

Supporting Local Communities

# INTERFACE COUNCILS STIMULUS SUPPORT PROPOSAL

2020



**INTERFACE**  
COUNCILS



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*Creating liveable communities in Melbourne's outer suburbs*

## SUPPORTING LOCAL COMMUNITIES

### INTERFACE COUNCILS STIMULUS SUPPORT PROPOSAL

Interface Councils' *Supporting Local Communities* stimulus support proposal was developed by Interface Councils (IFC) to assist local communities recover from the economic devastation caused by the coronavirus pandemic (COVID-19) and ongoing associated disruption.

The objective of the stimulus package is to provide funding for local jobs and businesses in the Interface Councils Region (ICR) and generate support for vulnerable residents in outer suburban areas. The package would deliver projects and results in the next three to 36 months.

The Interface Councils group recognises that all levels of government will need to support the economic and social recovery of the region. All levels of government are faced with the need to provide increased support, albeit from reduced revenue streams. It is important to note that not all Interface Councils are in a financial position to participate equally and this stimulus package may need to be adapted to suit the financial situation of individual Councils.

This one-off stimulus support will see a minimum of three primary funding sources:

- State Government (1/3 of the funding)
- Local Government cash reserves (1/3 of the funding)
- Local Government borrowings or cash reserves (1/3 of the funding)

There may be additional funding that can be secured from other private and Federal Government sources.

If a Council does not have the capacity to borrow additional funds due to their current level of debt, and does not have the cash reserves to make up two thirds of the costs, then IFC would expect the ratio to be based on a 50 per cent contribution rather than two thirds (i.e. dollar for dollar).

IFC has developed a range of initiatives that will support local communities and stimulate local economies. The implementation of these initiatives will be implemented using the funding model outlined above, which will involve Local Councils using cash reserves and borrowings, coupled with State Government contributions.

If the State Government were prepared to invest \$333 million over three years, this package would deliver a \$1 billion stimulus for local communities via the co-contributions model. Moreover, these initiatives can be rapidly executed to maximise community benefit.

This investment would deliver a huge support to struggling local economies. For example, the direct addition of \$1 billion into the construction sector would result in the addition of 6,536 local jobs per municipality. In addition, the combined effect of economic multipliers in the City of Casey and the wider economy is estimated to be an addition of 11,915 jobs.



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This joint stimulus package with the Interface Councils should be considered in recognition of:

- The proven ability of IFC to deliver the Growing Suburbs Fund and maximise the returns to the State Government and the benefits for communities.
- The Interface Councils Region's prominence of already vulnerable communities. This means the current and ongoing impact of COVID-19 will be disproportionate to the rest of Victoria and necessitates priority funding.
- The attractive multiplier effect of investment and job creation in geographic areas where there are not enough local jobs per workforce participant, and where localised unemployment rates will be higher than the Victorian average given the employment dependence on growth area Council sectors that will be hardest hit by the economic shock - retail trade, manufacturing and construction (.id, 2019). Job losses in these industries will put an additional burden on already stretched services. In addition, agricultural businesses, accommodation, arts and cultural businesses have also been significantly disrupted and will continue to be challenged.
- Approximately 28% of the Greater Melbourne population currently lives in the seven Growth Area Councils and by 2041 this will increase to 34%. Up to half of Melbourne's total population growth in the period to 2041 will be in the Interface Growth Area Councils.
- Two Interface Councils (Mornington Peninsula Shire and Yarra Ranges Shire) have a significant role in Victoria's tourism visitor economy. Because travel is not possible at the moment, this is impacting on these Councils disproportionately.
- Historically, the ten Interface Councils have scored lower on the Socio-Economic Indexes For Area Index (SEIFA Index) than Greater Melbourne or Regional Victoria. This index is prepared every five years from the Australian Bureau of Statistics (ABS) data with the next round due in 2021. The SEIFA Index has 16 input variables, the most significant include the proportions of:
  - Low household incomes
  - Jobless parents of dependent children
  - Dwellings without internet access (*One Melbourne or Two?*, 2018)
- The Vulnerability Assessment for Mortgage, Petroleum, and Inflation Risks and Expenditure Index (VAMPIRE Index) developed by Griffiths University assesses household vulnerability to key socio-economic risk factors, based on ABS data. The latest VAMPIRE data shows that the Interface Councils Region has high and very high vulnerability levels. This data emphasises the difficulties facing IFC residents associated with lack of access to public transport, car dependency and high housing costs compared to non-Interface areas. (*One Melbourne or Two?*, 2018)
- There are a number of complex social challenges in the ICR that have been exacerbated by the current pandemic. Notably, there is a high incidence and severity rate of family violence, which is particularly prevalent in the Growth Area Councils. Evidence shows that isolation and an increasing lack of access to services heightens instances of family violence and puts more individuals and families at risk. This issue is compounded by historical underfunding and under-provision of critical social support services.

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- The significant deficits in access to transport, education, health and recreational infrastructure, created by long-term underinvestment in outer suburban areas during the recent period of unprecedented population growth.
- Despite the short to medium term effect of a lack of migration, the higher Total Fertility Rate of the Interface Councils Region would most likely result in a higher comparative growth rate than before the pandemic.

### PROPOSED FUNDING MODEL:

If State Government is prepared to invest \$333 million over three years (\$111 million per annum), this package will be valued at a \$1 billion return via a co-contributions funding model. Financial commitments would be based on a one-off capital expenditure investment rather than a recurrent request.

Existing funding streams could be utilised in this package such as the Working for Victoria fund, Local Government contributions, Local Government borrowings, State and Federal Government contributions.

It is important to acknowledge that Local Government revenue may decline in the next financial year due to lost revenue from a range of sources such as deferred rate payments. In addition to this, there will be a compounding need to provide additional services to assist the community to deal with the evolving stages of the pandemic in the future.

### SCOPE:

The Interface Councils group is seeking to work with the Victorian Government on a number of outcome-driven initiatives in the Interface Councils Region. Some projects are ready for an immediate start and all projects would be completed within four years.

Just as the Growing Suburbs Fund (GSF) has proven to be an effective mechanism for the delivery of timely essential community infrastructure and improved social wellbeing, the Supporting Local Communities stimulus package would bring forward essential funding for residents and improve economic, health and wellbeing outcomes. However, in direct comparison to the GSF, this support would be drawn from a one-off capital fund.

### PRIORITY PROJECT AREAS AND SAMPLE PROJECTS

If funded, the projects below would improve people's lives and bring support to some of the most emergingly vulnerable members of the Victorian community.

These projects are examples of the type of projects the Interface Councils will implement as part of the stimulus package.

#### 1. SERVICING OUR MOST VULNERABLE

*Health care and social services employ the largest number of Council staff. The funding would assist Councils, and health and human services agencies, to employ additional staff to meet current demand.*

*This funding would also bring forward the construction of multipurpose spaces and expand the use of existing sites such as community centres, sporting and other recreation facilities, to encourage maximum use of space.*

## [SAMPLE PROJECT: Revising the Home and Community Care Program for Younger People \(HACC-PYP\)](#)

Implementing changes to the HACC-PYP such as flexibility to reallocate existing funds in 2019/20 and 2020/21 across service types, including to/from Flexible Service Response.

Many Interface Councils are experiencing significant demands on HACC-PYP services while simultaneously grappling with serious impacts on their funding model in the current environment.

In addition to these no-cost measures, funding would ensure appropriate continuity of care for some of Victoria's most marginalised and vulnerable residents and would boost service delivery at the moment when the demand is unprecedented.

This funding will:

- Provide local jobs
- Ensure residents can get the care they need closer to home
- Promote community cohesion and engagement
- Contribute to better mental health outcomes
- Support Councils to be agile in their response to current and emerging community needs
- Enable Councils to provide recovery support to ease pressure on local service providers

## [SAMPLE PROJECT: Kilmore Integrated Community Hub \(Mitchell Shire Council\)](#)

The Kilmore Integrated Community Hub would provide key services for the local community. Work is being undertaken to revitalise the site currently occupied by the Kilmore Library, Memorial Hall and John Taylor Room.

The Master Plan and concept plan have been developed and indicate the potential of this site to deliver beneficial outcomes for all ages and groups within Kilmore and surrounding areas.

This funding will:

- Revitalise a key piece of community infrastructure
- Provide vital community spaces which support a range of activities including education and community development
- Improve local wellbeing and liveability

## 2. SUPPORTING LOCAL ECONOMIES

*Many Interface Councils are not eligible for the State Government's Tourism Industry Development Fund, yet many businesses are. Providing targeted support would fill a particular gap for Councils to support local tourism and hospitality businesses with the practical business model transformations necessary in the current environment. If delivered, this funding would also assist to stimulate private investment.*

## [SAMPLE PROJECT: Briars Master Plan \[\\$25M\] \(Mornington Peninsula Shire Council\)](#)

The Briars is one of the oldest heritage homesteads and one of the most visited destinations on the Mornington Peninsula.

There are many opportunities to improve the Briars, enhance the wellbeing of the community, build community capacity and contribute to the prosperity of the region. The Master Plan project includes:

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- Replanting some of the broad acres with indigenous plants, extending the walking trails and reintroducing animals that once lived here. This will become an ideal place for telling stories from the Traditional Owners.
- Creation of children's gardens to connect children to nature through exploration and play. One, the Tichin-Gorourke Children's Garden, will celebrate the site's original name (Tichin-Gorourke is the Boon Wurrung word for 'voice of many frogs') and focus on wetlands and frogs.
- The restoration of the heritage precinct to bring the Homestead back to life, including the return of the Napoleon collection. The Homestead is one of the oldest European homes on the Peninsula, with the first section built in the 1850s. Visitors will be transported back to when the Balcombe family lived there and discover their link to Napoleon.

This project will deliver:

- Local jobs during and after construction has completed
- Restoration of a heritage precinct
- An opportunity to connect with the local environment and history
- Support local environmental and agricultural efforts
- Promote social cohesion
- Encourage an increase in tourism to the area

### 3. ADDRESSING INFRASTRUCTURE PROJECT SHORTFALLS

*Funding would bring forward projects that increase local jobs and amenity planned for 2021 and beyond. These would target shortfalls in Developer Contribution Plan capital projects and employ local residents. In addition, Councils will bring forward maintenance plans and employ more people to complete the maintenance work.*

#### SAMPLE PROJECT: Wollert East Community Centre (City of Whittlesea)

This project is at the maturity to be delivered in the allocated timeframe, in up to 24 months.

Direct economic stimulus/project value	\$8.55M
Funding required to fast-track	\$2.2M
Number of jobs (construction)	37
Number of jobs (ongoing)	22

Funding will:

- Support construction of this multi-purpose facility for three-year old kindergarten, maternal and child health and community spaces
- Enable the project to be fast-tracked and open by the 2022 school year

### 4. BACKING UP STATE POLICY

IFC would support State Government policy schemes in targeted ways with this stimulus funding. State priorities such as overhauling the recycling system and improving the integrated transport network are significant at both a state and local level. This funding would assist Councils to employ local residents to carry out dedicated work that would be in the state's interest.

### SAMPLE PROJECT: Changing Rubbish Bin Lids

As part of the rollout of four colour-coded rubbish bins across the state, households need to have their bin lids changed. In Hume City Council this work is in high demand. This task would be ideally matched to people who have recently become unemployed. Funding could also facilitate special arrangements for remote households to ensure every resident has their bin lid changed in the required timeframe.

This funding will:

- Create local jobs for low-skilled residents currently unemployed
- Support the Victorian Government in the 10-year plan to transform the state's recycling and waste sector
- Employ Working for Victoria participants for a further 18 months

### SAMPLE PROJECT: Road Construction Work

The focus of this funding area would be to bring forward key state infrastructure projects and critical road construction work. It would assist Councils to deliver a safer road network for all users.

Two examples have been identified below but this work has application across the whole outer suburban region.

<b>Road construction – Berwick-Cranbourne Road and Hardys Road intersection (City of Casey)</b>			
<b>State agency</b>	<b>Budget</b>	<b>Local jobs created</b>	<b>Electorate</b>
Department of Transport	\$9,600,000	22 (construction)	Bass/Cranbourne
<b>Road construction – Kilmore Bypass (Mitchell Shire Council)</b>			
<b>State agency</b>	<b>Budget</b>	<b>Local jobs created</b>	<b>Electorate</b>
Department of Transport	\$164,000,000	480 (construction) 1,340 (state-wide)	Euroa

This project will:

- Deliver local construction jobs
- Expedite priority local road projects
- Fast track the delivery of local jobs
- Secure construction supply
- Increase community amenity