



NATIONAL GROWTH AREAS ALLIANCE (NGAA) RESPONSE TO THE SMART CITIES PLAN

INTRODUCTION

The National Growth Areas Alliance (NGAA) welcomes the Smart Cities Plan and the City Deals approach. With other peak organisations, NGAA has been promoting the City Deals concept for at least the last 2 years.

It is important to recognise however that the circumstances in the UK are different to Australia. Local Government is much bigger in the UK and has more ability to contribute financially. In Australia that ability is highly constrained. However as the level of Government closest to community, there are certainly roles that Local Government can play and much for local councils to gain. These are articulated in the report by Price Waterhouse Coopers (PwC) on a dedicated fund for outer growth areas (Attached). This report also canvases raising capital in a range of ways including value capture. These should be considered and used if appropriate. But it is important to note that these measures do not obviate the need for Government investment which will still be required.

It must also be recognised that the population growth, in large part through Federal Immigration policy, disproportionately settles in the suburbs on the outskirts of capital cities. However, successive Governments have failed to adequately provide for these people. The impacts have been demonstrated in poorer outcomes on a number of key indicators. This is creating a widening social divide based on where you live. Attention must be focussed on these areas if we are to truly have smart cities.

Also often overlooked is the enormous potential these areas offer to be the suburbs of the future and showcases of what is possible. But this will require the infrastructure that will support jobs clusters and services closer to where people live.

It is imperative that the implementation of the Smart Cities Plan and City Deals prioritise these areas. Our research has demonstrated a massive infrastructure backlog of \$50 billion with another \$23 billion being needed to 2031 just for roads, rail and health facilities. We need to do better and that is why we have advocated for a dedicated infrastructure fund.

OPPORTUNITIES IN OUTER GROWTH AREAS

A focus on outer growth areas is not only about equity, it's also about taking advantage of existing and future opportunities. One of those opportunities has been recognised – Western Sydney and the potential around the new Airport. The focus should not only be on the airport and how it connects to Parramatta and Sydney but also on the North West and South West growth corridors and the potential for

economic uplift across the Western Sydney region by linking them with each other and with employment.

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There are many other opportunities in the outer growth areas, which offer:

- Affordable land
- Easier development being largely greenfields
- Access to young populations and workforces
- Local government eager to attract jobs and services for their communities

30 MINUTE CITIES

The concept of a 30 minute city is an excellent goal. However, in outer growth areas it is more like 90+ minute cities at present. That will only worsen without a deliberate focus by all levels of Government on these areas and commensurate investment in the infrastructure that can help transform them.

Investment is needed in more public transport, better road connections to open up employment land, attract business and create jobs. This will allow more people to work closer to home and have access to the services and opportunities they need.

As well as transport, catalytic infrastructure like health facilities provide services as well as jobs and act as a magnet for other businesses.

PROJECTS THAT COULD HELP TRANSFORM OUTER GROWTH AREAS

Examples of the sorts of projects that could help transform outer growth areas include:

- ***A rail line to link Western Sydney's high growth arc and connect the North and South West Growth Centres***
- ***Finish fixing Thompsons Road to address a major bottleneck at the Thompsons Road/Western Port Highway intersection***
- ***Complete the electrification of the Gawler rail line and possible extension to Tanunda***
- ***Connecting Cockburn and Armadale in WA with a new bridge and connecting roads***

These projects are all about strategic connections that will attract business, cut travel time and costs for residents and businesses, provide access to jobs and services and open up employment land. Please see a list of priority projects and their expected impact attached.

CITY DEALS AND NON CITY DEALS AREAS

The aspects of the City Deals approach which we believe are most useful are:

- The partnership approach across all levels of government
- Grounded in strategic planning
- A place based focus – whether an LGA or a region
- An outcomes focus.

Some areas will, however, be more naturally suited for city deals than others. There will also be some that are more advanced than others. These areas still need investment – just through a different pathway.

Part of the uplift from City Deals would be expected to contribute to infrastructure in the City Deals area. The part of the uplift that would otherwise go back into general revenue could be corralled and provided to non City Deals areas.

PARTNERSHIP APPROACHES

Some question the ability of the three levels of government to work in partnership to deliver the Smart Cities Plan. We have drawn on some examples from Australia and abroad to illustrate how such partnerships can work and deliver on the ground.

We have also drawn on existing partnerships in outer growth areas to demonstrate the capacity of growth councils to work together to achieve outcomes for their communities.

The Vancouver Agreement

The Vancouver Agreement (VA) was a bold and demanding collective effort among three levels of government to address a serious social and economic situation in Vancouver's inner city. The VA was a dynamic initiative that embraced a wide spectrum of citizens in government, community and the private sector. It adapted to a decade of social and political change as it grappled with complex systemic community issues. The Agreement succeeded in leveraging nearly \$28 million over 10 years to support 96 projects with close to 50 partners. (Source Vancouver Agreement, 2000-2010 Highlights, June 2010). The Vancouver Agreement Website describes the partnership and governance arrangements in more detail <http://www.vancouveragreement.ca/the-agreement/>

Suburban Jobs Program - Stretton Centre, Playford, SA

One of the three projects funded under the Australian Government's Suburban Jobs Program, the Stretton Centre is a community-based, action learning hub where researchers, business people and local communities work side-by-side toward a shared goal of sustainable industry and workforce development in Adelaide's northern region. The centre involves a partnership between the City of Playford, the University of Adelaide and the Urban Renewal Authority (Renewal SA). Collaboration is integral to the DNA of the entire project. To date this has involved contributions from all levels of Government, research, community and industry sectors.

Orchard House, Armadale, WA

Orchard House is a multi storey commercial building in Armadale's city centre. Following a decade of trying to get the State Government to invest in such a building, the Council took the initiative to construct it and negotiated a lease with the Government. Fully leased nine months after construction, the building has provided accommodation for a growing workforce, created additional jobs, set the tone for the Civic precinct and boosted GRP. The building has been a sound business venture and had excellent outcomes for the City, including contributing to making the town centre a vibrant place, to regional economic development and acting as a flagship development for others to emulate.

Growth Councils Working Together

Outer metro Councils are used to working together to get better outcomes for their communities with shared aspirations and circumstances uniting them. This has included joint:

- research
- submissions
- program and project proposals
- economic and business attraction and development
- advocacy

Examples are:

- Victorian Interface Councils Group
- Growth Areas Perth and Peel (GAPP), WA
- Casey Cardinia Region – economic development
- Cockburn and Armadale Councils – economic development and advocacy
- NSW Outer Western Sydney Councils – Badgery's Creek Airport

FRAMEWORK FOR IMPLEMENTING SMART CITIES IN OUTER GROWTH AREAS

NGAA recently commissioned a report by PwC on how a dedicated national infrastructure fund for fast growing outer suburbs could work. The report, *Dedicated Infrastructure Fund for Australia's Outer Urban Growth Areas*, is attached.

Support for the approach outlined in the report has been received from prominent peak organisations - the Property Council of Australia, Consult Australia and the Committee for Sydney.

Preliminary discussions have commenced with State Governments, Infrastructure Australia, Infrastructure NSW and Infrastructure Victoria as well as the Greater Sydney Commission and the Melbourne Metropolitan Planning Authority. The feedback to date has been positive. Questions around the more detailed considerations relating to governance will need to be further teased out.

NEED FOR A CROSS GOVERNMENT FOCUS ON OUTER GROWTH AREAS

Infrastructure Australia has told us that we need to be planning and investing now to meet the challenges of a much larger population, predominantly in our cities. Outer metropolitan areas are housing a disproportionate share of this population growth but without the commensurate support and investment in basic infrastructure. As indicated past policy failure has resulted in a massive infrastructure backlog.

The current situation in Britain has highlighted the dire consequences of people feeling left behind. Divided cities where those on the outer feel hardly done by is on the cards in Australia unless there is concerted and urgent action. So far that message is not being adequately heeded.

Governments have, however, realised that this sort of action requires a place based approach with partnerships across levels of government and joint investment.

Examples of where this has occurred to differing degrees are Western Sydney, Tasmania, Northern Australia and more broadly, rural and regional Australia.

Other than Western Sydney as a specific region, outer growth areas have never had this sort of focus. This defies logic, when the population growth, disadvantage indicators and available opportunities are considered.

Federally, while we have a designated Ministry position on Cities, the NSW Premier is also the Minister for Western Sydney and in Victoria there is a Minister for Suburban Development and a Growing Suburbs Fund. Let's start to take our outer suburban growth areas more seriously and have a similar Federal focus. This will require a dedicated cross Government approach and commensurate investment in the fast growing outer suburbs.

To truly develop 30 minute cities, improve productivity and lifestyle and generate real returns on investment, the Smart Cities Plan must prioritise Australia's fast growing outer suburbs. Our research has shown investment in these areas will outweigh costs, create jobs, increase tax revenues and permanently boost national Gross Domestic Product.