

**Report to the Future Melbourne (People City) Committee**

**Agenda item 6.5**

**Community Infrastructure Development Framework 2014**

**12 August 2014**

**Presenter:** Ian Hicks, Manager Community Strengthening

**Purpose and background**

1. The purpose of this report is to seek endorsement of the draft Community Infrastructure Development Framework 2014 (CIDF) (Attachment 2) for community consultation.
2. The Council Plan 2013–17 includes a four year priority to 'provide community infrastructure commensurate with the municipality's growing population and in anticipation of rapid growth in urban renewal areas'.
3. The previous Community Infrastructure Implementation Framework 2010 was developed to provide a policy and plan to guide Council in the delivery of community infrastructure across the municipality.
4. Since 2010 many of the identified community infrastructure projects have been completed or commenced in Southbank, Docklands, Carlton and Kensington, delivering over 7500 m<sup>2</sup> of renewed and new community infrastructure at a Council investment of around \$50 million.

**Key issues**

5. The proposed CIDF takes into account the significant investment in community infrastructure projects over the past four years and focusses on the demands associated with the unprecedented forecast development and population growth to occur within the City of Melbourne over the next 17 years.
6. In summary, the main findings of the CIDF are:
  - 6.1. Melbourne is the fastest growing capital city in Australia, with the population expected to grow to 192,040 by 2031 (revised from 181,325 in 2011). The areas currently projected to accommodate most of this residential growth are the Central City (Hoddle Grid), Carlton (City North), North Melbourne (Arden Macaulay), Fishermans Bend (Lorimer Precinct), Southbank and Docklands, which combined have a forecast population increase of 51,000 residents.
  - 6.2. In these neighbourhoods some significant community infrastructure investment will be required, particularly in relation to integrated early years services (i.e. primary schools, family services and child care). The additional cost of new community infrastructure, in these areas over the next 17 years is estimated at \$95 million.
  - 6.3. In the relatively stable neighbourhoods of East Melbourne, Parkville, South Yarra and St Kilda Road population growth will be less significant and it is anticipated that future renewal of community infrastructure will be managed through the normal budget and planning processes of Council.
  - 6.4. An innovative approach to funding is required that involves greater coordination, co-operation and partnership between each level of government, the not-for-profit sector and developers to facilitate unmet community need and alleviate pressure on existing services and infrastructure.

**Recommendation from management**

7. That the Future Melbourne Committee:
  - 7.1. Endorses the draft Community Infrastructure Development Framework 2014 for community consultation for a period of six weeks between 18 August and 12 September 2014.
  - 7.2. Authorises the Director Community Development to make any further minor editorial changes to the draft Community Infrastructure Development Framework prior to its publication for community consultation.
  - 7.3. Requests a further report that considers community feedback and makes recommendations on the final Community Infrastructure Development Framework 2014 to Council by no later than November 2014.

**Attachments:**

1. Supporting Attachment
2. Community Infrastructure Framework 2014

**Supporting Attachment**

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**Legal**

1. There are no direct legal issues arising from the recommendation from management.

**Finance**

2. A detailed project costing has not been produced for the medium and longer term projects as these will be considered in future budget deliberations. Council is committed to delivering a significant capital works program, which includes community infrastructure projects. This will total in excess of \$10 million over four years, the funding for which is still to be finalised.

**Conflict of interest**

3. 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**

4. This draft CIDF has been prepared in consultation with contribution from Council staff. External stakeholder consultation will involve comment on the draft through Participate Melbourne.

**Relation to Council policy**

5. 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).

**Environmental sustainability**

6. In developing this proposal, environmental sustainability issues or opportunities been considered through the Community Infrastructure Policy Principle 3 "Implement Best Practice in Urban and Environmental Design".

# COMMUNITY INFRASTRUCTURE DEVELOPMENT FRAMEWORK 2014



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## EXECUTIVE SUMMARY

The City of Melbourne provides high standard community facilities across the spectrum, from libraries and childcare, to playgrounds, pools and community centres. There are however a number of challenges in maintaining that high standard and meeting future need. This Community Infrastructure Development Framework is the decision making structure through which the City will assess need, plan and deliver community facilities.

Over the last four years, the City has invested almost \$60m in building or improving over 8,000 m2 of community infrastructure. In Southbank, Docklands, Carlton and Kensington, community hubs have been the focus, and by 2015 there will six across the municipality.

More than three million people use our community infrastructure every year. With the residential population forecast to almost double 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 continue to rise, with the availability of unused public land scarce and acquisition opportunities limited.

To understand the shape of that 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 -

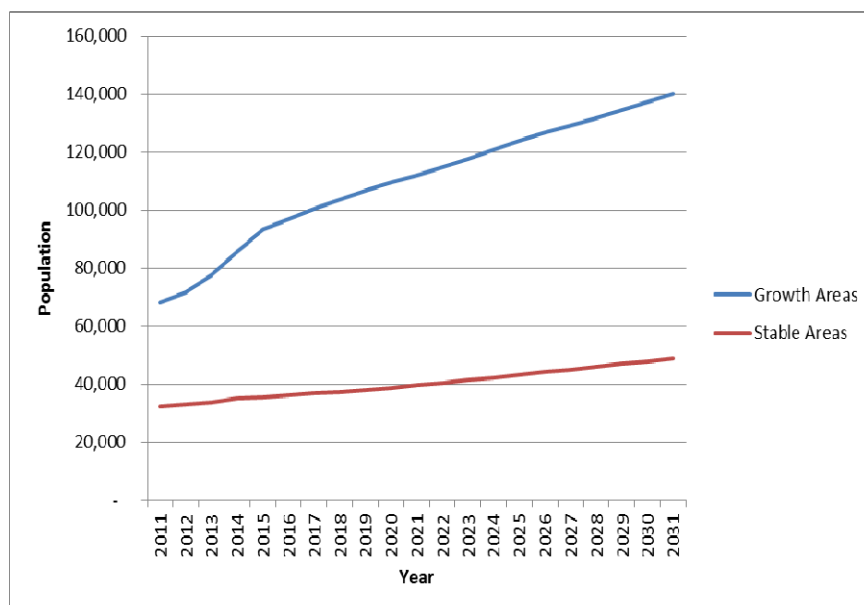
- Kensington
- South Yarra
- Parkville
- East and West Melbourne.

**Growth** areas are -

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

Over the next 15 years the total population across the growth areas (as defined above) is forecast to increase by 51,000 residents (to approximately 140,000 residents) whereas the total population across the 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 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 Councils normal budget and service planning cycle.

In the areas of demand identified by the framework, the City of Melbourne remains firmly committed to community hubs as the most financially and socially sustainable means of meeting the breadth of community need. The traditional funding and procurement mechanisms to deliver this community infrastructure however are inadequate.

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

## INTRODUCTION

This Community Infrastructure Development Framework (CIDF) is designed to make visible the City of Melbourne's future priorities for community infrastructure development. The CIDF does not attempt to identify all the specific projects that will be delivered, but moreover identifies the broad emerging needs and some immediate priority development projects.

The CIDF is based on the analysis of population forecasts and uses services benchmarks, using the data and information that is currently available. The CIDF 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.

### Role and types of Community Infrastructure

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

It can also have a broader role in shaping the physical layout and look of a development area, helping to define the identity and characteristics of the community that lives in the area.

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

There is a wide range of community infrastructure types. These are not all the responsibility of Councils, but can influence municipal planning and service delivery. These include the following types of community infrastructure:

<ul style="list-style-type: none"> <li>▪ Aquatic facilities &amp; recreation centres</li> <li>▪ Community meeting spaces</li> <li>▪ Child Care (Long day and occasional care)</li> <li>▪ Early Years Services</li> <li>▪ Maternal and Child Health services</li> <li>▪ Libraries</li> <li>▪ Planned Activity Group facilities</li> <li>▪ Youth spaces</li> </ul>	<ul style="list-style-type: none"> <li>▪ Disability and aged services</li> <li>▪ Men's Sheds</li> <li>▪ Neighbourhood houses</li> <li>▪ Community gardens</li> <li>▪ Volunteer emergency services</li> <li>▪ Health centres</li> <li>▪ Aged care facilities</li> <li>▪ Primary and Secondary Schools</li> </ul>
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### 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 and its neighbourhoods in order to forecast the community infrastructure need through to 2031.
- Outline an approach to planning and delivering on future community hub projects.

## **BACKGROUND & POLICY CONTEXT**



## Background

The CIDF builds on a detailed series of community infrastructure planning by the City of Melbourne, in particular -

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

### Community Infrastructure Planning

A variety of planning methodologies exist in this field, and previously community infrastructure planning at the City of Melbourne applied a seven step process, using the Neighbourhood Infrastructure Audit Tool.

More recently, changing economic and government policy conditions at all levels have had a significant impact, and community infrastructure planning is now based on responding to 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?

In community infrastructure planning it is also important to consider the catchment area that various facilities need to service as this can effect the location and role of each facility. The table below is a planning tool often used to categorise the types and role of community infrastructure based on catchment areas.

	Neighbourhood	District	Regional / Capital City
<b>Population Catchment</b>	<ul style="list-style-type: none"> <li>▪ Min Households: 3,000</li> <li>▪ Distance: 800m</li> </ul>	<ul style="list-style-type: none"> <li>▪ Min Households: 10,000</li> <li>▪ Distance: 2 - 5km</li> </ul>	<ul style="list-style-type: none"> <li>▪ Min Households: 35,000</li> <li>▪ Distance: 10km</li> </ul>
<b>Locational Attributes</b>	<ul style="list-style-type: none"> <li>▪ Within 400m of residences</li> <li>▪ Access to a transport stop</li> <li>▪ Street frontage</li> <li>▪ Access to a bus / disabled access at entrance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Access to local transport routes</li> <li>▪ Colocation with complimentary services and facilities</li> <li>▪ Street frontage</li> <li>▪ Access to a bus / disabled access at entrance</li> <li>▪ Integrated into retail</li> </ul>	<ul style="list-style-type: none"> <li>▪ Access to multi modal public transport connection</li> <li>▪ Access to a bus / disabled access at entrance</li> <li>▪ Partnership with commercial operators</li> </ul>
<b>Role</b>	<ul style="list-style-type: none"> <li>▪ Services and facilities that play a local role</li> <li>▪ Walkability important</li> <li>▪ Neighbourhood scale</li> <li>▪ Supports local networks and community cohesion</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attracts services and facilities catering to a number of suburbs</li> <li>▪ Locate services and facilities that benefit from close proximity to public transport options (e.g. youth)</li> <li>▪ Colocation and integration of services and facilities that support a multi-purpose destination</li> </ul>	<ul style="list-style-type: none"> <li>▪ Facilities and services that service a regional cluster of municipalities</li> <li>▪ May play a role in supporting a regional destination (e.g. higher education facility, tourism focus)</li> </ul>

\* Adapted from *City of Melbourne Social Infrastructure Planning Tool: Developing an Integrated Approach (2005)*

Community infrastructure also utilises service benchmarks that can be expressed 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% of net developable area allocated for open space; or
- by **distance** - e.g. 95% of residents within 400 metres 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 CIDF, a hybrid all of these benchmarking and assessment tools have been considered in arriving at the projections for service need and demand. Once an estimated service need has been established, it is then converted into a work / floor space (infrastructure) need for that service, to arrive at estimates for the demand of additional community infrastructure floor space into the future.

## Community Hubs

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

The term Community hubs refers to the integration of community facilities to provide better access to a range of services, and provide a more cost effective way of delivering and operating them. 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;
- provides opportunities to deliver a range of community services or programs;
- provides multi-purpose spaces used by a variety of community organisations, agencies and groups on a semi-permanent and/or casual basis; and
- encourages the design and development of community facilities as part of other neighbourhood centres, such as retail strips.

## The Roles of Government and Others

The City of Melbourne recognises the provision of community infrastructure is shared across Local, State and Federal Government, not for profit organisations, community organisations and the private sector.

Whilst the focus of this CIDF is on City of Melbourne delivered facilities, the CIDF endeavour to take into account the broader community infrastructure needs so that future planning for Council services and facilities is not done in isolation, and where appropriate, models are investigated and prioritised which maximise efficiencies and community outcomes through shared use, colocation 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

	<b>Planning and Service Development</b>	<b>Building and Operating</b>	<b>Advocacy and Leadership</b>	<b>Partnerships and coordination</b>	<b>Feasibility / Funding</b>
<b>Local Government</b>	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 / 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
<b>State Government (including Metropolitan Planning Authority – MPA - and Places Victoria)</b>	Departmental policy 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	Construct and develop State 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	Provide 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. Provide funding programs such as the Community Infrastructure Fund (DTPLI)
<b>Federal Government</b>	Provides a policy framework for urban and infrastructure planning through agencies such as the Major Cities Unit of Infrastructure Australia	Construct and develop health facilities such as GP Super Clinics	Provide 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
<b>Non-government organisations</b>	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
<b>Development Industry and Private Equity</b>	Some developers recognise the value of incorporating community infrastructure within their developments and work closely with local government to plan and deliver	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

\* Adopted from *City of Melbourne Community Infrastructure Implementation Framework (2010)* and *Planning for Social Infrastructure and Community Services for Urban Growth Areas – Implementation Guide (2012)*

## Policy Context

### Federal

The Federal Government provides a policy coordination role for infrastructure in major cities. The newly created Major Cities Unit will support this 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 this. Through it, 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 all state and territory government agencies now apply.

### State

The State Government plays a key role in defining the policy context within which community infrastructure is planned and delivered. There are a number of reports from different agencies which have a bearing, and they include the following.

#### 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 ensure that housing is 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, that includes improving the utilisation of existing and proposed state infrastructure, better use of 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 the 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.*

#### Towards Victoria as a Learning Community (2012)

The State Government specifies a number of 'non-negotiable principles' within this policy, including a 'school-community integration approach'. The policy details intent to develop partnerships with local government, the community and other stakeholders regarding the use and development of facilities, to benefit both students and communities.

The policy details the community benefits of service integration and the use of school facilities outside school hours. Recent examples of government school development that demonstrate co-investment in school-community facilities with both local government and the not-for-profit sector and in locations where land availability is restricted, include Fisherman's Bend, Doreen South and Officer.

#### **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 a great 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 need.
- The establishment of a development contributions system which is aimed at community benefit while facilitating greater density.
- A whole of government approach exists, including the establishment of partnerships to deliver community infrastructure.
- Improved access to and participation at sporting facilities that accommodate our growing population, people of all abilities, our 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 colocation 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 change for 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 developed for the growth areas of Arden-Macaulay (2012), City North (2012) and Southbank (2010). 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 (CIIF 2010)

The CIIF 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. The development of this Community Infrastructure Development Framework is Council's response taking into account the changing context and the significant investment in community infrastructure over the past 5 years to address previously identified demand.

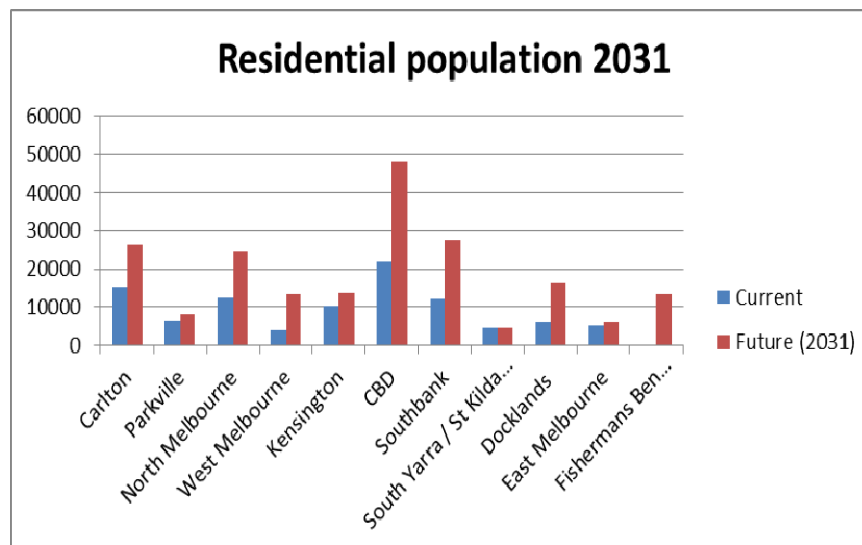
# GROWTH AND DEMAND

## 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 dynamics of a capital city which attracts almost a million visitors a day with inner urban areas experiencing rapid growth, social disadvantage and high demand for services.

The 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. The 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 be around 192,000 by 2031<sup>1</sup>. The areas which will accommodate the most growth are:

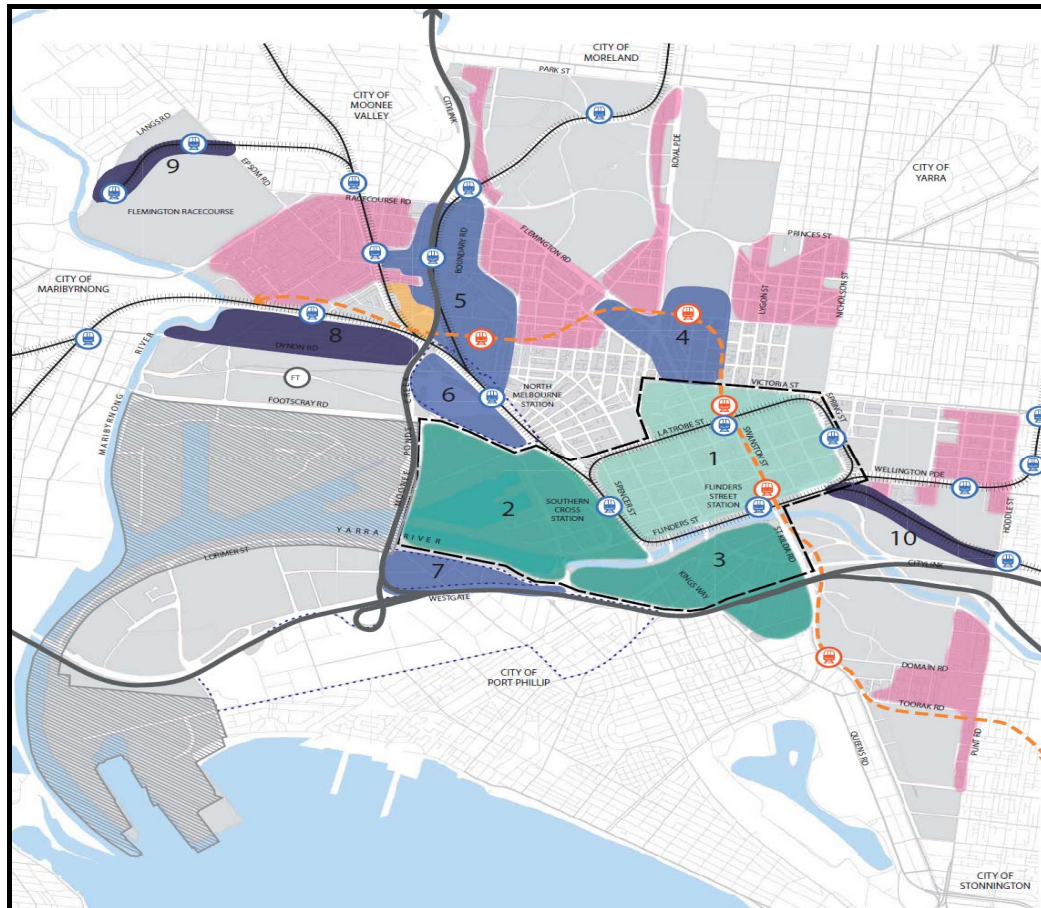
- Central City (Hoddle Grid) 47,902 (an increase of 27,184), Southbank 27,985 (an increase of 12,341); and
- Carlton (City North) and North Melbourne (Arden-Macaulay), which also accommodate some of the municipality's most disadvantaged residents.

Those neighbourhoods identified under the MSS as 'growth areas' (refer to figure 2) include all the neighbourhood mentioned above, with the addition of Fishermans Bend. However, the majority of the land area known as Fishermans Bend is not within the City of Melbourne, with the exception of the Lorimer Precinct. The planning for this growth area is being undertaken separately by the Minister for Planning and the needs for community infrastructure are currently being planned for as part of that process.

<sup>1</sup> City of Melbourne forecast. City Research



**MSS GROWTH AREAS**



**Figure 2**

**Housing and Household Type**

The growth in population is expected to effect different life stages differently. Looking at the types of households forecast for the City of Melbourne is also important in determining the type of community infrastructure needed in the future.

The Victoria in Future (2014) population forecasts show the greatest percentage increase in household type of 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 also 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 residential population at over 60per cent, and this proportion is expected to remain the same. This group is typically tech-savvy and relatively asset poor, generally students and young professionals living in group and single person households and often from an overseas background.

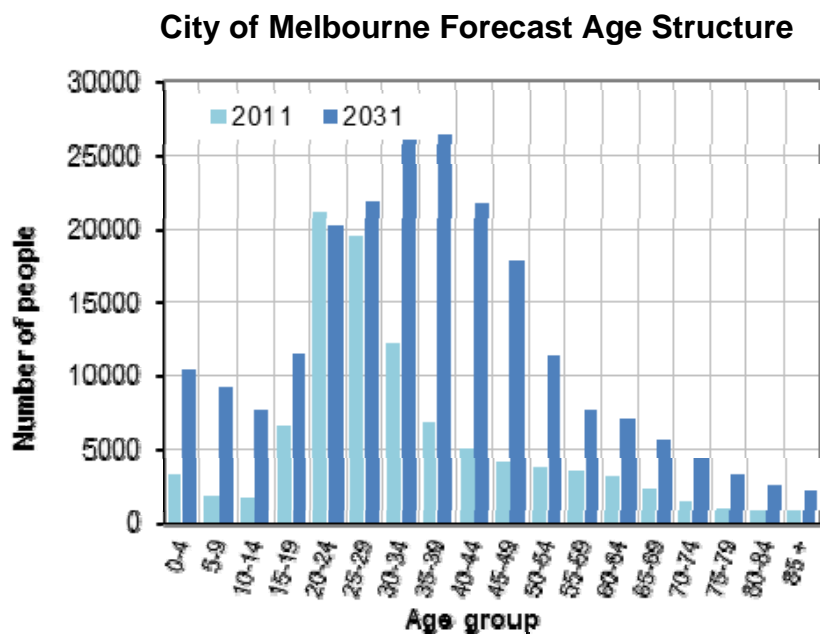


Figure 4  
(Data Source: Victoria in Future 2031).

## 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 area where existing and future demand for early years services and community health (combined) across these neighbourhoods indicates the need for approximately 2500m2 of additional community infrastructure.

### **Growth Areas**

The Growth areas identified for the purposes of the CIDF are Fishermans Bend, Docklands, Southbank, Carlton (City North), Central City (Hoddle Grid) and North Melbourne (Arden Macaulay).

Fishermans Bend is not proposed to be addressed specifically as part of the CIDF. The planning responsibility for this area is currently under the control of the Minister for Planning. The assessment and development of future community infrastructure is currently in train through a separate State Government driven strategic planning process.

In 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 central city developments to provide indoor gymnasium and pool facilities as part of individual developments.

Docklands, as an example of an inner urban growth area where a number of swimming pools have been built within various private developments that although not publicly available, but this does arguably fulfill a proportion of the resident demand for such facilities.

There are also additional early years service need for Docklands and Carlton, but at this stage it is anticipated that this need could be addressed through either Council's normal renewal process and/or through private provision in the future.

## **EMERGING CHALLENGES & INFLUENCES**

## **Education**

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

As referred to above, the major needs for community infrastructure 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 State Government approach to addressing the need for primary school places in the growth areas of the City. It is anticipated that places for over 1500 additional school children 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 State Government Department of Education and Early Childhood Development (DEECD).

## **Urban Planning Landscape**

Within the City of Melbourne there are specific areas experiencing growth that are serviced by structure plans and associated developer contribution plans. However, in the Central City there is presently no structure plan guiding preferred land use and development outcomes. Consequently, there is no mechanism through which Council can collect development contributions from developers to fund the community infrastructure generated by rapid growth. With a forecast population growth of 114 per cent within 16 years, the continued absence of any mechanism funding the requisite infrastructure will result in an unmanageable burden on Council's rate base.

## **Procurement and Funding**

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

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

In addition to land, the other elements that impact on the cost of community infrastructure in the City include growing community expectations for quality, new technologies, evolving legislative requirements and the demand for best practice in facility design and construction.

These complexities sit behind the need to consider and engage with different models of procurement. It is now a necessity that Council resolve how it will address the growing gap between funding availability and the ultimate cost of provision.

As discussed earlier, the key concept underpinning the delivery of community infrastructure is 'community hubs'. This approach results in better access, greater efficiency and

improved service delivery to the community. The various models for delivery can vary dependent on the specific project, however 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 amongst two or more responsible authorities or 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 state agencies and/or private enterprise.	A private or community organisation funds, and manages operation of service. City of Melbourne provides planning and design advice.
<b>Example</b>	Carlton Family Resource Centre	The Library@ The Dock Boyd community hub	Employer or commercially provided childcare.

### **Emergence of new funding models**

A variety of responses to the ‘funding the gap’ are beginning to emerge among stakeholders responsible for service and infrastructure delivery. The mode of funding most commonly used is where one agency or organisation funds the major share of developing and delivering community infrastructure, with often small contributions being 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, arguably this model is 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 policy and demonstrate new funding approaches between non-traditional partners. For example, the addition of discrete health and social support service consulting suites 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.

There are also other funding models emerging that include -

### ***Shared Beneficiaries Funding Model***

The 'shared beneficiaries' model is an approach to funding the procurement of infrastructure that shares the responsibility of paying for infrastructure amongst 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 drive a benefit and / or have a legislative responsibility to resource the delivery of community infrastructure.

There are some mechanisms that currently exist to encourage the contribution from various parties, including developers through the legislated mechanism of 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 the future use of the occupants of each dwelling.

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

- What is the potential beneficiaries' 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 questions provides some clarity as to who the key stakeholders and beneficiaries may be in the delivery of the priority projects in this CIDF.

There are a wide variety of mechanisms that can be considered including:

- Property rates
- General levies
- Property development levies
- Specific property levies
- Property development proceeds from sale of property
- Property rezoning
- User charges
- Commercial contracts
- Developer Incentive model

***Developer incentives***

The 'Developer Incentive' model is another way of funding the procurement of infrastructure where agencies with responsibility or control over an area where community infrastructure is required 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 other planning policy objectives, but does encourage developers to consider and deliver community infrastructure as part of their development.

The benefits of this model for Council and State 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 the services and infrastructure often required and desired by prospective buyers and occupiers.



# PRINCIPLES AND PLAN

## Our Principles

The City of Melbourne is committed to developing its current and future community infrastructure, providing opportunities to deliver services, 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><b>Pursue development of community hubs and co-located services</b></p>	<ul style="list-style-type: none"> <li>• Community infrastructure will be multi-functional, interconnected and meet the needs of the local community.</li> <li>• 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.</li> <li>• 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.</li> </ul>
<p><b>Plan and develop facilities that address community needs and aspirations.</b></p>	<ul style="list-style-type: none"> <li>• The development of the project will identify needs through an evidence-based approach.</li> <li>• The project will use data and evidence to determine best model for service delivery.</li> <li>• The project will give priority to disadvantaged communities and reduce social inequality.</li> <li>• All major redevelopment projects will involve a process of engagement with the community to assess the aspirations of that community for any new development.</li> </ul>
<p><b>Implement best practice in urban and environmental design</b></p>	<ul style="list-style-type: none"> <li>✓ 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 Zero Net Emissions strategy commitments.</li> <li>✓ 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"> <li>✓ Location of facilities and services close to activity centres, community focal points and public transport, pedestrian and cycling networks.</li> </ul> </li> <li>✓ Located to minimise distance to accessible locations so distance is walkable (400-800 metres). <ul style="list-style-type: none"> <li>✓ Close to employment clusters, areas of residential growth and transport networks.</li> <li>✓ Main street frontage, highly visible as a destination.</li> </ul> </li> </ul>
<p><b>Ensure equity and access for the community</b></p>	<ul style="list-style-type: none"> <li>• Projects will take into account indigenous, multicultural and intercultural needs.</li> <li>• Projects will be designed with regard to universal services for communities that reduce inequity, improve social capital and contribute towards community strengthening.</li> <li>• The project will be designed to ensure compliance with</li> </ul>

Principles	Assessment criteria
	<p>legislative obligations including the <i>Disability Discrimination Act</i> (DDA) 1992, Equal Opportunity and Human Rights obligations.</p> <ul style="list-style-type: none"> <li>• Fees and hiring charges will ensure equity of facility access for all.</li> </ul>
<p><b>Effective and efficient facility management</b></p>	<p>Council will assess the most appropriate model for the management of any facility to ensure:</p> <ul style="list-style-type: none"> <li>• Efficiency of resources and shared community use.</li> <li>• A sustainable with long term life-cycle of building.</li> <li>• Input from facility users and groups.</li> <li>• Program activation of spaces that maximise use of the facility.</li> <li>• Consideration of a range of management models including direct service provision by City of Melbourne, contractual arrangements and community operated or led models.</li> </ul>
<p><b>Financial sustainability</b></p>	<ul style="list-style-type: none"> <li>• Council will:</li> <li>• Endeavor to maximise the infrastructure outcomes from its contribution.</li> <li>• Consider opportunities to leverage financial investments and ongoing funding through other partnerships.</li> <li>• 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.</li> </ul>

## The Plan

Based on the population projections and the analysis done utilising the benchmarking and forecasting tools currently available, the anticipated new Council provided community infrastructure required across the municipality is approximately 19,000 m<sup>2</sup> at a total anticipated cost (in net present terms) of \$95M over the next 10-15 years<sup>2</sup>.

Importantly 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.

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

### 1. Establish the Funding Mechanisms

#### Investigate the establishment of a Community Infrastructure Fund or Account

The CIDF 2014 identifies that the key priorities for community infrastructure development primarily arise in areas and neighbourhoods where significant urban renewal and development activity is going to occur.

The City is planning to grow and along with this growth is the need for community infrastructure. The CIDF identifies the potential demands for future community infrastructure and along with this will be some liability for funding of this community infrastructure.

Where Council introduces mechanisms such as developer contributions to generate and collect funds for community infrastructure, these mechanisms also place an additional commitment on Council to ensure its funding contributions are made available in a specifically timed and planned way.

It is proposed that to both properly plan for the funding of Council's responsibilities and to incentivise the delivery and contribution of other partners, a community infrastructure fund or account be investigated.

#### **Recommended Actions / Next Steps**

Investigate the establishment of a Council community infrastructure fund or account that would provide the forward investment necessary to indicate Council's intentions to the community and potential partners, meet any future liabilities (particularly related to development contributions commitments) and deliver on the future community infrastructure priorities within the City of Melbourne.

**Timeframe:** 2015-16

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<sup>2</sup> 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.

### Establish a 'shared beneficiaries' funding model for community infrastructure

The CIDF proposes that the future development and delivery mechanism for future community infrastructure is through a partnership model.

The CIDF has outlined various options including the 'shared beneficiaries' model as an approach to funding the procurement of infrastructure. This approach shares the costs amongst those who have responsibility or will benefit, including developers.

There are some mechanisms that currently exist to encourage the 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

However, for the delivery of complex infrastructure in an inner urban area, where the price of land and development costs are high, the developer contribution may not be sufficient to cover the life cycle of the infrastructure or reflect the benefit gained from access to community infrastructure.

The application of a shared beneficiary's model requires a clear analysis of the benefit and the beneficiaries from the community infrastructure.

The types of questions that could be considered when determining the beneficiaries of any particular infrastructure project are:

- What is the beneficiaries' proximity to the service or infrastructure?
- Does a key stakeholder have an interest or obligation in the effective delivery of the infrastructure?

The answer to these questions provides some clarity as to who the key stakeholders and beneficiaries may be in the delivery of the key priorities for community infrastructure outlined in this CIDF.

### ***Recommended Actions / Next Steps***

That Council consider the various mechanisms available to it to increase funding to meet the 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 the inner city growth areas.

***Timeframe:*** 2014-15

## 2. Plan for Delivery of New Community Infrastructure in the Emerging 'Growth Areas'.

### Establishment of an intergovernmental inner city 'Future Schools' advisory committee

The DEECD recently adopted a '21<sup>st</sup> century schools' approach with a focus on the integration of early years services into a single community hub<sup>3</sup>. 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.

### **Recommended Actions / Next Steps**

That the City of Melbourne advocates to the Minister for Education and the Minister for Planning to establish a 'Future Schools' advisory committee consisting of senior officers from the Department of Education and Early Childhood, the Department of Planning, Treasury and Finance and the inner metropolitan councils of the Cities of Melbourne, Yarra, Moonee Valley, Port Phillip and Stonnington.

The primary objectives of this advisory committee would be to:

- Analyse all existing data and determine the agreed current and future state for school provision.
- Develop the potential beneficiary 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 future plan for the delivery of Integrated 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:** 2015-16

## 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 previous 2011 CIIF.

### Central City (Hoddle Grid)

The Central City is the neighbourhood 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 is for additional library, primary school and early years' services/infrastructure.

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

**Recommended Actions / 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 existing strengths of the area. 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 within 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, play and recreation facilities for a diverse group of residents including young people, older people and people with disabilities.

**Recommended Actions / 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 (1,797) (an increase of 847 since the 2006 census).

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

The agencies responsible for the delivery of this mix of services are primarily the Department of Education and Early Childhood Development (DEECD) and the City of Melbourne.

### ***Recommended Actions / Next Steps***

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

**Timeframe:** 2014-15

#### Kensington

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

Kensington has high proportions 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 social 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 neighbourhood of Kensington is for kindergartens and community health services.

The agency responsible for the funding and delivery of community health is primarily the Department of Health (State Government). The DEECD and City of Melbourne have joint responsibility in the funding and delivery of kindergarten services.

### ***Recommended Actions / Next Steps***

Commence feasibility study and design options for 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 new business investment, employment and generate new housing supply.

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

It is anticipated that over a period of 40 years, the whole 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, City of Melbourne and City of Port Phillip worked closely to develop a planning framework for the FBURA, including a Draft Vision and Interim Design Guidelines that articulate 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 the State Government plans for 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 the Fishermans Bend area. These links may enable and encourage greater access to the newly developed community infrastructure in Docklands.

***Recommended Actions / Next Steps***

That Council continues to engage in the State Government lead process and planning for renewal of Fishemans Bend.

***Timeframe:*** Ongoing