

27 October 2016

Mr Michel Masson
Chief Executive Officer
Infrastructure Victoria
Level 16 530 Collins Street
Melbourne Victoria 3000

Dear Mr Masson,

Response to Victoria's Draft 30-year Infrastructure Strategy, prepared by Infrastructure Victoria

The Brotherhood of St Laurence welcomes the opportunity to respond to this important Strategy. We are pleased to be part of an extensive engagement and consultation process and commend Infrastructure Victoria for undertaking such an approach. In particular, engagement with the community through Citizens' Juries has been an important innovation.

Infrastructure profoundly affects people's lives and their capacity to connect with education, jobs and services, and be included in the community. We strongly support the comprehensive and integrated approach, reflected in the vision, principles and objectives of the Strategy. This reflects the essential inter-relationship across key infrastructure components and our own experience of working with communities across Victoria. We commend the focus on disadvantage in the community and how integrated infrastructure could and should support social inclusion and participation. We also commend the priority placed on affordable housing as key infrastructure not welfare.

Our response focuses primarily on community infrastructure planning and development, drawing on our experiences of working with communities in growth areas of metropolitan Melbourne. We have also focused on affordable housing, given our extensive practice and research knowledge that has emerged from working with the most disadvantaged members of our community over many years.

We believe that the Strategy would be strengthened through:

- *Including a stronger focus on integrated service planning, with a view to incorporating the responsibility of local governments to develop such plans into State legislation:* Such planning needs to occur in partnership with State and Federal governments, service providers, businesses and the community. Integrated service planning needs to be informed by community needs and aspirations and should shape the design and planning of community infrastructure. Flexible and well-designed community infrastructure is dependent upon such planning.
- *Developing stronger partnerships with not-for-profit organisations:* Stronger partnerships with not-for-profit organisations in the planning and development of community infrastructure and sustainable service models would provide cost-effective and flexible approaches to service delivery and assist in the delivery of equitable services and infrastructure for growth communities.

- *Decreasing the time span for actions:* We are concerned that the timelines for many of the recommendations are too long. While the document points to the urgency of community needs, particularly in relation to affordable housing, actions to address the key issues are unnecessarily protracted and need to occur more rapidly.
- *Including targets for affordable housing for developments:* We believe that strong action is required to address the crisis in the lack of affordable housing. Establishing targets for affordable housing in all new developments in greenfield and re-developed sites, is critical.

About The Brotherhood of St Laurence

The Brotherhood is a not-for-profit organisation that works to alleviate and prevent poverty through research, service development, delivery and advocacy. We support people experiencing disadvantage at all stages of life to build a better future for themselves and their families. We focus on evidence-based programs and practices that support the economic, social and civic participation of individuals. Our commitment to translate individual aspirations into innovative, evidence-informed community and system-wide change is underpinned by our research and policy capabilities. We focus on addressing unmet needs and translating learning into new policies, programs and practices for implementation in our own organisation and by government and others.

We aim to have a national voice on poverty and disadvantage. We believe that tackling poverty effectively requires the integration of social and economic policy, so that all Australians have the capacity and the resources to lead rewarding lives.

We know that the risk of poverty and exclusion has a strong geographic dimension. There has been a distinct shift of its locus, moving from the more visible inner and middle areas of our major cities to the city fringes and in rural regions, where it is less visible. Reflecting this, we have shifted our focus to delivering services in the outer growth corridors of Melbourne.

Our understanding of the challenges for residents of growth communities in outer Melbourne

There are already close to one million people living in the seven identified outer growth municipalities of Melbourne¹. These municipalities include some of the fastest growing suburbs in Australia. The total population of these municipalities is anticipated to double over the next 20 years, with an annual average growth of 46,000 people per year. The increase in the individual municipalities is expected to grow on average by 6,600 people, with Wyndham, Melton and Casey expecting the highest growth, with average annual increases in each municipality of 10,500, 8,800 and 8,000 respectively².

Demand for early years infrastructure and health and wellbeing services is currently high and expected to remain high, to accommodate the high number births and families with young children moving to these areas. In 2015, Casey had 88 births per week, followed by Wyndham, 82, Whittlesea, 61, Hume, 57 and Melton, 42. This represents between two and four new Prep classes per week in each of these municipalities³.

These suburbs contain the most affordable housing in Melbourne, attracting families with young children and high numbers of people from diverse backgrounds, including people who have recently arrived, particularly those from non-English speaking backgrounds. The proportion of children and young people in these municipalities is 3-4 times higher than the average for metropolitan Melbourne. There are also high proportions of households where a language other than English is spoken.

The characteristics of the outer growth areas mean that these municipalities face a range of challenges, including growing concentrations of poverty, disadvantage and social exclusion, exacerbated by insufficient job opportunities and inadequate infrastructure and services to meet the demands of growing populations. At the same time, these suburbs are home to vibrant and diverse communities, where residents have high aspirations for themselves and their children, as they build their families and create community

¹ These suburbs are Cardinia, Casey, Hume, Melton, southern part of Mitchell, Whittlesea and Wyndham 2016 estimated population is 1,187,257; 2036 estimated population is 927,149 (id, the population experts)

² Data sourced from individual councils and id, the population experts

³ Victorian Child and Adolescent Monitoring system (VCAMS), www.education.vic.gov.au

connections. This is reflected in the high use of existing community facilities, including early years services and public libraries.

While there are differences across the suburbs in these growth communities, the communities are characterised by:

- *Low levels of disposable income:* Families have low levels of disposable income when compared to Victoria⁴, due to high mortgage repayments, the costs of commuting to work and the high costs of child care.
- *Housing stress:* This is a considerable burden for many families, with the outer growth corridors experiencing more housing eviction notices than other municipalities in Victoria, due to an inability to make the required mortgage repayments⁵.
- *Higher levels of youth unemployment and disengagement:* Young people living in the outer growth communities have higher levels of unemployment, lower levels of educational achievements, with a greater chance of leaving school earlier. They are also less likely to attend post-secondary education⁶.
- *Low levels of locally available employment:* In Melbourne's established suburbs, more than 50% of jobs are accessible within a 45 minute drive, but in the growth corridors, this figure drops to 20%⁷. With congested roads and over-crowded public transport, this commute can be long and stressful.
- *Higher levels of family violence:* In 2015/16, the growth municipalities in the North/West Metropolitan Region of Melbourne had the highest rate of family violence incidents per 100,000 population reported to police. The four top rated municipalities were growth municipalities: Hume, Melton, Whittlesea and Wyndham⁸.
- *Higher rates of developmental vulnerability:* A higher proportion of children in the growth corridors were rated as developmentally vulnerable on one or two domains than children across Australia and Victoria in 2015⁹.

Need One: Address infrastructure demand in areas with high population growth

- *Reduce the timelines for integrated planning for community infrastructure to 0-2 years rather than 0–5 years*

Given the current high and rapid levels of growth in the outer areas of Melbourne, we are concerned that the Strategy minimises the urgency to plan and develop community infrastructure in these communities. There is already a severe lack of adequate community infrastructure and integrated service planning within these municipalities. A comparison between the community infrastructure available in Interface Council areas, which includes all of the outer growth municipalities, when compared with the inner municipalities of metropolitan Melbourne, has demonstrated a significant lag. An estimated \$36 billion will be needed over the next 30 years to provide all of the infrastructure needs of greenfield sites¹⁰. The needs are well understood and thus delays in integrated planning will simply delay construction and further disadvantage these communities.

- *Legislate for the development of integrated service plans to shape community infrastructure development, ensuring that local governments have consistent and timely plans to manage the implementation of Precinct Structure Plans*

Integrated service planning is required to shape the design, location and configuration of community infrastructure. This Plan needs to be informed by an analysis of community needs and aspirations.

⁴ id, the population experts, 2016.

⁵ City of Wyndham, 2015, *Wyndham City Housing Stress and Homelessness*, www.wyndham.vic.gov.au

⁶ Interface Councils, 2012, *Submission to the Inquiry on Growing the Suburbs: Infrastructure and Business Development in Outer Suburban Melbourne*, Parliament of Victoria; Interface Councils, 2015, *Creating Liveable Communities in the Interface*

⁷ id, the population experts, 2016

⁸ <https://www.crimestatistics.vic.gov.au/crime-statistics/latest-crime-data/family-incidents-0>

⁹ Australian Early Childhood Census, 2015. www.aedc.gov.au

¹⁰ Interface Councils, 2015, *Creating Liveable Communities in the Interface*

Flexible and well-designed community infrastructure is dependent upon such planning to enable services to be tailored to address the differing needs of local communities.

While some municipalities have well-developed service plans that guide the development outlined in the Precinct Structure Plans (PSPs), this is not uniform across all growth areas. There is a need for more attention to be paid to planning and developing integrated service plans to ensure that community infrastructure is flexible and able to meet the complex needs of growing communities.

While it is reasonable to use benchmarks to determine the core community infrastructure for greenfield sites, as per the PSPs, our experience and the data indicate that growth areas attract residents who are experiencing high levels of individual stress and social and economic disadvantage. Integrated planning that is informed by the needs and aspirations of residents is required to ensure that everyone is able to achieve their potential.

The lack of adequate service planning is exacerbated by the time lag that often occurs between the development of the PSP and the construction of community infrastructure. During this time period, perspectives and approaches to service delivery change; infrastructure development is thus often based on out-of-date models. For example, many PSPs designate level 1 community centres, which are essentially stand-alone maternal and child health and kindergarten services. It is now well recognised that not only are these types of facilities inefficient and ineffective because the functionality of the building is limited, but the stand-alone model does not reflect contemporary thinking in the delivery of early years services. Integrated and timely service planning would enable a more robust approach to determining the type and configuration of community infrastructure.

Our experience of delivering integrated early years services, supported by extensive research into how best to support children and families, indicates that integrated community hubs, with a strong universal service component and spaces to provide a range of community activities and more intensive support services, are the most appropriate to engage and support parents and children, to achieve positive outcomes. One of our models developed at Jindi Child and Family Centre in Whittlesea is an example of how effective service planning, prior to the construction of the building, could have resulted in more effective functioning. We have worked with the City of Whittlesea and our partner, Good Start Early Learning to provide integrated services. However, the scope of our work has been limited by the space. This has been recognised by the City of Whittlesea. The planning and development of future community infrastructure in this municipality is now shaped by robust service planning and a process to engage service delivery partners in the design of the infrastructure.

Relocatable community infrastructure

- *Develop clear criteria for the use of relocatable community infrastructure to ensure that construction of these facilities is not a substitute for permanent and flexible community infrastructure*

While we acknowledge the flexibility and rapid response that constructing relocatable community infrastructure can provide, particularly in the case of emergencies, too often this option is being used as a substitute for planning and developing more permanent facilities in a timely way. The quantum of growth in outer areas is such that the demand for early years services and schools will be at a high level for the foreseeable future. The construction of relocatables is currently being used as a means to bridge the time lag between housing development and community infrastructure development, particularly schools. This is an expensive and cumbersome way to address a failure to plan adequately for services. The design of such facilities is also limited which in turn, limits capacity to provide an expansive range of integrated services.

Schools as community facilities

- *Transform new state schools into community facilities over 0 – 5 year period*

In general, we support the transformation of schools into active community spaces. There are several models in place across Victoria where integrated approaches on school sites have improved outcomes for children and children, such as the Doveton College model and the schools hubs developed by the Scanlon Foundation. These models have been effective in engaging families and children with the school community and broader neighbourhood from the pre-natal period to transition to school, building on a strong early education platform. We believe that the current direction of state government to build early years services integrated on school sites is critical and will facilitate similar

successful models to be developed. However, we are concerned that the timelines for this are 5-30 years. Planning for new services is occurring now and there is no need for such a time lag.

It is acknowledged that a longer time frame would be required for this model to be extended to existing state schools.

We have some reservations about adopting a “one size fits all” approach with this model. Again, service planning, tailored to the needs of individual communities is important. Consideration needs to be given to the best configuration of services and infrastructure. This could include the development of more specialist facilities adjacent to school sites to provide safe spaces for more vulnerable people in the community who may not wish to access services that are located in schools.

It is also important that the overall provision of facilities for the community, such as sporting facilities, are not reduced as a result of increasing access to school facilities. We are also concerned that not everyone finds schools welcoming. There are many people in the community who have had negative educational experiences and thus would not use community facilities that are located in schools.

- *Increase the land allocation for new schools in PSPs to accommodate integrated community facilities*

The size of school sites allocated through the PSP system needs to be increased if these sites are to accommodate integrated community facilities. There are several examples where the size of the land allocated for schools is not sufficient to accommodate integrated early years services without expanding this to other community facilities. There is a need for the State Government to develop more flexible designs, such as multi-storey buildings, to enable integrated services to be developed. Consideration also needs to be given to increasing the allocation of land in PSPs for schools.

Government service/infrastructure planning

- *Formalise a municipal-based whole-of-government, integrated community service and infrastructure planning and investment process within 0–2 years.*

We strongly support the recommendation related to a whole-of-government, integrated planning and investment process and believe that this will improve the provision of services. However, we are concerned that the timelines are too long in relation to community infrastructure and should be reduced to one year, particularly in outer north and western municipalities such as Wyndham, where rapid growth outstrips almost all municipalities in Australia. The current high number of births in these municipalities indicates that the needs are immediate.

- *Expand the service planning and infrastructure to facilitate collaboration with not-for-profit organisations (NFPs)*

We disagree that there is a limited role for the state in relation to early childhood education infrastructure provision. The current model of “Local Government builds kindergartens; State Government builds schools” is manifestly inadequate. The State Government has significant capabilities and leverage to support the development of more flexible approaches to planning and developing community services and infrastructure. This could include different and more flexible approaches to funding through existing grants, such as the Early Years Infrastructure Fund and the Interface Council Infrastructure Fund.

There is a need to consider a range of models that incorporate contributions from NFPs. This does not mean the development of Public Private Partnerships (PPP), where a financial return is made to the non-government agency/private enterprise. Consideration needs to be given to developing partnerships where any financial return is invested in the community and that the service delivery models ensure that all children, young people and their families have equal opportunities to access affordable education, skills and training.

The model that the Brotherhood has developed in partnership with Goodstart Early Learning, Australia’s largest not for profit ECEC provider, is one example of this. This model is centred on the delivery of early childhood education and care programs, using engagement with families through maternal and child health, child care and kindergarten programs to identify and support children and families who require additional support. The “profit” that is accrued through the Commonwealth funding model is re-invested into the community to provide family support programs, allied health support for children with developmental delay such as speech therapy and support to link parents into

education, training and employment. This contributes to the provision of a long-term, sustainable funding model. The model requires effective partnering with local government and other providers around capital funding for infrastructure. Goodstart is also willing to invest in capital, to ensure that the infrastructure is flexible to accommodate this integrated approach. Such a model also requires the commitment of the State Government to use its funding to commission for outcomes in partnership with Local government and others.

The research undertaken by the Interface Councils in 2011 estimated that to close the gap between Interface and non-Interface Council areas, an investment of approximately \$9.8 billion (in constant 2011 dollars) was required over the coming 15 years to provide range of new and upgraded infrastructure and services in the Interface Councils. This infrastructure includes kindergartens, primary and secondary schools, TAFE, aged care, hospitals, libraries and public transport and related service provision¹¹. Consideration needs to be given to the type of infrastructure that is available to accommodate the range of service providers that are needed now and into the future to ensure that all residents in the outer growth communities have timely access to the services they need. At present, there is a significant deficit in such community infrastructure.

Our involvement in community hubs in Whittlesea (Epping Community Services Hub) and Hume (The Connections@Craigieburn Hub) has provided us with the opportunity to work in partnership with other agencies to develop integrated and complementary services to provide for the complex needs of these growing communities. It has also assisted in leveraging other funding and programs into the community. Being located in the same building has provided an opportunity to develop this approach in partnership with one another and the community. However, this has required access to appropriate infrastructure, in this case an investment by the respective local Councils.

Need Seven: Provide better access to housing for the most vulnerable Victorians

- *Develop a robust and innovative Affordable Housing Plan within one year*

We commend the general approach of the Strategy, acknowledging that affordable housing is essential infrastructure. The data in relation to affordable housing in Victoria is alarming. The median house price in Melbourne in 2001 was 4.7 times the median household income¹². By 2016, this had risen to 8 times the median income, now sitting at \$740,000. A similar picture exists for private rental properties. The Anglicare *Rental Affordability Snapshot*, undertaken on 2-3 April 2016, indicated that of 17,330 private rental listings in Melbourne, a total of 13 properties are affordable and appropriate for people on Commonwealth social security payments¹³. Broken down into payment categories, the picture is even more disturbing. The quantum of available properties at the time of the study were:

- For a single person on the Parenting Payment: two properties;
- For couples with two children on the Newstart Allowance: three properties;
- For a single person on the Newstart Allowance: four properties; and
- For a single person on the Disability Support Pension: four properties.

In this context, we believe that the development of an Affordable Housing Plan is urgent. We cannot understand why a 5-year timeline is set for this task. The State Government is already undertaking detailed analysis and consultations for an Affordable Housing Strategy to be released in November 2016. The core policy levers are well known and thus a one year timeline to finalise the plan is sufficient. We believe that key elements of this Plan should be:

- Inclusionary zoning, (e.g. in urban renewal areas);
- Floor space area ratios, height bonuses and other planning incentives for affordable housing;
- Fast track social housing and affordable housing projects in the planning system;
- Renewing and reshaping public housing estates to meet the needs of different household types;

¹¹ Interface Councils, 2015, *Creating Liveable Communities in the Interface*

¹² Date presented by Professor Roz Hansen, Urban and Regional Planner at “Redesigning Our Approach to Housing Melbourne’s Growing Population” The Evan Walker Conversation, Melbourne 20 October 2016

¹³ Anglicare Victoria, 2016, *Anglicare Rental Affordability Snapshot, 2016*, www.anglicarevic.org.au

- Increase the capacity of community housing providers to build and leverage their assets;
- Increase the supply of social housing through direct investment; This could include the hypothecation of a percentage of the revenue gained for the stamp duty on land transfers by the State Government, (which in 2014-15 approached \$5 billion), into an Affordable Housing Fund.
- Set targets for the supply of affordable housing at the sub-regional and local government level.

Importantly, we believe that provision of housing needs to be seen on a continuum, providing support for people experiencing homelessness through to independence in the housing market through private home ownership. This is illustrated in the diagram below¹⁴.



- *Focus on policy reform: additional crisis and transitional housing is not needed*

We question the assumption that the Strategy should include an increase in crisis accommodation. Rather, we believe that more effective interventions, targeted at household needs and circumstances, are more effective. If policy reform is enacted to unblock pathways into affordable housing (private rental, supported and social housing), then there is an argument that additional crisis and transitional housing is not needed. In particular, more effective early intervention strategies aimed at addressing the causes of homelessness are required. This includes focussing on supporting individuals, particularly women and children, escaping family violence, young people leaving institutional settings and ex-offenders.

A range of innovative and effective models currently exist, such as rapid re-housing and Youth Foyers. Consideration needs to be given to expanding these approaches not simply increasing crisis and transitional housing.

Need Nine: Provide access to high quality-education infrastructure to support lifelong learning

- *Expand the development of spaces for lifelong learning to include community education providers and neighbourhood houses*

We support the use of tertiary education, TAFE assets and public libraries to facilitate spaces for lifelong learning. However, the Strategy does not include community education providers and neighbourhood houses, both of which are important in a lifelong learning environment. These providers play a critical role in engaging with people who have disengaged from education and training, many of whom are the most vulnerable and disadvantaged members of our community. This includes young people, people who are experiencing mental and physical health issues and newly arrived people, including refugees. These providers are dependent on local government and/or philanthropic resources to fund facilities. Again, a more flexible approach to funding is required.

We appreciate being able to contribute to this important Strategy and would welcome the opportunity to engage further with Infrastructure Victoria and the State Government in the implementation of the Strategy, particularly in the urban growth areas and in relation to addressing affordable housing.

Yours sincerely,

Tony Nicholson
Executive Officer

¹⁴ Hansen, Roz, *op cit*