



INTERFACE
COUNCILS

Creating liveable communities in Melbourne's outer suburbs

VICTORIAN PARLIAMENTARY INQUIRY INTO ENVIRONMENTAL INFRASTRUCTURE FOR GROWING POPULATIONS

Submission by Interface Councils

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Interface Councils comprises Cardinia Shire Council, City of Casey, Hume City Council, Melton City Council, Mitchell Shire Council, Mornington Peninsula Shire Council, Nillumbik Shire Council, City of Whittlesea, Wyndham City Council and Yarra Ranges Shire Council.

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TERMS OF REFERENCE

The Victorian Legislative Assembly Environment and Planning Committee received the following Terms of Reference from the Legislative Assembly on 1 May 2019:

An inquiry into the current and future arrangements to secure environmental infrastructure, particularly parks and open space, for a growing population in Melbourne and across regional centres to the Environment and Planning Committee for consideration and report no later than 31 December 2020.

INTRODUCTION

Home to some of the most pristine natural open spaces in Melbourne, the Interface Councils group manages 90% of Green Wedges in Victoria, including some of Melbourne's most important assets. These Green Wedge areas are recognised as the "lungs of Melbourne" and an asset that is critically important for all Victorians.

The Interface Councils Region (ICR) also boasts a range of facilities that serve as meeting places and recreation hubs for residents. These vibrant open spaces and places have made the region an attractive place for people to live and raise a family. Residents enjoy more open space per person than anywhere else in Melbourne.

Yet as the ICR continues to experience population growth, local governments are struggling to ensure residents continue to have access to the spaces and places they enjoy. Investment in infrastructure has failed to keep pace with population growth. Urgent funding is needed to operate programs and to build sporting facilities to provide sufficient play areas for current and future residents.

Due to the maintenance costs, to ensure continued protection of valuable open natural spaces, agricultural lands and environmentally sensitive areas within the ICR, Interface Councils is calling on collaborative and strategic measures from state government to assist in the support of a critical asset that is important to all Victorians.

BACKGROUND

Home to more than 1.6 million residents, the Interface Councils Region (ICR) is a coalition of ten municipalities that form an urban ring around metropolitan Melbourne. Comprising Cardinia Shire Council, City of Casey, Hume City Council, Melton City Council, Mitchell Shire Council, Mornington Peninsula Shire Council, Nillumbik Shire Council, City of Whittlesea, Wyndham City Council and Yarra Ranges Shire Council. Interface Councils are vibrant, welcoming and diverse communities.¹

The ICR accommodates 40% of state population and 47% of Melbourne's population and includes seven growth area councils.² The region represents one of the fastest growing areas in Australia, with anticipated population to exceed 3 million by 2041.³ It will accommodate 53% of Melbourne's population growth over the 2016-2031 period.

However, the ICR lags behind the rest of metropolitan Melbourne in terms of infrastructure such as sports grounds, community, education, health, roads and public transport.

Significant financial pressure is placed on Interface Councils (IFC), and ratepayers, to respond to population growth, particularly in the provision and retrofitting of community facilities and the delivery of local services. The responsibility for the provision of community and social infrastructure needs to be more equitably shared by all levels of government.

Unprecedented growth and changing demographics within the ICR have put increased pressure on local services and infrastructure that have traditionally already been underfunded in these municipalities.⁴ This poses considerable challenges for councils in continuing to build and maintain healthy, sustainable and inclusive communities.

Ultimately, there are significant competing interests in establishing environmental infrastructure. Pressure is often placed on local councils around the viability of development, need for affordable housing and servicing requirements that are often prioritised at the expense of positive open space outcomes.

SCOPE

The scope of this submission is to respond to the terms of reference from an Interface Councils group perspective only. Its aim is to outline common challenges, priorities and benefits related to environmental infrastructure for the ten councils.

It is necessarily limited in the presentation and depth of issues related to certain areas. While individual council submissions have informed this document directly and indirectly, please refer to those particular submissions for additional detail.

¹ *Interface Councils Liveability Snapshot, 2017*

² City of Casey, Cardinia Shire Council, Hume City Council, Melton City Council, Mitchell Shire Council, City of Whittlesea & Wyndham City Council

³ Id 2019

⁴ *Interface Councils Liveability Snapshot, 2017*

RESPONDING TO THE TERMS OF REFERENCE

The benefits of accessing and using different types of environmental infrastructure

Health and wellbeing benefits

There are immeasurable benefits of accessing different types of environmental infrastructure from a health and wellbeing perspective. Vibrant open spaces and places provide positive impacts for physical and mental health and contribute to spiritual, emotional and social wellbeing in a positive way.

Environmental infrastructure not only provides recreational opportunities for residents, including economic and lifestyle benefits, but also encompasses landscape and biodiversity values of state and national significance.

Mitigating the impacts of climate change

Green open spaces help to reduce the urban heat island effect⁵ and provide safe wildlife corridors. IFC recommends prioritising the use of nature-based solutions and infrastructure to adapt to climate change.

For example, in Mornington Peninsula Shire this includes addressing the impacts of coastal erosion, sea level rise, urban heat, stormwater management, flooding and bushfire resilience. Including cost-effective, nature-based infrastructure solutions will minimise reliance on traditional “grey” infrastructure such as concrete, steel and plastic materials that contribute to mitigating climate change.

Strategic alignment

The draft Metropolitan Open Space Strategy was exhibited in late 2019 in response to a direction from the metropolitan planning strategy, *Plan Melbourne 2017-2050*. Interface Councils recommends this strategy is finalised in a timely way to provide clear implementation targets and responsibilities. It could address the long-standing issues of how environmental infrastructure is funded and maintained.

In the context of Mitchell Shire Council for example, key strategic documents (the North and West Melbourne City Deal, Resilient Melbourne Urban Forest Strategy and the Yarra Strategic Plan) could be connected to form a template to inform other important waterways or corridors in future.

Issues of significance to particular councils are emphasised in their respective Open Space Strategies or similar policies. Such strategies include:

- Issues specific to certain age groups or demographics, local communities or changing social patterns
- Equity of access
- Opportunities to enhance accessibility to open space areas through shared networks
- Relationship of council-owned open space with open space owned by other agencies
- Natural and cultural heritage protection
- Bushland protection

⁵ “Urban heat islands” occur when cities replace natural land cover with dense concentrations of footpath, buildings, and other surfaces that absorb and retain heat. This effect increases energy costs (e.g. for air conditioning), air pollution levels, and heat-related illness and mortality.

The impact of population growth in Melbourne and regional centres on the provision and preservation of environmental infrastructure

Melbourne's Interface Councils Region is home to some of the fastest growing communities in Australia. During the last four years, the ten Interface Councils have welcomed more than 200,000 new residents, accommodating 40% of state population and 47% of Melbourne's population growth. The region will accommodate approximately 53% of Melbourne's population growth over the 2016-2031 period.

Population has grown to more than 1.6 million people and growth continues to put a strain on basic services and infrastructure. There is an immediate need to inject proportionate funding to bridge gaps in critical infrastructure so residents are not left further behind.

The ICR has a prominence of culturally and linguistically diverse (CALD) communities. The current and ongoing impact of the pandemic in the region is disproportionate to the rest of Victoria and needs priority funding so that the provision, preservation and maintenance of environmental infrastructure is delivered.

Although population numbers have been affected by COVID-19, the people Interface Councils are planning for already call the region home and collaborative work needs to be done now to ensure they have a healthy future.

Growing Suburbs Fund (GSF)

The Growing Suburbs Fund has been a critical vehicle for improving the lives of outer suburban residents since its inception in 2015. Its primary function is to bring essential community infrastructure forward, including parks, open spaces, sporting fields and multi-purpose facilities.

Generally, residents of the ICR have more limited access to community access to parks and open spaces and adequate sporting fields than their metropolitan Melbourne or rural counterparts.

The links to environmental infrastructure, physical assets, spaces, services, programs and activities facilitated by the GSF create greater social cohesion, healthy and active lifestyles and provide better access to support services. The GSF raises the liveability standard of the region and Victoria as a whole.

From the latest reporting in the 2019-20 funding round, the following social benefits were delivered out of 177 projects:

- 136 projects improved health and wellbeing outcomes
- 122 projects reduced disadvantage
- 116 projects increased volunteerism
- 108 projects increased community engagement⁶

For the fund to continue to be effective, an annual and consistent funding commitment must be made in line with population growth, the Consumer Price Index and building costs. This is important to provide certainty for the pipeline of priority projects at a council level so that adequate capital planning can be done.

IFC is increasingly concerned about the capacity to deliver timely essential community facilities to support healthy, connected and liveable communities in the region. The origin of this concern is evident in the persistent oversubscription of priority projects to the GSF's funding rounds and the recent inclusion of the Peri-Urban Councils into the fund.

⁶ Growing Suburbs Fund Social Progress Report (2020)

State Government Policy

State government policy focuses on increasing density to house the increasing number of residents, often at the expense of environmental infrastructure. Key elements of *Plan Melbourne* that impact Interface Councils are as follows:

- Increasing density reduces the amount of private open space in the form of backyards, which also reduces the amount of vegetation available within these private spaces. *Plan Melbourne* recognises the need to maintain and enhance the urban forest of trees and vegetation on properties, lining transport corridors, on public lands, and on roofs, facades and walls. A significant issue for Councils is the loss of these spaces through the process of replacing single dwellings and multi-dwelling redevelopment.
- *Plan Melbourne* encourages the siting of denser residential developments in proximity to centres with good provision of services and employment. While such developments are required to provide private open space for each apartment, the average amount available per apartment is significantly less than what was available to the pre-existing single dwellings. Even if the location of the development is near a public sports field, park or reserve, it would mean more people are required to use the same area of public open space.
- This undesirable outcome eventuates because the support for denser developments in *Plan Melbourne*, and state planning policies, is based on proximity measures with no consideration of per capita usage indicators.

The effectiveness of current legislation and planning provisions in securing environmental infrastructure

Planning provisions

Interface Councils would like to emphasise the following limitations of the current planning provisions:

- The lack of definitions for encumbered and unencumbered open space
- Implementing a contribution rate into the planning scheme takes considerable time and resources for local councils (via the schedule to Clause 53.01 – Public Open Space Contribution and Subdivision). This results in planning scheme provisions incapable of reflecting needs and demands when development is occurring.
- The rollout of the Urban Growth Boundary (UGB) and Urban Growth Zone has had unintended consequences. This includes landowners' expectations within the UGB being raised that they will get compensated for land identified as encumbered or required for conservation purposes. It has also impacted local councils' ability to negotiate or "value capture," and landowners land banking outside the UGB, which can result in poor land management outcomes.

Passive open space

In growth areas, some Precinct Structure Plans (PSPs) adequately deal with the delivery of passive open space through extensive land use planning and distribution methodologies. However, one shortcoming is that the land no party wants to develop becomes passive open space. This means it often has numerous issues with it that can be to do with slope, vegetation or drainage for example.

Recent Development Contribution Plans (DCPs) and now the Infrastructure Contribution Plans (ICPs) do not collect money for the embellishment of parks, which causes issues when Interface Councils have to deal with the sometimes expensive playground equipment and ongoing maintenance.

Further, the linkages to parks are often forgotten about in both growth areas and non-growth areas. Infrastructure, such as shared paths, is what make these spaces more attractive and accessible to members of the community.

By contrast, in non-growth areas, Public Open Space charges provide councils with funding to allow embellishment of land and acquisitions. But if the land is not set aside it can be difficult to acquire, particularly land that is appropriately located and accessible for the community.

Active Open Space

Active open space is delivered through DCP/ICPs in growth areas, and the planning legislation currently has the following issues with delivery:

- Severe underfunding through DCP/ICPs. For example, in a facility with two ovals and two netball courts, the DCP/ICPs only deliver:
 - Irrigation for one oval
 - Lighting for one oval
 - Gravel car park
 - Pavilions with not enough change rooms
- The requirements for these facilities are based on the population numbers from the developers through the delivery of the PSPs. However, in more recent residential-based PSPs, the underfunded component of the Active Open Space facilities can be in the realm of \$30 million. Councils either have to pay for this themselves or wait for grant funding opportunities to arise.

Two critical underlying issues within the growth areas are:

- The increase in household numbers which has gone up from 2.8 to 3.1 people per house over a decade, and also;
- The increase in lot density (for example, in Cardinia Shire Council the average house lot is under 400 square meters when PSPs are supposed to deliver average lots sizes of 500 square metres.)

The combination of these two factors increase the original projected population which equates to a significant shortfall in open space and pressure on the planned infrastructure.

Melbourne Strategic Assessment (MSA)

There are limitations on this conservation strategy for growth corridors as it does not incorporate logical inclusion areas. The MSA is delivering pocket parks that become vulnerable from a biodiversity perspective. Ideally, Interface Councils recommend a regional approach to the MSA, where these patches of high-quality flora and fauna are connected, resulting in improved environmental outcomes and increasing opportunities for regional passive recreation.

GAIC

IFC recognises Growth Areas Infrastructure Contributions (GAIC) as a valuable initiative allowing for targeted contributions to environmental infrastructure since it began operation in 2010. It applies to growth area land brought into the Urban Growth Boundary in 2005-06 or that which is subsequently zoned urban.

However, quality open space, including regional linkages to such, are not often located in these growth corridors and, as a result, populations within these areas often choose and rely upon access to enjoy areas that do have these qualities such as those found in Nillumbik Shire, for example. This puts the regional nature of open space into sharp focus. In addition, it emphasises the role that local government areas, such as the Nillumbik and Mornington Peninsula Shires, play in the health and wellbeing of metropolitan Melbourne. Funding on a regional scale is therefore critical to a more holistic view of environmental infrastructure.

Rate capping

A considerable issue for IFC is consistent funding for maintaining and enhancing environmental infrastructure projects in a rate capped environment. Business as usual operating expenses (OPEX) funding becomes the main focus, and funding for capital expenditure (CAPEX) is often only achieved through grant funding. Considerable constraints related to CAPEX funding in a post-COVID environment are already being identified by Interface Councils.

Land fit for purpose

The challenges for open space provision within the land use planning framework go beyond funding. Often the land that is left available to councils to spend funds collected via open space levies on (e.g. the Development Contribution Plan Overlay) is of poor quality, such as drainage reserves or steep, inaccessible land. IFC recommends a better mechanism to ensure that land put aside for open space is not just the undevelopable lots, but land that is strategically identified for the purpose of open space. For developers, this may mean a reduced yield. For the community however, it will bring a level of quality and access to open space that meets the needs of the current and future residents.

IFC recommends greater consideration be given to current funding models. For example, contributions collected under either the Public Open Space levy or the Subdivision Act. Exploring how other mechanisms can be increased is especially important for areas with less access to quality open space or where more intensive development is occurring in the growth corridors.

In addition to this, if appropriate land cannot be provided within the defined area, there should be increased flexibility for Interface Councils to redistribute the funds towards open space projects outside of the area.

Planning for environmental infrastructure has not embraced the local environment and native landscapes are often undervalued. Development and regional open space must be designed to respond to the local geomorphology and hydrological conditions. For example, in Mitchell Shire Council, which is on the Victorian Volcanic Plains, this means functioning wetlands rather than lakes and open grasslands.

Bushland

- The best bushland can be sometimes located on flat land which is best for residential or commercial development and through state planning processes such as PSPs development it is given precedent over the retention of vegetation.
- Bushfire Policy conflicting with vegetation retention has arisen as a recent issue. For example, the ability to remove vegetation to protect communities. Conversely, bushfire policy may also be a deterrent from building in certain areas, which may result in a higher level of retention of existing vegetation.
- Native Vegetation Precinct Plans in growth areas have historically been good tools to manage bushland and native vegetation. However, the issue of developers who are willing to offset vegetation for removal comes into question here. Sometimes the offset values do not deter larger developers to remove vegetation legally.

Creeks and waterways

- Melbourne Water is usually the primary manager of creeks and waterways through drainage schemes.
- PSPs are generally very good tools for determining the location of creeks and waterways and making sure they are integrated into the community appropriately.
- Problems often arise when developers are required to deliver the functional components of waterways on behalf of Melbourne Water and delay the delivery of community-based assets such as bridges and shared paths.
- Wildlife corridors are generally delivered through creeks and waterways in growth areas.

Victorian Government Land Sales Legislation

Interface Councils recommend an urgent review of the *Victorian Government Land Transaction Policy and Guidelines*, which primarily supports land sold in accordance with its highest value. In many cases, the land is rezoned into residential zoning prior to disposal in order to maximise financial return. However, the focus should be a triple bottom line assessment. If the value for land was defined by its environmental and social value, rather than just its economic value, it would be a significant shift. Applying a system that recognises these values as important would give potential for the state or local government to strategically acquire land for open space provision – notwithstanding the significant costs to Interface Councils in relation to such purchases. This land could be reserves as public open space and zoned accordingly, applying either the Public Park and Recreation Zone or the Public and Resource Zone to the designated area.

The impact of COVID-19 on the importance, use and design of environmental infrastructure

Capacity of open space

Local parks, reserves and other open spaces in the Interface Councils region have experienced very large numbers of walkers and cyclists during recent lockdown periods. In some cases, stretching the capacity of existing facilities. Since March 2020, passive recreation choices by residents have reinforced the need for convenient local walking access to a network of passive open spaces for both physical and mental health reasons.

An opportunity now arises to encourage walking as a means of transport for short distances beyond the current COVID-19 period. This would increase walkability in Interface neighbourhoods and therefore equity of access to amenities, services and community infrastructure.

The Victorian State Government's *Pedestrian Access Strategy 2010: A Strategy to increase walking for transport in Victoria* highlights the need to increase high density mixed land use areas to encourage walking. With greater diversity in local neighbourhoods, residents can find more of the amenities and services they need within walking distance. Encouraging walking to local destinations can be achieved by planning nature-based environmental infrastructure elements and utilising linear vegetated walking corridors that also might mitigate the effects of weather extremes such as heat waves.

Linear links – generally along creeks – do exist for walking in several townships in Interface municipalities. However, they may not support access for all abilities due to terrain/slope factors. A review of linear corridors would be valuable in re-opening neighbourhoods to planned opportunities for walking. In particular, investment is required for green infrastructure, signage, seating, track surfacing and to promote walking.

Need for additional investment

State and local governments are committed to investing in environmental infrastructure for the future. But due to competing demands and unique challenges facing Interface Councils, funding for environmental infrastructure is often overlooked or given a lower priority for delivery. This is the case for the enhancement and embellishment of open space areas in particular.

The impacts of COVID-19 have intensified the usual usage of local open space areas and highlighted the need for increased investment into appropriate infrastructure to enhance these spaces in order to improve the liveability standard for the whole of Victoria.

The ongoing financial impacts of COVID-19 will also mean that future funding for the enhancement of environmental infrastructure will be harder to secure at a time when investment is most needed.

[Examples of best practice and innovative approaches to securing environmental infrastructure in other jurisdictions](#)

Partnership approach

Partnerships between local government and state government open space agencies such as Parks Victoria, the Department of Environment, Land, Water and Planning (DELWP), Melbourne Water, the Department of Education and Ausnet are critical for the future provision of quality and accessible open space. A united commitment from all agencies to secure, develop and protect environmental infrastructure across the region is required.

Governance

Interface Councils recommends improved multi-agency and multi-disciplinary approaches towards establishing and maintaining environmental infrastructure of state and/or regional significance. The current governance and responsibility arrangements are unclear particularly around the role of key stakeholders such as DELWP, Parks Victoria, the relevant catchment authority and the Victorian Planning Authority.

Specific best practice examples provided by Interface Councils:

1. Casey Fields in the City of Casey

This is an example of planning for the future by securing environmental infrastructure for upcoming demand. It highlights what can be achieved with foresight to safeguard land and unlock both government and private sector investment. Casey Fields is 84 hectares of open space which caters for a range of sports and is large enough to also cater for minority sports such as rugby, athletics and cycling and achieve fantastic passive opportunities like a 5km running/walking loop. There is limited ability for most growth area councils to achieve an outcome like this.

2. The Gum Scrub Creek corridor in Cardinia Shire Council

This has been delivered between the Princes Freeway and the Pakenham railway line and encompasses passive open space with a shared path, creek/waterway works and a wildlife corridor through the establishment of healthy waterways and vegetation.

3. VicRoads-owned land in Nillumbik Shire Council

There are large tracts of land across Metropolitan Melbourne that were acquired by VicRoads and reserved for roads that are no longer being considered. There is the opportunity to unlock this land for open space. For example, in Nillumbik there is a corridor of land, mostly undeveloped and owned by VicRoads, that is designated as a proposed road. This was originally reserved as part of a potential ring road link and was included as an option for the North East Link (Corridor C). An alternative route has been selected (Corridor A) and therefore this land could be divested by VicRoads for the purposes of open space.

4. Quarry Hills Bushland Park in the City of Whittlesea

This is an example of what can be achieved through negotiation with landowners and the ability to capture value from site re-zoning. It required a multiple-agency approach with Melbourne Water, Parks Victoria and the then Department of Sustainability and Environment. The project was led by the City of Whittlesea. It connects into a broader open space network through trails along waterways and other parks and is able to leverage improved outcomes from the Level Crossing Removal Authority works.

REFERENCE LIST

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