

Report to the Future Melbourne (People City) Committee

Agenda item 6.2

Community Infrastructure Development Framework

18 November 2014

Presenter: Ian Hicks, Manager Community Strengthening

Purpose and background

1. The purpose of this report is to seek Future Melbourne Committee endorsement of the Community Infrastructure Development Framework 2014 (CIDF).
2. On 12 August 2014 the Future Melbourne Committee endorsed the draft CIDF for community consultation for a period of 6 weeks from 18 August to 12 September 2014. The consultation was extended until 10 October to invite more feedback from community groups and organisations (who needed extra time). It was requested that a final report be presented no later than November 2014.
3. The CIDF acknowledges Council's significant investment in community infrastructure across the municipality in the past four years. The CIDF builds on the previous Community Infrastructure Implementation Framework 2010 and focuses on the large scale and emerging challenges associated with the unprecedented development and population growth forecast to occur within the City of Melbourne over the next 17 years.

Key issues

4. The consultation and engagement process invited feedback from external stakeholders including government agencies, community organisations and advisory groups. The feedback and proposed response in the CIDF are summarised in Attachment 2.
5. There are no substantive changes proposed to the CIDF as a result of the consultation. In general there has been support for the CIDF in regard to the policy principles that underpin the planned approach to delivery of community hubs in growth areas and approach to addressing some of the macro level challenges around funding and procurement of new infrastructure.

Recommendation from management

6. That Future Melbourne Committee:
 - 6.1. Endorses the Community Infrastructure Development Framework 2014.
 - 6.2. Authorises the Director Community Development to make any further minor editorial changes to the Community Infrastructure Development Framework 2014 prior to publication.

Attachments

1. Supporting Attachment
2. CIDF Report
3. Consultation Summary

Supporting Attachment

Legal

1. There are no direct legal implications arising from this report.

Finance

2. Based on population projections and analysis using current benchmarking and forecasting, anticipated new Council-provided community infrastructure required across the municipality is approximately 19,000 msq at an approximate total anticipated cost (in net present terms) of \$95 million over the next 10-15 years.
3. Council's contribution to the key projects identified in the CIDF will be addressed through existing Council business processes such as the 10 year capital works and service planning processes. In addition, Council will consider various mechanisms available to it to increase funding to meet these requirements in the future including, for example, the establishment of a shared beneficiaries (joint value capture) funding model.

Conflict of interest

4. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Stakeholder consultation

5. The draft CIDF was endorsed at the Future Melbourne Committee in August 2014 for the purposes of further consultation that was undertaken between 18 August and 10 October 2014. This phase of consultation involved:
 - 5.1. Promotion on City of Melbourne webpage (Community Infrastructure page) with 85 page views and via distribution of the Community Strengthening newsletter to 630 community based organisations.
 - 5.2. Meetings and presentation to staff from Department of Transport, Planning and Local Infrastructure (DTPLI), Department of Education and Early Childhood Development, Places Victoria, the Inner Metropolitan Regional Management Forum and to a forum hosted by the Melbourne Planning Authority involving inner Melbourne local councils.
 - 5.3. Presentation of the draft CIDF to the City of Melbourne Family and Children's Advisory Committee.
6. At the time of preparing this report written submissions had been received from Cohealth and DTPLI.
7. A summary of the feedback and response is provided attachment 1.

Relation to Council policy

7. The CIDF aligns with the Council Plan 2013–17, specifically Goal 1: A City for People - A well-planned municipality for a growing and diverse population. The City for People goal includes the following priority actions:
 - 7.1. Provide community infrastructure commensurate with the municipality's growing population and in anticipation of rapid growth in urban renewal areas.
 - 7.2. Advocate to and cooperate with the Victorian Government in planning for new government schools.

Environmental sustainability

8. In developing this framework, a policy commitment to environmental sustainability is being made through the adoption of policy principle 3 (in the CIDF) to "Implement Best Practice in Urban and Environmental Design".



COMMUNITY INFRASTRUCTURE DEVELOPMENT FRAMEWORK 2014

The City of Melbourne's approach to
planning future community infrastructure.

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EXECUTIVE SUMMARY

The City of Melbourne provides a high standard of community facilities, from libraries and childcare centres, to playgrounds, pools and community centres.

By 2015 Council will have invested around \$50 million in building or improving more than 7,500 m² of community infrastructure. In Southbank, Docklands, Carlton and Kensington, community hubs have been the focus, and by 2015 there will be six hubs across the municipality. More than three million people use our community infrastructure every year.

This *Community Infrastructure Development Framework* is a new decision-making tool through which the City of Melbourne will assess future demand, plan for and deliver community facilities.

It responds to a number of challenges we face in maintaining our high standards and meeting future needs. With the residential population forecast to increase by around 50 per cent by 2031, there will be a significant increase in demand at a time when the capacity to supply is constrained. The cost of inner city land and development is also continuing to rise, with the availability of unused public land scarce and acquisition opportunities limited.

To understand size and shape of projected demand, the municipality can be divided into areas which are relatively stable, and those with high population growth and substantial change.

Stable areas include:

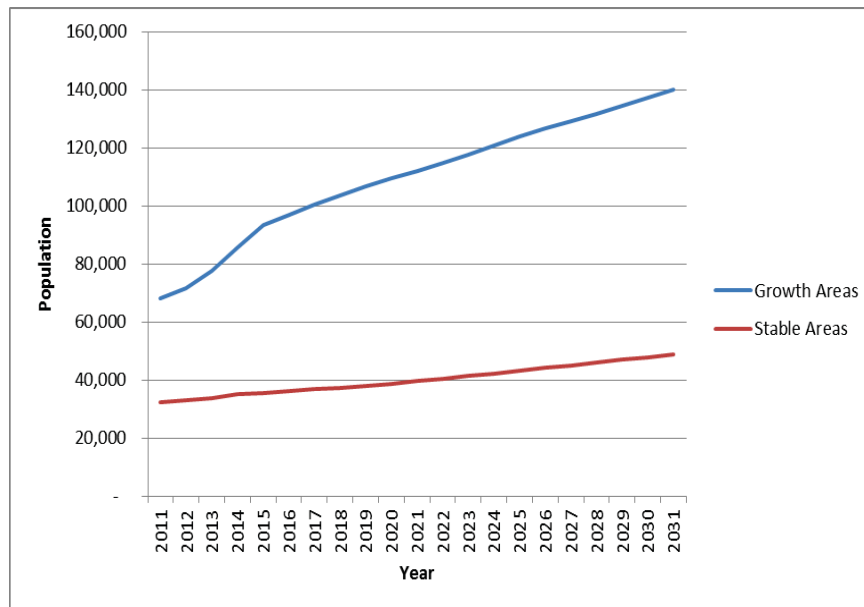
- Kensington (except Arden Macaulay) Parkville
- South Yarra East Melbourne
- West Melbourne North Melbourne (except Arden Macaulay)
- Carlton (except City North)

Growth areas are:

- Central City (Hoddle Grid) Carlton (City North)
- North Melbourne (Arden Macaulay/City North)
- Fishermans Bend Southbank
- Docklands Kensington (Arden Macaulay)

Over the next 17 years the total population across the City of Melbourne's growth areas (as defined below) is forecast to increase by 51,000 residents (to approximately 140,000 residents) whereas the total population across the municipality's stable areas will grow by 12,000 residents (to approximately 50,000 residents).

Figure 1
City of Melbourne Population Growth
Comparison between Stable and Growth Areas



(Data Source: City of Melbourne Population Forecasts 2013)

Recent investment in community infrastructure means that significant inroads have been made in terms of addressing current needs. In the short term, further community infrastructure, particularly in the more stable areas of the municipality, will be considered as part of Council's normal budget and service planning cycle.

In growth areas identified by this framework, the City of Melbourne remains firmly committed to community hubs as the most financially and socially sustainable means of meeting a wide range of community needs. However, the traditional funding and procurement mechanisms to deliver this community infrastructure are inadequate.

Responding to this demand will not be the responsibility of any one agency, organisation or level of government. Meeting community needs and aspirations for infrastructure will require a whole-of-community and whole-of-government response involving greater coordination, cooperation and partnership between each level of government, their agencies and developers to address unmet need and alleviate pressure on existing services and infrastructure.

1 INTRODUCTION

This *Community Infrastructure Development Framework* outlines the City of Melbourne's future priorities for community infrastructure development. The framework does not attempt to identify every project that will be delivered but rather identifies broad emerging needs and lists some high priority development projects.

The framework is based on detailed analysis of population forecasts and services benchmarks, using data and information that is currently available. It is not a precise tool, but attempts to make

some informed judgements about what the future needs will be and to start planning for how these needs may be addressed.

1.1 What is Community Infrastructure?

Community infrastructure refers to public places and spaces that accommodate community facilities and services and support individuals, families and groups to meet their social needs, maximise their potential and enhance community wellbeing.

Community infrastructure can also have a broader role in shaping the physical layout and look of a new development area, helping to define its identity and character.

The City of Melbourne currently provides a diverse range of community infrastructure alongside other government and non-government agencies and community organisations.

A wide range of community infrastructure types exist in the City of Melbourne. While not all of these are the responsibility of Council, they can influence municipal planning and service delivery. These community infrastructure types include:

<ul style="list-style-type: none"> ▪ Aquatic facilities and recreation centres ▪ Community meeting spaces ▪ Childcare (long day and occasional care) ▪ Early years services ▪ Maternal and child health services ▪ Libraries ▪ Youth spaces ▪ Community arts and activity spaces 	<ul style="list-style-type: none"> ▪ Disability and aged services ▪ Men's sheds ▪ Neighbourhood houses ▪ Community gardens ▪ Volunteer emergency services ▪ Health centres ▪ Aged care facilities ▪ Primary and secondary schools
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1.2 Objectives

The key objectives of this framework are to:

- Identify the priorities for future community infrastructure
- Direct sound decision-making about planning, funding and delivering community infrastructure
- Analyse the future profile of the City of Melbourne and its neighbourhoods in order to forecast community infrastructure needs through to 2031
- Outline an approach to planning and delivering on future community hub projects.

2 BACKGROUND

This *Community Infrastructure Development Framework* builds on a detailed series of earlier community infrastructure planning tools used by the City of Melbourne, in particular:

- *City of Melbourne Community Infrastructure Implementation Framework (2010)*
- *Community Infrastructure Policy and Planning Framework (2006).*

2.1 How do you plan for community infrastructure?

A variety of planning methodologies are used in the field of community infrastructure planning. In the past, the City of Melbourne has used a Neighbourhood Infrastructure Audit Tool. More recently, changing economic and policy conditions at all levels of government have had a significant impact on how the City of Melbourne assesses community infrastructure needs. Community infrastructure planning is now informed by answering the following five questions:

- What is there now, who does it serve and how well is it working?
- How are things going to change – how many people, where and when?
- What is needed to provide for the future community (existing and new)?
- What is the best way for this to be provided?
- How will it be paid for?

Community infrastructure planning also considers the catchment area that various facilities need to service as this can affect the location and role of each facility. The table below is often used to categorise the types and role of community infrastructure based on catchment areas.

	Neighbourhood	District	Regional/Capital City
Population catchment	<ul style="list-style-type: none"> ▪ Minimum households: 3,000 ▪ Distance: 800m 	<ul style="list-style-type: none"> ▪ Minimum households: 10,000 ▪ Distance: 2-5 km 	<ul style="list-style-type: none"> ▪ Minimum households: 35,000 ▪ Distance: 10 km
Locational attributes	<ul style="list-style-type: none"> ▪ Within 400m of residences ▪ Access to a transport stop ▪ Street frontage ▪ Access to a bus/disabled access at entrance 	<ul style="list-style-type: none"> ▪ Access to local transport routes ▪ Co-location with complimentary services and facilities ▪ Street frontage ▪ Access to a bus/disabled access at entrance ▪ Integrated into retail 	<ul style="list-style-type: none"> ▪ Access to multi-modal public transport connection ▪ Access to a bus/disabled access at entrance ▪ Partnership with commercial and non-government operators, adjoining local government areas and the Victorian Government.

<p>Role</p>	<ul style="list-style-type: none"> ▪ Services and facilities that play a local role ▪ Walkability important ▪ Neighbourhood scale ▪ Supports local networks and community cohesion 	<ul style="list-style-type: none"> ▪ Attracts services and facilities catering to a number of suburbs ▪ Locate services and facilities that benefit from close proximity to public transport options (e.g. youth) ▪ Co-location and integration of services and facilities that support a multi-purpose destination 	<ul style="list-style-type: none"> ▪ Facilities and services that service a regional cluster of municipalities ▪ May play a role in supporting a regional destination (e.g. higher education facility, tourism focus) ▪ Provide services for not only residents, but workers, students and visitors
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* Adapted from *City of Melbourne Social Infrastructure Planning Tool: Developing an Integrated Approach (2005)*

Community infrastructure planning also utilises service benchmarks that can be described in different ways, but are generally expressed as:

- **Per person or per household:** e.g. one facility per x 1,000 people; one bed per x thousand people aged 70 years or over; one school per 3,000 households
- **By area:** e.g. 10 per cent of net developable area allocated for open space
- **By distance:** e.g. 95 per cent of residents within 400 m of a local park.

The application of these catchments and benchmarks for use in planning for growth across a capital city municipality is a complex exercise. In this framework, a hybrid of benchmarking and assessment tools has been considered in arriving at the projections for service need and demand. As estimated service needs were established, they were then converted into work / floor space (infrastructure) need for each service, to arrive at estimates for the demand of additional community infrastructure floor space into the future.

2.2 What are community hubs?

The term ‘community hub’ refers to the integration of community facilities in one location to provide better access to a wide range of services as well as a more cost effective way of delivering and operating these services.

The City of Melbourne embraces the model of ‘community hubs’ which:

- May be a single building or several buildings sharing resources within close proximity to each other
- Provide opportunities to deliver a wide range of community services or programs
- Provide multi-purpose spaces used by a variety of community organisations, agencies and groups on a semi-permanent and/or casual basis
- Encourage the design and development of community facilities as part of other neighbourhood centres, such as retail strips.

The co-location of community facilities and services is arguably the most far-reaching policy trend in current facility planning and management in Australia. (McShane 2006)

2.3 Who is responsible for community infrastructure?

The City of Melbourne recognises that integrated planning and delivery of community infrastructure is shared across local, state and federal government, not-for-profit organisations, community organisations and the private sector.

While this *Community Development Infrastructure Framework* focuses on facilities delivered by the City of Melbourne, it endeavours to take account of broader community infrastructure needs so that future planning for Council services and facilities is not done in isolation. Where appropriate, models are investigated and prioritised to maximise efficiencies and community outcomes through shared use, co-location and integration.

The following table highlights the various roles and responsibilities of a range of stakeholders in the planning and delivery of community infrastructure:

Roles and responsibilities					
	Planning and service development	Building and operating	Advocacy and leadership	Partnerships and coordination	Feasibility/ Funding
Local Government	Plays a coordinating role – planning the types and location of community infrastructure through strategic, statutory and service planning	Construct and develop community infrastructure and provide services either directly or through funding, service agreements and contracts	Providing leadership and leveraging influence to proceed on a project by working with and engaging developers, government and community members in decision-making, including utilising advisory committees, working groups and peak bodies	Involved in developing partnerships to attract funding. Support government and community service providers to plan facilities and services and encourage efficient and integrated service delivery	Responsible for capital funding sometimes in cooperation/partnership with others. Often solely responsible for operational costs. Feasibility of sites, buildings and land development opportunities
Victorian Government (including Metropolitan Planning Authority – MPA - and Places Victoria)	Departmental policy and strategy such as <i>Victoria As a Learning Community (DEECD)</i> and strategic planning initiatives such as <i>Plan Melbourne (DTPLI)</i> impact on social infrastructure provision. Involved in neighbourhood and district level planning and delivery through Places Victoria	Constructs and develops social infrastructure such as schools and health facilities	Provides research including the recent Auditor-General's paper on <i>Use of Development Contributions by Local Government (2009)</i> , and the Victorian Competition and Efficiency Commission report, <i>Getting it Together: An Inquiry into the Sharing of Government and Community Facilities (2010)</i>	Committees such as DPC's Regional Management Forums support the coordinated planning and provision of community infrastructure, aided by DTPLI's Community Infrastructure Partnership Program provides brokers to assist with planning, capacity building and partnership development	Provides funding for State community infrastructure and can enter into funding agreements with councils, developers and private equity regarding joint management/delivery of facilities such as schools, playing fields, gymnasiums and halls. Provides funding programs such as the Community Infrastructure Fund (DTPLI)
Australian Government	Provides a policy framework for urban and infrastructure planning through agencies such as the Major Cities Unit of Infrastructure Australia	Provides infrastructure grants to fund facilities such as such as health facilities.	Provides leadership through policy development, such as the <i>Our Cities, Our Future – A National Urban Policy (2011)</i>	Federal financial incentives often require leveraged benefits derived from partnerships	Provides intermittent funding for community infrastructure with programs such as the Regional and Local Community Infrastructure Program
Non-government organisations	Work with local government and others in planning services	Sometimes build purpose-built facilities. More frequently lease community infrastructure to deliver services	Advocate individually and through peak bodies	Work in partnership with local, state and federal government	Largely rely on funds from government to deliver services
Development industry and private equity	Some developers recognise the value of incorporating community infrastructure within their developments and work closely with local government to plan and deliver these facilities	May build community infrastructure and hand over to local government for operation	Can be advocates for inclusion of community infrastructure into developments when it meets their project objectives	Can work with local and state government to incorporate community infrastructure into their developments	Contribute capital funding primarily through developer contributions mechanisms, where these are in place. Public Private Partnerships are more frequently used by government to reduce costs and spread financial burden

3 POLICY CONTEXT

3.1 Australian Government

The Australian Government provides a policy coordination role for infrastructure in major cities. The newly created Major Cities Unit supports this approach, together with a national urban policy.

Our Cities, Our Future – a National Urban Policy for a Productive, Sustainable and Liveable Future (2011) details the importance of integrated planning of land use, social and economic infrastructure, and the intensification of land use around specific transport corridors and activity centres. This is designed to encourage other levels of government to act in order to give people the opportunity to live closer to jobs, facilities and other activities, as well as increase the efficiency of existing infrastructure, and reduce the need for expensive additional capital outlays.

Infrastructure Australia is the federal body established to oversee these policy objectives. Through this body, the Australian Government promotes Public Private Partnerships as vital to the development of community and economic infrastructure. In 2008, the Council of Australian Governments endorsed the *National Public Private Partnership Policy and Guidelines*, which state and territory government agencies now apply.

3.2 Victorian Government

The Victorian Government plays a key role in defining the policy context for planning and delivering community infrastructure. A number of policies and plans from different agencies are relevant. These include:

Plan Melbourne

Plan Melbourne includes a vision for the creation of a city of ‘20 minute neighbourhoods’ so that people can safely and conveniently access a range of local services and facilities, ideally within 20 minutes of home. To achieve this, *Plan Melbourne* seeks to encourage housing within walking, cycling or public transport distance of employment, education, social, cultural, recreational and health facilities, and that people have access to open space and places where they can gather.

Plan Melbourne specifies the need for a coordinated approach to the delivery of education, health, recreation and cultural facilities. It also identifies the need to make more efficient use of existing resources and open up new funding sources by improving the use of existing and proposed infrastructure, better using surplus or underutilised government land and reforming development contributions.

All these directions have a bearing on the way in which the City of Melbourne undertakes the planning and delivery of community infrastructure.

Use of Development Contributions by Local Government (2009)

This report makes a number of recommendations for local and state government with respect to the use of development contributions. Given the rapid urban growth in the City of Melbourne and the challenges created by inconsistent application of development contribution mechanisms, the following recommendation from the report is of particular relevance:

Councils should review and, where necessary, enhance the effectiveness of controls to make sure that development contributions are generated and collected (Recommendation 1 page 12).

Towards Victoria as a Learning Community (2012)

The Victorian Government identifies a series of education reforms within this policy, including a 'school-community integration approach'. The policy details an intent to develop partnerships with the community and other stakeholders regarding the use and development of facilities to benefit both students and communities.

The reform details the community benefits of service integration and the use of school facilities outside school hours. Recent examples of government school development in Fishermans Bend, Doreen South and Officer demonstrate co-investment in school-community facilities between local government and the not-for-profit sector in locations where land availability is restricted.

3.3 City of Melbourne

This *Community Infrastructure Development Framework* is directly informed by several key City of Melbourne policies, strategies and plans.

Future Melbourne Community Plan (2008)

This plan details a number of objectives to make the City of Melbourne an attractive and affordable place to live, an inclusive community and a place where community facilities and services meet growth. The associated outcomes include:

- Physical and social infrastructure and services are maintained and augmented to cope with the projected increase in residents and visitors
- All residents, particularly vulnerable communities, have access to affordable infrastructure which supports diverse needs
- An established development contributions system is aimed at community benefit while facilitating greater density
- A whole-of-government approach exists, including the establishment of partnerships to deliver community infrastructure
- There is improved access to, and participation at, sporting facilities that accommodate people of all abilities, diverse communities and a range of sports from a wide variety of cultures
- Infrastructure is delivered to communities in a timely manner, contributing to the amenity of an area and providing for our growing population.

Melbourne Planning Scheme, Municipal Strategic Statement [MSS] (Clause 21)

The MSS outlines Council's vision for a bold, inspirational and sustainable city and sets the direction for high level strategic growth. Council's MSS is a guiding document within the Melbourne Planning Scheme.

The MSS identifies the need for the efficient use of existing community infrastructure and the provision of new infrastructure to accommodate changing needs, particularly in growth areas.

Clause 21.05 of the Melbourne Planning Scheme (Community Facilities) specifically states the need to:

- Provide new community facilities in strategic redevelopment sites and areas of population growth and development
- Integrate new community facilities or renewed facilities with residential developments in order to provide the appropriate balance and mix of facilities
- Encourage co-location of complementary facilities
- Ensure all future community facilities can accommodate multipurpose uses, where appropriate, and be adapted to suit community needs.

Structure plans

Structure plans provide guidance about appropriate directions and opportunities for changes to land use and buildings, transport options, community infrastructure delivery, and infrastructure proposals within a specified area. Structure plans can also establish the framework for the application of development contributions plans.

To establish a 30-year vision to support residential growth sustainably, structure plans have been prepared for the growth areas of Southbank (2010), Arden-Macaulay (2012), City North (2012). A structure plan does not yet exist for the Melbourne Central Business District (Hoddle Grid).

Council Plan/Municipal Public Health and Wellbeing Plan (2013)

Building on the direction of the *Future Melbourne Community Plan*, two guiding outcomes are:

- A well planned municipality for a growing and diverse population
- Safe, high quality and well used public spaces and places.

Notable priorities relating to these outcomes require Council to:

- Provide community infrastructure commensurate with the municipality's growing population and in anticipation of rapid growth in urban renewal areas
- Advocate to and cooperate with the Victorian Government in planning for new government schools.

City of Melbourne Community Infrastructure Implementation Framework 2010

This framework was adopted by Council in 2010 to identify a range of priority infrastructure projects across the municipality with a strong focus on multi-purpose community hubs.

Prior to 2010, the growth in community infrastructure had arguably not kept pace with the rate of community demand and an analysis of neighbourhood profiles was the primary basis upon which projects were identified. However, as discussed above, the landscape of community infrastructure planning and provision has changed considerably since 2010. This *Community Infrastructure Development Framework* is Council's response to the changing context of community infrastructure funding. It takes into account Council's significant investment in community infrastructure over the past four years, which has successfully addressed a large amount of previously identified demand.

4 GROWTH AND DEMAND

4.1 Population growth and demographics

The City of Melbourne is one of Australia’s fastest growing municipalities.

The municipality faces the complex and unique challenge of balancing the needs of a dynamic capital city, which attracts almost one million visitors a day, with inner urban areas experiencing rapid growth, social disadvantage and high demand for services.

The municipality’s population has grown by 45,000 residents over nine years (11,000 in the last year) with a growth rate of 10.5 per cent. The resident population in the Central City has doubled in this time, climbing from 12,700 to 29,300 residents, with 5400 added in the year to June 2013 – a growth rate of 23 per cent. Docklands and Southbank were not far behind, each with growth rates of 15 per cent.

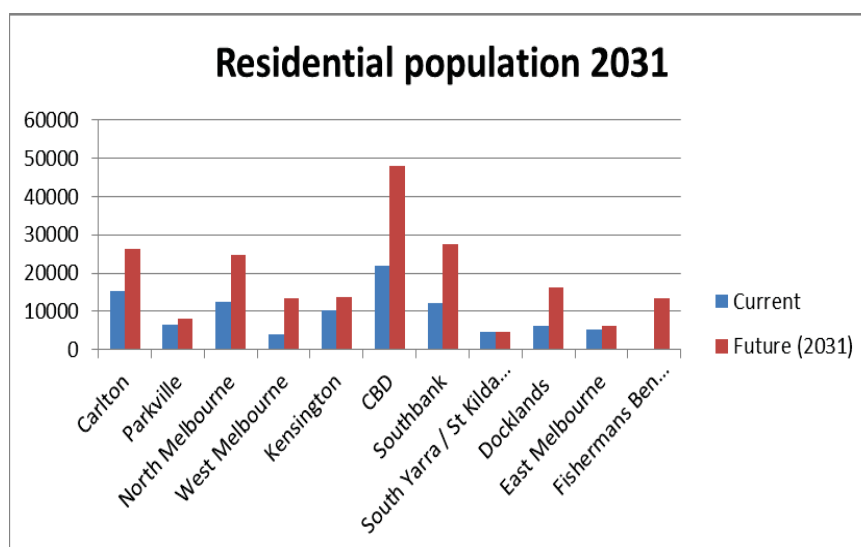


Figure 1

(Data source: City of Melbourne Population Forecasts (2013)
 SGS Employment Forecasts (2014)

The City of Melbourne’s resident population is expected to be around 192,000 by 2031¹. The areas which will accommodate the most growth are:

- Central City (Hoddle Grid) 47,902 (an increase of 27,184), Southbank 27,985 (an increase of 12,341), and
- Carlton (City North) and North Melbourne (Arden-Macaulay), which also accommodate some of the municipality’s most disadvantaged residents.

Those neighbourhoods identified under the MSS as ‘growth areas’ (refer to Figure 2) include all the neighbourhoods mentioned above, with the addition of Fishermans Bend. However, with the exception of the Lorimer Precinct, the majority of the land area known as Fishermans Bend is not within the City of Melbourne. Planning for this growth area is being undertaken separately by the Minister for Planning, with community infrastructure needs being assessed as part of this process.

¹ City of Melbourne forecast. City Research

MSS GROWTH AREAS

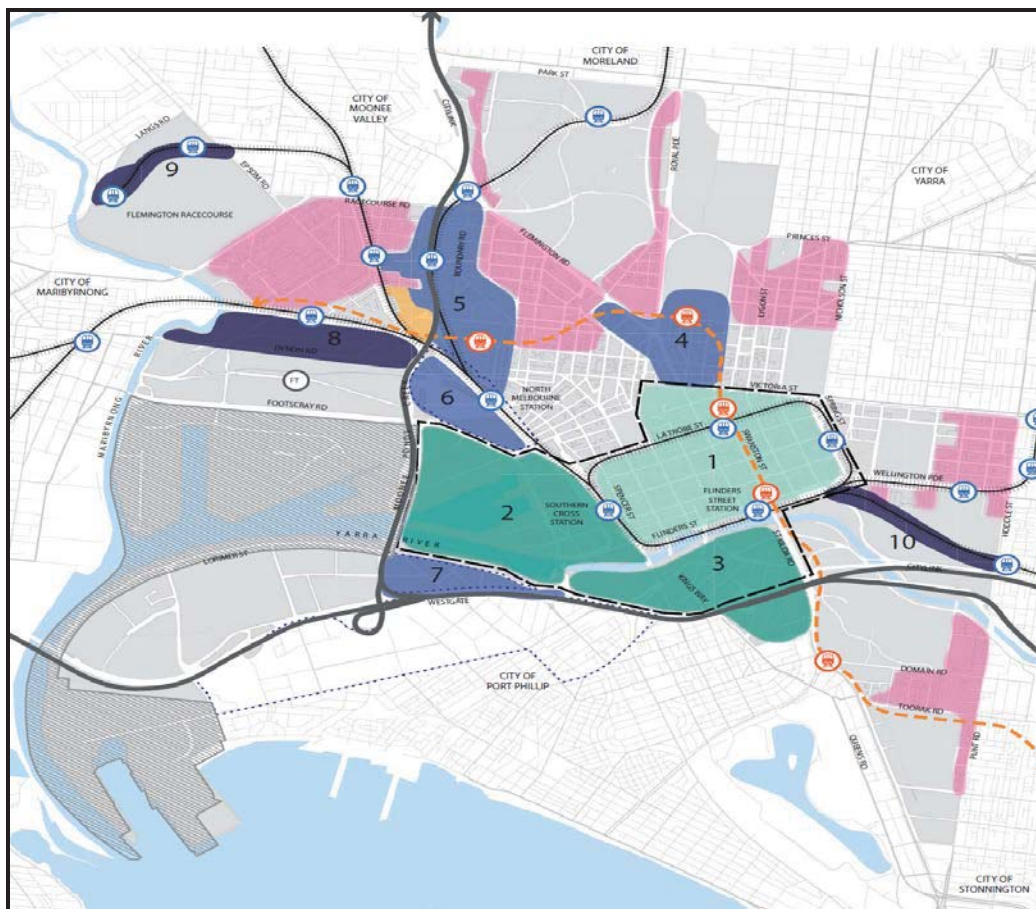


Figure 2

4.2 Housing and household type

Population growth in the City of Melbourne is expected to have different impacts on different age group and household structure data. Looking at the types of households forecast to grow across the municipality is important to determine the type of community infrastructure needed in the future.

Victoria in Future (2014) population forecasts show the greatest percentage increase in household type in the City of Melbourne is likely to be families with children – increasing 70 per cent from 7,153 in 2011 to 23,820 in 2031 (Figure 3).

City of Melbourne: Forecast household types					
Household types	2011	2016	2021	2026	2031
Couple-only	12,438	16,886	21,958	25,374	27,822
Family with children	7,153	10,092	14,322	18,870	23,820
One-person	18,765	25,398	32,678	37,913	43,607
Other	10,579	13,613	15,736	15,419	15,659

Figure 3 Source: *Victoria in Future* (2014)

In 2011, dual or single parents with children comprised 7.09 per cent, 4.76 per cent and 8.64 per cent of households residing in Docklands, the Central City and Southbank respectively (ABS 2011).

The most significant growth will be in the proportion of children (0-14) increasing from approximately 7000 in 2011 to over 27,000 by 2031. At the same time, the proportion of people over the age of 65 is forecast to almost treble from 6600 to 18,500 in 2031.

This is likely to be in response to a number of social trends including children living at home longer, the rising costs of housing, the appeal of living in the inner city and a greater acceptance of apartments as a desirable home for children.

Young people and young adults (12 to 35 years of age) currently comprise the largest proportion of the municipality’s residential population at over 60 per cent and this proportion is expected to remain the same. This group is typically tech-savvy and relatively asset poor, generally comprises students and young professionals living in group and single person households who often have an overseas background.

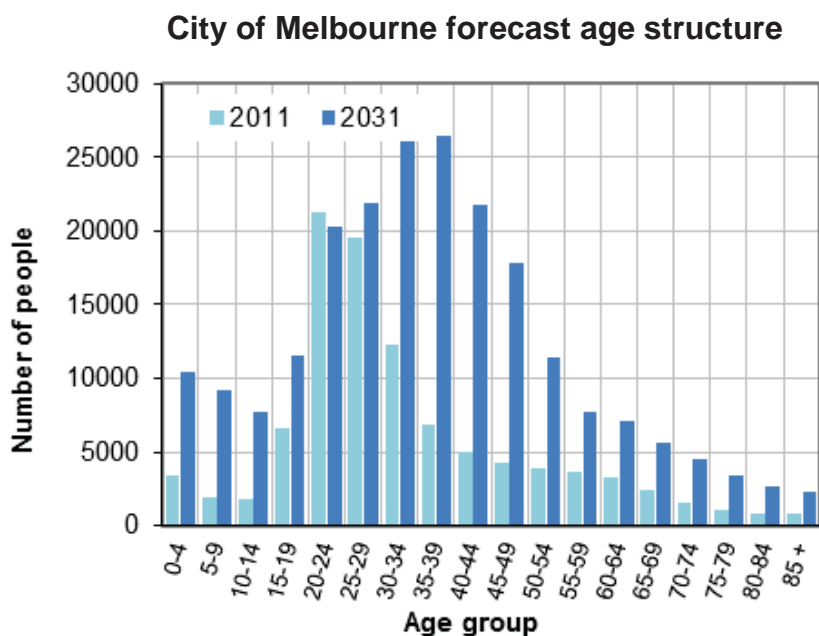


Figure 4
 (Data Source: Victoria in Future 2031).

4.3 Emerging demand

Stable areas

An analysis of the forecast population and household data for the City of Melbourne against service standards and benchmarks for community infrastructure indicates that, in relation to the types of community infrastructure provided by the City of Melbourne, the needs of neighbourhoods identified as stable areas (i.e. South Yarra, Parkville and East Melbourne) are now largely considered to have been met.

The exception to this appears to be in the Kensington and West Melbourne areas, where existing and future demand for early years services and community health (combined) across these neighbourhoods indicates the need for approximately 2500 m² of additional community infrastructure.

Growth areas

Growth areas identified for the purposes of this *Community Infrastructure Development Framework* are Fishermans Bend, Docklands, Southbank, Carlton (City North), Central City (Hoddle Grid) and North Melbourne (Arden Macaulay).

Fishermans Bend will not be addressed specifically as part of this framework, as planning responsibility for this urban renewal area is under the control of the Minister for Planning. The assessment and development of future community infrastructure is currently in train through a separate *Fishermans Bend Strategic Framework Plan*, of which the Melbourne Planning Authority (MPA) is the Responsible Authority.

With regard to the other growth areas, the clearest and most immediate priority for additional Council community infrastructure is in the Central City (Hoddle Grid) area. The primary need is for replacement of the City Library (following expiration of its lease in 2020) and also for additional early years services. In the Central City the data also indicates a potential need for recreation services, specifically indoor facilities. However, this additional need requires further analysis given the trend of inner city developments to provide indoor gymnasium and pool facilities as part of individual developments.

Docklands is an example of an inner urban growth area where a number of swimming pools have been built within various private developments. Although these facilities are not publicly available, it could be argued they fulfill a proportion of the resident demand.

The Docklands Community Place Plan, launched by City of Melbourne and Places Victoria in 2012, identifies key community infrastructure projects that will be delivered across the Docklands neighbourhood during the second decade (2012-2022) beyond what has been identified in this framework.

There are also additional early years service needs for Docklands and Carlton, although it is anticipated these needs could be addressed through Council's normal renewal process and/or through private provision in the future.

5 EMERGING CHALLENGES AND INFLUENCES

5.1 Growing demand for primary school places

There are a number of significant challenges in the planning and provision of community infrastructure that are unique to a capital city context and related to service provision by other agencies and levels of government.

As outlined above, major community infrastructure needs for which Council is responsible are in the areas of early years services (including family and children services), libraries and recreation.

However, the demand data also indicates that a key influence on the delivery of this type of community infrastructure will be the Victorian Government's approach to addressing the need for primary school places in the City of Melbourne's growth areas. It is anticipated that over 1500 primary school places will be required by 2031.

The City of Melbourne is not responsible for education. The agency responsible for the delivery of primary school and early years services is the Department of Education and Early Childhood Development (DEECD).

5.2 Possible need for inner Melbourne development contributions

Within the City of Melbourne there are specific areas experiencing growth that are serviced by proposed structure plans and associated developer contribution plans. However, in the Central City there is currently no structure plan guiding preferred land use and development outcomes. As such there is no mechanism through which Council can collect development contributions from developers to fund the community infrastructure generated by rapid growth. With the forecast population growth in Central City to increase by 43 per cent within 17 years, the continued absence of any mechanism to help fund requisite infrastructure will result in an unmanageable burden on Council's rate base.

5.3 Higher costs of development in inner Melbourne

In greenfield growth areas most commonly found in Melbourne's outer fringe, land can be set aside in advance for future development of community infrastructure. However, in an established area like the City of Melbourne this approach is often not possible.

Providing community infrastructure in the City of Melbourne can be far more expensive than on the urban fringe due to both the cost of land and the cost of development. In addition, land is not always available in suitable locations or at the time it is required.

Other factors that impact on the cost of community infrastructure in the City of Melbourne are evolving legislative requirements and growing community expectations for high quality, new technologies and best practice facility design and construction.

These complexities are informing the need to consider and engage with different models of procurement. It is now vital that Council resolve how it can address the growing gap between funding availability and the ultimate cost of provision.

As discussed earlier, the key concept underpinning the recent delivery of community infrastructure across the City of Melbourne is 'community hubs'. This approach results in better access, greater efficiency and improved service delivery to the community. Models of delivery can vary dependent on the specific project, although there are essentially three main types:

Council delivered and operated – where the majority of funding is provided by Council and the asset is Council-owned or managed

Partnership delivered and operated – where the funding responsibility is equitably shared between two or more responsible authorities/stakeholders, and where the asset is Council-owned or managed.

Privately delivered and operated – where the asset is privately funded and delivered to meet a community need.

Model	Council D&O	Partner D&O	Private D&O
	City of Melbourne primarily funds, designs, builds and operates its own facility.	Facility is funded, designed and delivered in partnership with government agencies and/or private enterprise.	A private or community organisation funds, and manages operation of service. City of Melbourne provides planning and design advice.
Example	Carlton Family Resource Centre	The Library@ The Dock Boyd community hub	Employer or commercially provided childcare facility.

5

5.4 The emergence of new funding models

A variety of responses are starting to emerge to bridge 'the gap' between traditional funding sources and the real cost of community infrastructure, particularly among agencies responsible for service and infrastructure delivery. A common mode of funding is where one agency or organisation funds the major share of developing and delivering community infrastructure, while smaller contributions are made by other agencies or developers.

As the City of Melbourne grows and the delivery of infrastructure becomes more complex, land more scarce and the cost of land and development increases, this model is arguably unsustainable for any single agency or organisation to bear independently.

The 'community hub' approach is a way to integrate services, improve community outcomes, facilitate greater partnerships and reduce the cost of delivering stand-alone facilities.

Examples of this approach have recently been successfully undertaken by the City of Melbourne with the recent Library and Community Hub developments at both Southbank (Boyd) and Docklands.

Other agencies are also beginning to develop new funding approaches between non-traditional partners. One example is the inclusion of discrete health and social support services into government schools. This is particularly relevant where there may be no requirement for an integrated early years facility or where the cost of delivering a new health service facility is prohibitive, in terms of service unit cost.

Other emerging funding models include:

Shared beneficiaries funding model

The 'shared beneficiaries' model is an approach to funding the procurement of infrastructure that shares the infrastructure costs between those parties who stand to benefit and/or have a responsibility for the delivery of new, improved or replacement infrastructure.

In the case of community infrastructure, the intended beneficiary is the immediate community. Governments represent community as the beneficiaries, and there are also other institutions, particularly developers, that derive a benefit and/or have a legislative responsibility to resource the delivery of community infrastructure.

There are some mechanisms that currently exist to encourage contribution from various parties, including developers, through legislated developer contributions. However, for the delivery of complex infrastructure in an inner urban area, where the price of land and development costs are high, the developer contributions model is often not sufficient to cover the life cycle of the infrastructure or reflect the benefit gained by having the community infrastructure available for future occupants of each dwelling.

The application of a shared beneficiaries model requires a clear analysis and identification of the benefit and the beneficiaries arising from community infrastructure. The types of questions that could be considered when determining the beneficiaries of any particular infrastructure project are:

- What is each potential beneficiary's proximity or adjacency to the service or infrastructure being delivered?
- Does a key stakeholder have an interest or obligation in the effective delivery of the infrastructure?

The answer to these and other similar questions provides some clarity as to who the key stakeholders and beneficiaries may be in the delivery of priority projects in this *Community Infrastructure Development Framework*.

Developer incentives

The developer incentive model is another way of funding new community infrastructure, where agencies with responsibility or control over an area can put in place policy or other mechanisms to incentivise and encourage the development of community infrastructure.

This can include policy mechanisms where greater density, height or other incentives are used that do not detract from overarching planning policy objectives yet do encourage developers to consider and deliver community infrastructure as part of their development.

The benefits of this model for Council and the Victorian Government are the ability to deliver infrastructure in areas where public land is scarce, yet the service and infrastructure is required. The benefit to any developer (in addition to the incentive) is that the development is in close proximity to services and infrastructure that is often desired by prospective buyers and occupiers.

6 PRINCIPLES AND PLAN

6.1 Our principles

The City of Melbourne is committed to developing current and future community infrastructure, providing opportunities to deliver services and strengthening community participation and activities. The policy principles and assessment criteria below are used to guide decisions for community infrastructure projects.

Principles	Assessment criteria
<p>Pursue development of community hubs and co-located services</p>	<ul style="list-style-type: none"> • Community infrastructure will be multi-functional, interconnected and meet the needs of the local community. • Planning, development and procurement of community infrastructure should consider all opportunities for integration with and into other government and non-government developments occurring within the precinct. • The facility will accommodate a diverse range of services, groups, activities and programs and operate flexibly at different times, and designed to meet future needs.
<p>Plan and develop facilities that address community needs and aspirations.</p>	<ul style="list-style-type: none"> • The development of the project will identify needs through an evidence-based approach. • The project will use data and evidence to determine the best model for service delivery. • The project will give priority to disadvantaged communities and reduce social inequality. • All major redevelopment projects will involve a process of engagement with the community to assess the aspirations of that community for any new development.
<p>Implement best practice in urban and environmental design</p>	<ul style="list-style-type: none"> • Any project will be developed consistent with the principles of the Victorian Urban Design Charter, the principles of Environmentally Sustainable Design (ESD), and align with Council's <i>Zero Net Emissions</i> strategy commitments. • Where feasible, the location and development of community infrastructure will be consistent with the principles of <i>Plan Melbourne 2013</i>, with particular regard to: <ul style="list-style-type: none"> ✓ Location of facilities and services close to activity centres, community focal points and public transport, pedestrian and cycling networks ✓ Located to minimise distance to accessible locations so distance is walkable (400-800 m) ✓ Close to employment clusters, areas of residential growth and transport networks ✓ Main street frontage, highly visible as a destination.

Principles	Assessment criteria
Ensure equity and access for the community	<ul style="list-style-type: none"> • Projects will take into account Aboriginal and Torres Strait Islander, multicultural and inter cultural needs. • Projects will be designed with regard to universal services for communities that reduce inequity, improve social capital and contribute towards community strengthening. • The project will be designed to ensure compliance with legislative obligations including the <i>Disability Discrimination Act (DDA) 1992</i>, Equal Opportunity and Human Rights obligations. • Fees and hiring charges will ensure equity of facility access for all.
Effective and efficient facility management	<p>Council will assess the most appropriate model for the management of any facility to ensure:</p> <ul style="list-style-type: none"> • Efficiency of resources and shared community use • A sustainable with long term life cycle of building • Input from facility users and groups • Program activation of spaces that maximise use of the facility • Consideration of a range of management models including direct service provision by City of Melbourne, contractual arrangements and community operated or led models.
Financial sustainability	<p>Council will:</p> <ul style="list-style-type: none"> • Endeavor to maximise the infrastructure outcomes from its contribution • Consider opportunities to leverage financial investments and ongoing funding through other partnerships • Ensure the entire life cycle costs of a facility are considered at the project feasibility stage, with the expenditure of all built projects appropriately reflected in the capital and operational planning costs.

6.2 The plan

Based on population projections and analysis using currently available benchmarking and forecasting tools, anticipated new Council-provided community infrastructure required across the municipality is approximately 19,000 m² at a total anticipated cost (in net present terms) of \$95 million over the next 10-15 years².

It should be noted the above figure assumes a continued role for Council in various services that may be subject to changes in Council policy over time and could impact on the projected community infrastructure liability of Council.

² Cost assumptions derived from the unit cost per square metre for recent community infrastructure including Library at The Dock, Kathleen Syme Library and Community Centre and Boyd Library and Community Centre.

Below are a number of proposals that are designed to not only address key priorities for community infrastructure in various neighbourhoods, but also to progress investigation of more innovative funding and partnership approaches.

1. Establish funding mechanisms

Investigate the establishment of a Development Contributions Fund or Account

As identified in this *Community Infrastructure Development Framework* the key priorities for community infrastructure development primarily arise in areas where significant urban renewal is going to occur.

Four of the five key priorities for community infrastructure identified in the City of Melbourne will occur in growth areas covered by a proposed development contributions plan.

As detailed in the *Use of Development Contributions by Local Government* (2009) report, although development contributions plans provide a mechanism to generate and collect a percentage of revenue for community infrastructure projects, development contributions also commit Councils to the delivery of specific projects at negotiated stages of development.

In order to track the collection of developer contributions for specific projects against these negotiated stages, and understand any potential funding discrepancies, it is proposed to establish a development contributions fund or account.

Recommended next steps

- Develop a process to ensure the necessary funds for Council's community infrastructure commitments are captured.
- Plan this process in accordance with Council's 10 Year Capital Works Program schedule.

Timeframe: 2015–16

Establish a 'shared beneficiaries' funding model for community infrastructure

This *Community Infrastructure Development Framework* proposes that the future development and delivery mechanism for identified community infrastructure is through a partnership model.

This framework outlines various options including the 'shared beneficiaries' model as an approach to funding infrastructure procurement. This approach shares costs among those who have responsibility for, or will benefit from, the infrastructure, including developers.

There are some mechanisms that currently exist to encourage contribution from various parties, including developers, through the legislated mechanism of developer contributions. These can include:

- Property rates
- General levies
- Property development levies
- Specific property levies
- Property development proceeds from sale of property
- Property rezoning

- User charges
- Commercial contracts.

Recommended next steps

- That Council considers the various mechanisms available to it to increase funding to meet community infrastructure requirements of the future.
- That Council investigate options for establishment of a shared beneficiaries (joint value capture) funding model for potential application across municipal growth areas.

Timeframe: 2014–15

2. Plan for education in emerging growth areas

Establish integrated delivery models for community infrastructure, including education as a priority.

The Department of Education and Early Childhood Development's (DEECD) '21st century schools' approach focuses on the integration of early years services into a single community hub³. This concept reflects eight education design principles that include development of schools that are: at the heart of the community; integrated with community services and facilities; and incorporate shared use of educational, community and recreational services and facilities.

Currently, the Inner Metropolitan Regional Management Forum (RMF)⁴ is developing an 'integrated models project' to improve the delivery of infrastructure and services in high density environments for the inner Melbourne region. This will involve coordination across multiple departments and levels of government. Integrated school models have been identified as a priority project by the RMF.

Recommended next steps

Work collaboratively with the RMF, DEECD, Metropolitan Planning Authority (MPA) and Inner Melbourne Action Plan (IMAP) councils to develop more efficient models for delivering well-planned, viable schools. The primary objectives of this partnership would be to:

- Analyse all existing data to support planning for schools
- Develop shared beneficiaries funding and procurement models to achieve the delivery of integrated early years hubs (including primary schools and aligned services) to meet the forecast shortfall within the inner urban area
- Develop a framework for the integrated delivery of early years hubs (including primary schools) across the inner city
- Provide coordinated and consistent advice to all levels of government with jurisdiction over the inner city.

Timeframe: 2015–17

³ DEECD - *Developing a Model for a 21st Century Urban School* (November 2010).

⁴ *The Inner Metropolitan RMF is chaired by the Secretary of the Department of Planning, Transport and Local Infrastructure (DPTLI) and includes the City of Melbourne, City of Yarra, City of Stonnington, City of Maribyrnong and a range of other statutory and government authorities.*

3. Key neighbourhood priorities

The following neighbourhoods are identified as key priorities for the delivery of community infrastructure. These neighbourhoods are forecast to experience residential and employment growth pressures, including supply and demand on existing infrastructure. They include areas of disadvantage, and projects carried over from the *Community Infrastructure Implementation Framework 2011*.

Central City (Hoddle Grid)

The Central City neighbourhood is undergoing the most immediate and extensive growth in both residential and employment populations.

By 2031 the Central City population is forecast to grow to 47,902 and the clearest priorities for community infrastructure in the medium to long term are for additional library, primary school and early years' services/infrastructure.

Recommended next steps

Identify medium to long term options for development of an integrated library and community hub that potentially incorporates a library service, primary school and early years services.

Timeframe: 2015–17

Carlton (City North)

The City North precinct directly abuts Melbourne's CBD and is surrounded by world-class education, health and research institutions. The City North Structure Plan sees this area as a natural extension of the CBD. It puts in place provisions to facilitate and encourage urban renewal that builds on the precinct's existing strengths. With zoning changes and improvements in infrastructure, City North is anticipated to fulfill its latent potential as a dense, downtown locale, leading to a significant increase in residents and employment. The Queen Victoria Market is located in the City North precinct.

The City North Structure Plan provides a long-term vision and strategy for the area to the north of Central Melbourne to become a sustainable urban renewal precinct. The Structure Plan is premised on the City North precinct growing from a residential population of 12,400 residents in 2011 to a population of 19,160 residents by 2031.

The City North Structure Plan sets a framework for provision of community infrastructure including primary healthcare facilities and play/recreation facilities for a diverse group of residents including young people, older people and people with disabilities.

Recommended next steps

- Council will pursue the adoption of planning scheme amendment C208 that aims to bring into effect the development of an integrated community hub at the Queen Victoria Market site.

Timeframe: Ongoing

North Melbourne (Arden Macaulay)

North Melbourne has a high proportion of families at higher risk of social and economic disadvantage and contains the municipality's most disadvantaged area. Of the 2290 families living in North Melbourne in

2011, 28 per cent were couple families with children, 48 per cent were couple families without children and 17 per cent were one parent families.

North Melbourne has the highest number of single parent families (394 households) and over 50 per cent of North Melbourne residents were born overseas. The most common countries of birth were China – 7.3 per cent, Malaysia – 3.3 per cent, New Zealand – 2.6 per cent, Vietnam – 2.5 per cent and England – 2.5 per cent.

In 2011, North Melbourne recorded the highest number of people aged 0-18 years (1797) (an increase of 847 since the 2006 census).

The clearest priority for community infrastructure in the medium to long term for the North Melbourne (Arden Macaulay) neighbourhood is the delivery of facilities to house early years and family services, neighbourhood learning programs, youth and recreation services.

Agencies responsible for the delivery of this mix of services are primarily DEECD and the City of Melbourne.

Recommended next steps

Assess models and options for the procurement of community infrastructure in the Arden Macaulay neighbourhood, including options for the redevelopment of the North Melbourne Community Centre (Alfred Street) and the current public records office (Boundary Road).

Timeframe: 2014–15

Kensington

In 2011 there were 2371 families living in Kensington, of which 12 per cent (293) were single parent families, while 37 per cent of residents were born overseas. The most common countries of birth were China – 3.7 per cent, Vietnam – 3.4 per cent, England – 3.3 per cent, New Zealand – 3 per cent and Malaysia – 1.8 per cent.

Kensington has a high proportion of both high income (over \$1,500 per week) and low income (less than \$200 per week) earners, with the pockets of disadvantage mostly associated with areas of public housing.

By 2031 Kensington will have the municipality's largest number of children aged 0-6 years (876) and the highest number of children attending preschool and primary school (574). The neighbourhood is already experiencing supply and demand pressures on existing ageing infrastructure.

The clearest priority for community infrastructure in the medium to long term for the Kensington neighbourhood is for facilities to house kindergartens and community health services.

The agency responsible for the funding and delivery of community health is primarily the Department of Health. DEECD and the City of Melbourne play a key role in planning the delivery of kindergarten services.

Recommended next steps

- Undertake a feasibility study and design options for the redevelopment of the Kensington Community Recreation Centre precinct to potentially consider the integration of youth, early years and community health services.

Timeframe: 2016–17

Port Melbourne and Fishermans Bend (Lorimer Precinct)

In July 2012, the Minister for Planning identified the Fishermans Bend Urban Renewal Area (FBURA) as a project of State significance and rezoned the area as Capital City Zone (CCZ). The rezoning of FBURA expands the CCZ by more than 50 per cent and has the potential to generate significant business investment, employment and housing supply.

The renewal area is 248 ha in size. A smaller area of approximately 27 hectares, known as the Lorimer Precinct, is within the City of Melbourne. The remaining 217 hectares lie within the City of Port Phillip.

It is anticipated that within a period of 40 years, the Fishermans Bend area will accommodate around 80,000 residents and 40,000 workers, with 13,500 residents in the Lorimer Precinct.

Following the announcement, representatives of Places Victoria, the Department of Transport, Planning and Local Infrastructure, the City of Melbourne and the City of Port Phillip have worked closely to develop a planning framework for the FBURA. In July 2014 the FBURA Strategic Framework Plan was developed, which articulates key strategic directions and steps needed to transform Fishermans Bend into a thriving inner city environment.

The City of Melbourne has invested heavily in the Docklands area immediately adjacent to the Lorimer Precinct of Fishermans Bend. A key issue in determining the community infrastructure required in the Lorimer Precinct will be Victorian Government plans for the provision of community infrastructure in the remainder of the Fishermans Bend, and also the potential development of pedestrian, cycling and transport links between Docklands and Fishermans Bend area. These links may enable and encourage greater access to the newly developed community infrastructure in Docklands.

Recommended next steps

- That Council continues to engage in the Victorian Government's lead process and planning for the renewal of Fishermans Bend.

Timeframe: Ongoing

Consultation Summary

The draft CIDF was developed in two stages.

Stage one occurred between August 2013 and July 2014 and involved:

- Feedback from Councillors and internal staff.
- Community Infrastructure Policy workshop.
- Analysis around community service needs and floor space.

This process provided the data and information to develop the updated policy, demographic information and the new approach to funding and delivering community infrastructure outlined in the draft CIDF.

The draft CIDF was endorsed for further consultation at Future Melbourne Committee from 18 August 2014 until 10 October 2014. The second phase involved:

- Promotion on City of Melbourne webpage (Community Infrastructure page) with 85 page views.
- Promotion via the Community Strengthening newsletter (630 community organisations on its distribution list).
- Meetings and conversations with staff from DTPLI, DEECD, Places Victoria, Inner Melbourne Action Plan and the Inner Metropolitan Regional Management Forum.
- Presentation of the draft CIDF to the City of Melbourne Family and Children's Advisory Committee.
- Feedback on the CIDF at a forum hosted by the Melbourne Planning Authority (MPA) with inner Melbourne local councils.
- Written submissions from Cohealth and DTPLI.

Key themes and feedback

Issue	Response in CIDF
Roles and responsibilities regarding the funding and delivery of community infrastructure	Updated information to the Policy Context section of the CIDF which includes current government policies and reforms
Format and structure of document	Minor editorial changes to strengthen the document's readability and proposal, including consistent City of Melbourne terms for neighbourhoods.
Funding mechanisms	Updated the Funding Mechanisms section of the CIDF to include information about how Council should track and manage funding for community infrastructure collected through development contributions.
Education facilities	Included information about Council's role in engaging with DEECD and other stakeholders regarding the delivery of integrated service models and the planning and development of education facilities.