



Brimbank City Council
Submission to the House of Representatives Standing Committee on
Infrastructure, Transport, Regional Development and Local Government
Inquiry into a New Regional Development Funding Program

Key Community Indicators

Brimbank is located in the western metropolitan region of Melbourne and is approximately 20 km from the CBD. Brimbank has an area of 123 square kilometres, encompassing 25 established and new suburbs. Brimbank is the second most populous municipality in metropolitan Melbourne, and the largest in the western region with approximately 175,000 residents.

Key characteristics of Brimbank include:

- Brimbank is the most culturally diverse municipality in Victoria and has the highest number of residents with low English proficiency
- Brimbank is ranked as the third highest disadvantaged municipality in Victoria, second in the Melbourne area with a SEIFA score of 930.5
- Brimbank has a high percentage of people employed in manufacturing and low percentage of people in professional and management roles
- Unemployment in Brimbank is consistently higher than the MSD. Brimbank (8.9% compared with 5.4%) and those not participating in the workforce is 5% higher than MSD. Brimbank also has a larger share of unemployed 15-24 year olds than the MSD
- Housing affordability in Brimbank is high compared to other comparable metropolitan municipalities
- More than 50% of households are in the lowest to medium income groups. Brimbank has a greater share of households below the Melbourne income average
- Brimbank suburbs of St Albans, Sunshine North and Albion represent some of the most disadvantaged localities in Victoria

Evidence of the disadvantage and the high level of community need experienced in Brimbank are apparent through a range of other indicators which reveal that Brimbank residents are more disadvantaged and lower in community strength compared to metropolitan Melbourne.

Council Response to Terms of Reference

1. Provide advice on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects.

Council believes that the funding should be distributed nationally and that it should be directed to projects in metropolitan and rural areas which are based on clear criteria with the aim to reduce disadvantage in the community. Council believes that some of these funding criteria are:



- Projects must clearly demonstrate a environmental, community or economic benefit and that are sustainable
- Projects must be based on a solid evidence base
- Project must focus on supporting community capacity building
- Projects must demonstrate community involvement through comprehensive community consultation

Council fully supports the previous regional partnership program approach to regional development working in partnership with communities, government and the private sector to foster the development of communities and regions. However, Council strongly believes that communities all over Australia should benefit from the funding and that the primary funding focus should be on areas where changing community needs and historical under funding have impacted on local communities. Council does not support a program that focuses on solely on geographical location to the detriment of evidence based needs. Council also believes that funding should be released in a coordinated way between levels of government to achieve common goals. Council believes that a partnership approach in community capacity building should be encouraged.

To illustrate this position, Council has identified a number of key projects areas that should be considered for funding under a new program. Major community infrastructure projects requiring investment over the longer term and which will deliver significant economic and social benefits through increased economic development and employment. Some of these projects in Brimbank are briefly described below:

- **Sunshine Activity Centre** – A principal activity centre with significant employment potential based on retail, business services, education and health facilities. Major improvements to transport infrastructure will be required to realise the development potential of Sunshine.
- **St Albans** – A major activity centre in Brimbank with a strong multi-cultural business mix. Urban design improvements and transport infrastructure to increase accessibility are necessary in St Albans.
- **Sydenham Transit City** – Sydenham is one of the thirteen transit cities identified in the Victorian State Government’s metropolitan strategy *Melbourne 2030* has the potential through transport infrastructure and business development to become a major regional mixed-use centre.

The scope and timeline on these projects will require ongoing investment from all levels of government working in partnership to achieve major social and economic change.

Council believes that another key component of future funding and investment in community infrastructure is the need for extensive municipal and local area consultation and community planning. Council has recently undertaken such a process to develop its Community Plan.

Council’s draft Community Plan will provides a collective vision for the community and identify key priorities the community and Council want to see addressed to support a sustainable community within an integrated strategic planning framework. The Community Plan will have the ability to respond to emerging issues and changing circumstances over the 20 year planning cycle.



The Community Plan will also include Local Area Community Plans which will be developed for each of the identified planning districts, utilizing a 'place-based' approach to community planning. These plans will comprise:

- **Community Profile:** including detailed local area population forecasting.
- **Vision for the Future:** based on community visioning and related community engagement activities.
- **Local Area Priorities:** eg. Significant projects / services, which received the most support during consultation: eg. Community Hub, new library etc.
- **Action Plan** (Implementation Plan) based on the following themes:
 - **Community Wellbeing** (health & wellbeing, community services, community safety, community development, community building, leisure, community arts).
 - **Urban Design & Infrastructure** (parks, streetscapes, infrastructure, transport, art installations).
 - **Governance & Community Engagement** (civic precincts, community engagement, leadership development, communication methods).
 - **Sustainable Environments** (Land use, natural assets, economic development, education & training, housing & growth)

Council believes that local government in general is best placed to undertake this important work and deliver on projects identified through community planning. The comprehensive scope of the consultation and community planning undertaken by Council demonstrates to both State and Commonwealth Government the value of investment in local evidence based projects.

Council believes that any future funding program must link directly to local Council planning processes and that the funding should be based on a partnership model between local, State and Commonwealth Governments.

Council believes funding should take account of regional plans and strategies. In the Western Region of Melbourne the municipalities of Brimbank, Hobsons Bay, Maribyrnong, Melton, Moonee Valley, and Wyndham have prepared the Western Region Employment and Industrial Development Strategy. The strategy is aimed recognises that the western region is experiencing a historic phase in its development and evolution which needs to be managed and supported to ensure sustainable outcomes of the communities and businesses of the west.

Melbourne's western region has entered a process of major new industrial development change, which accelerated with the development of the Western Ring Road in the early 1990s. This has spurred a wave of investment in logistics-based industries, and led to the formation of the West Industrial Node, that is recognised in metropolitan policy as one of the three major industrial nodes in the Melbourne metropolitan region.

Population growth is currently outstripping employment growth with consequent problems on the transport system and lifestyle quality. The key to addressing the region's employment needs, and reducing reliance on inner Melbourne, will be to respond to the need for a range of business, education, professional, health and hospitality services to be developed in the region, and to provide locations and an investment environment to develop a recognised core of sustainable employment and investment growth.



The Western Region Employment and Industrial Development Strategy provides:

- a regional employment, economic and accessibility strategy;
- a quantified understanding of regional industrial land availability and demand over time;
- a regional industrial land rezoning policy and listing of priority infrastructure projects;
- guidelines for the ongoing economic development of industrial sites.

Any new regional development funding program should provide for the funding of implementation of regional plans and strategies such as Western Region Employment and Industrial Development Strategy.

LeadWest (a peak body of Councils and industry in Melbourne's west) developed the strategic agenda for the development of the west. The western region Councils work closely on collaboration for service delivery, planning and advocacy. LeadWest has recognised the importance of infrastructure and a critical role for Federal Government. LeadWest is an important peak body that needs to be involved in putting forward key initiatives including the setting of priorities and working closely with the State and Federal Governments in ensuring effective implementation of this very important initiative at a regional level.

In conjunction with Council's planning process which takes into account the regional plans and strategies and community inputs, the move by most Council towards the development of evidence based asset management plans (which are tied into the community plan outcomes) provides the framework for identifying Council's infrastructure needs over the next 20 to 30 years. These plans could be audited and based on a level of compliance (to be established) could feed into the funding decision making process. Brimbank has four asset management plans that address facilities, roads, stormwater and open space. This may vary between Councils depending on their infrastructure types and quantities.

As part of balancing Council's obligations in providing new infrastructure, there is also the need to constantly renew and upgrade existing community infrastructure. Council's inability to fund internally (through rate increases) many years of under spending in the western suburbs of Melbourne has seen Brimbank accumulate over \$180 mil in the form of renewal backlogs and service standard gaps.

Asset Categories	Current Replacement Cost "As New" (\$000)	15 Year Maint & Renewal Gap (\$000)
Sealed Roads & Kerb & Channel	\$548,903	\$11,350
Unsealed Roads	\$2,362	\$690
Footpaths & Cycleways	\$137,537	\$65,000
Bridges	\$17,922	\$1,315
Off Street Car Parks	\$9,365	\$0
Parks/ Open Space/ Streetscapes	\$37,169	\$47,135
Recr'n, Leisure & Comm Facilities	\$111,220	\$15,000
Drainage	\$196,327	\$48,023
Total	\$1,060,805	\$188,513

Fig 1: Current Replacement Cost and Maintenance & Renewal Gap by asset category for Brimbank City Council based on an updated review in 2007.



This funding gap assumes the community is satisfied with the current quantity and state of Council assets. Construction of new assets with disposal adds to the size of the gap. The estimated gap does not include the cost associated with asset improvements or cumulative risk (e.g. increased insurance claims or premiums) associated with allowing assets to remain in use beyond their functional life (e.g. allowing buildings to remain in use until their condition becomes unsafe).

Brimbank recognises the need to find sustainable solutions to address the cross generational inequity currently facing this Council.

The development of Sunshine Activity Centre for example could generate opportunities for increases in rateable properties, greater employment opportunities and thus better placed to increase rates to address the maintenance & renewal gap. Brimbank close proximity to the city provides a unique opportunity for urban renewal and activity centre development that can address both housing affordability, shortage of housing stock, increase employment opportunities, with proximity to major transport and growing western suburbs population.

The new Regional and Local Community Infrastructure Program needs to leverage off Council's knowledge in a consistent way and identify regional priorities through a collaboration framework between private, local, state and federal governments to find sustainable solutions.

The new program must not differentiate against interface Councils like Brimbank which has missed out on infrastructure funding in favour of growth Councils for example. Brimbank has a set of complex characteristics in relation to growth, aging infrastructure and urban & commercial renewal/development potential in relative close proximity to the CBD.

2. Examine ways to minimize administrative costs and duplication for taxpayers.

Council strongly supports direct funding to local government through existing funding mechanisms at both the State and Commonwealth levels. This process will streamline funding approvals and consolidate accountability measures. Council believes that this might best be achieved through the Council of Australian Governments (COAG) structure. A recent example of this is the implementation of the Australian Governments commitment to establish 260 additional Early Learning and Care Centres across Australia by June 2014. Under this program, funding will be allocated through existing State-based programs and the allocation of funding will be conducted in close consultation with local governments to ensure that funding is aligned to local community needs and that local planning for services is enhanced by the funding program.

Council strongly support this approach to funding across the levels of government in Australia. Coordinated approaches to capacity building within communities will derive benefits for all levels of government and will provide a platform to improve coordination in the delivery of services and programs.

Council believes that the program administration at the Commonwealth Government level should fall under the jurisdiction of the Department of Transport and Regional Services (DOTARS). Council also supports an ongoing role for local Area Consultative Committees (ACC) in the process of identification and



approval of projects under a future funding program. However, Council considers that there is a need for a greater degree of direct negotiation between local government and the Commonwealth Government on matters relating to key community infrastructure projects than has been undertaken in the past.

It is important to note that limited funding for local roads is gained through the Roads to Recovery Model (R2R) grants and Federal Black Spot Program which go directly to Council (AusLink funding programs). Direct federal and State funding is appropriate where the State Government is at the 'table' for the planning decisions around these resources. R2R and federal Black Spot programs are good examples where direct funding has worked and is efficient.

3. Examine the former government's practices and grants outlined in the Australian National Audit Office report on Regional Partnerships with the aim of providing advice on future funding of regional programs; and

Council strongly supports a transparent evidence based approach to project funding. The Regional Partnerships Program was subject to criticism for the level of political involvement in decision making which was detailed in the Australia National Audit Office report released in November 2007. The perceptions of political interference in the program did to a degree undermine the merit and the overall aim of the program. Any newly constructed funding program must be clearly delineated from political decision making or undue influence from political considerations. Council strongly supports an evidence based and community capacity building approach which links into existing State and local funding streams to provide a joined up response by Australian Governments.

4. Examine the former government's practices and grants in the Regional Partnerships Program after the audit period of 2003-2006 with the aim of providing advice on future funding of regional programs.

When the Regional Partnership Program (RPP) commenced in 2003 the project application guidelines were characterised by a high degree of flexibility. This allowed a wide variety of projects to be funded. Projects as diverse as infrastructure development, skills development, one-off pilot schemes that addressed gaps in service provision was funded.

In the last two years of the RPP this flexibility disappeared and only infrastructure projects were funded.

Council recommends that future funding of regional programs adopt guidelines similar to the intent of the original RPP so that a variety of projects can be funded. This will enable future funding to address social issues that are currently 'slipping through the cracks' e.g. regional unemployment, skill shortages and business development.

If guidelines are too prescriptive innovative ideas that fall outside the guidelines cannot receive funding. It is often these innovative ideas that provide the impetus and creativity for worthwhile and successful projects.

One of the other changes that Council considers was detrimental to the RPP in its later years was the centralisation of decision making. Council believes that decision making should be made by a regional officer who is familiar with local issues and local solutions. Once decision making is transferred to a distant centre the understanding of local issues diminishes and decisions are made purely on



what is written in the application rather than on a broader understanding of local issues.

Furthermore it is well known that the time taken to approve projects was unacceptable during the final years of RPP. Many projects would sit on the minister's desk for months before a decision was made. Council recommends that a reasonable turnaround time for the approval of projects be adhered. The approval process and timelines should be published in the project guidelines.