housing with jobs, and putting jobs at key transport nodes where housing is being encouraged
- reallocation of road space for priority transport modes
- infrastructure delivery and sequencing given the housing targets in Plan for Victoria.

Response to recommendations

Recommendations vary significantly in terms of scale of impact and importance. Some recommendations are clearly for State Government (#3) whereas others speak to shared responsibilities (#5 and #7).

To assist prioritisation and to reduce the overall number of recommendations for a long-term state-wide strategy, we suggest identifying those recommendations of highest priority in the short and longer term, and those recommendations simply requiring action or integration into BAU.

Timing: 1= immediate priority 2= important but longer-term 3 = just do this / integrate into BAU

No.	Recommendation	Support /do not support	Timing	Comment
Victorians have good access to housing, jobs, services and opportunities				
1	Build more social housing.	Support	1	Critical. Strongly agree with this recommendation.
2	Facilitate markets and invest in kindergarten infrastructure.	Support	2	The introduction of 3 year old kinder strained the existing service system. Government must now ensure that investment considers this lag and plans for growth in established areas, and not just focus investment in growth areas. It cannot be assumed that growth can be accommodated within existing facilities. The ERG is about to undertake work (as part of its Strategic Plan) to understand the community infrastructure implications (including early years infrastructure) of the housing targets and priority precincts. Understanding demand and supply of kindergarten spaces in an ongoing way would be very helpful to councils in their future planning.
3	Plan and deliver expanded and new schools.	Support	3	Access to schools is a key determinant of liveability in which councils have a vital interest. The work IV has undertaken in this area is very useful and while it indicates the Eastern Region of Melbourne is not expected to have any issues with schools to 2036, this does change to 2051 and the planning should commence in the medium term.

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4	Expand TAFE in Melbourne's growth areas and some large regional areas.	Support	3	With 71% growth projected, TAFEs in the eastern region with the SRL should be leveraged where possible.
5	Build libraries and aquatic centres for Melbourne's growing communities	Support	2	Again, it is assumed that such facilities are only required in growth areas. Unmet demand exists in the Eastern Region and consideration must be given to the need for such facilities in the context of growth. Multiple use of facilities/cross location could also be useful here. It is important to note that such facilities should not always be at the expense of open space and alternate land use areas should be considered. The work being undertaken by the ERG into community infrastructure implications of the housing targets is also relevant. The work will include mapping across the region, and a Community Infrastructure Prioritisation Tool. It is considered that this work could be more broadly useful to metropolitan councils. Is the prioritisation tool something that IV could undertake?
6	Make government infrastructure more accessible.	Support	3	There are legal requirements re accessibility.
7	Rezone locations near existing infrastructure for more home choices.	Do not support	-	ERG councils have been planning for more intensive development in centres, corridors and appropriate locations for a long time. Significant precinct work has already been done. However, much of this will be replaced by generic controls lacking consideration of area specific opportunities or constraints. This is BAU and not a forward-thinking recommendation.
	Future - Mandate more affordable homes near existing infrastructure.	Support with review	-	The IV recommendation is too vague. and no mechanism to do this is suggested. A necessary focus on public and community housing is lacking. The ERG, the Charter group and the Eastern Affordable Housing Alliance have long advocated for inclusionary zoning to provide for affordable housing, particularly in well located areas. There has been little progress in this area since Government backed away from its commitment.
	Future - Phase out residential stamp duties.	Too early	-	Commercial and industrial properties exempted become subject to annual land tax. The impacts on an already constrained budget are unclear. Should be considered as part of broader tax reform.
8	Extend Melbourne's trams to encourage more new homes nearby.	Support	2	Proximity to Melbourne's tram network encourages higher densities. ERG councils support the extension of the Wattle Park to Burwood East tram. As part of its Strategic Plan the ERG intends to prepare an Integrated Transport Plan for the region. The ERG would like to work cooperatively with Government and co-invest in this important work.
9	Run faster bus services, more often, in Victoria's largest cities.	Support state-wide	1	Much of the Eastern Region is serviced only by buses, particularly for Manningham and the outer reaches of Knox and Yarra Ranges. The Government program of route reviews considers connections, directness and frequency but is progressing very slowly and needs urgency. The ERG councils have identified improvements and will cooperate in this task. As part of its Strategic Plan the ERG intends to prepare an Integrated Transport Plan for the region. The ERG would like to work cooperatively with Government and co-invest in this important work.
10	Build a new bus rapid transit network.	Support	1	This is a sensible way to improve services in middle to outer suburbs of Melbourne and the ERG suggests a rapid bus route duplicate the Suburban Rail Loop route to build behaviour change and support the business case. As part of its Strategic Plan the ERG intends to prepare an Integrated Transport Plan for the region. The ERG would like to work cooperatively

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				with Government and co-invest in this important work.
11	Extend metropolitan trains and run more services in Melbourne's West.	Support	1	While not directly relevant to the Eastern Region, this is long overdue.
12	Run more bus and coach services in regional Victoria.	N/A	-	
13	Make off-peak public transport cheaper and simplify regional fare zones.	Support	1	This recommendation would also need to be supported by sufficient frequency of services to encourage change in behaviours.
Victorians are healthy and safe				
14	Make local streets safer for children and communities.	Support	3	Reducing speed limits in areas around children is a long-held approach. The ERG councils suggest this recommendation extend to State Government roads in activity centres. Roads bisecting activity centres with a speed limit of 40kms would increase the use of active transport to the centres and support both children and the aged to use crossings. As part of its Strategic Plan the ERG intends to prepare an Integrated Transport Plan for the region. The ERG would like to work cooperatively with Government and co-invest in this important work.
15	Build safe cycling networks in Melbourne and regional cities.	Support	3	Despite some constraints to cycling in the Eastern Region due to topography (which could be reduced with e-bikes) planning to improve regional trails and connectivity is well advanced with implementation support required. As part of its Strategic Plan the ERG intends to prepare an Integrated Transport Plan for the region. The ERG would like to work cooperatively with Government and co-invest in this important work.
16	Help Government schools share their grounds.	Support	2	ERG councils are very interested in the multi-use of school facilities to maximise access for residents and minimise new infrastructure costs in the context of rapid growth.
17	Invest in maintenance, upgrades and expansions of community health facilities.	N/A	-	While not directly involved, ERG Councils are supportive to assist community health outcomes.
18	Build more residential alcohol and other drug treatment facilities.	N/A	-	While not directly involved, ERG Councils are supportive to assist community health outcomes.
19	Invest in digital healthcare.	N/A	-	While not directly involved, ERG Councils are supportive to assist community health outcomes.
20	Upgrade critical public hospital infrastructure.	N/A	-	While not directly involved, ERG Councils are supportive to assist community health outcomes.
21	Better use prisons and invest more in health facilities and transition housing.	N/A	-	While not directly involved, ERG Councils are supportive to assist community health outcomes.
Aboriginal people have self-determination and equal outcomes to other Victorians				
22	Invest in secure housing for Aboriginal Victorians.	N/A	-	While not directly involved, ERG Councils are supportive of this recommendation.
23	Fund better health and wellbeing infrastructure for Aboriginal Victorians.	N/A	-	While not directly involved, ERG Councils are supportive of this recommendation.

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Victoria has a thriving natural environment				
24	Reduce greenhouse gas emissions from infrastructure.	Support	3	This would be helpful to ERG councils when evaluating projects, but early priorities should be informed by emissions intensity (construction and operating) and re-use potential.
25	Advance integrated water management and use more recycled water.	Support	2	Green infrastructure is important in the Eastern Region where environmental values are high. More partnership opportunities would be appreciated. The ERG councils have also called for (in <i>Plan East</i>) 'service standards' to be developed.
	Future - Plan for and invest in manufactured water.	N/A	-	
26	Better use government land for open space and greenery.	Support	1	Significant increases in population will see the need for an additional 1500 hectares of open space to meet the region's residents needs. This will need to be done creatively and in a joined-up manner across the region. Despite the highest in Melbourne, tree canopy cover is declining fastest in the Eastern Region. Action needs to be taken to reverse that trend. As part of its Strategic Plan, the ERG will commence work on an Open Space Strategy. The ERG would like to work cooperatively with Government and co-invest in this work.
Victoria is resilient to climate change and other future risks				
27	Better prepare infrastructure for climate change.	Support	1	For the Eastern Region with significant bushfire, flooding and storm events weather related damage is expected to double within a generation. ERG councils expect that Government will provide for infrastructure adaptation, especially to 'build back better' and coordinate this with local government.
28	Use new flood maps to revise planning schemes.	Support	1	This is strongly supported. Melbourne Water should coordinate the flood studies, mapping and amendments to Planning Schemes across Melbourne with local government.
29	Coordinate faster delivery of key energy infrastructure.	N/A	-	
30	Improve environmental assessments and site selection for energy projects.	N/A	-	
31	Invest in home, neighbourhood and big batteries for more energy storage.	N/A	-	
32	Determine long duration energy storage needs.	N/A	-	
33	Develop regional energy plans, guide transition from fossil gas and maintain reliable gas supply.	Support	2	Needs to be coordinated in the context of the national grid to realise benefits.
34	Speed up household energy efficiency and electrification.	Support	3	Further energy efficiency is always supported, particularly for older housing stock.
Victoria has a high productivity and circular economy				
35	Prepare and publish infrastructure sector plans to shape Victoria's cities.	Support	1	Strong support for this recommendation as long-term planning for infrastructure has been lacking. Coordination between the plans is also important to maximise opportunities and reduce conflicts.
36	Reform infrastructure	Support	1	Strong support for this recommendation. Currently there is not a developer

No.	Recommendation	Support /do not support	Timing	Comment
	contributions.			contribution scheme in place across established areas. Work is being undertaken for the priority precincts. ERG councils are not supportive of the current direction that suggests funds contributed may be 'pooled' across Melbourne and subject to a competitive process, diluting the nexus between the development and need for additional infrastructure. An 'off-the-shelf' approach within the control of council is preferred.
37	Improve asset management of all government infrastructure.	Support	3	
38	Prepare for more recycling and waste infrastructure.	Support	2	These challenges are increasing with the need to move to a circular economy and the complexities of plastics in the waste stream. Growth will place further pressure on local and regional level facilities.
39	Use digital technologies to better design, build, operate and maintain government infrastructure.	N/A	-	Integrate with #37
40	Use modern traffic control technology for efficient and safe journeys.	Support	3	Existing opportunities to improve traffic flow and public transport priority should be taken in the Eastern Region.
	Future - Charge people fairly to use roads.	N/A		
41	Make rail freight competitive, reliable and efficient.	Support	3	Support a greater proportion of freight by rail and how the metropolitan rail network can play its part.
42	Encourage off-peak freight delivery in urban areas.	Support	2	Support, noting that noise impacts will be an increasing issue as residential areas densify.
43	Create and preserve opportunities for future major infrastructure projects.	Support	1	While this recommendation is strongly supported, it cannot be achieved without the spatially resolved and integrated infrastructure plan necessary to meet infrastructure needs of future communities.