Submission to Infrastructure Victoria draft 30 year Strategy

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Executive Summary

The National Growth Areas Alliance (NGAA) welcomes the opportunity to contribute to Infrastructure Victoria's 30-Year Infrastructure Strategy. Our submission draws upon deep experience representing Australia's fastest-growing outer metropolitan communities — the places where Australia's future is taking shape.

Growth areas already house over 5.6 million people nationally, including one in four Australian children. These communities are central to Australia's housing supply, workforce participation, and economic resilience. Yet residents consistently face significant inequities in access to infrastructure compared to established suburbs, impacting liveability, social cohesion, health, and opportunity.

Our submission highlights the need to:

- Align infrastructure delivery to actual population growth, not historical assumptions.
- Reform infrastructure contributions to reflect real costs and community needs.
- Prioritise investment in community infrastructure, not just major projects.
- Integrate national urban policy goals into Victorian planning.
- Recognise growth areas as distinct, vital metropolitan regions requiring targeted investment.

NGAA presents a positive, practical path forward — recognising that fair, timely, and strategic infrastructure investment is essential for shaping a sustainable and inclusive future for all Victorians.

About NGAA and Growth Areas

The National Growth Areas Alliance (NGAA) is the peak body for local governments in Australia's fast-growing outer metropolitan regions. These regions represent more than 5 million residents forming the nation's newest communities. There are 29 growth area Local Government Areas (LGAS) across Australia's five largest capital cities of Sydney, Melbourne, Brisbane, Perth and Adelaide.

We advocate to State and Federal governments for improved policies and equitable funding for growth area councils, to create resilient, liveable and thriving places and communities.

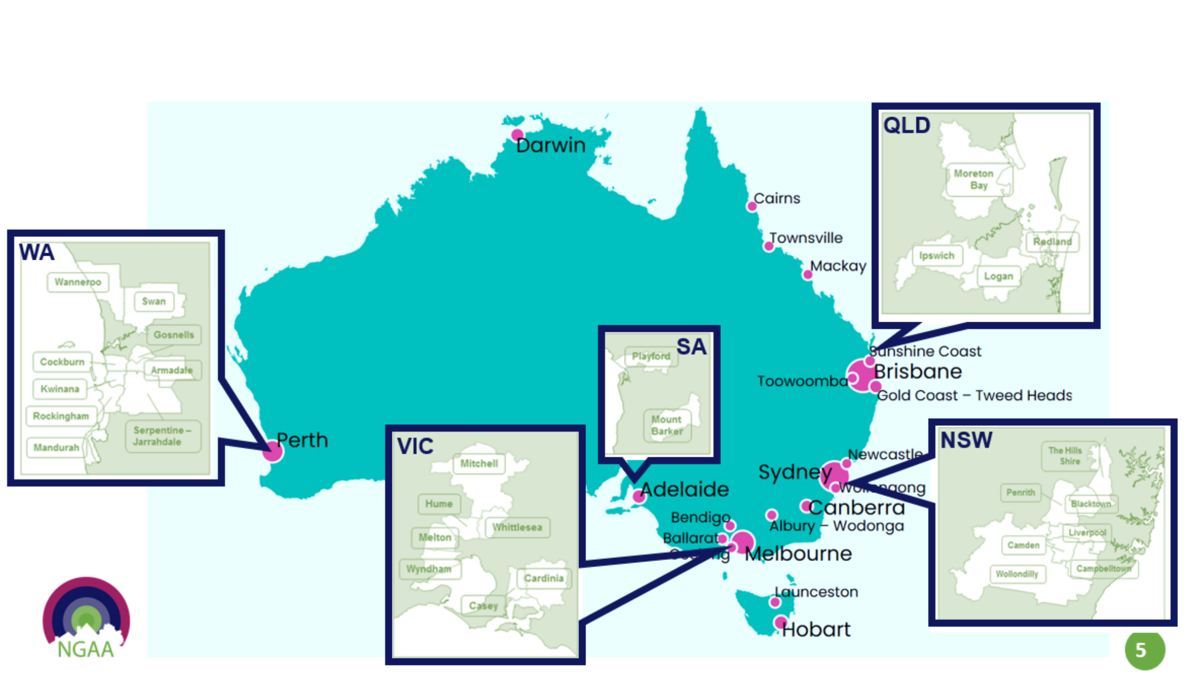
Member councils of the NGAA are united by the shared experiences of grappling with population growth rates at double the national average, significant greenfield urban development and the challenges of long-term under-investment in vital infrastructure.

NGAA member councils, through their regular and extensive community engagement, have first-hand knowledge of the needs of their communities for:

- adequate transport infrastructure and services to minimise congestion and maximising connectivity, active transport options
- expanding economic opportunities and enlivening town centres

- access to health, education, community, cultural, sport and recreational infrastructure for health and wellbeing, and
- affordable housing and balancing rapidly-developing greenfield suburbs and need to protect natural environments.

Building on our members' deep knowledge of their communities, and academic research, we take an evidence-based approach to advocating for a national approach to policy and funding for financial sustainability for our members. Through case studies, policy discussions and information-sharing networks, we assist Alliance Councils to develop their capacity to deliver their planned growth.



The 29 outer metropolitan growth LGAs are home to over 5.6 million people[1] accounting for around 21% of the Australian population. The population of growth areas has increased at a higher rate than the Australian average, growing 3.65% per annum from 2016 to 2023 compared to 2.46% per annum for Australia as a whole, in the same period.

While some growth LGAs are relatively small and newly emerging as designated growth areas, others have been growing consistently since the 1960's and are now major metropolitan centres serving populations as large as major regional cities, see Table 1 and 2. Whether an area has been growing for decades or is newly emerging, they have been subject to Federal and State government policy blind spots and funding shortfalls. They do not qualify for policies and programs aimed at regional or rural Australia. At the same time, they do not have the same levels of access to infrastructure and services as inner and middle ring city regions.

Growth areas have accommodated over 30% of Australia's recent population growth but received around 15% of Federal infrastructure funding[2]. As a result:

- Greenfield development is being delivered **without enabling infrastructure** for essential utilities, such as water, sewage, and telecommunications.

- Housing is being delivered **without vital social infrastructure** including libraries, sport and recreational facilities, cultural and multi-purpose centres to support communities.
- Large scale greenfield development requires major new and upgraded **strategic transport infrastructure** and services as well as the local connecting roads, bus shelters, cycleways and footpaths.

The compounding effect of the infrastructure deficit created by poorly managed urban growth in the past is stifling economic potential and entrenching disadvantage within communities of growth areas.

Table 1 Australia's growth areas along the continuum of growth

Table 2 Australia's growth areas along the continuum of growth

Emerging	Expanding	Established	Transforming	Major Metropolitan Centres
Mount Barker District, SA Serpentine Jarrahdale, WA	Wollondilly, NSW Mitchell, VIC Kwinana, WA Mandurah, WA	Camden, NSW Campbelltown, NSW Cardinia, VIC Playford, SA Armadale, WA Cockburn, WA Gosnells, WA Rockingham, WA Redland City, QLD	Wanneroo, WA Swan, WA Penrith, NSW Liverpool, NSW Hume, VIC Melton, VIC Whittlesea, VIC Wyndham, VIC Ipswich, QLD	Blacktown, NSW Casey, VIC Moreton Bay, QLD Logan, QLD
Comparing Growth Area Suburbs to Major Regional Towns		Ballarat, VIC Newcastle, NSW	Geelong, VIC Townsville, NSW	Canberra, ACT

Growth areas represent an increasing share of Australia's population

In 2021 The total population of these 29 LGAs was **5.2 million[3].** The population of Australia's outer-metropolitan growth areas grew by **683,500 residents** in the five years from 2016 to 2021, at an average rate **of 2.9% per annum**, more than double the national average. Australia's population as a whole grew at 1.2% per annum over the same period. **In**

two years since, by 2023 the estimated residential population of the national growth areas has increased by almost 300,000, to 5.6 million people.

Australia's estimated resident population is projected to grow from 26 million in 2022 to around 29.6 million by 2031[4]. **Much of Australia's projected growth, around 40% or another 1.5 million people, will be living in our growth areas within the next decade[5].** With higher birth rates than other areas, one in four Australian children are now growing up in outer metropolitan growth areas.

While there are other areas in regional Australia and in inner city areas that are experiencing population growth and change, outer metropolitan growth areas are distinguished by the combination of the distance of their location relative their capital city centres and the nature of growth being largely in greenfield urban development where no infrastructure exists, creating unique challenges for their local governments and communities.

Growth areas are the mainstay of Australia's housing supply and sustainable development

The geographical distribution of Australia's population is changing in response to post-COVID pandemic socioeconomic factors, overseas migration and revised government policy settings. There are pockets of rapid growth in inner city areas reflecting changing preferences for housing (smaller households), and for higher density, inner city living. However, our **growth areas councils and their communities are experiencing rapid urban development and population growth at a rate and scale that exceeds these other areas**. While the National Cabinet Housing Accord prioritises new housing in established areas, state-based planning identifies a substantial proportion of new housing in our largest capital cities will continue to be delivered in growth areas. This means that our growth areas will remain a mainstay for Australia's housing supply, and population settlement. How well this growth and development is managed will determine the sustainability of Australia's cities and the quality of life of their communities for generations to come.

The Commonwealth, state and territory governments jointly agreed on a shared vision for sustainable growth and commitment to ensuring our cities and suburbs meet the needs of current and future generations. The three goals of National Urban Policy are for urban places to be liveable and equitable, productive and innovative and sustainable and reliant. To realise this shared vision and achieve these national urban policy goals requires dedicated and collaborative long-term planning and investment in our growth areas to address their existing infrastructure deficits and ensure equitable access to infrastructure and services for new communities in the next wave of urban growth.

Evidence of the existing infrastructure deficit

Analysis of RMIT's Australian Urban Observatory's '*City Liveability Scorecards for Growth Areas'* identify clear disparities between growth areas and non-growth areas across capital cities in the distribution of community infrastructure and services that create liveable places and support wellbeing.

A 'liveable' place is defined as somewhere that is: safe, attractive, inclusive, and environmentally sustainable; with affordable and diverse types of housing, public open space, local shops, health and community services, leisure and cultural opportunities; with opportunities for employment and education all accessible by convenient public transport, walking and cycling[6].

The Scorecards show the distribution of measures of liveability by suburb within each capital city using data for 10 indicators, which include social infrastructure (health, education, arts and cultural facilities and community and sport facilities), walkability, public transport accessibility, access to public open space and housing affordability.

The Scorecards reveal wide variation across capital cities with a trend towards higher liveability in the inner areas of each city and reduced liveability in outer areas of each city. The Scorecards show, in comparison non-growth areas of capital cities:

- Residents in growth areas face a **37% accessibility gap in public transport**.
- Growth areas have **68% less access to sports and leisure facilities** (Liveability indicator score: 0.07 vs. 0.23).
- Access to **arts and cultural facilities in growth areas is 44% lower** (Liveability indicator score: 0.49 vs. 0.87)
- Access to **health care facilities in growth areas is 48% lower** (Liveability indicator score: 1.25 vs. 2.42).
- Growth areas score **21% lower for access to education facilities** (Liveability indicator score: 1.99 vs. 2.53).

Furthermore, RMIT's report, '*The benefits and challenges of Australian Government investment in infrastructure in outer suburban growth areas*', demonstrates that improving access in growth areas would deliver widespread benefits for communities. Notably, early provision of infrastructure and services maximises these benefits, highlighting the need to accelerate delivery alongside growth. Therefore, catching up on infrastructure and essential service delivery in growth areas **is a national priority**, and the primary objective of the proposals in this pre-budget submission

Growth areas in Greater Melbourne

Shire of Cardinia, City of Casey, City of Hume, City of Melton, Mitchell Shire, City of Whittlesea, City of Wyndham

Total area Hectares	Population 2021 Persons	Population 2023`	Projected Population 2031	Change 2023-2031	% Growth 2023-2031	New Dwellings forecast t0 2031
6617.2	1,495,262	1,610,743	2,061,626	50,883	28%	90,000

Births

- In the year 2022-23 there were **23,100 babies** born in Growth Areas in Melbourne, **representing 42% of all babies born in Victoria** in that year.

Liveability in Melbourne's Growth Areas

The City Liveability Scorecards measure how well Australian cities support healthy, connected, and sustainable communities. Developed by the Australian Urban Observatory at RMIT, the Scorecards highlight disparities in liveability across cities, showing that while inner-city areas often perform well, outer suburban growth areas face significant gaps.

A 'liveable' community is one that is safe, attractive, inclusive, and environmentally sustainable, with affordable housing, access to open space, health and community services, education, employment, and public transport. Access to these services is directly linked to better physical and mental health outcomes, stronger social cohesion, and higher levels of community satisfaction.

The NGAA partnered with the Australian Urban Observatory to produce dedicated City Liveability Scorecards for Australia's 29 National Growth Areas. These growth councils, located in the outer regions of Sydney, Melbourne, Brisbane, Perth, and Adelaide, are home to some of the fastest-growing and most diverse communities in the country.

The Scorecards use ten liveability indicators focused on key areas including access to health, education, cultural and sporting facilities, walkability, transport accessibility, open space, and housing affordability. They compare outcomes in growth areas with non-growth areas and broader metropolitan averages, providing clear evidence of liveability gaps that must be addressed through targeted infrastructure and planning investment.

What to the Liveability Scorecards for outer metropolitan growth areas show?

Looking across the data for all five capital cities, the scorecards show that Growth areas fall behind on all liveability scores across all four sub-domains of social infrastructure (health, education, community and sport facilities and arts and cultural facilities).

- The highest degree **of difference** between growth area regions compared to non-growth areas was **in access** to **community and sporting facilities**, and access to **culture and leisure facilities**
- **Walkability and access to public transport accessibility** are also **notably lower** in growth areas in each region compared to non-growth areas. Walkable areas have services to walk to, connected streets and population density.
- **Access to public transport** is notably lower in growth areas across the five cities, with 39% of dwellings in growth areas located within 400 metres of public transport stops with regular 30 minute services between 7am and 7pmon weekdays, compared to 62% of residential dwellings in non-growth areas being near regular public transport services.
- The distribution of **access to public open space** is the **most evenly spread** feature of liveability between regions within capital cities than for other indicators of liveability and is slightly better in growth areas than other areas in capital cities, with 40% of dwellings in growth areas located within 400m of public open space of at least 1.5 hectares compared to 38% of dwellings in non-growth areas.
- **Housing stress is highly variable** across all city regions but, is higher in outer growth areas, which traditionally have been more affordable locations, compared to the average for the capital cities as a whole. Across the five capital cities15.3% of low-income households in outer metropolitan growth areas are spending more than a third of their income on housing costs compared to 13.7% low income households in housing stress in non-growth areas in the five capital cities.

Melbourne's Social Infrastructure Access: Growth Areas vs. Non-Growth Areas of Melbourne

- **Health Care**: Access to health care facilities in growth areas is **53.3% lower** than in capital cities (Liveability indicator score: 1.23 vs. 2.63).
- **Education**: Growth areas score **26.1% lower** for access to education facilities compared to capital cities (Liveability indicator score: 2.02 vs. 2.74).
- **Arts & Culture**: Access to arts and cultural facilities in growth areas is **77.1% lower** than in capital cities (Liveability indicator score: 0.25 vs. 1.09).
- **Sports & Leisure**: Growth areas have **75.7% less access** to sports and leisure facilities compared to capital cities (Liveability indicator score: 0.08 vs. 0.33).

Melbourne's Transport Accessibility

Residents in Melbourne's growth areas face a **56% accessibility gap** in public transport compared to non-growth areas of Melbourne, highlighting a critical need for improved transport infrastructure and investment in these rapidly developing regions.

26% of dwellings in growth areas are within 400 metres of public transport stops with regular 30-minute services on weekdays (7 am - 7 pm), compared to **58%** of dwellings in non-growth areas of Melbourne.

Response to Infrastructure Victoria Draft 30 Year Strategy

Across Sectors

Achieving Victoria's vision for thriving cities requires stronger alignment between infrastructure investment and population growth. NGAA's member councils see daily the consequences of delayed and fragmented infrastructure delivery. Victoria must embed collaborative planning, funding reform, and asset management systems that prioritise growth areas.

Recommendation 35: Prepare and Publish Infrastructure Sector Plans

NGAA strongly supports the requirement for sector plans. Fragmented agency planning disproportionately disadvantages growth communities. Local governments must be treated as planning partners to ensure spatially responsive infrastructure delivery that matches real growth.

Recommendation 36: Reform Infrastructure Contributions

Current infrastructure contributions frameworks are outdated and insufficient. NGAA's evidence shows substantial funding gaps as development costs escalate and densities rise. A simpler, fairer, and flexible contributions system is urgently needed to avoid deepening liveability gaps.

Case studies such as Camden's (NSW) high-density development near a proposed metro station, South Australia's Playford collaboration with State Education Department (SA), and Springfield's (QLD) private-public infrastructure delivery model demonstrate that new, more flexible funding models are achievable. Victoria must ensure developer contributions reflect actual costs and allow for better collaboration between the state, local governments, and industry.

NGAA's rough guide to infrastructure contributions across Australia, showing the disparity of approaches and outcomes is at Attachment 1.

Recommendation 37: Improve Asset Management of Government Infrastructure

Growth area councils face growing maintenance liabilities with limited funding. Integrated state-local asset reporting, backed by dedicated resourcing, will ensure that infrastructure in fast-growing areas remains safe, sustainable, and efficient over time.

Recommendation 43: Create and Preserve Opportunities for Major Infrastructure Projects

Futureproofing growth areas by preserving transport, health, and green infrastructure corridors is essential. Infrastructure Victoria must recommend spatially targeted land preservation strategies to avoid future cost blowouts and service deficits. The OMR/E6 is a good example of forward planning in a geographic are where growth is mandated to occur.

Cities

Compact cities are an important goal, but growth areas will remain the engine rooms of Victoria's housing supply and population growth. Strategic investment is required to ensure these communities are liveable, equitable, and resilient.

Recommendation 7: Rezone Locations Near Existing Infrastructure for More Home Choices

Rezoning established suburbs must be complemented by sustained investment in greenfield growth areas. With 180,000 new homes planned in Melbourne's growth areas over the next decade, ensuring infrastructure keeps pace is critical for liveability.

Recommendation 26: Better Use Government Land for Open Space and Greenery

NGAA supports the creation of connected open spaces and increased urban greening. Growth areas must be prioritised for new green space investment to support health, biodiversity, and climate resilience.

Community Infrastructure

NGAA agrees that a coordinated approach to improving community infrastructure is essential. However, coordination must include explicit prioritisation of growth areas, where the infrastructure gap is widest and where investment will yield the highest social and economic returns. This requires long-term, dedicated funding streams that go beyond one-off grants and allow councils to strategically plan, acquire land, and deliver integrated community hubs that meet evolving community needs.

Investment in community infrastructure is a gender equity issue, a social justice issue, and a critical enabler of sustainable urban growth. Accessible libraries, aquatic centres, sporting facilities, and shared school infrastructure are not luxuries — they are essential components of liveable, resilient communities. Without these, growth areas will continue to experience entrenched disadvantage, undermining Victoria's broader goals for social equity, environmental sustainability, and economic resilience.

Victoria's investment priorities must shift to close the infrastructure gap between growth areas and established suburbs, recognising that the health, wellbeing and prosperity of outer suburban communities is fundamental to the success of the state as a whole.

Recommendation 5: Build Libraries and Aquatic Centres for Melbourne's Growing Communities

Growth areas have half the access to libraries and aquatic centres compared to established areas. Case studies from the City of Casey, City of Armadale, and GAPP Group show the transformative impacts of early community infrastructure investment. Dedicated, long-term funding streams are needed. (Note: as we are in the process of building our new website, I will forward the links to these case studies in the near future).

Recommendation 6: Make Government Infrastructure More Accessible

Accessible public transport and civic buildings are fundamental for social and economic inclusion. NGAA supports prioritising accessibility upgrades in outer suburban areas experiencing the highest growth and social disadvantage.

Recommendation 16: Help Government Schools Share Their Grounds

Shared-use school facilities deliver strong community benefits, especially in land-constrained growth areas. Examples such as the City of Playford demonstrate how partnerships between councils and education departments can maximise infrastructure usage and foster community connection. (Note: as we are in the process of building our new website, I will forward the links to this case study in the near future).

Transport

Recommendation 9: Run faster bus services, more often, in Victoria's largest cities

NGAA strongly supports this recommendation. Evidence from RMIT, the City of Wyndham, and the City of Casey demonstrates that early delivery of reliable, frequent bus services fosters long-term public transport use and reduces car dependency. We encourage the Victorian Government to explore shared funding models involving developers, local governments, and the state to ensure active and public transport patterns are embedded as greenfield communities are established.

Recommendation 10: Build a new bus rapid transit network

NGAA supports the early development of a bus rapid transit network and emphasises the need for strong connections from Melbourne's emerging satellite cities in the north, west, and south-east. Prioritising these routes will ensure that rapidly growing communities are better connected to employment, education, and services.

Recommendation 11: Extend metropolitan trains and run more services in Melbourne's west

NGAA agrees with the recommendation to extend metropolitan train services, particularly to Melton. This is a long-standing need that has been delayed by shifting political priorities. We advocate for immediate prioritisation of metropolitan train extensions to growth areas currently lacking rail services, rather than further enhancements in corridors already served by multiple modes of public transport, such as the eastern section of the Suburban Rail Loop.

Recommendation 12: Run more bus and coach services in regional Victoria

NGAA supports increased investment in regional bus and coach services but stresses that services must extend beyond regional cities to include peri-urban towns experiencing overflow from Melbourne's growth areas. Places such as Bacchus Marsh and Drouin urgently require improved public transport connections to regional centres and metropolitan Melbourne.

Recommendation 13: Make off-peak public transport cheaper and simplify regional fare zones

NGAA agrees with this recommendation. Lower off-peak fares and simplified regional fare zones will broaden access to public transport beyond traditional commuting times, supporting Victoria's growing night-time economy outside Melbourne's CBD. This will also strengthen productivity, social inclusion, and liveability across metropolitan and regional communities.

Recommendation 14: Make local streets safer for children and communities

NGAA supports initiatives to lower speed limits around schools, childcare centres, and community hubs. Safer local streets are critical to encouraging active travel and creating more child-friendly, accessible neighbourhoods in both new and established communities.

Recommendation 15: Build safe cycling networks in Melbourne and regional cities

NGAA agrees with the continued investment in connected, protected cycling corridors across Melbourne and regional cities. However, given the distances between greenfield developments and existing employment centres, local and suburb-wide cycling networks should be given equal recognition of contribution to active communities and congestion reduction.

Education

Recommendation 2: Facilitate markets and invest in kindergarten infrastructure

NGAA supports the recommendation to facilitate investment in kindergarten infrastructure, particularly in high-growth communities. However, to ensure the right facilities are delivered in the right locations, we recommend stronger involvement of local government in early years and social planning. Councils are best placed to provide real-time insights into demographic shifts, community needs, and service gaps. Effective long-term planning for early childhood education infrastructure requires coordinated data sharing between state government, local government, and service providers. Early involvement of councils will support more efficient investment and equitable access for families in newly developing areas.

Recommendation 3: Plan and deliver expanded and new schools

NGAA agrees with the need to expand existing schools and plan for new schools in fast-growing areas. We recommend that Infrastructure Victoria go further by mandating a minimum standard of education infrastructure based on real-time housing establishment in greenfield developments. Delays in school delivery and underestimation of land requirements result in school sites becoming dominated by portable classrooms. This compromises access to essential play and sports areas, placing additional pressure on neighbouring council-owned facilities — often without compensation or partnership agreements. A more holistic approach to school infrastructure planning must ensure that sites are fit for long-term community use and that open space is protected for educational, health, and social outcomes.

Recommendation 4: Expand TAFE in Melbourne's growth areas and some large regional centres

NGAA strongly supports the expansion of TAFE campuses in growth areas. This is critical not only for addressing skills shortages but also for enabling local access to education and lifelong learning. We encourage a community-based approach to TAFE delivery, drawing on examples such as the Western BASE business hub in Melbourne's west and Orchard House in the City of Cockburn. These models show how training facilities can be embedded within mixed-use town centres, co-located with transport, childcare, and other essential services. Working with local governments to establish TAFE access points in walkable, well-connected community hubs will significantly improve participation rates, particularly among underrepresented cohorts.

Additional Recommendations

Population Growth Forecasts and Infrastructure Alignment

Since the last Infrastructure Strategy, Victoria's growth areas have experienced substantial population increases, often without corresponding infrastructure investment. Our comparative analysis shows clear gaps where population growth has far outpaced service and infrastructure provision.

Future infrastructure planning must be spatially aligned with projected growth areas, delivering services in time to support community establishment rather than playing perpetual catch-up. Better coordination between planning and investment, and transparent tracking of infrastructure delivery against population growth, are essential reforms.

Alignment with National Urban Policy

Victoria has a unique opportunity to lead nationally by aligning state infrastructure strategies with the goals of the National Urban Policy. Doing so would reinforce commitments to liveability, equity, productivity, and sustainability.

State policies should reflect national urban objectives, with clear frameworks for measuring alignment, evaluating outcomes, and ensuring accountability across all levels of government.

Hidden Costs to Local Government

Infrastructure delivery gaps impose significant hidden costs on local governments, particularly in growth areas. Councils are increasingly required to deliver infrastructure without sufficient funding support, as demonstrated by examples such as the need for unfunded traffic calming devices around schools.

A long-term, sustainable funding model is essential to support councils in delivering infrastructure and services, without reliance on piecemeal grants or ad hoc support. Findings from the Beaches Research Programme should inform future funding frameworks.

Cost Considerations: New vs. Existing Infrastructure

The high costs of new infrastructure in greenfield areas are well-documented, but the costs of retrofitting infrastructure in established areas also require serious attention. Infrastructure Victoria's work on greenfield costs has been well utilised as evidence against further greenfield development, despite the fact that 180,000 more new homes are already slated for development in Victoria's greenfield areas.

Future infrastructure investment must balance these factors, ensuring decisions are based on long-term cost-effectiveness and community outcomes. Further research into the costs and efficiencies of retrofitting infrastructure is recommended.

Supporting Evidence

This submission is underpinned by:

- Melbourne Growth Areas Liveability Scorecard (Australian Urban Observatory, RMIT University) Growth Areas Liveability Scorecard for Melbourne Growth Areas | National Growth Areas Alliance
- NGAA 2023 Infrastructure Funding Research Infrastructure Investment in Growth Areas: Benefits and Challenges | National Growth Areas Alliance
- Case studies from City of Casey, City of Playford, City of Armadale, and GAPP (Growth Areas Perth and Peel) – can be provided.

Appendix 1

Infrastructure Contributions Systems across Australia

Victoria

Growth Areas Infrastructure Charge (State)

The growth areas infrastructure contribution (GAIC) was established to help provide infrastructure in Melbourne's expanding fringe suburbs.

It is a one off-contribution, payable on certain events, usually associated with urban property developments, such as buying, subdividing, and applying for a building permit on large blocks of land.

Not all GAIC events will result in a liability being triggered at the time of the event. There are no liability events, excluded events and exemptions. Generally, the GAIC does not apply to events involving land under 0.41 hectares (4100 square metres or one acre).

The fees are collected by the State Revenue Office (SRO) and distributed equally between two special purpose accounts:

- Growth Areas Public Transport Fund
  - new railway stations and associated works
  - new bus interchanges
  - future transport corridors
  - bus services for the first five years of operation
  - associated infrastructure for public transport such as car parking and access
- Building New Communities Fund
  - primary and secondary government schools and other education facilities

- state emergency services facilities including fire stations and ambulance stations
- health, community health, wellbeing and family violence prevention facilities
- justice facilities including courts and police stations
- open space improvements
- walking and cycling
- regional level sporting and recreational facilities

Where does it apply?

The GAIC only applies to land in the contribution area, which is growth area land zoned for urban use and development in the municipalities of:

- Cardinia
- Casey
- Hume
- Melton
- Mitchell
- Whittlesea
- Wyndham

There are four types of land that may be affected: type A, B-1, B-2 and C. These different types of land became part of the contribution area and subject to the GAIC at different times, with different rates applying.

Affected land will have a GAIC recording placed over the title to the land which will restrict changes to title. This recording is only removed once the GAIC has been paid.

Collected and administered by: Victorian Government (State Revenue Office).

Paid by: The owner of the affected land which is usually a developer.

GAIC Rates:

The GAIC rates for the 2023-24 financial year are:

- $110,590 per hectare for type A land
- $131,360 per hectare for types B-1, B-2 and C land.

GAIC rates increase annually by CPI. The indexed GAIC amount will be on the Department of Transport and Planning's updated site for growth areas infrastructure contributions by 1 June of the preceding financial year.

Total contributions collected to date: Circa $2.293 billion.

Website of funded projects: https://mapshare.vic.gov.au/gaic/

Summary:

- Wyndham – under committed by 65%
- Cardinia – under committed by 34%
- Casey – under committed by 24%
- Whittlesea – over committed by 19%
- Hume – under committed by 45%
- Melton – under committed by 61%
- Mitchell Shire – under committed by 42%

Issues

- Opaque, no transparency about how and where it is spent.
- Further to the point above, funds are spent at the State Government's discretion without input from Local Government.
- The funds are not necessarily spent where they are collected (as shown above), instead they are allocated based on State Government priorities.
- However the State Government doesn't have the interface with the community that requires the infrastructure – no recourse.
- State Government is unclear about they can use GAIC for – some claim it is only for community facilities, Transport says it should be roads.
- LG experience of GAIC is that it is challenging to get clarity from government about how and what to spend it on.
- Seems to be a disconnect between what it was intended to be used for and what it is being spent on.
- Transparency for any levies that are collected in growth areas. Formation of a formalised process for the distribution of them. LG should have equal access to the GAIC funding.
- Feds can help is by interest free loans for LG for building community facilities.
- Buying land for open space is also an issue – used open space contributions and acquisition overlays. Going to eb an issue moving forward.

Infrastructure Contributions Plans (Council)

An infrastructure contributions plan (ICP) is a system for funding basic and essential local infrastructure required by a new community paid for by the property developer to the Victorian Government. The precinct structure plan (PSP) provides the strategic justification for the ICP items.

The ICP may be made of one or two parts, a standard levy and or a supplementary levy. The standard levy is a pre-determined rate that may be used to fund transport, community and recreation infrastructure and public land provision. In particular circumstances, a supplementary levy may also apply.

The standard and supplementary levies are based on benchmark costings for the specific infrastructure included. Benchmark costings are standard cost estimates prepared for a range of basic and essential local infrastructure generally provided in Precinct Structure Plans (PSP) and funded through associated ICPs.

Standard infrastructure funded with an ICP may include local roads, community centres, kindergartens, maternal and child health facilities, local parks and sporting facilities, and public land provision. A supplementary levy is used when there is

Where does it apply?

ICPs are prepared to support the delivery of PSPs. They apply to designated growth areas and also designated urban renewal.

- Cardinia
- Casey
- Hume
- Melton
- Mitchell
- Whittlesea
- Wyndham

Collected and administered by: Local Government.

Paid by: The owner of the affected land which is usually a developer.

Rates: Vary by Precinct Structure Plan and individual planning permit.

Issues:

- Contribution is paid as development occurs based on the landowners timeline not councils. Note PSPs can take 15 years to be built out.
- This results in piecemeal and insufficient funds for community infrastructure despite there being a threshold population (albeit not entirely built out).
- The indexation of the contributions has not kept pace with inflation. This is the key issue for most councils. Wyndham - $6m for a $25m road. Conversation should be on the proportion that council should be making.
- Don't have density caps – based on minimum number of houses not the maximum. ICP is based on the minimum numbers not the maximum and density often increases over time.
- Roads – all destroyed by the developers as the houses are constructed. Council has to maintain or renew them earlier.
- PSPs not talking well enough to each other – 17 PSPs all proposing similar infrastructure, council can't afford this, now looking to build facilities that service multiple PSPs.

- Cost increases over the life of the PSP are higher than indexation. Wyndham – community centre used to be circa $6m now they are $16m but the state government funding is still only 2m.

SOLUTION (Wyndham)

Staged or 2 step rate cap – if you can demonstrate you have a high rate of population growth then you can increase rates.

NSW

Special Infrastructure Contribution (State and Regional)

A special infrastructure contribution (SIC) is determined under the *Environmental Planning and Assessment Act 1979*. It is one way the NSW Government ensures funding is available for key state and regional infrastructure required to support growing communities, allowing priority infrastructure to be delivered at the same time as development.

A SIC is paid by developers within a defined Special Contributions Area to support to the cost of infrastructure delivery. This contribution helps to support key infrastructure such as state and regional roads, open space, schools and health facilities are built in growth areas.

Where does it apply?

A SIC is paid by the developer in Special Contributions Areas and only on new additional development. The Department of Planning and Environment ensures contributions are reasonable and relate only to new growth.

The Minister for Planning and Public Spaces will determine whether a SIC will apply to an area after consultation with the community.

- Western Sydney Growth Areas SIC
- Warnervale Town Centre SIC
- Wyong Employment Zone SIC
- Bayside West SIC Determination
- St Leonards Crows Nest SIC
- Frenchs Forest SIC
- Pyrmont Peninsula Metro
- Illawarra and Shoalhaven SIC
- Gosford City Centre SIC
- Western Sydney Aerotropolis SIC

Local Infrastructure Contributions (Council)

Local infrastructure contributions, also known as developer contributions, are charged by councils when new development occurs. They help fund infrastructure like parks, community facilities, local roads, footpaths, stormwater drainage and traffic management.

Local government administers the local infrastructure contributions system – they are best placed to understand the needs of their communities. The state government sets the policy under which councils collect and administer contributions. This policy includes legislation, ministerial directions and practice notes.

Paid by: The owner of the affected land which is usually a developer.

Where does it apply? Where new development occurs, predominantly in growth areas.

Rates: There are 2 forms of local infrastructure contributions:

Section 7.11 contributions:

Charged where there is a demonstrated link between the development and the infrastructure to be funded. Councils prepare contributions plans that specify what infrastructure will be provided and approximately how much it will cost. This is used to calculate a contribution rate, usually charged per dwelling or per square metre.

The contribution rates are:

1. No cap on land in Schedule 1, including parts of:

- Bathurst Region LGA
- Blacktown City LGA
- Camden LGA
- Campbelltown LGA
- Coffs Harbour City LGA
- Hwkesbury City LGA
- Holroyd City LGA
- Ku-ring-gai LGA
- Lake Macquarie City LGA
- Liverpool City LGA
- Marrickville LGA
- Palerang LGA
- Penrith City LGA
- Pittwater LGA
- Port Macquarie- Hastings LGA
- Queanbeyan City LGA

- Shoalhaven City LGA
- The Hills Shire LGA
- Tweed LGA
- Wyong LGA

2. No more than $20,000 for each dwelling or for each residential lot not in areas in Schedule 1 or 2.

3. No more than $30,000 for each dwelling or for each residential lot in the following areas (Schedule 2):

- Parts of Ballina Shire
- Parts of Camden LGA
- Parts of Coffs Harbour LGA
- Parts of Greater Taree LGA
- Parts of Lake Macquarie LGA
- Parts of Maitland LGA
- Parts of Nambucca Shire
- Parts of Penrith LGA
- Parts of Shellharbour LGA
- Parts of Shoalhaven LGA
- Parts of Wollondilly LGA
- Parts of Wyong LGA
- Parts of the North West Growth Centre
- Parts of South West Growth Centre

Councils that want to charge a contributions rate above these must submit their plans to IPART for independent review, amend per the minister's advice, and approve the plans. Section 7.11 was previously known as section 94.

Section 7.12 levies:

An alternative to s7.11 contributions and charged as a percentage of the estimated cost of the development. The maximum percentage that can be charged in most areas is 1%. A small number of areas charge a higher percentage. Section 7.12 was previously known as section 94A.

Issues

- The standard Local infrastructure Contributions of $20 and $30,000 per lot in growth areas is not sufficient to cover the infrastructure required.
- For example, in Appen the contributions required have been calculated at $94,000 per lot. If council wishes to levy above the cap then it needs approval from the Minister for Planning.
- Otherwise are they similar to Melbourne?

Western Australia

Infrastructure contributions are one of a number of ways used to meet the physical and social infrastructure needs of growing urban communities. Other funding streams should also be considered to coordinate and deliver the full suite of necessary infrastructure.

Contributions for all infrastructure must be levied in accordance with the following principles:

- Need and nexus.
- Transparency.
- Equity.
- Certainty.
- Efficiency.
- Consistency.
- Accountable.

Types of infrastructure

Infrastructure is fundamental to the economic and social wellbeing of any community. For the purposes of this policy, essential infrastructure includes:

a) Development Infrastructure – infrastructure required to facilitate development and to support the orderly development or redevelopment of an area.

b) Community Infrastructure – infrastructure required for communities and neighbourhoods to function effectively.

Scope

Infrastructure contributions can be sought for the following types of infrastructure:

a) Development Infrastructure: may be imposed through the subdivision and development process without the need for a DCP.

Items are listed in Schedule 1: Development Infrastructure - Standard Infrastructure Contribution Requirements. Standard Infrastructure items may be included in a DCP when cost-sharing arrangements are proposed, unless other existing mechanisms and process are in place for collection of contributions for infrastructure such as primary schools.

Community Infrastructure: items that may be considered for inclusion in a DCP are listed in Schedule 2: Community Infrastructure: Items for inclusion in a Development Contribution Plan.

Where does it apply?

The policy applies throughout Western Australia across all development settings where new development results in a demand for additional infrastructure, services and facilities.

This may include new communities in greenfield locations; existing urban areas; industrial areas; and regional towns, where the principles outlined in the policy can be upheld.

Contributions can be sought from developers and landowners for infrastructure items to support the orderly development of an area to cater to additional demand from increased population; to facilitate development and redevelopment of areas identified in strategic planning instruments for consolidated urban growth; or to accommodate and facilitate industrial growth:

- a new item of infrastructure
- land for infrastructure
- an upgrade in the standard of provision of an existing item of infrastructure, to meet the additional demand in a defined catchment
- an extension to an existing item of infrastructure to avoid unnecessary duplication of facilities, to meet the additional demand of new residents in a defined catchment
- the total replacement of infrastructure once it has reached the end of its economic life where it can be demonstrated that new development has resulted in additional demand and
- other costs reasonably associated with the preparation, implementation and administration of a DCP.

Form of contributions

Infrastructure contributions can be satisfied by one or any combination of the following methods:

- ceding land for roads, public open space, primary school sites, drainage and/or other reserves
- constructing infrastructure works to be transferred to a relevant Government agency on completion (in-kind contributions)
- monetary contributions, to be used by the local government or Government agency or utility provider to acquire land or undertake works (either directly through the subdivision and development process, or through a DCP) or
- some other method acceptable to the relevant Government agency or infrastructure provider, or a combination of the above.

Issues

- Legacy issues – The government didn't have a clear understanding of Perth's growth corridors - prior to 1990 developers really led the development along growth corridors rather than government. Also prior to the 1990s council was not coordinating infrastructure.
- EXAMPLE – CITY OF SWAN –
- Ellenbrook was first envisaged as a separate suburb leapfrogging the development front and on the outer edge of the urban area. However the growth in the surrounding developments made Ellenbrook a major regional centre over the past ten years.
- For example, Ellenbrook had a 'district' scale recreation centre to service 25,000. Ellenbrook had already surpassed this population count, it now needs a 'regional' scale recreation complex. Needs a new site, now located next to the train station on 4ha of land. Opposite this is youth centre, and additional land for community facilities such as a library, arts and culture, and office accommodation. Retrofitting regional scale facilities.

Local Government perspective

- The experience has demonstrated the importance of local government planning in managing growth and planning for infrastructure.
- All levels of government need to work together to plan for and deliver the infrastructure required for the projected population growth. Council should be coordinating this.
- Councils need to strongly advocate for what they need, especially in terms of infrastructure provision.
- Given the population is projected to grow, the development should be as self-contained as much as possible, for example sewer, recycling water etc.

South Australia

- Developer contributions for community and local infrastructure are negotiated between the landowner and the relevant council on a project by project basis as part of the planning approval.
- SA Water also enters into a separate negotiation and agreement for the payment for water infrastructure.
- Sewer – negotiated directly with SA Water. Augmentation charge for the broader region.

Recent changes

- The recently updated Planning Act does allow for an Infrastructure Contributions scheme to be implemented. However the legislation not very supportive of that process.
- The State Government now includes a new unit tasked with investigating developer contributions and reviewing the schemes nation-wide to find an appropriate model.

Example - Playford

- Negotiated infrastructure deeds. – one for roads, one for water, social infrastructure (rec facilities and community centres including libraries, arts and cultural facilties).
- At the time of negotiations it only covered one third of the cost of the infrastructure.
- Indexed but not keeping pace with the increase in costs.

Issues

- Left to individual councils to negotiate with developers.
- Infrastructure deeds over all the growth areas to provide funding for infrastructure.
- Process is time consuming, adhoc, and not transparent.
- It is not consistent across the state and delivers less than the funding required for the community.
- Often growth areas councils are lower social economic communities therefore the cost burden is on the community that can least afford it.
- Roads deed administered by Dept Inf and transport – refusing to do the work until all the contributions collected.
- Stormwater – 100m short.
- Riverlee – 14000 homes 30000 people no requirement for social infrastructure. Now negotiating with a private school to deliver regional scale sporting facility.
- Lack of significant investment from Federal and State Government