



RURAL COUNCILS VICTORIA PLATFORM 2019

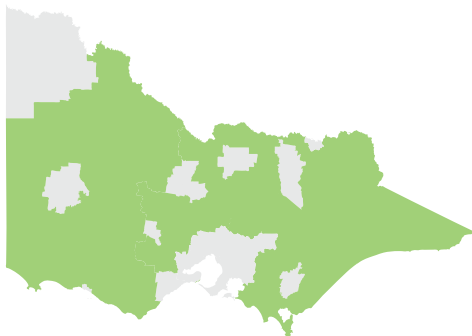


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Victoria is at a crossroads about what kind of state we want to be. On the surface, our population is growing rapidly, our economy is performing strongly and quality of life is generally good. But below the surface, the story is different. While our cities surge ahead, rural Victorians face declining populations, employment challenges and poorly maintained infrastructure. Rural Victoria is an essential part of our state, but it's not getting the investment it needs to keep up.

Representing the vast majority of the 1 in 9 Victorians who live in rural communities, Rural Councils Victoria has 37 member councils right across the state. Local government has a key role to play in promoting sustainable, liveable and prosperous rural communities, and this platform identifies ways that state and local governments can better support the needs of rural Victorians.

We're committed to delivering better outcomes for rural Victorians. Let's work together to make it happen.



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\$3.5m over four years

A Minister for Rural Victoria



Liveable communities

The most important role of any level of government is ensuring that our residents have a good quality of life. For local government, this means creating communities that have accessible services, quality infrastructure, and are well-maintained. But with increasing cost pressures, it's becoming harder for smaller councils to go the extra step required to make towns great places to live. With more money needed for essential infrastructure and basic upkeep, funding for libraries, community centres and environmental programs can quickly dry up.

Through stronger partnerships and increased funding for liveability measures, state and federal governments are in a strong position to work with councils and make an immediate difference to rural communities.

Increased funding for the mobile black spot programme

Quality mobile phone connectivity isn't just about convenience – it's essential for small businesses, emergency services and visitor economies to thrive. Unfortunately, far too many parts of rural Victoria still lack effective mobile phone access, cutting entire communities off from an essential service that most Victorians living in cities take for granted.

Too much of rural Victoria is still not connected to mobile reception, and while initial funding for black spot removal is welcome, it's just not enough to cover everywhere it's needed.

An extra **\$11 million in the 2019-2020 budget** would extend the programme even further.

Additional roadside weed and pest elimination funding

Councils are at the front line of weed and pest management in parts of Victoria. But funding allocated to councils to manage roadside pests and weeds is barely enough to keep problems at bay, let alone properly eliminate infestations. In the past year, a perfect storm of weather conditions has caused a significant increase in weed growth, and crews are struggling to keep persistent problems under control. Without increased support, councils will never be able to seriously tackle weed and pest issues.

Committing to increased and ongoing funding for weed and pest maintenance in the 2019-2020 budget will allow councils to attack the problem properly, saving money and time in the long run.

Community spaces fund

Successful neighbourhoods have places where communities come together. From function halls to playgrounds to public open space, community infrastructure is an essential part of any liveable community.

But on top of increasing costs for construction in rural Victoria, smaller councils have a limited capability to fund these project. Communities throughout rural Victoria are missing out on essential

facilities and the services they provide, and it's stopping our towns from meeting their liveability potential.

A dedicated community spaces fund of **\$100m each year for four years** for rural councils would enable them to fund upgrades to existing facilities and build new ones, maintaining the vibrant community spaces that define rural Victoria.

It's worked before.

Tallangatta Community Centre

Rural communities have significant challenges accessing a range of services metro residents take for granted. In Tallangatta, Towong Shire Council designed a facility to address the town's critical gap in support services for families by co-locating maternal and child health facilities within the same space as a library, kindergarten, community space and council service centre.

Through the project, Towong Shire Council was able to improve services deliver and centralise many functions, lowering ongoing costs while meeting community needs.

Despite being a worthy project, securing funding was extremely complex for a project of its size. Towong Shire Council had to source funding from four separate funding pools to get the project under way, and any change to this funding setup could have jeopardised the project. A centralised Community Infrastructure Fund will give councils a single funding source, reducing project risk and bureaucracy while delivering better outcomes for residents.



Population growth

Victoria is growing, but not all of Victoria is growing equally. Rural Victoria has jobs, a great lifestyle and substantial opportunities, but our population isn't growing anywhere near the rate of Melbourne.

We need policies that encourage families to make their home in rural Victoria. More people moving to rural communities will revitalise rural economies and reduce the pressure on Victoria's cities, while guaranteeing a future for rural Victoria.

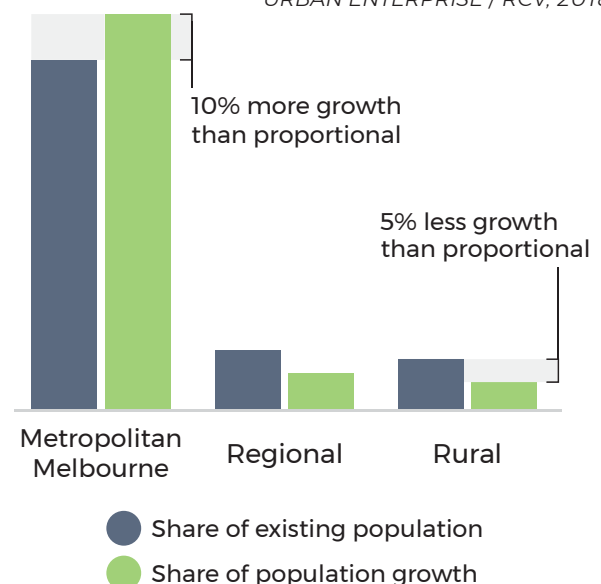
Growing rural Victoria's population also benefits Melbourne residents. Reducing pressure on Melbourne's services and infrastructure while revitalising the rural destinations Melburnians frequent will maintain the balance that matters to every Victorian.

State government strategy to support rural population growth

Victoria's growth is becoming increasingly lopsided. In the past year, population growth has been disproportionately high in Melbourne – attracting 86% of population growth despite having just 76% of the state's population. With increasing congestion and planning challenges in Melbourne, it's time for the Victorian Government to develop a comprehensive strategy to redirect more of this growth to rural Victoria.

SHARE OF POPULATION AND POPULATION GROWTH

URBAN ENTERPRISE / RCV, 2018



Incentives and support to encourage migrants to make rural Victoria their home

Moving to a new community is a big deal, so giving potential residents a helping hand could make a big difference.

State government incentives, like reducing stamp duty for families moving to rural Victoria or subsidising education costs, could help lower the barriers to migration. So too, could support for visa changes and business incentives to encourage international migration to rural Victoria.



Broader job offerings

Rural Victoria is known for its agricultural businesses. But while large agricultural employers are important for rural economies, rural Victoria needs a broader range of jobs to guard against challenges in the agricultural sector. Initiatives that support small businesses and broad-based employment growth are necessary to ensure rural Victoria continues to not only grow, but grow sustainably.

Development of a microjobs strategy for rural Victoria

Major employers are important, but the real opportunities for jobs growth exist in supporting many small businesses to add just a small number of staff. A state-wide strategy and associated funding to help small businesses add more hours and staff would make a significant difference to rural businesses and economies.

Main street redevelopment fund

Small businesses are the backbone of rural economies, and the heritage shopping strips they occupy are a central part of rural Victoria's character. When main streets are attractive and effective, they increase visitor numbers, boost average spend and create a location ready-made for community events. But when they don't get the attention they need, especially in small councils with significant funding challenges, small businesses and the jobs they create are at risk.

A main street redevelopment fund of **\$20m per year over four years** would go a long way to supporting the small businesses that support rural communities. Similar programs have had significant success in other jurisdictions. Main Street America, which coordinates redevelopments of main streets in towns across the United States, regular reports strong economic and community returns from investment. A recent project in Shakopee, Minnesota, saw local retailers increase sales by more than 22% following an investment of just \$110,000.

The former *Streetlife* program, launched in Victoria in 2012, produced similar results closer to home. Reactivating this program and expanding it would increase the strength of rural small businesses – keeping money in rural communities and providing new employment opportunities.



Support infrastructure

Recent investment from the state government in rural infrastructure is welcome, including the creation of Regional Roads Victoria and increased funding for rural road and rail projects. But essential infrastructure goes beyond roads and rail – bridges, pedestrian and bike paths, civic spaces and recreation facilities are all vital to communities, but remain outside the scope of funding for most infrastructure grants. Rural Victorians need an infrastructure funding model that delivers broader, better investment.

Sustainable community facilities fund

With increasing energy prices, it's becoming harder for councils to keep the lights on at halls, pavilions and community facilities across Victoria. Councils are trying to reduce energy costs by installing solar panels on facilities, but the upfront capital cost is often overwhelming despite ongoing savings.

A sustainable community facilities fund of **\$5 million over four years** would allow councils to install renewable energy infrastructure on existing facilities, reducing power costs, creating jobs and making community facilities more environmentally friendly.

Reducing commercial building requirements

Increasing the threshold at which councils must use a commercial builder would allow councils to hire local builders for small projects, reducing costs, increasing competition and supporting local jobs.

Broader, better infrastructure funding

Broadening infrastructure funding eligibility to include vital support projects like road drainage and open space will allow councils to include essential projects that don't currently meet finding requirements. Broader funding will also allow government-funded projects to capture more value and better serve local communities.

Further, lowering barriers to funding by increasing the threshold for competitive tendering processes would make it easier for smaller shires with limited staff to access funding for small, but essential projects. Reducing the application requirements for smaller projects would create efficiency both for councils and government, while ensuring communities receive the funding they need.

Making infrastructure funding simpler and broader will allow rural councils to cut down on paperwork and get on with delivering the projects rural Victorians deserve.

Critical projects are missing out on funding

Leongatha Business Precinct Leongatha | *GIPPSLAND SOUTH*

South Gippsland Shire Council has developed a comprehensive business case to revitalise Leongatha's business district and railway station with new streetscaping, better integration of public spaces and creative uses of disused spaces.

Local businesses and residents are supportive of the project, but South Gippsland Shire Council has struggled to secure government funding despite a pledge to contribute more than half the cost from council funds. Funding challenges have been exacerbated by the struggle to identify appropriate funding sources. An infrastructure fund that provides for public space works would allow Council to secure necessary funding and begin the transformation of Leongatha.



Murray Valley Highway entrance Echuca | *MURRAY PLAINS*

While significant state funding has gone into improving the Murray Valley Highway, support infrastructure such as entrance ramps, drainage and bridges, currently falls outside the scope of most road grants despite being critical to the road's utility.

The Shire of Campaspe is seeking support to develop new entrances to the highway to open up new land to commercial investment, but securing funding has proved challenging. This project would create hundreds of jobs, but is being held back by the limitations of current funding avenues. Allowing support infrastructure to be included in current road funding grants would allow this worthy project to secure funding, creating much-needed jobs and investment in Echuca.





Financial sustainability

Rural Victorians love our wide open spaces and tight-knit communities – it's what makes the region such a fantastic place to live and work. But despite the benefits, rural life has its challenges, and so do rural councils. With declining incomes and increasing demand on services, rural councils are finding it harder every year to meet the needs of their communities.

Rural councils want to be more efficient – keeping rates low for residents, spending revenue responsibly and delivering fantastic liveability. By investing in shared service provision, energy saving programs and collaborative procurement, councils will be able to make every dollar go further, but we need the state government's help to get there.

Extend the one-year Rural Councils Transformation Program

KPMG's *Rural and Regional Councils Sustainability Reform Program* report consistently identifies that cost-sharing and increased efficiencies must be a significant part of putting rural councils back on the path to financial sustainability. The \$20 million committed to transforming rural councils in this year's state budget is a great first step to meeting this need.

The focus on delivering large-scale projects with this funding poses a challenge. While significant opportunities exist that meet this criteria, many worthwhile projects from smaller councils (including those who need this funding most) may fail to meet the threshold for funding. With opportunities to improve efficiency at a range of scales,

focusing only on the largest projects won't necessarily achieve the results smaller councils need.

If rural councils have plans to make every dollar go further, we shouldn't be holding them back. Extending the Rural Councils Transformation Program for **an extra four years of \$20m per year** and reviewing proposals for smaller projects will ensure councils and residents from all corners of Victoria have the chance to be the best they can be.



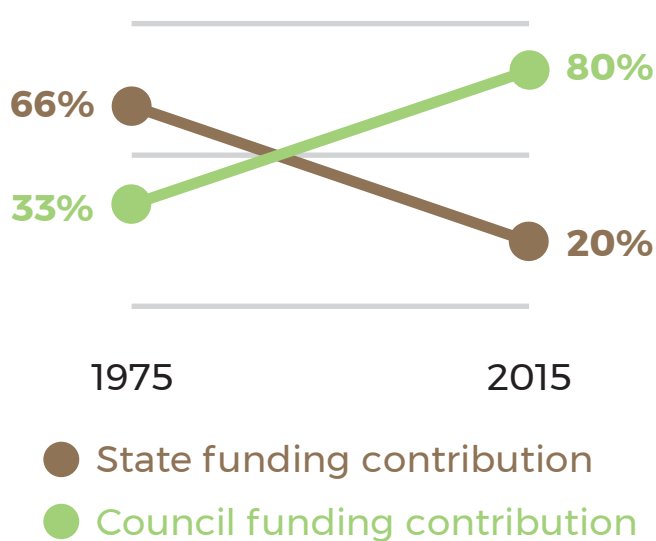
Improving service delivery

Rural councils are used to working in partnership with other levels of government to deliver services. From immunisation programs to emergency services, rural Victorians rely on projects co-funded by state and local government. While many of these partnerships work well, in some areas, councils simply lack the scale or expertise to deliver quality services to residents. If councils continue to bear responsibility for funding these services, it's unlikely that rural Victorians are going to see best practices or good value for money.

We can do better. By taking over programs state government is best placed to deliver, the Victorian Government will help free up struggling rural councils to deliver the services only a local council can provide.

SCHOOL CROSSING SUPERVISOR FUNDING LEVEL CHANGES

MAV, 2015



Establish a working group to deliver a fairer balance of state and council funding for services

The 2018 *Parliamentary Inquiry into the sustainability and operational challenges of Victoria's rural and regional councils* concluded unanimously that councils' responsibilities should be reconsidered and reviewed as a priority.

RCV is calling for the Victorian Government to enact this recommendation and establish a working group to examine and adjust the share of essential service funding, or manage a state takeover where appropriate. Rather than taking a piecemeal approach, a working group with council and state representatives could view the problem holistically and recommend long-term changes that benefit everyone.



Better representation

The nearly 750,000 Victorians who live in rural areas have unique needs – they need a voice that represents them.

Rural Councils Victoria performs vital work supporting rural communities across the state. Continuing to support this work will ensure no Victorian gets left behind, and everyone has a place at the table.

Ongoing funding for Rural Councils Victoria

Rural Councils Victoria is more than just an advocacy group. We run events, training and research to ensure rural Victorians have access to high-quality services and localised information.

With an extensive history of high-quality research and resourcing, Rural Councils Victoria gives rural Victorians and governments at all levels a better understanding of how rural Victoria can succeed.

Providing ongoing funding of **\$3.5m over four years** in next year's budget will ensure we can continue to connect communities and help keep rural Victoria a fantastic place to work and live.

A Minister for Rural Victoria

For Victorians living in cities, regional and rural Victoria are often put in the same basket. In reality, the needs of regional cities like Geelong and small rural communities like Nhill couldn't be further apart.

That's why rural Victorians need a dedicated voice in cabinet. A Minister for Rural Victoria will give the 1 in 9 Victorians who live in rural areas a spot at the cabinet table, ensuring policies deliver for all Victorians – not just those in our cities and regional centres.



CREATING UNDERSTANDING THROUGH RESEARCH

It's no secret that rural Victoria is different from metropolitan Victoria. But making effective policy requires more than just a rudimentary understanding of what needs to change – good policy needs research.

Working with member councils, rural communities and independent consultants, Rural Councils Victoria routinely undertakes extensive research into the challenges faced by rural Victorians. One recent report, *Population Growth in Rural Victoria: Opportunities and Actions*, published by RCV in July, not only provides detailed insights into the population challenges faced by rural Victorian communities, but clear, evidence-based solutions.

Research like this takes the guesswork and politics out of the issues that really matter, providing governments, businesses and communities with the evidence and the tools they need to tackle big challenges effectively.

We're proud of this work, we know it matters, and ongoing funding for Rural Councils Victoria will allow us to continue its delivery.

