

5 SOUTH EAST MELBOURNE (SEM) CITY DEAL UPDATE

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RECOMMENDATION

That Cardinia Shire Council continues to work collaboratively with the South East Melbourne group of Councils on the preparation of a SEM City Deal, including the development of projects to be included within the proposed City Deal.

Attachments

Nil.

EXECUTIVE SUMMARY

South East Melbourne (SEM) have been working collaboratively with the state and federal government to develop a proposed City Deal for the SEM region, which seeks to deliver major infrastructure projects, service changes, policy and regulatory reforms to better support the regions long-term needs.

This report provides an update on the process undertaken to date, outlines the regions challenges the City Deal intends to address and details the four key policy pillars that form the foundations for prioritising actions for inclusion in a City Deal.

Additionally, this report seeks Council's support to continue collaborative efforts with SEM in working towards a City Deal that seeks to deliver positive transformative outcomes for the region. A City Deal assures a long-term investment commitment from all three levels of government, strengthening the south-east's position as one of the most important regions in Australia.

BACKGROUND

South East Melbourne (SEM) is a grouping of eight councils in the southern metropolitan region of Victoria which advocates for investment, prosperity, jobs and sustainability across the whole region. Member Councils include Monash, Casey, Greater Dandenong, Kingston, Frankston, Cardinia, Mornington Peninsula and Knox.

South east Melbourne is one of the fastest growing regions in Australia's with population predicted to surge to almost 2 million by 2036. The region, with currently more than 1.4 million residents, produces \$74.7 billion in Gross Regional Product, or just under 20 per cent of Victoria's total Gross State Product, and is one of Australia's largest manufacturing regions, with more manufacturing jobs than greater Adelaide and Western Sydney.

As a region, the south east of Melbourne enjoys the combined capabilities and attributes of SEM's eight municipalities, business leaders, education providers, community organisations and external stakeholders, all whom are crucial to SEM's success. SEMs Board includes external directors Simon McKeon AO (Chair), the Hon Bruce Billson and the Hon Simon Crean in addition to each member Council's CEO.

Following a federal election commitment in May 2019, the SEM group has been working collaboratively to develop a proposed City Deal for the SEM region. A City Deal is a genuine

partnership between the three levels of government (local, state and federal) and the community that aligns planning, investment and governance towards a shared vision for productive and liveable cities. To date, only seven City Deals have been agreed to across the country with two additional deals in development in South East Queensland and Perth. City Deals often require financial contributions from local government, usually through capital and operational expenditure typically allocated annually or planned strategically, coupled with significant contributions from federal and state government.

Both federal and state government have committed to working with the SEM group to produce a City Deal, expected to be delivered from 2020-2021 and beyond over the next 15-20 years.

A key aim of the SEM City Deal is to create an ideal social landscape by recognising South East Melbourne as a 'city within a city', moving from a model where the Melbourne CBD is the centre to having multiple centres within greater Melbourne. This would develop South East Melbourne as a more efficient and equitable region, creating multiple centres of activity where people can live, work, access training, health services, facilities, recreation opportunities and more, all within 20 minutes from their home. Creating new local jobs over the next 20 years is to be a key focus of the SEM City Deal.

SEM City Deals Governance

Negotiations have commenced with the federal government regarding the governance structure of the City Deal. The SEM Board have endorsed proposing to the department of Population, Cities and Urban Infrastructure a City Deals leadership group comprising of:

- All eight Council Mayors with one elected as spokesperson (one vote)
- A CEO representative
- A non-local government board member.

Confirmation of the City Deals governance structure is yet to be confirmed and discussions have been understandably delayed by the management of pandemic by all three levels of government.

This report proposes that Cardinia Shire Council continues to be involved in all future SEM City Deal discussions in order to deliver the best possible outcomes for our local community and the broader south-east region.

SEM's vision statement is designed to be long term and ambitious, seeking to be:

- A globally recognised region known for its dynamic economy and leadership that drives higher standards of living for every individual.

A SEM City Deal aspires to:

- Create a region serviced by many centres with highly functioning education, health and employment hubs, close to where people live, providing easily accessible jobs, services and opportunities.
- Develop new governance arrangements driven by innovative government, business and community leadership.
- Stimulate urban renewal and drive economic reforms.
- Be Australia's most liveable city region.

POLICY IMPLICATIONS

SEM is currently finalising policy position papers which identify four key pillars and include high-level, tested outcomes for each. The policy papers will inform the “asks” SEM will prioritise and propose to federal and state governments in the form of projects and actions for inclusion in a City Deal. The key pillars are:

- Economic sustainability.
- Environmental sustainability.
- Transport and connections.
- Stronger families and communities.

A stakeholder workshop was undertaken on 30 January 2020 involving key internal and external stakeholders to test and expand on the draft policy papers and outcomes included in each. Feedback obtained allowed for further refinement of each policy to ensure each ‘asks’ will align with community and industry needs and challenges.

RELEVANCE TO COUNCIL PLAN

The SEM City Deal vision and position papers is wholly consistent with Cardinia Shire Council, Creating the Future Council Plan 2018, covering all five key strategic objectives:

Our people
Our community
Our environment
Our economy
Our governance

CONSULTATION/COMMUNICATION

This report has been developed collectively by the SEM Group, allowing each Council an opportunity to contribute to its development and provide feedback on content. No other stakeholders have been consulted in the preparation of this report.

Development of the SEM City Deal requires significant consultation between governments, community and private enterprise. In conjunction with SEMs secretariat, SEM will continue to collectively engage with all key internal and external stakeholders as it advances its position towards executing a City Deal Memorandum of Understanding (MOU) between state and federal governments.

Victorian Charter of Human Rights and Responsibilities

The Victorian Charter of Human Rights and Responsibilities has been considered in the preparation of this report but is not relevant to its contents.

FINANCIAL AND RESOURCE IMPLICATIONS

At this early stage of the City Deal Development, all costs are covered within existing budgets and with council staff working in partnership across the region.

CONCLUSION

Over the past two years, the SEM group has proven to have a strong and productive working relationship that is delivering positive outcomes in the development of a SEM City Deal. It is important that Cardinia Shire Council continues to be included in all future SEM City Deal discussions in order to deliver the best possible outcomes for our local community and the broader southeast region.