

Ordinary Meeting of Council Agenda

**to be held on Tuesday 4 September 2018 at 7.00pm
Richmond Town Hall**

Arrangements to ensure our meetings are accessible to the public

Council meetings are held at either the Richmond Town Hall or the Fitzroy Town Hall. The following arrangements are in place to ensure they are accessible to the public:

- Entrance ramps and lifts (off Moor Street at Fitzroy, entry foyer at Richmond).
- Interpreting assistance is available by arrangement (*tel. 9205 5110*).
- Auslan interpreting is available by arrangement (*tel. 9205 5110*).
- A hearing loop is available at Richmond only and the receiver accessory is available by arrangement (*tel. 9205 5110*).
- Proposed resolutions are displayed on large screen.
- An electronic sound system amplifies Councillors' debate.
- Disability accessible toilet facilities are available at each venue.

Recording and Publication of Meetings

An audio recording is made of all public Council Meetings and then published on Council's website. By participating in proceedings (including during Public Question Time or in making a submission regarding an item before Council), you agree to this publication. You should be aware that any private information volunteered by you during your participation in a meeting is subject to recording and publication.

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Order of business

- 1. Statement of recognition of Wurundjeri Land**
- 2. Attendance, apologies and requests for leave of absence**
- 3. Declarations of conflict of interest (Councillors and staff)**
- 4. Confidential business reports**
- 5. Confirmation of minutes**
- 6. Petitions and joint letters**
- 7. Public question time**
- 8. General business**
- 9. Delegates' reports**
- 10. Questions without notice**
- 11. Council business reports**
- 12. Notices of motion**
- 13. Urgent business**

1. Statement of Recognition of Wurundjeri Land

"Welcome to the City of Yarra."

"Yarra City Council acknowledges the Wurundjeri as the Traditional Owners of this country, pays tribute to all Aboriginal and Torres Strait Islander people in Yarra and gives respect to the Elders past and present."

2. Attendance, apologies and requests for leave of absence

Anticipated attendees:

Councillors

- Cr Daniel Nguyen (Mayor)
- Cr Misha Coleman (Deputy Mayor)
- Cr Danae Bosler
- Cr Mi-Lin Chen Yi Mei
- Cr Jackie Fristacky
- Cr Stephen Jolly
- Cr Mike McEvoy
- Cr James Searle
- Cr Amanda Stone

Council officers

- Vijaya Vaidyanath (Chief Executive Officer)
- Stewart Martin (Acting Director - Corporate, Business and Finance)
- Ivan Gilbert (Group Manager – Chief Executive's Office)
- Lucas Gosling (Acting Director - Community Wellbeing)
- Chris Leivers (Director – City Works and Assets)
- Bruce Phillips (Director - Planning and Place Making)
- Jane Waldock (Assistant Director - Planning and Place making)
- Mel Nikou (Governance Officer)

3. Declarations of conflict of interest (Councillors and staff)

4. Confidential business reports

Item

- 4.1 Matters relating to legal advice
- 4.2 Matters relating to legal advice; AND Matters relating to the security of Council property
- 4.3 Contractual matters

Confidential business reports

The following items were deemed by the Chief Executive Officer to be suitable for consideration in closed session in accordance with section 89 (2) of the *Local Government Act* 1989. In accordance with that Act, Council may resolve to consider these issues in open or closed session.

RECOMMENDATION

1. That the meeting be closed to members of the public, in accordance with section 89 (2) of the *Local Government Act* 1989, to allow consideration of:
 - (a) matters relating to legal advice;
 - (b) matters relating to the security of Council property; and
 - (c) contractual matters.
2. That all information contained within the Confidential Business Reports section of this agenda and reproduced as Council Minutes be treated as being and remaining strictly confidential in accordance with the provisions of sections 77 and 89 of the *Local Government Act* 1989 until Council resolves otherwise.

5. Confirmation of minutes

RECOMMENDATION

That the minutes of the Ordinary Council Meeting held on Tuesday 21 August 2018 be confirmed.

6. Petitions and joint letters

7. Public question time

Yarra City Council welcomes questions from members of the community.

Public question time procedure

Ideally, questions should be submitted to Council in writing by midday on the day of the meeting via the form available on our website. Submitting your question in advance helps us to provide a more comprehensive answer. Questions that have been submitted in advance will be answered first.

Public question time is an opportunity to ask questions about issues for which you have not been able to gain a satisfactory response on a matter. As such, public question time is not:

- a time to make statements or engage in debate with Councillors;
- a forum to be used in relation to planning application matters which are required to be submitted and considered as part of the formal planning submission;
- a forum for initially raising operational matters, which should be directed to the administration in the first instance.

If you wish to raise matters in relation to an item on this meeting agenda, Council will consider submissions on these items in conjunction with and prior to debate on that agenda item.

When you are invited by the meeting chairperson to ask your question, please come forward and take a seat at the microphone and:

- state your name clearly for the record;
- direct your questions to the chairperson;
- ask a maximum of two questions;
- speak for a maximum of five minutes;
- refrain from repeating questions that have been asked previously by yourself or others; and
- remain silent following your question unless called upon by the chairperson to make further comment or to clarify any aspects.

8. General business

9. Delegates' reports

10. Questions without notice

11. Council business reports

Item		Page	Rec. Page	Report Presenter
11.1	Yarra Housing Strategy	7	14	David Walmsley – Manager City Strategy
11.2	Spatial Economic and Employment Strategy	109	115	David Walmsley – Manager City Strategy
11.3	Draft Waste Minimisation and Resource Recovery Strategy 2018– 2022 (WMRRS)	238	243	Colm Connolly – Manager City Works
11.4	2017/18 Annual Financial Statements, Performance Statement, and LGPRF Reports adoption 'in principle'.	306	308	Ange Marshall – Chief Financial Officer
11.5	Report on Assemblies of Councillors	381	382	Ivan Gilbert – Group Manager - Chief Executive's Office

The public submission period is an opportunity to provide information to Council, not to ask questions or engage in debate.

Public submissions procedure

When you are invited by the meeting chairperson to make your submission, please come forward and take a seat at the microphone and:

- state your name clearly for the record;
- direct your submission to the chairperson;
- speak for a maximum of five minutes;
- confine your remarks to the matter under consideration;
- refrain from repeating information already provided by previous submitters; and
- remain silent following your submission unless called upon by the chairperson to make further comment.

12. Notices of motion

Nil

13. Urgent business

Nil

11.1 Yarra Housing Strategy

Executive Summary

Purpose

The purpose of this report is to:

- (a) outline feedback received by the community and stakeholders on the draft Yarra Housing Strategy, which occurred from 26 March – 30 April 2018;
- (b) consider changes to the Yarra Housing Strategy in response to feedback received; and
- (c) consider adopting the final Yarra Housing Strategy.

Key Issues

There has been a largely positive response from the community relating to the strategy's approach and strategic directions. Minor amendments to the strategy have been made to reflect community and stakeholder feedback and concerns.

There are 3 options:

- (a) Option 1 - Adopt the final Yarra Housing Strategy (**Attachment 3**);
- (b) Option 2 - Make additional changes; or
- (c) Option 3 - Do not adopt the strategy.

Financial Implications

There are no direct financial implications for Council to consider from the adoption of the final Housing Strategy.

PROPOSAL

Officers recommend adopting the final Yarra Housing Strategy which would provide a sound strategic basis for the management of housing growth in Yarra that would add to housing diversity, choice, affordability, growth, quality design and amenity, whilst preserving areas with neighbourhood character and heritage significance across Yarra.

11.1 Yarra Housing Strategy

Trim Record Number: D18/143166

Responsible Officer: Director Planning and Place Making

Purpose

1. The purpose of this report is to:
 - (a) outline feedback received by the community and stakeholders on the draft Yarra Housing Strategy, which occurred from 26 March – 30 April 2018;
 - (b) consider changes to the Yarra Housing Strategy in response to feedback received; and
 - (c) consider adopting the final Yarra Housing Strategy.

Background

2. In October 2014, Council resolved to endorse the report, *Findings of the Review of the Yarra Planning Scheme*, which identified a series of policy gaps in the current Yarra Planning Scheme, including a clear description of how and where Yarra's housing growth would be accommodated.
3. Since the expiration of the adopted City of Yarra Housing Strategy 2010-2013, Council has not had a housing strategy, but has relied upon the directions within the Municipal Strategic Statement (MSS). The Victorian Government's housing and population forecasts indicate that by 2031, there would be 29,412 new residents in Yarra, which would result in a demand for an additional 13,431 dwellings. As more people choose to call Yarra home, housing growth needs to be planned and managed in a way that maintains the city's key characteristics, liveability and creates additional benefits, including:
 - (a) increased supply of affordable housing;
 - (b) greater choice and diversity of housing; and
 - (c) well-designed internal and outdoor communal spaces in new development.

External Consultation

4. Council has developed and refined the draft Yarra Housing Strategy (draft strategy) through extensive community consultation. Ultimately, the strategy seeks to provide certainty to the community, businesses, landowners, and investors about the locations and nature of housing change expected in residential neighbourhoods and activity centres.
5. A discussion with the Yarra community on housing first began in 2015. Council established the *Liveable Yarra* project to facilitate a conversation with the community on planning for growth and change in Yarra. The *Liveable Yarra* project included a panel of residents selected to represent the broader Yarra community.
6. The *Liveable Yarra* panel provided clear direction to Council on the key issues for consideration when planning for housing growth. To develop the draft strategy, these key issues were considered along with factors that drive housing supply and demand in Yarra and recent trends in residential development and approvals.

Draft Yarra Housing Strategy

7. Council publicly exhibited the draft strategy for five weeks from 26 March to 30 April 2018. While not a formal statutory requirement, public exhibition of the draft strategy ensured that the community and relevant stakeholders could provide meaningful and targeted feedback on the key directions of the draft strategy early on in the process.
8. Promotion and feedback on the draft strategy were made via the following communication methods:
 - (a) Online survey on the *Have Your Say Yarra* website (108 survey respondents);

- (b) One-on-one meetings with Council officers, available upon request;
 - (c) Community drop-in-sessions:
 - (i) on 17 April 2018 at Bargoonga Nganjin, North Fitzroy Library; and
 - (ii) on 19 April 2018 at Studio One Community Hub, Richmond;
 - (d) *Yarra Life* distributed 26 March and 9 April 2018 (10,000 recipients);
 - (e) Hard copies of the draft strategy and brochure available at all Yarra customer service centres and library branches;
 - (f) Facebook and Twitter post on 3 April 2018;
 - (g) News item on homepage of corporate website published on 26 March 2018; and
 - (h) 500 postcards delivered to cafes in main shopping strips.
9. Officers sent email invitations to representatives from key stakeholders groups regarding the drop-in-sessions. Key engagement material is available at **Attachment 1**.
10. This report provides a summary of the key findings from the:
- (a) online survey on the *Have Your Say Yarra* website; and the
 - (b) youth workshop.

Have Your Say Yarra - Online Survey

11. There were 1,300 visits to the *Have Your Say Yarra* project website. In total, 108 participants took part in the online survey. The majority of the participants owned their own home and were aged over 35.
12. The survey encouraged visitors to participate in a short survey and rate, on a scale of 1 to 5, how effective the following four draft strategic directions were:
- (a) Strategic direction 1 - Actively plan for future population growth and housing needs;
 - (b) Strategic direction 2 - Direct housing growth to appropriate locations;
 - (c) Strategic direction 3 - To plan for more housing choice to support Yarra's diverse community; and
 - (d) Strategic direction 4 - Facilitate the provision of more affordable housing in Yarra.
13. Detailed findings and officer responses from the online survey are included in **Attachment 2**.

What did people like about the strategic directions of the draft strategy?

14. There was a very positive response from the community relating to the strategic directions and strategies contained in the draft strategy. The community was supportive of Council proactively planning for Yarra's projected housing growth and providing clear direction about where residential development would be focused and where it would be limited. Online feedback suggested that residents were satisfied that the draft strategy strikes an appropriate balance between accommodating projected growth and protecting established residential neighbourhoods and significant heritage areas.
15. Overall, feedback suggested that there was also a high level of support for Council seeking a diverse mix of housing options for residents and advocating and facilitating more affordable housing options for very low, low and moderate income households. Many comments, however, suggested that 5% is not a high enough target for affordable housing in Yarra and that 10-15% would be more appropriate.

What were people concerned about in the strategic directions of the draft strategy?

16. Concern related to building heights of new development and population growth and the vague wording in some directions.

17. Concern also related to the need for clearer definition and application of change area categories particularly as there were still many areas “yet to be classified”. There are genuine mixed views in the community about the application of change areas, ranging from not sufficient to protect heritage areas and prevent over development, to others that consider the minimal change protects wealthy suburbs and cater to NIMBYs.

Were there any gaps in the housing strategy identified?

18. Many participants stated that the cohousing model should be addressed in the draft strategy as a tool to diversify the market and cater to different groups within a development. Some participants also suggested the draft strategy should more explicitly address Yarra’s homeless population.
19. There was comment about how design standards would be developed. The strategy would provide clear policy direction about where residential development would be focused, and where it would be limited, in order to meet the changing needs of the community. The design built form is subject to separate built form projects that Council is, and continues, to undertake.

Youth workshop

20. Council conducted a youth workshop to provide further insights from Yarra’s younger population. The round table discussion included 10 young people, aged between 18-30 who lived in a variety of locations across the municipality and in different household types.
21. The young people that participated in the discussion greatly valued living in Yarra and being within walking distance to a range of employment options, services and amenities. However, the participants stated that their ability to remain in Yarra was largely dependent on the availability of suitable, affordable housing.
22. The participants noted that finding well-maintained housing in Yarra was becoming difficult, with detached dwellings being unaffordable, and apartment dwellings being unsuitable for sharing with friends. The participants noted that larger household groups (including families and share households) require dwellings that have three or more bedrooms and have quality open and internal communal spaces. According to the participants, having access to suitable shared space (including communal and private internal and open spaces) is a key housing need for young people to allow for shared housing options.

Summary of changes to Yarra Housing Strategy

23. Council officers have taken into account the community feedback and concerns of residents and have made the following changes, in summary, to the Yarra Housing Strategy:
 - (a) The wording of Strategic Direction 1 has been amended to better reflect its broad purpose;
 - (b) The four level of change areas have now been applied to the “yet to be classified” areas within the strategic framework plan;
 - (c) The strategy addresses the need for sufficient internal space and adequate outdoor space;
 - (d) The strategy has been amended to provide further information on each housing change area, including their level of growth, general characteristics, percentage of land coverage, and the type of development expected in each area;
 - (e) The strategic housing framework plan has been amended to include more street names and improve comprehensibility;
 - (f) The strategy has been amended to provide policy to support cohousing designs;
 - (g) The strategy has been amended to introduce of minimum of 10% provision of affordable housing; and
 - (h) The strategy has been amended to address Yarra’s homeless population.

Final Yarra Housing Strategy

24. The purpose of the Yarra Housing Strategy (**Attachment 3**) is to set a preferred vision for Yarra over the next 15 years that provides clear policy direction about where residential development would be focused and where it would be limited to meet the changed needs of Yarra's community. The updated four strategic directions articulate Yarra's preferred growth strategy, which responds to the unique context of Yarra. The updated strategic directions and the strategies to implement them are at **Attachment 4**.

Strategic direction 1: Monitor population growth, land capacity and evolving development trends in Yarra to plan for future housing growth and needs

25. To demonstrate that Yarra has a sufficient supply of available land to accommodate projected growth, the consultancy, (SGS Economics and Planning) has created an interactive model to allow Council to estimate housing capacity within the major and neighbourhood activity centres over the coming 15 years. Importantly, the model's estimates are based on a set of assumptions for available land, capacity and take-up (eventual development realisation) having regard to urban design, planning and heritage considerations.
26. The model indicates (with the contextual analysis being undertaken of Activity Centres), that Yarra's activity centres, can accommodate approximately 14,300 dwellings by 2031 (greater than the 13,341 new dwellings required by the Victorian Government's housing and population forecasts for the whole of the municipality). The total amount of available and estimated supply of new dwellings for the major and neighbourhood centres in Yarra is shown in Table 1.

Table 1

	Total available land (hectares)	Estimated supply of new dwellings (2016-2031)
Major activity centres	96 ha	9,900
Neighbourhood activity centres	41 ha	4,300
Estimated total	137 ha	14,300

27. The level of housing growth is expected to differ across and also within the activity centres, due to the varying amount of capacity available for residential development. Subject to integrated urban design and heritage analysis, Yarra's major activity centres have the most capacity to supply new dwellings in Yarra, in accordance with state planning policy.
28. The model confirms that, while Yarra's established residential neighbourhoods would continue to accommodate some housing growth, Yarra does not need to rely on these areas to supply projected housing growth.
29. Importantly, the model also demonstrates that the application of building height controls to the activity centres (as sought via the current DDO work) would not limit the supply of dwellings, but would provide more certainty for residents and developers and maintain the midrise character of Yarra.
30. The purpose of Strategic Direction 1 is to ensure that Yarra, following the adoption of the strategy, continues to monitor population growth, land capacity, and evolving development trends to effectively plan for future housing growth and needs. It is noted that the interactive model can also be used to monitor housing delivery over time and assess implications of built form controls on housing capacity figures. The model would be a reliable source for understanding long-term housing capacity in Yarra.

Strategic direction 2: Direct housing growth to appropriate locations

31. The strategy categorises all residential land into four distinct housing change areas to provide more clarity and certainty to the community about the level of growth anticipated across the municipality. The housing change areas differentiate between those that have the capacity to accommodate minimal, incremental, moderate, and high change housing growth.

32. It is proposed that:
- (a) minimal change areas would apply to over **58%** of Yarra's residential land;
 - (b) incremental change areas would apply to over **21%** of Yarra's residential land;
 - (c) moderate change areas would apply to over **12%** of Yarra's residential land; and
 - (d) high change areas would apply to approximately **8%** of Yarra's residential land.
33. The housing change areas are shown on the strategic housing framework plan (**Attachment 5**) to visually represent the level of growth anticipated across the municipality. Strategic direction 2 proposes to introduce a Strategic Housing Framework in Yarra. This is a common approach used across metropolitan Melbourne to provide clarity for the community and decision makers about the level of growth anticipated and is consistent with State policy directions.

Strategic direction 3: To plan for more housing choice to support Yarra's diverse community

34. The strategies in this direction support more housing choice for different people including people with disabilities, older persons and families' to support social inclusion and maintain Yarra's vibrant community.
35. As most of the new houses being delivered in Yarra are apartments there is a need to ensure higher density development can accommodate different housing needs, including design considerations to make higher-density living more attractive for larger households, students, people with disabilities and older people. Strategic direction 3 proposes to introduce a new requirement in the Yarra Planning Scheme for housing diversity to be demonstrated in applications for residential rezoning's and major residential developments (50 or more dwellings). Early consideration of these issues would help to ensure that future housing stock is more suitable for all households throughout their life stages.

Strategic direction 4: Facilitate the provision of more affordable housing in Yarra

36. Strategic direction 4 addresses the need to provide more housing options suitable for very low, low and moderate income households to maintain social and economic diversity Yarra.
37. Importantly, Strategic Direction 4 recommends the introduction of a minimum of 10% provision of affordable housing (when sites are rezoned for residential use and in major developments of 50 or more dwellings) into the Yarra Planning Scheme. This would communicate a clear *expectation* to developers about their obligation to provide affordable housing stock as part of significant new developments, and reduce the need for this to be negotiated on a case by case basis. With a strategy in place, the Council administration will be able to urge and encourage town planning applicants to provide for affordable housing. For statutory backing, however, this needs to be translated into the Yarra Planning Scheme – this requires 'due process' of a Planning Scheme Amendment to occur.

Next Steps

38. The final Yarra Housing Strategy would guide and inform decisions on how residential land in the municipality would evolve and develop into the future.
39. Following adoption of the final version of the Yarra Housing Strategy by Council, it needs to form part of an Amendment to the Yarra Planning Scheme, introducing a new local housing planning policy in the Planning Policy Framework to reflect the key strategies outlined in the Yarra Housing Strategy. The amendment would also include the Housing Strategy as a reference document in the scheme. That Amendment process would follow the normal 'due process' that Councillors are familiar with; that will take some time to successfully navigate.

Internal Consultation (One Yarra)

40. Officers have consulted across the Council, with advice from Statutory Planning, Social Policy, Youth Services and Aged and Disability Services.

Financial Implications

41. There are no direct financial implications for Council to consider from the adoption of the final Housing Strategy.

Economic Implications

42. The economic implications of the Yarra Housing Strategy are likely to include:
- (a) managing the growth in the local housing market in Yarra;
 - (b) flow on effects for Yarra's local economy as the municipality accommodates a growing population, with more people moving into the area and utilising local businesses and services; and
 - (c) reduce Council resources spent on complex decision-making process.

Sustainability Implications

43. The final Yarra Housing Strategy is consistent with the overarching goal in the Yarra Planning Scheme to integrate relevant environmental, social, and economic factors in the interests of net community benefit and sustainable development.
44. The Environmentally Sustainable Development (ESD) local planning policy was introduced into Yarra Planning Schemes in November 2015. The policy provides a robust, consistent policy that optimises ESD outcomes at the planning stage of development. The policy ensures applicants consider ESD objectives relating to energy, water, stormwater, waste management, and transport when preparing proposals for residential developments. No further guidance is required in the Yarra Housing Strategy.
45. The Housing Strategy directs residential growth to locations that are well serviced by transport and movement links; and close to jobs, public transport and services.

Social Implications

46. Affordability and diversity are key issues discussed in the Final Yarra Housing Strategy and are proposed to be addressed via the strategic directions.

Human Rights Implications

47. Provision of diverse housing opportunities is important. There are no other anticipated human rights implications.

Communications with CALD Communities Implications

48. The needs of the CALD community have been addressed as part of the consultation process.

Council Plan, Strategy and Policy Implications

49. The Yarra Council Plan (2017-2021) identifies the need to actively plan and manage growth through the preparation of a new Housing Strategy.
50. The Housing Strategy implements relevant objectives of the Planning Policy Framework (PPF), including Clause 16 – Housing. Clause 16 encourages consolidation of residential activities within existing urban areas and development in existing residential areas.

Legal Implications

51. There are no anticipated legal implications at this stage.

Options

52. There are 3 options:
- (a) Option 1 - Adopt the Yarra Housing Strategy at **Attachment 3**;
 - (b) Option 2 - Make additional changes; or
 - (c) Option 3 - Do not adopt the strategy.
53. The Yarra Housing Strategy and proposed strategic directions provide a comprehensive and strategic basis for the management of housing growth Yarra that would add to housing diversity, choice, affordability, growth, quality design and amenity, and preserve areas with neighbourhood character and heritage significance across Yarra.

54. Adopting the strategy would provide a sound strategic basis for the local planning policy, relating to housing.

Conclusion

55. A draft Yarra Housing Strategy has been prepared to set a strategic framework that guides where and how the City of Yarra accommodates future housing growth while maintaining the city's key attributes, liveability and special character.
56. The draft Yarra Housing Strategy was released for community engagement in March 2018 to inform and educate the community and key stakeholders on emerging policy and to shape the future strategy where appropriate. The draft strategy provides a balance between maintaining the character of Yarra including heritage and neighbourhood character whilst enabling new housing stock and housing for various household formations.
57. The final Yarra Housing Strategy has been informed by community and stakeholder feedback and it is recommended that Council adopt the final Yarra Housing Strategy, as it would provide a sound strategic basis for the local planning policy, relating to housing.
58. Post adoption, the formal exhibition process of the proposed new housing local planning policy in the proposed re-write of the Yarra Planning Scheme (informed by the key strategies of the Yarra Housing Strategy) would provide opportunity for the community to provide input.

RECOMMENDATION

1. That Council:
- (a) note the officer report on the Yarra Housing Strategy;
 - (b) note the input from residents, stakeholders and other interested parties involved in the preparation of the proposed Yarra Housing Strategy;
 - (c) note the proposed Yarra Housing Strategy at Attachment 3;
 - (d) adopt the Yarra Housing Strategy at Attachment 3 to inform the re-write of the proposed Yarra Planning Scheme and also to set a strategic direction regarding housing matters in the municipality;
 - (e) inform submitters of the Council decision; and
 - (f) authorise the CEO to make any minor, policy neutral changes to the adopted Yarra Housing Strategy prior to exhibition of the local planning policy in the Yarra Planning Scheme.

CONTACT OFFICER: Alayna Chapman
TITLE: Strategic Planner
TEL: 9205 5332

Attachments

- 1 [↓](#) Communication material
- 2 [↓](#) Online survey results and officer response
- 3 [↓](#) Final Yarra Housing Strategy
- 4 [↓](#) Strategic Directions
- 5 [↓](#) Strategic housing framework plan

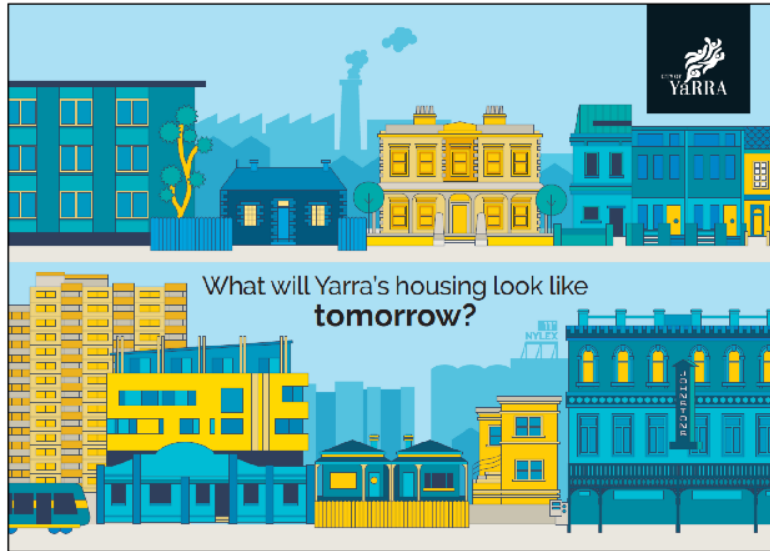
Attachment 1 - Communication material



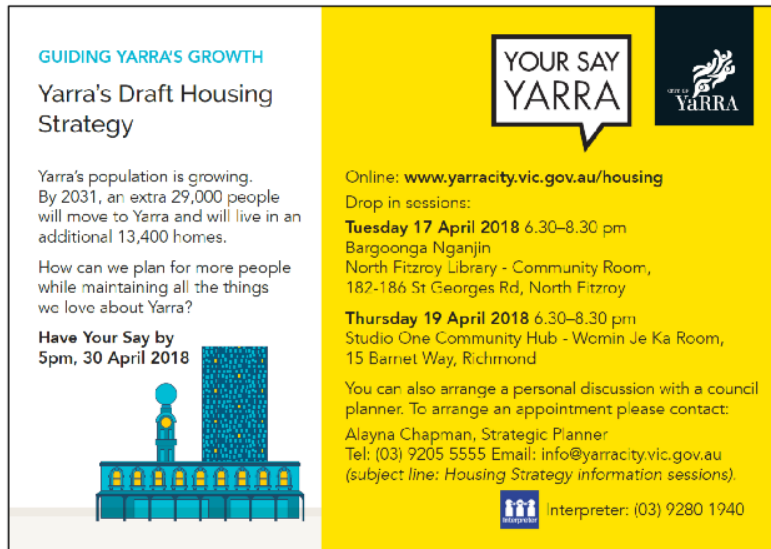
Communication material

Draft Yarra Housing Strategy consultation postcard

Front design:




Back design:




Attachment 1 - Communication material

Draft Yarra Housing Strategy consultation brochure

Front and back page design:



YOUR SAY YARRA



YOUR SAY YARRA

Find out more

- Visit www.yarracity.vic.gov.au/HousingStrategy to read the draft strategy and background information.
- More copies of the draft strategy are available at our customer service centres and library branches.

Drop in sessions

Come along to one of our drop in sessions and talk to our strategic planning team.

Tuesday 17 April 2018 6:30 - 8:30 pm
Ruscombe Region*, North Fitzroy Library – Community Room
180-186 St Georges Rd, North Fitzroy

Thursday 19 April 2018 6:30 - 8:30 pm
Stude Glee Community Room – Vauxhall & Ka Roads,
79 Banel Way, Richmond

There's no need to RSVP, just drop in!

Arrange a personal discussion

You may like to come in for a one-on-one discussion to discuss the draft Housing Strategy with Council officers. These sessions are by appointment to enable a good conversation with Council's strategic planners who have expert knowledge of the area.

To arrange an appointment please contact:

Alanya Chapman
Strategic Planner
Telephone: (03) 9265 5555
Email: info@yarracity.vic.gov.au
(subject line: Housing Strategy information session)

Have Your Say

Online: www.yarracity.vic.gov.au/HousingStrategy and complete the online survey

Email: info@yarracity.vic.gov.au

From: Yarram City Council
Strategic Planning – Housing Strategy
PO Box 168
Richmond VIC 3121
Attn: Housing Strategy, Strategic Planning

Have your say by 5pm, 30 April 2018.

GUIDING YARRA'S GROWTH

Yarra's Draft Housing Strategy

We're seeking community feedback on our plan for managing our growing city.


Yarra's population is growing. By 2031, an extra 25,000 people will move to Yarra and will live in an additional 13,400 homes.

We've developed a draft Housing Strategy to plan ahead for population growth.

The strategy looks at where new housing can go to meet the needs of our changing community, while still maintaining all the things we love about Yarra, like our heritage and neighbourhood character.


The strategy aims to make sure housing growth occurs in the right places to provide more certainty to our community about where change may occur.

We encourage our community to learn more about the strategy and share feedback by 5pm, 30 April 2018. A summary of the strategy can be viewed on the next page or online at www.yarracity.vic.gov.au/HousingStrategy



For information in your language, please call 03 9261 1942 and quote the REF number below. | 如需以您自己的語言獲取資訊，請致電 03 9261 1942 並提供以下參考號碼。 |
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 如需以您的語言獲取資訊，請致電 03 9261 1942 並提供以下參考號碼。 | 如需以您的語言獲取資訊，請致電 03 9261 1942 並提供以下參考號碼。 |

REF: 19042



Inner page design:

Why prepare a Housing Strategy?

The Housing Strategy guides our community, businesses, and owners and investors on the preferred locations to accommodate growth and the nature of housing change expected in residential neighbourhoods and activity centres.

As more people choose to call Yarra home, housing growth needs to be planned and managed in a way that maintains the city's livability and maximises community benefit.

Who are we planning for?

In 2016, there were approximately 91,300 residents living in 43,946 dwellings. Population and housing forecasts indicate there will be more than 20,000 new residents and 13,000 new homes needed by 2031.

FORECAST 2016-2031 HOUSING AND POPULATION

20,913 new residents	13,031 new dwellings
Family Households 8,028	Couple Households 8,080
Lone Person Households 12,885	Other Households 4,951

What community values and priorities have informed the strategy?

In 2015, Council embarked on a detailed discussion about housing through the Livable Yarra project.

The Livable Yarra Panel was made up of representatives of the broader Yarra community, and provided clear direction to Council on the key issues for consideration when planning for housing growth and change.

The strategy provides to:

- plan for future population growth and housing needs;
- ensure more housing choices to support Yarra's diverse community;
- guide and direct where residential development will be focused and where it will be limited in order to match the changing needs of the Yarra community; and
- provide direction on key issues such as housing diversity and adaptability, affordable housing and family-friendly apartments.

FINDINGS FROM PANEL DISCUSSION

PROMOTE AND ENHANCE

Diversity of people and place

Significant history, heritage and natural spaces

Proximity and ease of access to sporting and cultural events

HIGHLY VALUED

Environmentally sensitive and sustainable design for the whole community

For more information visit www.yarracity.vic.gov.au/livable-yarra-project-suburban-development

Yarra's Draft Housing Strategy

The Housing Strategy directs housing growth to identified areas. This aims to ensure around half residential areas, with heritage and neighbourhood character, experience only minimal change.

Housing Change Categories

The Housing Strategy proposes four levels of housing change for residential land in Yarra:

Minimal Change Areas (MCA)

Incremental Change Areas (ICA)

Moderate Change Areas (MCA)

High Change Areas (HCA)

LEGEND

- Yarra boundary
- Design Review Corridor
- Neighbourhood Activity Centre
- Other Centre
- Public Facilities
- Minimal Change Areas
- Incremental Change Areas
- Moderate Change Areas
- High Change Areas
- Unresidential Areas
- Not to be Developed

Scale: 0 500m 1km

www.yarracity.vic.gov.au/HousingStrategy

Attachment 1 - Communication material

Draft Yarra Housing Strategy drop in session invitation

Invitation design:



Invitation
Drop in sessions to discuss Yarra's Draft Housing Strategy

GUIDING YARRA'S GROWTH

Yarra's Draft Housing Strategy

Yarra's population is growing. By 2031, an extra 29,000 people will move to Yarra and will live in an additional 13,400 homes.

We've developed a draft Housing Strategy to plan ahead for population growth. The strategy aims to make sure housing growth occurs in the right places to provide more certainty to our community about where change may occur.

You are invited to come along to one of our drop in sessions to find out more.

Drop in sessions

Tuesday 17 April 2018 6.30–8.30 pm
Bargoonga Nganjin
North Fitzroy Library - Community Room,
182-186 St Georges Rd, North Fitzroy

Thursday 19 April 2018 6.30–8.30 pm
Studio One Community Hub -
Womin Je Ka Room,
15 Barnet Way, Richmond

There's no need to RSVP, just drop in!
Have your say by 30 April 2018.

Further Enquiries:
Telephone: (03) 9205 5555
Email: info@yarracity.vic.gov.au
Visit: www.yarracity.vic.gov.au/housing

Attachment 2 - Online survey results and officer response



Your Say Yarra

Draft Yarra Housing Strategy

Online survey results and officer response



Attachment 2 - Online survey results and officer response

You Say Yarra online survey

In total, 108 participants took part in the online survey. Most participants owned their own home and were aged over 35 years old.

Table 1: Age of participants

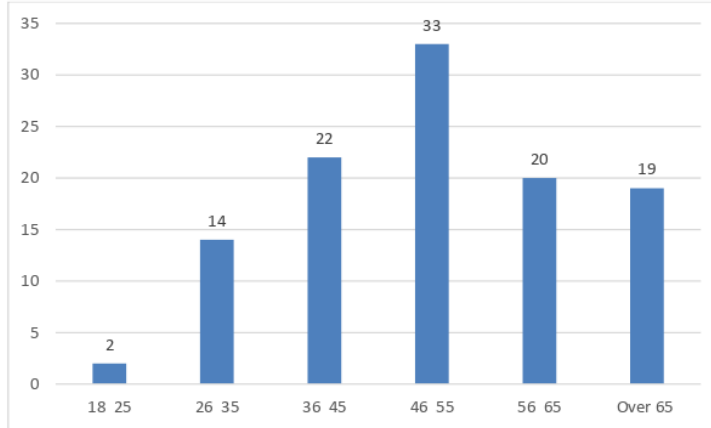
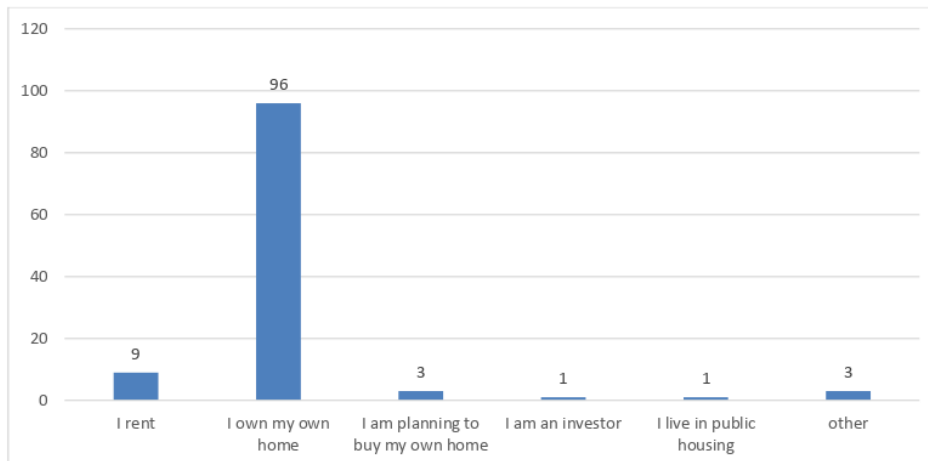


Table 2: Housing tenure of participants.



The online survey asked for feedback on each of the strategic directions in the draft Yarra Housing Strategy. For each strategic direction, participants were asked:

- On a scale of 1 – 5, how effective is this strategic direction in meeting Yarra's future housing needs?
- Why did you select this rating?
- What are the strengths of this strategic direction?
- Are there areas where it could be improved?
- Are there any gaps that the Housing Strategy needs to address?

The following sections of this report provide an outline of each strategic direction, a summary of the responses relating to the strategic direction and an officer response.

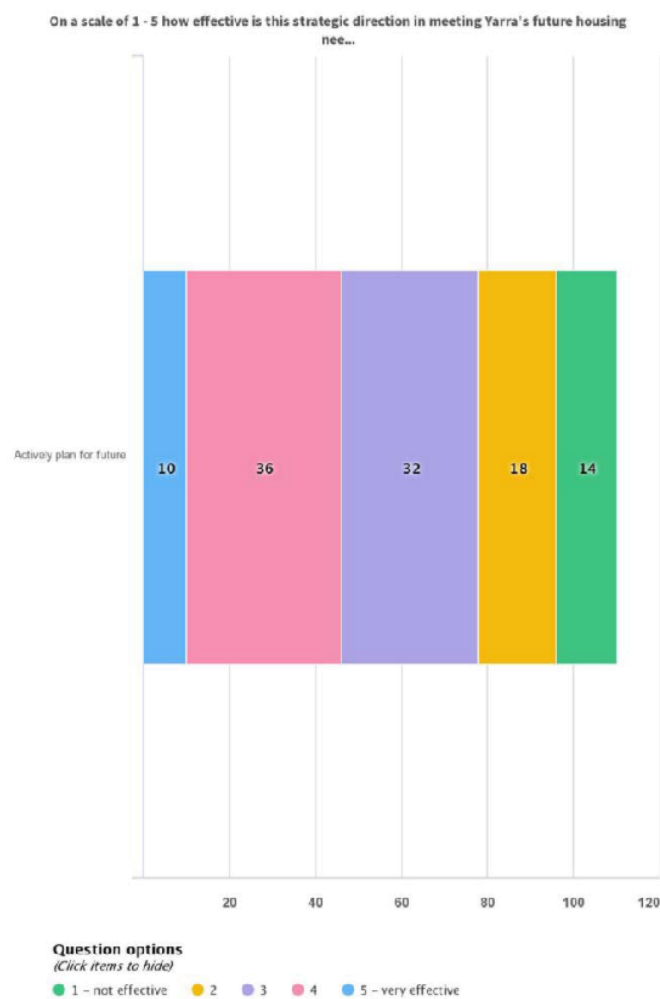
Attachment 2 - Online survey results and officer response

Strategic direction 1: Actively plan for future population growth and housing needs

This strategic direction will:

- Monitor population and housing growth forecasts.
- Ensure an adequate supply of residential land is available to accommodate future housing growth.
- Monitor housing delivery trends and demographic changes.
- Identify future investigation areas for long-term residential potential including key boulevards and surplus employment land.

Table 3: Participants response to strategic direction 1



Attachment 2 - Online survey results and officer response

Strategic direction 1: Summary of responses

- The majority of participants were glad to see that Council is developing a housing strategy and agree that housing provision should be well-planned (rather than ad hoc).
- Many thought monitoring is essential to the strategy and should be ongoing and responsive to change. Residents requested the process be transparent and that monitoring data be made public.
- Some respondents commented that this strategic direction is too vague and that not enough detail was provided regarding council's specific plans and how implementation will occur.
- Some respondents had some major concerns regarding population growth and housing provision. Principally, there was a general fear of Yarra becoming overcrowded.
- Some commented that there is no such thing as surplus land, and that there are already too many high rises.
- Another major concern was that of implementation and enforcement. Responses suggest a lack of confidence in council's ability to guide housing provision. Rather, many respondents believe developers will dictate housing provision, and that VCAT is corrupt and biased towards developers.

Strategic direction 1: Officer's response

The State Government's Victoria In Future 2016 (VIF2016) population and housing projections indicate there will be 29,413 new residents in Yarra and 13,431 new dwellings required by 2031. For an inner city area, with high population forecasts and excellent access to jobs and services, strong housing growth in Yarra will continue. Council supports the development of new housing to meet the demands of its growing residential population.

To demonstrate that Yarra has a sufficient supply of available land to accommodate projected growth, SGS Economics and Planning have created an interactive model to estimate housing capacity within Yarra's major and neighbourhood activity centres over the coming 15 years. The model shows that Yarra's activity centres, alone, can accommodate the amount specified by VIF2016 for the whole of the municipality. This provides Council the opportunity for minimal change in the residential hinterland. The model has informed the Yarra strategic housing framework plan, which shows the spatial distribution of future growth.

The purpose of Strategic Direction 1 is to ensure that Yarra, following the adoption of the strategy, continues to monitor population growth, land capacity, and evolving development trends to affectively plan for future housing growth and needs. It is noted that the interactive model can also be used to monitor housing delivery over time and assess implications of built form controls on housing capacity figures. The model will be a reliable source for understanding long-term housing capacity in Yarra. For clarification purposes, the wording of Strategic direction 1 and its associated strategies should be amended to better reflect its broad purpose.

The Yarra Housing Strategy will provide certainty for landowners, developers and the community about the level of housing growth expected in each neighbourhood and activity centre. The Yarra Housing Strategy will be implemented as:

- A reference document in the Yarra Planning Scheme; and
- Policy in the Planning Policy Framework (PPF).

It is noted that policy contained in the PPF will guide the exercise of discretion in relation to permit requirements.

Summary of changes to strategy:

- The wording of Strategic Direction 1 be amended to better reflect its broad purpose.

Attachment 2 - Online survey results and officer response

Strategic direction 2: Direct housing growth to appropriate locations

This strategic direction identifies:

- Minimal change area: Established residential areas in the Neighbourhood Residential Zone with heritage significance.
- Incremental change area: Established residential areas and neighbourhood activity centres in the General Residential Zone that have limited heritage significance
- Moderate change area: Medium to large development sites in major activity centres, the Mixed Use Zone: or identified as key development with heritage significance, sensitive residential interfaces or other site constraints
- High change area: Large sites in major activity centres, the Mixed Use Zone or identified in as key development sites without heritage significance, sensitive residential interfaces or other site constraints.

Strategic direction 2: Summary of responses

- There were many requests to define the categories in more detail.
- There were also some complaints that too many areas were still “yet to be classified” and this hindered their ability to have an informed opinion.
- Residents had some trouble understanding the strategic housing framework plan and suggested including more street names.
- Some suggested that the map does not reflect reality, that many of these areas are already experiencing development, inconsistent with these area classifications.

Minimal Change Areas

- Support for the large areas designated as minimal change was mixed.
- Some felt that its application is an appropriate way to protect heritage areas and prevent over-development, and that the area should be expanded to better protect more of Yarra, including Richmond, Alphington, the river corridor, and specific streets (Victoria St, Bridge Rd, Stafford St, and Swan St).
- Others argued that the areas designated as minimal change protects wealthy suburbs and cater to NIMBYs.
- There was some concern that there were too many minimal change areas which will result in undersupply, especially in well-serviced areas.
- Participants questioned if the minimal change areas will have height requirements.

Incremental Change Areas

- Support for the areas designated as incremental change was mixed.
- Some felt that this was too much change for some areas, especially Richmond and Heidelberg Road, while others believed that this kind of area strikes an appropriate balance between protection and development.
- Some participants believed that there are some areas that are perhaps more appropriate for greater change, especially along transit corridors.
- According to respondents, incremental change should not come at the expense of open space or design quality.

Moderate Change Areas

- Support for the areas designated as moderate change was positive.
- Some noted that this level of development must be accompanied by development of social and transport infrastructure and services.
- There is support for more mixed use and larger developments in these areas, as long as they are designed to complement prevailing neighbourhood character.

High Change Areas

- Support for high change areas was mixed.
- While many participants were not opposed entirely to areas of high change, there was concern that large-scale developments are not sensitive to heritage and will overshadow existing development.
- Many agreed that the areas designated for high change were generally appropriate.
- Many believed that parking and upgrades to public transport in the municipality are required to accommodate this level of change.
- There is support for more social and affordable housing in these areas.

Attachment 2 - Online survey results and officer response

Strategic direction 2: Officer's response

The strategy categorises all residential land in Yarra into the four distinct housing change areas, as required by Plan Melbourne 2017-2050, based on the following:

- Current and proposed zone and overlay requirements: Types of use and development allowed in each zone;
- Context: Walking distance and access to services, public transport and employment centres, proximity to activity centres;
- Land attributes: Land constraints (including sensitive interfaces), lot size, development activity and emerging character;
- Capacity: Amount of growth is likely to occur in an area, given a set of assumptions; and
- Community feedback: Where growth is acceptable to the community and where it isn't.
- Strategic planning work: Structure plans, built form frameworks and proposed built form controls.

The four change areas have been applied to the strategic housing framework plan based on these set of categories. Some sites within these areas may have been recently developed. The scale and form of residential growth also may differ across a change area and development proposals will need to appropriately respond to their context and the capacity of an individual site to accommodate housing growth.

In the draft strategy, Victoria, Smith, Brunswick and Gertrude Streets and Bridge Road were categorised as "yet to be classified". At the time of public consultation, strategic work had not yet progressed for these areas to substantiate the application of the level of change areas. Residents will have a further chance to comment on the complete strategic housing framework plan via the formal exhibition of the Yarra Planning Scheme rewrite amendment.

It is noted that the strategy does not propose to implement height controls. The scale and form of residential development is informed by built form and heritage controls where these exist. The built form projects will provide site-specific directions on the appropriate scale and form of development and the retention of heritage fabric in the activity centres. In those change areas where no site-specific controls apply, local policy and zone provisions will determine built form outcomes for sites and areas.

The strategy aims to promote Yarra as a place where people can get most of their day to-day goods and services, within a short walk, cycle or public transport trip. High and moderate housing growth areas are proposed to be located within or close to activity centres that have excellent access to services, open space and public transport. While the availability of car parking is important in maintaining Yarra's liveability, it is not the key focus of this strategy and must be addressed as part other strategic planning work.

Summary of changes to strategy

- Update the strategic housing framework plan to apply the level of change areas to the "yet to be classified" areas. These are in the activity centres and will reflect the extensive built form work which has underpinned recent interim planning controls supported by Council.
- Update the strategic housing framework plan to include more street names and improve comprehensibility.
- Amend the strategy to include a methodology for the application of the change agrees.
- Amended the strategy to provide further information on each change area, including their level of growth, generally characteristics, percentage of land coverage, and the type of development expected in each area.

Attachment 2 - Online survey results and officer response

Strategic direction 3: plan for more housing choice to support Yarra's diverse community

This strategic direction will:

- Promote the inclusion of more than 50% of dwellings in apartment developments to be accessible and adaptable housing and housing suitable for all life stages.
- Encourage the development of aged care, student accommodation and key worker housing within and close to Activity Centres, Health and Education precincts.
- Introduce a requirement for a Housing Diversity Assessment for larger developments.
- Encourage more family-friendly design of communal open spaces in apartment developments.
- Support the retention of larger homes for families.
- Monitor trends on down-sizing among older persons.

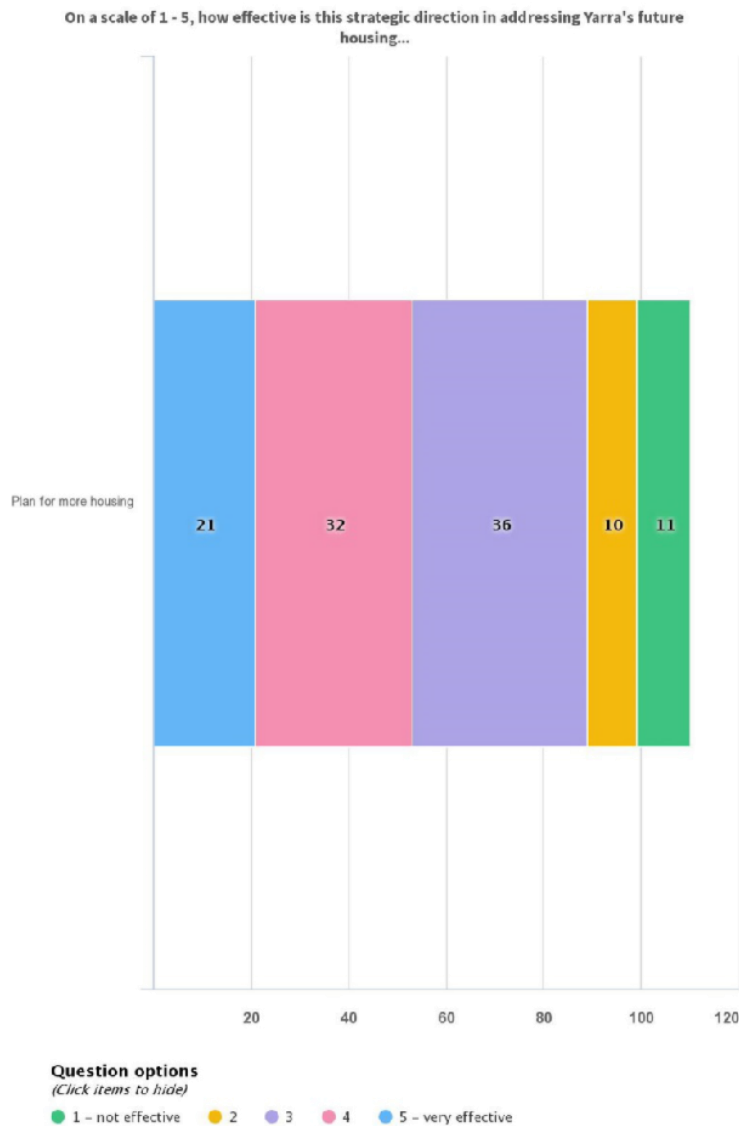


Table 4: Participants response to strategic direction 3.

Attachment 2 - Online survey results and officer response

Strategic direction 3: Summary of responses

- There was a high level of support for this strategy.
- Respondents acknowledged the need to provide housing to low income families, the ageing, disabled, and other emerging groups.
- Aged care in particular was identified as a need.
- Some expressed fear that the needs of the ageing won't be met and forced downsizing and relocation will occur rather than allowing residents to age in place.
- Others suggested that the need for housing choice should not ignore the existing needs of families, and if not executed well, this strategy could result in overcrowded, poorly-designed developments.
- The Co-housing design model was proposed by many participants as a strategy to diversify the market and cater to different groups within a development.

Strategic direction 3: Officer's response

As most of the new housing being delivered in Yarra is in the form of apartment buildings there is a need to ensure high-density development can accommodate different housing needs, including design considerations to make higher-density living more attractive for larger household groups, students, and people with disabilities and older people in Yarra.

The draft strategy proposes to introduce a set of strategies to achieve positive outcomes in new higher density development in Yarra. Importantly, it seeks to introduce a requirement into the Yarra Planning Scheme for housing diversity to be demonstrated in planning applications for residential rezoning and major residential developments (50 or more dwellings), based on available demographic information. Housing diversity could be demonstrated by including expected demographic mix, to enable consideration of particular housing needs in a planning application for a major redevelopment or rezoning. Early consideration of these issues will help to ensure that future housing stock is more suitable for all households throughout their life stages.

It is considered that the Yarra Housing Strategy should address cohousing as emerging housing model to diversify the market and cater to different groups within a development. Cohousing aims to mix private and shared spaces in a way that meets the need for both privacy and a sense of community and support. Cohousing can provide housing that is affordable, accessible and which facilitates social interaction. In general, cohousing and its benefits are not well understood by the community and this may limit residents' acceptance of cohousing development. It is considered that planning policy support for cohousing can remove some barriers to this type of development.

Summary of changes to strategy:

- Amend Strategic Direction 3 to include a strategy to support the cohousing design model.

Attachment 2 - Online survey results and officer response

Strategic direction 4: Facilitate the provision of more affordable rental housing in Yarra

This strategic direction will:

- Foster effective partnerships between community housing providers and the property development industry to deliver more affordable rental housing;
- Introduce a requirement in the Yarra Planning Scheme for all future significant redevelopment rezonings to provide a minimum 5% affordable housing;
- Support shared equity models of development; and
- Advocate policy and legislative changes that enable Council to introduce inclusionary zoning or an

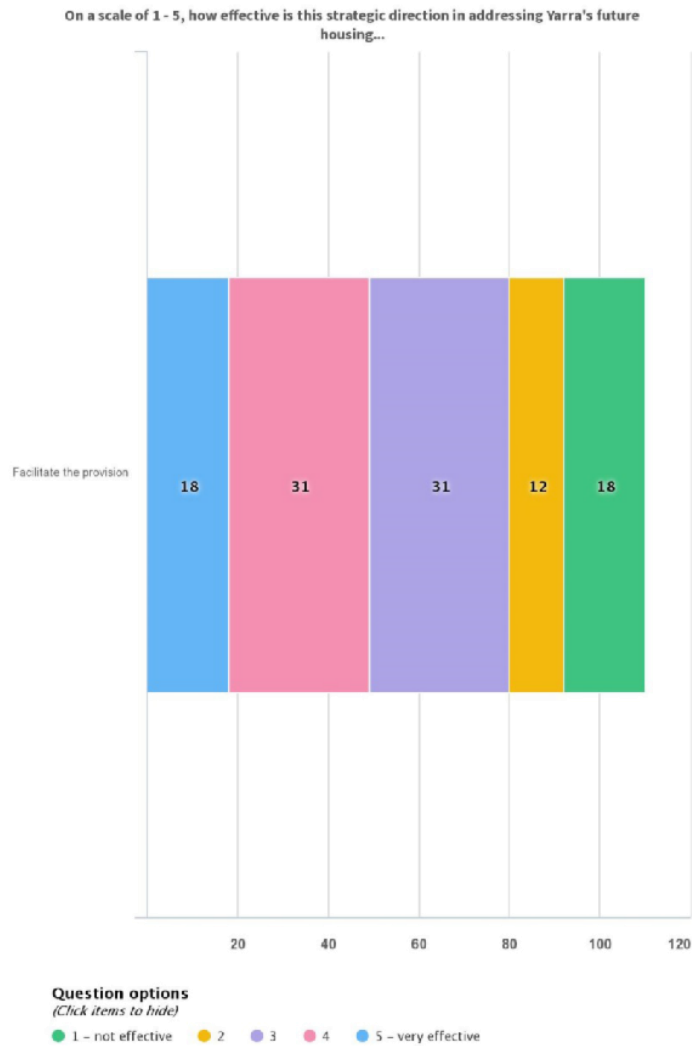


Table 5: Participants response to strategic direction 4.

Attachment 2 - Online survey results and officer response

Strategic direction 4: Summary of responses

- The majority of participants supported this direction and viewed it as important to preserving Yarra's diversity and affordability.
- Many comments suggested that 5% is not a high enough target for affordable housing, and that 10-15% would be more appropriate.
- There was support for inclusionary zoning, and potentially for shared equity models as well, though some respondents are unsure how these strategies function in practice and how council will enforce affordable housing requirements.
- Some suggested that affordable housing should be peppered through the municipality rather than concentrated in one tower or one neighbourhood.
- Social and affordable housing targets and requirements should be set and enforced by council.

Strategic direction 4: Officer's response

To maintain Yarra's social and economic diversity, there needs to be more affordable housing options suitable for very low, low and moderate income households. It is noted that within the current legislative framework, local government can only provide for more housing for affordable housing by:

- Entering into an agreement, under section 173(1A) of the Planning and Environment Act 1987, with a land owner for the development or provision of affordable housing;
- Advocating for policy and legislative changes; and
- Facilitating partnerships between developers and affordable housing associations/providers.

The draft strategy recommended the introduction of minimum of 5% provision of affordable housing (when sites are rezoned for residential use, and in major developments of 50 or more dwellings) in the Municipal Strategic Statement (MSS). This is consistent with Council's adopted Policy Guidance Note for Affordable Housing in Significant Redevelopments, November 2017.

Since adoption of the note, the property sector has become more receptive to providing more than 5% affordable housing at significant redevelopment sites. Yarra has entered into a number of agreements with site owners to provide at least 10% affordable housing. It is considered that this strategy should now recommend the introduction of a requirement into the Yarra Planning Scheme that seeks at least 10% affordable housing (when sites are rezoned for residential use, and in major developments of 50 or more dwellings). It is noted that Yarra would be the first Council to include a mandated requirement for affordable housing in the Planning Policy Framework.

Summary of changes to strategy:

- The housing strategy has been amended to introduce of minimum of 10 % provision of affordable housing.

Attachment 2 - Online survey results and officer response

Question: Are there any gaps the housing strategy should address?

Summary of identified gaps:	Officer's response:
There was a desire to link housing strategy with other strategies (open space, employment) so residents can be confident infrastructure and services development and open space protection is consistent with housing growth.	<p>The Yarra Housing Strategy is complemented by additional strategic work being prepared as part of the wider YPS rewrite work program such as:</p> <ul style="list-style-type: none"> • Yarra's Spatial Economic and Employment Strategy (SEES); • Activity Centre Built Form Framework and structure planning; and • Heritage Policy Revision. <p>Yarra is also currently in the process of developing a new open space strategy. The adopted Yarra Housing Strategy will inform the new open space strategy.</p> <p>The housing capacity modelling that informs Housing Strategy has been provided to Council's open space team to inform their future planning.</p>
Many believed that the Yarra housing strategy should also link to housing strategies from adjoining councils so housing development in areas such as Alphington is consistent across boundaries.	It is noted that one of the key short-term activities to implement Plan Melbourne 2017-2050 is the preparation of metropolitan regional housing plans by the regional metropolitan groups. It is expected that the Yarra Housing Strategy will provide important information to inform the content of the regional housing plans.
There was support for greater protection of heritage areas and how design standards will be developed and implemented to ensure new developments are environmentally sustainable and respectful of neighbourhood character.	Built form, frameworks have been prepared for Swan, Victoria, Brunswick, Johnston, and Smith Streets, along with Queens Parade and Bridge Road. The frameworks are being informed by detailed heritage reviews to determine how best to protect and enhance heritage streetscapes (as well as individual buildings) in each activity centre, while accommodating opportunities for future housing and employment growth. This work will form the strategic basis for new site-specific built form controls that will guide the scale and form of new development in these activity centres.
Some participants suggested the housing strategy should more explicitly address the needs of Yarra's homeless population.	In June 2018, the IMAP councils undertook a joint count of people sleeping rough in inner Melbourne. Street Count 2018 recorded 392 people sleeping rough across inner Melbourne, with 29 people recorded in Yarra. Key findings across the five municipalities should be included in the strategy.
<p><u>Summary of changes to strategy:</u></p> <p>The housing strategy has been amended to address Yarra's homeless population.</p>	

Attachment 3 - Final Yarra Housing Strategy

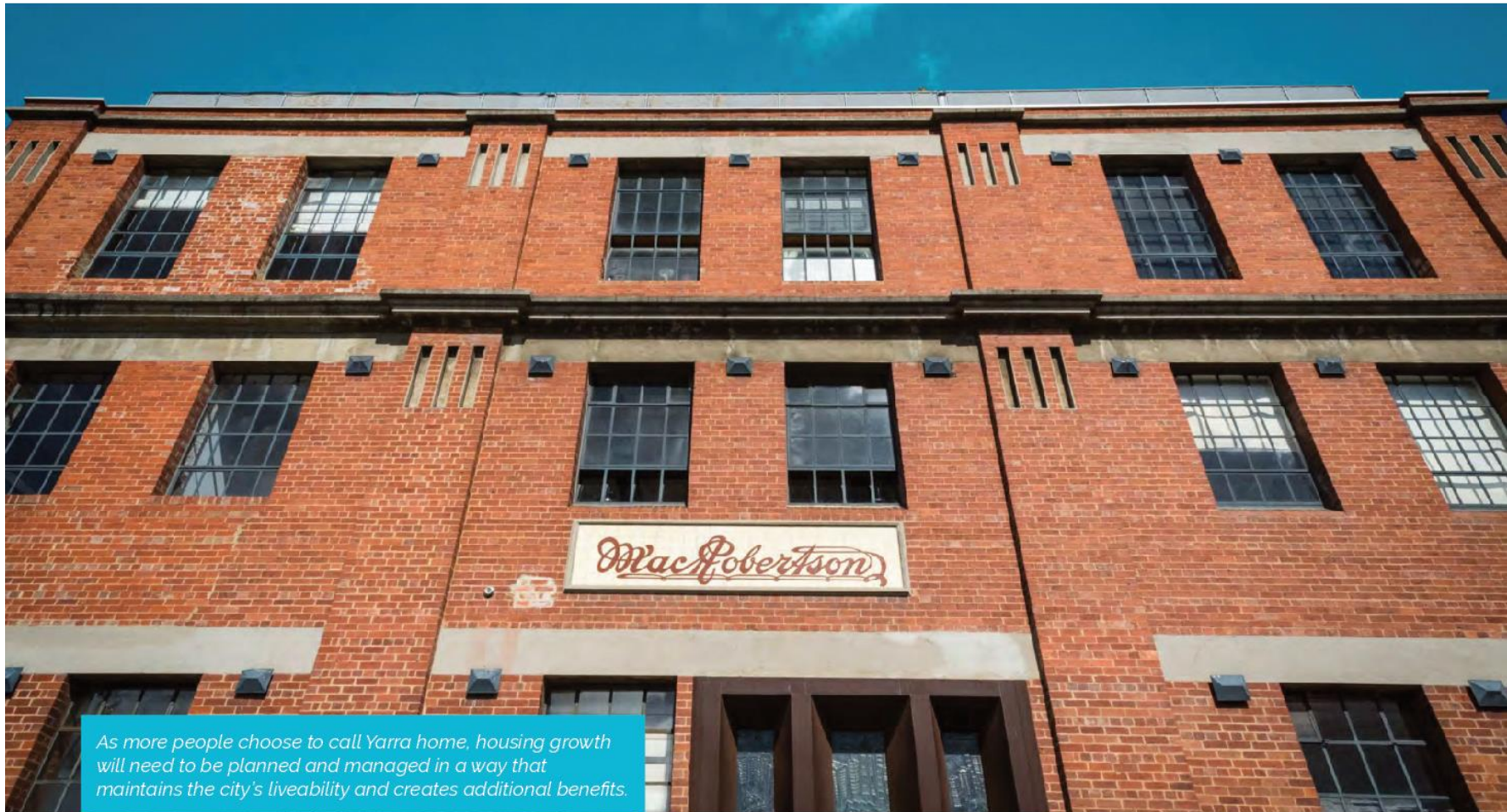


Providing certainty around the locations and nature of housing change expected within the City of Yarra over the next 15 years.



Attachment 3 - Final Yarra Housing Strategy

2 Yarra Housing Strategy



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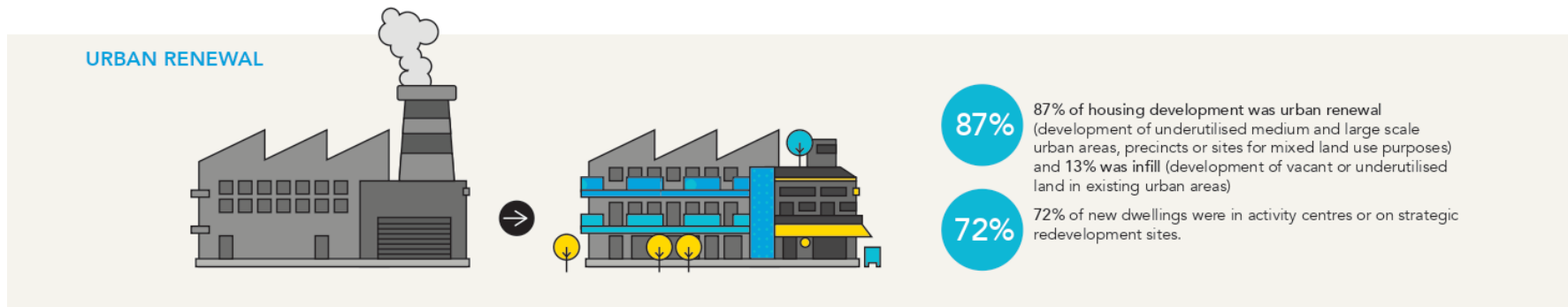


Attachment 3 - Final Yarra Housing Strategy

4 Yarra Housing Strategy

QUICK STATS

Key housing trends in Yarra 2005-2014



PROJECTS



581 housing projects in 10 years have transformed 54 ha of land



Projects with 10+ dwellings were most prevalent in Richmond and Collingwood, while smaller projects with 2-9 dwellings were mostly in Richmond and Fitzroy North



Since 2010, the number of new dwellings in Yarra has grown at a rate of 1160 per year



Approvals for apartments over 4 storeys have doubled from 2,394 (2006-2010) to 4,904 (2011-2015)

Source: 2005-2014 Housing Development Data

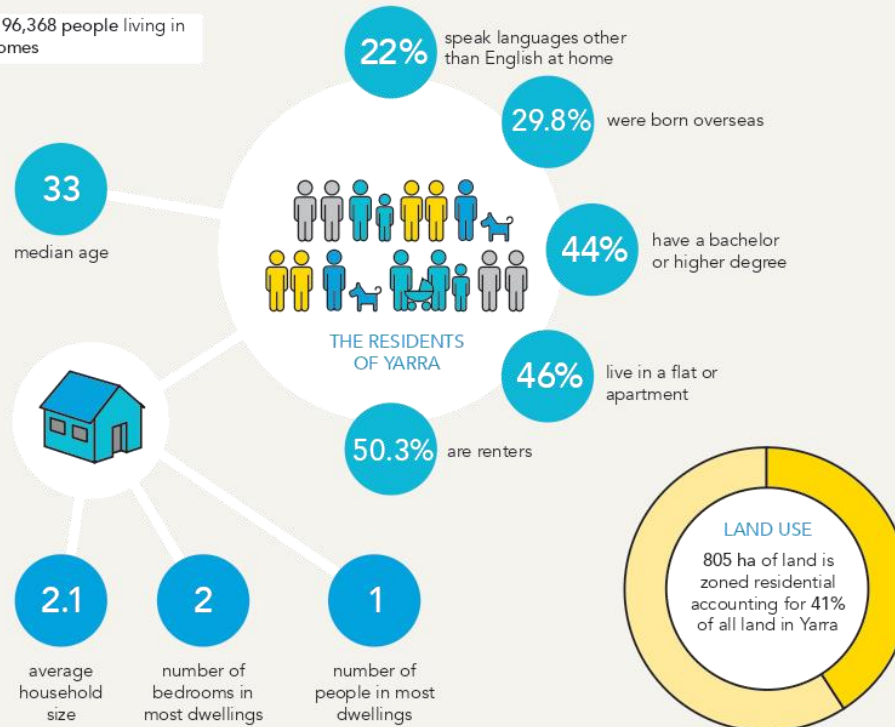


Yarra today



THE NUMBERS

Yarra has 96,368 people living in 44,033 homes



Attachment 3 - Final Yarra Housing Strategy

6 Yarra Housing Strategy

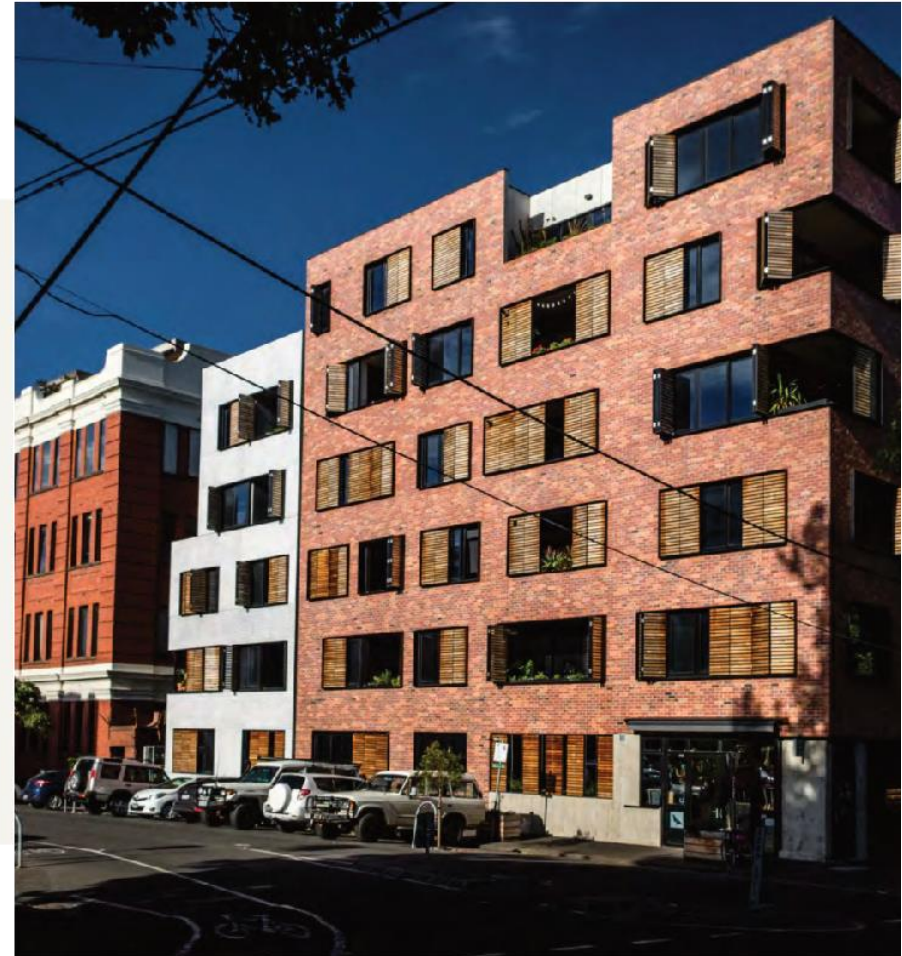
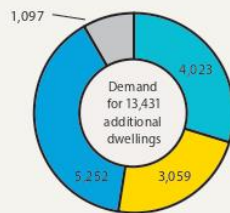
Yarra 2031

The State Government report, *Victoria in Future 2016: Population and Household Projections to 2051* (VIF2016) indicates there will be 29,412 new residents and 13,431 new dwellings required by 2031.

FORECAST 2016-2031 POPULATION AND HOUSEHOLD PROJECTIONS



Yearly population growth rate of 2%



1. INTRODUCTION

Why prepare a housing strategy?

As more people choose to call Yarra home, housing growth will need to be planned and managed in a way that maintains its liveability, while creating additional benefits. These benefits include:

- Increased supply of affordable housing;
- Greater choice and diversity of housing; and
- Well designed internal and outdoor communal spaces in new development.

Yarra needs a housing strategy to inform how best to accommodate housing growth in the municipality and to underpin new housing policy in the Yarra Planning Scheme.

What is the purpose of the housing strategy?

To prepare a housing growth framework that sets a preferred vision for Yarra over the next 15 years. To achieve this, the strategy will:

- Identify projected population and housing growth for Yarra;
- Provide an overview of the existing housing context and recent trends in Yarra;
- Demonstrate sufficient housing land availability to accommodate projected growth for the next 15 years;

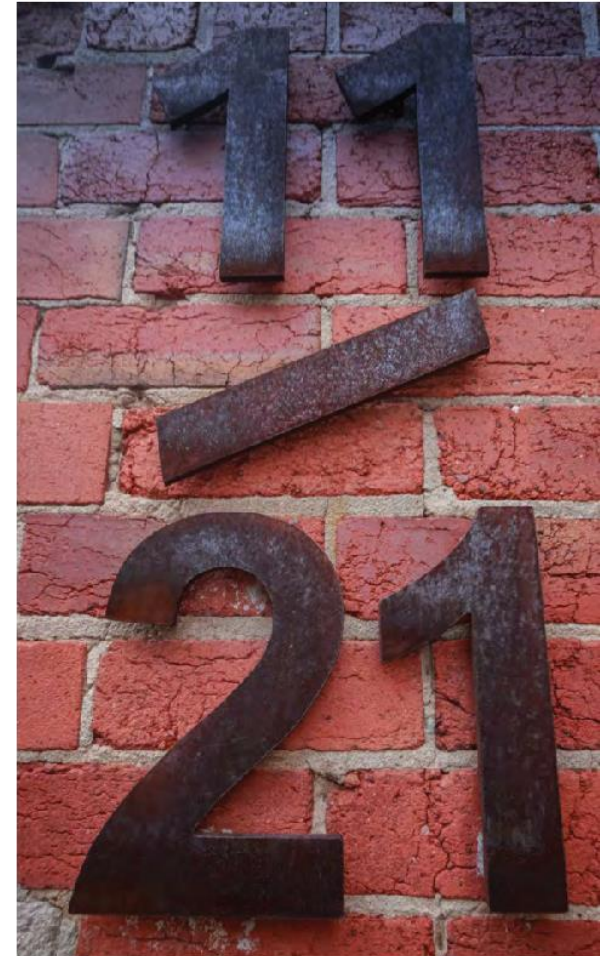
- Identify areas for housing growth and development, consistent with the strategic context and characteristics of Yarra's neighbourhoods;
- Provide a strategic approach to where and how Yarra guides and directs future growth;
- Provide direction on key issues such as housing diversity and adaptability, affordable housing and family friendly apartments;
- Inform new planning policies in the Yarra Planning Scheme; and
- Have regard to broader metropolitan and state wide planning policy.

The strategy will provide clear policy direction about where residential development will be focused, and where it will be limited, in order to meet the changing needs of our community.

How will the directions of the Yarra Housing Strategy be implemented?

The Yarra Housing Strategy will be implemented as:

- A reference document in the Yarra Planning Scheme; and
- Local planning policy in the Yarra Planning Scheme.



Attachment 3 - Final Yarra Housing Strategy

8 Yarra Housing Strategy

How has the community been consulted?

Council has developed and refined the strategy through extensive community consultation.

A discussion with the Yarra community on housing began in 2015. The Liveable Yarra project provided an opportunity to have an in-depth conversation with the community on how Yarra can adapt to the challenges and opportunities brought about by growth.

The Liveable Yarra project included a panel of residents selected to represent the broader Yarra community. The actions and key messages of this panel informed the draft Yarra Housing Strategy.

Consultation on the draft Yarra Housing Strategy was held from 26 March to 30 April 2018 and included:

- Drop in sessions;
- An online survey;
- Articles in *Yarra Life*, a fortnightly e-newsletter;
- Social media posts; and
- News items on Yarra's website.

The online survey showed a gap in feedback from Yarra's younger population. To provide more insights from this age cohort, a youth workshop was undertaken by Council. The round table discussion included 10 young people, aged between 18-30.

2015

**LIVEABLE
YARRA
PROJECT**

Deliberative engagement process to identify the planning issues in Yarra and to develop actions for how Council should address these issues.

2018

**GUIDING
YARRA'S
GROWTH**

Public consultation on the draft Yarra Housing Strategy and in particular the strategy's four strategic directions.



2. WHAT DOES OUR COMMUNITY VALUE?

The Liveable Yarra panel members were proud of the city they live in and wanted to see the following elements promoted and enhanced:

- Diversity of people and places, with a sense of multiculturalism and community throughout;
- Significant historical, heritage and natural spaces of the local areas; and
- Proximity and ease of access that living in Yarra affords – for example, to the CBD, the night time economy, or sporting and cultural events.

The panel members indicated that residents valued environmentally sustainable design and new infrastructure. They were more willing to accept higher density housing with the provision of affordable housing options and activated communal spaces.

A key action identified by the panel was for Council to actively plan for Yarra's projected housing growth, including identifying the range of housing needs and options to support a diverse community. The panel acknowledged that this would deliver:

- A clear direction about how to accommodate projected housing growth;
- Better informed planning for infrastructure and community facilities;
- A more diverse housing profile; and
- Certainty regarding the locations and nature of growth, leading to a reduced need for Council resources associated with major developments.

FINDINGS FROM THE LIVEABLE YARRA PANEL

PROMOTE AND ENHANCE



Diversity of people and place



Significant history, heritage and natural spaces



Proximity and ease of access to sporting and cultural events

HIGHLY VALUED



Environmentally sensitive and sustainable design for the whole community



More detailed findings can be found in the *Liveable Yarra Engagement Summary Report*, Capire & City of Yarra, October 2015.

Attachment 3 - Final Yarra Housing Strategy

10 Yarra Housing Strategy

Community priorities for housing growth and change in Yarra

The Liveable Yarra panel provided clear direction to Council on the key issues for consideration when planning for housing growth and change.

Seven actions in the *Liveable Yarra Engagement Summary Report* (Capire & City of Yarra, October 2015) related to the following issues.

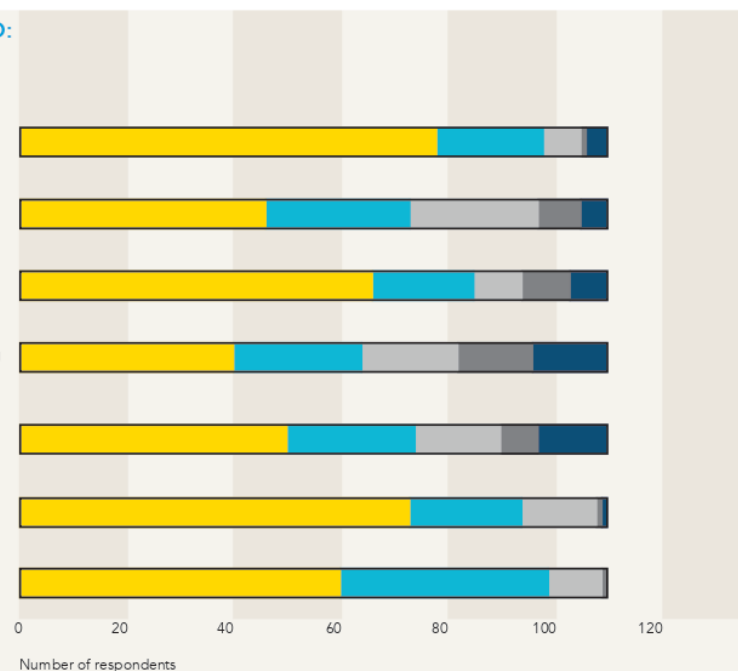
- Heritage;
- Economic development;
- Communal open space;
- Diversity and adaptability;
- Affordable housing;
- Access and movement; and
- Sustainability.

In early 2018, Yarra sought community feedback on the actions. The majority of the respondents believed that the actions were still very important in terms of Yarra meeting future housing needs, reaffirming the findings of the Liveable Yarra panel.

This section provides an overview of how these key issues and actions have been considered in the development of the strategy, and outline where they are being addressed through other projects or policy.

2018 COMMUNITY RESPONSES TO: HOW IMPORTANT ARE THE FOLLOWING LIVEABLE YARRA ACTIONS?

- Continue to protect existing high value heritage areas across Yarra
- Promote the inclusion of accessible and adaptable housing, and housing suitable for all life stages
- Encourage the provision of communal spaces in housing development
- Support the provision of affordable housing, including through co-housing and housing associations
- Increase space for pedestrians and bikes, dedicated lanes/corridors. Decrease car space on the streets
- Encourage housing development with high environmental qualities
- Retain land for non-residential uses to support arts, cultural and other employment and economic uses



Heritage

"Continue to protect existing high value heritage areas across Yarra"

Home to some of Melbourne's first suburbs, Yarra boasts many prized heritage streetscapes and residential, commercial, and grand civic buildings. The former industrial areas provide important links to Yarra's past.

Yarra protects its unique and diverse heritage by applying the Heritage Overlay to properties of identified heritage significance. The Heritage Overlay is a tool that requires a planning permit to subdivide land, demolish, build or alter a property that has heritage significance. About two thirds of all properties in Yarra are covered by the Heritage Overlay and, in fact, more properties are covered by the Heritage Overlay in Yarra than in any other municipality in Victoria. The strategy will need to respond to the high level of heritage protection in Yarra.

While Yarra's activity centres have key attributes that make them ideal for accommodating housing growth, they also include unique and intact heritage streetscapes and buildings. The Heritage Overlay applies to large sections of Yarra's major activity centres including Brunswick, Smith and Swan Streets, as well as Bridge Road. Future growth in these areas will need to be managed to respond to the heritage significance of these centres.

Balancing heritage protection with other important factors – like sustainability, the demand for urban growth and metropolitan planning policy – is an ongoing responsibility for Council.

Built form frameworks have been prepared for Swan, Victoria, and Johnston Streets, along with Queens Parade and Bridge Road. The frameworks are informed by detailed heritage reviews to determine how best to protect and enhance heritage streetscapes (as well as individual buildings) in each activity centre, while accommodating opportunities for future housing and employment growth.

This work will form the strategic basis for new site specific built form controls that will guide the scale and form of new development in these activity centres.



The housing strategy will need to respond to the high level of heritage protection and provide guidance on the appropriate level of growth in residential neighbourhoods and activity centres.

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Economic development

"Retain land for non-residential uses to support arts, cultural and Other employment and economic uses"

Yarra hosts a diverse range of industry sectors, with an increasing emphasis on professional services, health care and education, creative industries and a diverse offering of retail and hospitality. It also has a long tradition as a location for arts and culture, with many galleries, artist run spaces and live music venues.

Yarra's diverse range of businesses are vital to Melbourne's economy. While Yarra represents just 0.2% of Greater Melbourne's land area, it constitutes to 4.3% of Melbourne's total economic output. Yarra's economy is well-connected and benefits from an inner-city location with access to transport infrastructure, customers, other businesses and a large workforce. This spatial context is driving economic growth.

The municipality's employment land is a strategic resource, accommodating a large and diverse range of businesses, and providing employment for an extensive and growing number of workers with a wide range of skills. To ensure there is capacity to grow Yarra's economy, a Spatial Economic and Employment Strategy (SEES) has been prepared, which provides strategic directions and future opportunities for employment land. The strategy recognises a series of employment areas that accommodate business needs and additional employment to support the growth of the local economy.

Yarra's employment areas include:

- Major activity centres;
- Major employment precincts – Cremorne (Church Street) and Gipps Street, Collingwood;
- Commercial and industrial land outside activity centres; and
- Health and education precincts.

Yarra is an attractive location for residential development. If residential development is not managed and planned for it can displace existing economic activity. To reduce pressure for ad hoc conversion of employment land, Council proposes to retain the existing zoning in these employment areas, except where residential development on employment land has been identified in strategic work, including structure plans and local area plans. Council recognises the primacy of employment activity above housing in these areas.

Yarra's activity centres however are appropriate locations for new housing, given their proximity to services, facilities and public transport. Council recognises that there are economic benefits that flow on from additional housing in activity centres, including increased local expenditure, and supporting the generation of new land uses and commercial formats. Separate strategic work - structure plans and local area plans - will identify any rezoning potential.



Communal open space

"Encourage the provision of communal spaces in housing development"

The new state-wide apartment design requirements in the Victorian Planning Provisions (VPP) require a minimum area of communal open space for development over 40 dwellings. The requirements do not provide guidance on the design, location, usability and accessibility of communal open space for particular households.

Given apartments are going to be the predominant housing form built over the next 15 years in Yarra, there is a need to ensure that the needs of all household types are considered in the design of communal open spaces in future high density developments.

It is anticipated that families will account for 30% of household growth over the next 15 years¹. The City of Vancouver's *High-Density Housing for Families with Children Design Guidelines*² has been successful in providing clear guidance on designing family-orientated communal open space. The guidelines recommend that family units are concentrated on lower floors and around common play areas, which incorporate a mixture of durable hard and soft surfaces. In larger developments, it is good practice to provide a hierarchy of communal open spaces to allow households with different needs to use and enjoy the spaces.

Recent trends in communal open space design in Yarra have included providing communal dining and entertaining areas, small grassed areas for play or quiet reading, and recreation facilities. These facilities create a good environment for residents to interact and provide a balance between private open space in apartments and public open space in the surrounding area.

Improving the quality of the design and functionality of communal open spaces in apartment developments will enhance the long-term attractiveness of apartment living for all households in Yarra. The strategy will provide specific directions on how this can be achieved through the planning system.



¹ Department of Environment, Land, Water and Planning, 2016, *Victoria in Future 2016: Population and Household Projections to 2051*, Melbourne.
² City of Vancouver, 1992, *High-Density Housing for Families with Children Guidelines*, Vancouver.

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Diversity and adaptability

"Promote the inclusion of accessible and adaptable housing, and housing suitable for all life stages"

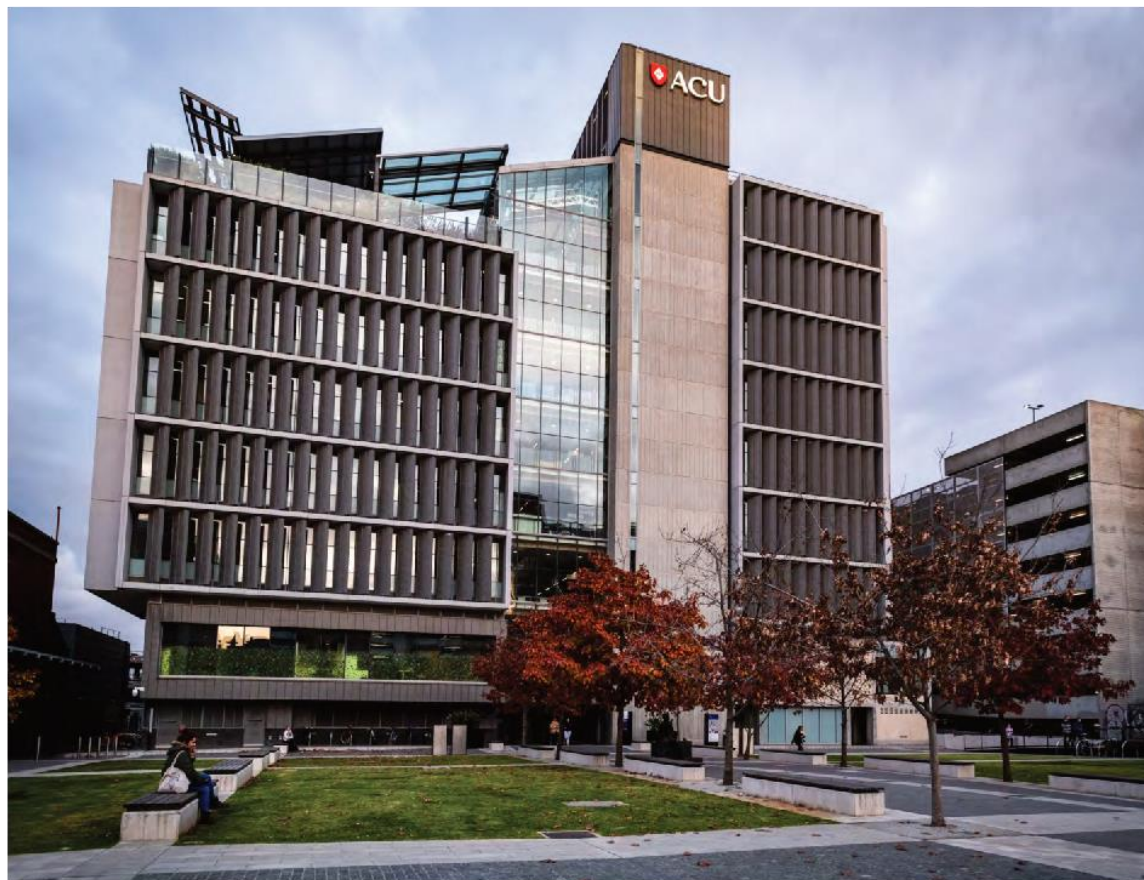
As more homes are constructed in Yarra, it is important to ensure that they are designed and built to meet the changing needs of occupants across their lifetime and enhance the liveability of the dwellings for the longer term. Providing a diverse mix of housing options for all residents in Yarra (including people with disabilities, older persons and families) helps support social inclusion and will maintain Yarra's vibrant community into the future.

Planning for student housing

Yarra has four large tertiary institutions within its boundary, including:

- University of Melbourne, Burnley campus;
- Australian Catholic University, Melbourne campus;
- Melbourne Polytechnic, Fairfield and Collingwood campuses; and
- Kangan Institute, Richmond campus.

These institutions cater for a number of students from overseas, interstate and regional Victoria. Some of these students may require purpose built student housing to undertake their studies in Yarra. Student housing has a role in supporting tertiary institutions and their students. It allows students to more easily secure housing close to their place of study and also live with other students. Yarra supports the tertiary institutions and also student housing that has good access (by walking, cycling or public transport) to these institutions.



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Better housing for larger groups, including family and share households

As apartment development in Yarra is expected to increase, there is a need to integrate housing diversity into apartment developments to cater for a wider range of households.

If apartment living is to be adopted by family and share households, the design of high-density housing needs to consider their needs, including sufficient internal space and adequate outdoor space³. The participants in the youth workshop noted that there is a lack of suitable share housing options in Yarra. They suggested that having access to large communal open and private spaces are key housing needs for groups of 3-4 people.

The *Auckland Design Manual* includes the following apartment design checklist for larger households⁴:

- Provide a diversity of apartment types and sizes;
- Provide good levels of amenity both inside and outside for larger groups and children;
- Provide a mix of housing tenure including affordable housing; and
- Ground floor apartments should be specifically designed for families with children and people with limited mobility.

Apartment development in Yarra should provide for larger apartments (three or more bedrooms) and for these to be located on the ground floor, particularly around or near communal space. Lower level apartments are considered more accessible for the disabled, the elderly and families with children.

Planning for an aging population

New apartments also need to better accommodate the needs of older people and people living with a disability (in 2016, 10.5% of the population in Yarra was 65 and over, and 3.5% needed help in their day-to-day lives due to a disability).

In Yarra, more older people are living in apartments. The number of people aged 60 and over living in apartments increased from 2,380 people in 2006 to 3,745 people in 2016⁵. A person may choose to relocate to an apartment for many reasons including financial factors, health issues, death of a spouse, lifestyle change or wanting to downsize.

The Federal Government actively encourages older people to downsize. People aged 65 and over are able to make a large contribution to their superannuation fund from the proceeds of selling their family home. The purpose of this measure is to encourage people to downsize into housing that is more suitable to their needs, freeing up larger homes that can accommodate families.

Research on downsizing among older Australians revealed that satisfaction with a dwelling is often related to⁶:

- Limited home maintenance;
- Having enough internal space to entertain;
- Having access to shared common spaces;
- The layout and accessible design of the dwelling;
- Adequate storage;
- Good owners' corporation;
- Proximity to shops, transport and services; and
- Living in a safe area with good security.

³ Waltham Forest Council, 2009, *High Density Housing Qualitative Study Presentation of Findings*, Urban Initiatives, London.

⁴ Auckland Council, 2018, *Auckland Design Manual: Apartment mix and designing for families*, Auckland

⁵ Australian Bureau of Statistics, *Census of Population and Housing 2006 and 2016*.

⁶ Judd, B. et al, 2014, *Downsizing amongst older Australians: AHURI Final Report No.214*, Melbourne.

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Planning for more inclusive housing

The provision of apartments that adopt universal design principles helps support independence and improves a resident's quality of life by allowing them to remain in their local area longer. Yarra supports the Australian Network for Universal Housing Design and Rights and Inclusion Australia's position statement that the homes we build for today should be fit for all of tomorrow's Australians. The *Livable Housing Design Guidelines*⁷ is a benchmark for making housing more accessible and usable for everyone.

The guidelines note that a liveable home is designed to be:

- Easy to enter;
- Easy to navigate in and around;
- Easy and cost-effective to adapt; and
- Responsive to the changing needs of home occupants.

New state-wide, apartment development planning requirements now require that 50% of dwellings include basic adaptability provisions.



⁷ Livable Housing Australia, 2017, *Livable Housing Design Guidelines: Fourth Edition*.

⁸ Department of Social Services, 2017, *2016–17 Report on the Operation of the Aged Care Act 1997*, Australia.

Planning for more residential aged care facilities and retirement villages

While Yarra supports and encourages people being independent long into retirement, it is sometimes necessary for a person to relocate to a residential aged care facility or retirement village to receive adequate support.

In Yarra, seven residential aged care facilities provide 304 beds and two retirement villages provide 202 apartments. While an additional 501 beds have been recently approved via the planning permit process, Yarra will still have a predicted shortfall of 109 beds by 2025 (Federal Government target based on 80 aged care beds per 1,000 people aged 70 years or over⁸).

Yarra's adopted *River of Life Positive Ageing Strategy and Action Plan 2007-2016* identifies that a person's ability to age in place is determined by the availability of appropriate accommodation. To meet future demand from an aging population, Yarra will require more residential aged care facilities and retirement villages.

The Planning Policy Framework (PPF) recognises that residential aged care facilities are different to dwellings in their purpose and function, and will have a different built form (including height, scale and mass) to other forms of residential development.

Residential aged care facilities in inner Melbourne typically take the form of apartment buildings, given high land values and the industry's standard operating model. Yarra should encourage that this type of development is located in activity centres

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that are well serviced by public transport, and accessible to hospitals and other specialist medical facilities.

The existing maximum building height controls in the current suite of residential zones often do not support state planning policy to facilitate aged care development. The Victorian Government is in the process of reforming existing planning controls to support a more streamlined approach to developing residential aged care facilities. The proposed controls will be in the form of a new Particular Provision that has been prepared to provide a focused point of assessment for residential aged facilities in residential areas. The Particular Provision will form part of the Victoria Planning Provisions and be included in every planning scheme across the state, including the Yarra Planning Scheme.

Emerging housing model - cohousing

Cohousing is an emerging housing model that aims to mix private and shared spaces in a way that meets the need for both privacy and a sense of community and support.

Typical characteristics of cohousing include:

- Future residents are involved in the design process to ensure the building meets their needs;
- Both private and shared spaces, and encourages community interaction;
- Residents are usually actively involved in the governance of the property; and
- Mix of dwelling size and density.

Research⁹ on cohousing has found that, for older people in particular, it can provide:

- An affordable home;
- Accessible design;
- Ageing in place and connections to their friends and local community across generations;
- Good access to care (e.g. shared residential carers); and
- Positive social and environmental outcomes.

Cohousing can provide housing that is affordable, accessible and facilitates social interaction. In Yarra cohousing and its benefits are not well understood by the community and this may limit residents acceptance of cohousing development. Planning policy support for cohousing can remove some barriers to this type of development.



⁹ *Advancing Cohousing for Seniors*, 2017, Institute for Sustainable Futures at the University of Technology Sydney, viewed 24 July 2018, <<https://www.uts.edu.au/research-and-teaching/our-research/institute-sustainable-futures/our-research/social-change-4>>.

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Affordable housing

"Support provision of affordable housing including through co-housing and housing associations"

The strong demand to live in Yarra has resulted in rapid house price growth and high land values in the past 5-10 years. The high purchase prices in Yarra (the median house price in 2017 was approximately \$1,400,000 with units at \$582,750)¹⁰ mean that many households are unable to purchase property in Yarra, especially lower income households. While renting for many households is more viable than purchasing a home, the cost of renting in Yarra is still cost prohibitive for many households.

Currently most of the Yarra's workers (86%), including key workers, live outside the municipality. Key workers, including teachers, fire/emergency workers, nurses, paramedics and police, provide essential services for the community and, due to the nature of their work, often need to live close to their workplace. Research has shown that key workers are increasingly being priced out of inner city areas, such as Yarra¹¹, as they typically earn moderate rather than high incomes¹².

To maintain Yarra's social and economic diversity, there needs to be more affordable housing (as defined at section 3AA of the *Planning and Environment Act 1987*) in Yarra.

Planning for more affordable housing

An objective of planning in Victoria is to facilitate the provision of affordable housing.

Within the current legislative framework, local government can provide for more housing for very low, low and moderate income households by:

- Entering into an agreement, under section 173(1A) of the *Planning and Environment Act 1987*, with a land owner for the development or provision of affordable housing;
- Advocating for policy and legislative changes; and
- Facilitating partnerships between developers and affordable housing associations/providers.

With respect to affordable housing (that is not social housing), the exact income ranges of very low, low and moderate income households are specified by the Governor of Victoria, based on Australian Bureau of Statistics data.

In November 2017, Council adopted the *Policy Guidance Note on Affordable Housing in Significant Redevelopments in Yarra*. The note is one way that Yarra encourages the provision of affordable housing in new developments.

The note outlines Yarra's expectations relating to affordable housing at significant redevelopment sites. With significant rezoning of commercial and industrial land to residential use, developers are expected to provide at least 5% affordable housing at sites yielding 50 dwellings or more, and work with a registered housing association/provider to deliver affordable housing.

Since adoption of the note, the property sector has become more receptive to providing more than 5% affordable housing at significant redevelopment sites. During public consultation of the draft strategy, many residents also stated that 5% is not a high enough target for affordable housing in Yarra, and that 10-15% would be more appropriate.

Yarra has worked with a number of site owners to provide at least 10% affordable housing. At the former GTV9 site, Richmond, affordable housing will represent at least 10% of the total number of new apartment dwellings. At the former Gasworks site, Fitzroy North a range of dwelling types will cater for a variety of housing needs including the provision of up to 20% affordable housing. Council will continue to seek additional affordable housing for our very low, low and moderate income community.

¹⁰ Department of Environment, Land Water and Planning, 2017, *A Guide to Property Values: Annual data and analysis from Valuer General Victoria 2017*.

¹¹ MacLennan, D, Ong, R, Wood, G, 2015, *Making connections: housing, productivity and economic development*, AHURI Final Report No. 251, Australian Housing and Urban Research Institute Limited, Melbourne.

¹² Gurran, N, Phibbs, P, Gilbert C, Zhang, Y. 2018, *Options to improve key worker access to home ownership*, the University of Sydney, Sydney.



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This strategy recommends introducing requirements into the Yarra Planning Scheme that seek at least 10% affordable housing when sites are rezoned for residential use, and in significant developments of 50 or more dwellings.

Emerging affordable housing models

There is currently a focus on strengthening the role of planning in facilitating and delivering affordable housing.

Emerging affordable housing models in Victoria include:

- Shared equity schemes, whereby an eligible purchaser shares the cost of purchasing a home with an equity partner;
- Inclusionary zoning that requires development in a certain zone include affordable housing;
- Utilising surplus government land to deliver additional affordable housing; and
- Specialist companies facilitating collaborative development projects for key workers¹³.

Yarra should continue to advocate for policy and legislative changes that enable councils to secure affordable housing. As the community and the affordable housing sector respond to the issue of affordability, Council needs to be receptive to innovative models that may arise.



The term affordable housing refers to housing, including social housing, that is appropriate for the housing needs of very low, low and moderate income households.

¹³ Gurran, N, Phibbs, P, Gilbert C, Zhang, Y. 2018, *Options to improve key worker access to home ownership*, the University of Sydney, Sydney.

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Access and movement

"Increase space for pedestrians and bikes, dedicated lanes/corridors decrease car space on the streets"

Yarra is well serviced by all modes of public transport and has an extensive cycling and pedestrian network. The public transport network in Yarra has resulted in a large number of people using sustainable transport modes on a day-to-day basis. In Yarra, more residents per capita ride bicycles to and from work than in any other metropolitan Melbourne area. In 2016, 8.6% of people in Yarra travelled to work on a bicycle, compared to the greater Melbourne average of 1.4%. Yarra's compact urban form also promotes shorter travel distances and is conducive to active modes of transport.

The strategy should continue to promote Yarra as a place where people can get most of their day-to-day goods and services, or access schools and open spaces, within a short walk or cycle. Identifying areas in activity centres that are appropriate to accommodate housing growth will help achieve this outcome. There is a need to ensure car parking is supplied and managed to promote more sustainable transport modes.

While Yarra has excellent public transport options, it also includes a number of major arterial roads, which are highly utilised and important for the wider metropolitan region. These through-roads generate increased traffic volumes on Yarra's local road networks and create traffic congestion. Addressing the impacts of traffic congestion in Yarra will require a significant societal shift from private car based travel to more sustainable forms of transport. This cannot be addressed by the strategy alone.





Sustainability

"Encourage housing development with high environmental qualities"

With increased growth and development there is a corresponding community expectation to increase the standards of design and amenity, communal open and internal space and responsiveness to local character.

Recent changes to the Yarra Planning Scheme [including the introduction of the Environmentally Sustainable Development (ESD) local planning policy and the new apartment design requirements] have provided a robust, consistent planning framework to optimise ESD outcomes at the planning stage of development.

The Built Environment Sustainability Scorecard (BESS) is a free assessment tool created by local governments to assist planning permit applicants demonstrate that their development meets best practice sustainability requirements as part of their planning permit application. In Yarra, a large number of applicants are utilising the BESS tool to create environmentally sustainable development reports for both smaller and larger developments.

These ESD planning initiatives are achieving substantial environmental benefits and contributing to enhancing the liveability of Yarra. Monitoring data of the ESD policy demonstrates that eligible dwellings commonly exceed the minimum energy efficiency requirements of the National Construction Code, which requires dwellings to achieve a minimum NatHERS rating of 5 stars and an average of 6 stars. With these planning provisions in place, no further guidance is required in the strategy to respond to this issue at this time.

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3. POLICY CONTEXT

This strategy has been prepared within the context of relevant planning strategies and policies, which set the parameters for what can and should be addressed through local strategic policy.

Metropolitan planning strategy

Plan Melbourne 2017-2050

Promoting urban consolidation has been an important policy direction of metropolitan strategies since the 1980s. The Victorian Government's current metropolitan planning strategy, Plan Melbourne 2017-2050 (Plan Melbourne)¹⁴ builds upon the core strategies of the former strategy, Melbourne 2030, which encouraged urban consolidation and introduced an urban growth boundary. Plan Melbourne aims to create a city where most of a person's everyday needs are within a 20-minute walk, cycle or local public transport trip.

Key directions in Plan Melbourne relating to housing include:

- Deliver more housing closer to jobs and public transport;
- Manage the supply of new housing in the right locations to meet population growth and create a sustainable city;
- Increase the supply of social and affordable housing; and
- Provide greater choice and diversity of housing.

To manage the supply of housing in Melbourne, it is expected that established areas (such as Yarra) will accommodate a greater share of housing growth. Plan Melbourne provides an aspirational outlook of 70% of new housing being provided within Melbourne's established areas.

It is also expected that new housing will be directed to activity centres and other places that offer good access to jobs, services and public transport.

Plan Melbourne identifies five major activity centres in Yarra:

- Brunswick Street, Fitzroy;
- Smith Street, Collingwood/Fitzroy;
- Bridge Road, Richmond;
- Swan Street, Richmond; and
- Victoria Street, Richmond.

Yarra also has seven designated neighbourhood activity centres; including:

- Johnston Street, Collingwood/Abbotsford;
- Queens Parade, North Fitzroy/Clifton Hill;
- Gertrude Street, Fitzroy;
- Heidelberg Road, Alphington;
- Nicholson Street, North Fitzroy/Clifton Hill;
- Rathdowne Street, Carlton North; and
- St Georges Road, North Fitzroy.

Regional housing context

Plan Melbourne includes Yarra, along with the Cities of Melbourne and Port Phillip, in the inner metro region, which in 2015 had a combined estimated resident population of approximately 325,000¹⁵. It forecasts the region to grow to 495,000 by 2031, and to 695,000 by 2051.

An initiative of Plan Melbourne is to focus investment and growth to major urban renewal precincts within the inner metro region, including:

- Docklands, Arden, Macaulay, E-Gate and Dynon (City of Melbourne);
- Fishermans Bend (Cities of Melbourne and Port Phillip); and
- Flinders Street Station to Richmond Station Corridor (Cities of Melbourne and Yarra).

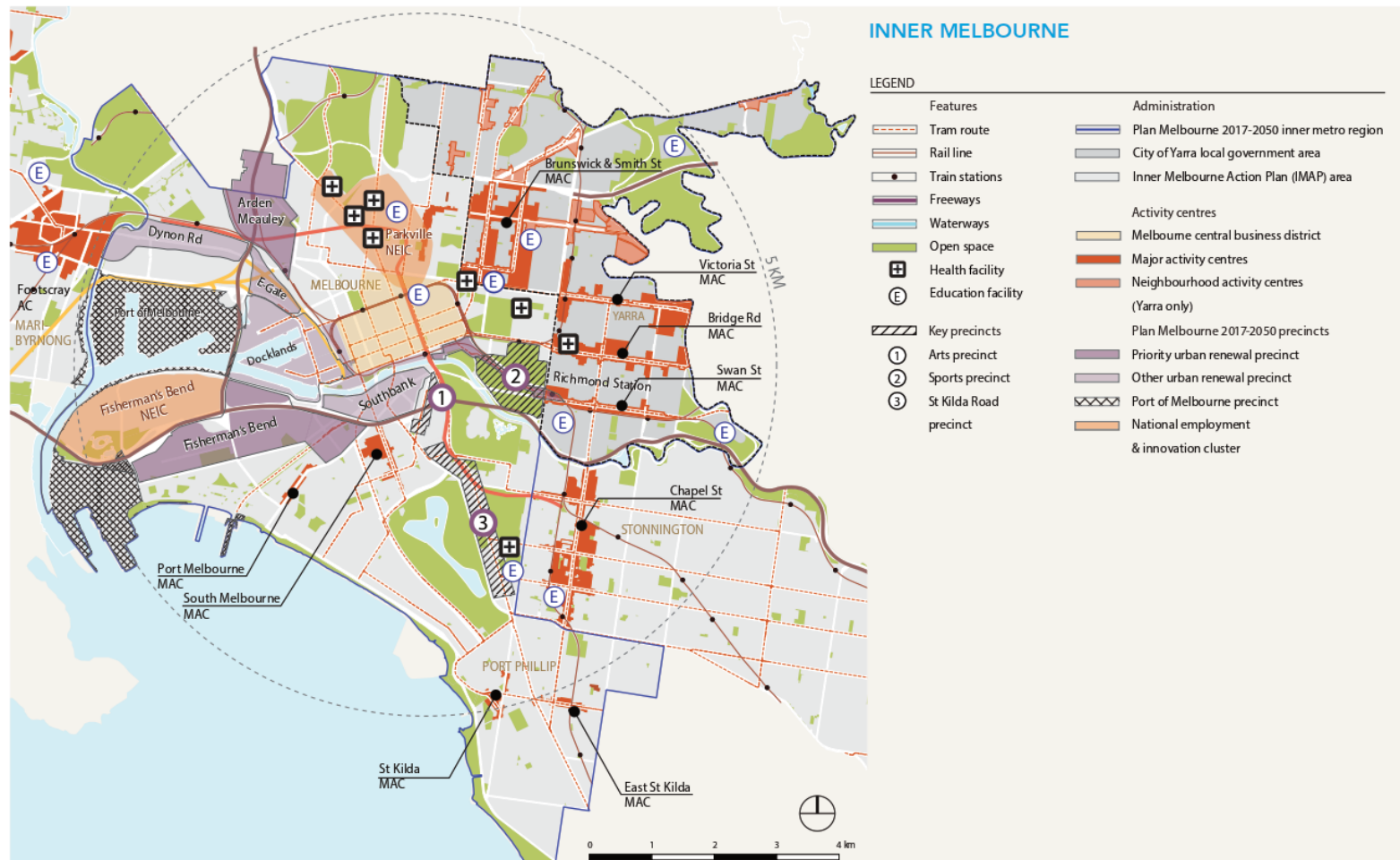
Fishermans Bend is Australia's largest urban renewal area, with 455 ha of land expected to accommodate 80,000 residents by 2025. Docklands is a 146 ha precinct and is expected to contain approximately 20,000 residents by 2051. Only a small area of Yarra (land in and around Richmond Station) is included as a major urban renewal precinct (the Flinders Street Station to Richmond Station Corridor).

One of the key short-term activities of Plan Melbourne is the preparation of metropolitan regional housing plans by the regional metropolitan groups. This strategy will provide important information to inform the content of the inner metro regional housing plan.

¹⁴ Department of Environment, Land Water and Planning 2017, *Plan Melbourne 2017-2050*.

¹⁵ Department of Environment, Land Water and Planning 2017, *Plan Melbourne 2017-2050, Five-Year Implementation Plan*.





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Planning Policy Framework

The Planning Policy Framework (PPF) is the policy content of the planning scheme. The PPF structure provides for three tiers of integrated planning policy, grouping state, regional and local planning policy by theme.

State Planning Policy

Statewide

Statewide policies provide direction on planning and managing residential growth in Victoria.

Key housing directions for all Victorian councils are:

- Provide for housing diversity, and ensure the efficient provision of supporting infrastructure;
- Ensure the long term sustainability of new housing, including access to services, walkability to activity centres, public transport, schools and open space;
- Include the provision of land for affordable housing;
- Increase the supply of housing in existing urban areas by facilitating increased housing yield in appropriate locations, including under-utilised urban land;
- Ensure that an appropriate quantity, quality and type of housing is provided, including aged care facilities and other housing suitable for older people, supported accommodation for people with disability, rooming houses, student accommodation and social housing;

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- Facilitate the delivery of high quality social housing;
- Demonstrate a 15 year housing supply and provide clear direction on locations where growth should occur;
- When planning for urban growth consider the VIF2016 projections; and
- Conserve places that have identified heritage significance.

Regional

Regional policies provide planning guidance to councils within the same regional context. Yarra is grouped under the metropolitan Melbourne region.

The relevant housing strategies for metropolitan Melbourne councils are:

- Allow for a range of minimal, incremental and high change residential areas that balance the need to protect valued areas with the need to ensure choice and growth in housing;
- Create mixed-use neighbourhoods at varying densities that offer more choice in housing;
- Identify areas that offer opportunities for more medium and high density housing near employment and transport in Metropolitan Melbourne;
- Facilitate increased housing in established areas to create a city of 20 minute neighbourhoods close to existing services, jobs and public transport; and
- Create mixed-use neighbourhoods at varying densities that offer more choice in housing.

This strategy will undertake the necessary strategic work to identify and categorise areas in Yarra that can accommodate more medium and high density housing growth (near employment and transport in metropolitan Melbourne), which will provide more certainty to the community about where growth can and can't be accommodated within Yarra.

Local Planning Policy

The Municipal Strategic Statement (MSS) in the Yarra Planning Scheme provides a statement of the key strategic planning, land use and development objectives for Yarra. The vision for housing is that Yarra will continue to accommodate a diverse range of people including families, the aged, the disabled, and those who are socially or economically disadvantaged.

The MSS lists three key housing objectives:

- Objective 1: To accommodate forecast increases in population;
- Objective 2: To retain a diverse population and household structure; and
- Objective 3: To reduce potential amenity conflicts between residential and other uses.

The Yarra Planning Scheme relies upon 42 designated Strategic Redevelopment Sites (SRSs) to accommodate the majority (85%) of Yarra's additional dwellings. These sites were chosen as they are good locations for growth and are able to absorb growth without major impacts on surrounding areas.

There are, however, challenges with directing housing growth to designated SRSs. Yarra's list of SRSs in the MSS is not exhaustive and there are other sites in Yarra that can be considered to be appropriate locations for higher density housing development. The overall development pattern of Yarra also shows that a substantial proportion of development has occurred in Yarra's activity centres.

The new local planning policy, relating to housing, will reflect the key directions of the strategy and will provide:

- Current population and housing forecasts;
- Clear direction and guidance on the appropriate locations for growth;
- A growth strategy that takes a holistic approach to housing growth beyond directing housing growth to designated SRSs;
- Certainty about the levels of growth in neighbourhoods and activity centres; and
- Direction on key issues such as housing diversity and adaptability, affordable housing and family friendly apartments.



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Recent planning reforms

There have been extensive planning reforms over the last few years in Victoria to provide greater flexibility and housing growth opportunities in activity centres (directing housing growth away from established residential areas) and to improve residential amenity and sustainability of apartment developments.

Residential design codes and guidelines

While metropolitan planning policy has supported urban consolidation since the latter part of the 20th century, initiatives such as the *Good Design Guide for Medium Density Housing* (GDGMDH)¹⁶ have been unpopular with the community as they allowed multi-unit development in established residential areas. ResCode, which replaced the GDGMDH in 2001, applies to residential buildings of up to four storeys on residential zoned land. Importantly for Yarra, ResCode requires that new development respect neighbourhood character, protect amenity and be sustainable.

In April 2017, the Victorian Government introduced state-wide requirements for apartment developments of five or more storeys (excluding a basement) in a residential zone and all apartment developments in other zones. The Particular Provisions at Clause 55.07 and Clause 58 (Apartment Developments) introduced requirements to improve the standard of apartment living and provide attractive living opportunities for a variety of household types in Victoria.

The requirements seek to improve:

- The layout of apartment developments, including building setbacks, communal open space and landscaping;
- The internal amenity of apartments, including daylight access, outlook, visual and acoustic privacy and storage;
- The functionality of apartments, including minimum room size and accessibility requirements; and
- The environmental sustainability of apartment developments, including water and storm-water management, waste and recycling, energy efficiency, natural ventilation and noise attenuation in noise affected locations.

These changes are considered to substantially respond to the internal amenity, accessibility and sustainability concerns identified by the Liveable Yarra panel. More guidance on the design of communal open and internal space should be provided in the Yarra Planning Scheme. The strategy's key directions seek to address this in a manner that is complementary to the provisions in the Yarra Planning Scheme.

Planning zone reforms

Planning zones in Victoria were reformed in 2013 to improve the range of zones, better manage growth and reflect evolving development trends.

New residential zones

The new residential zones were introduced to provide clearer direction on levels of housing growth in residential areas, including the

introduction of mandatory height controls. The new residential zones gave councils a way to protect neighbourhoods with special character and heritage significance from inappropriate development, by directing housing growth to areas around main roads, shopping centres and transport hubs.

The new residential zones were introduced into the Yarra Planning Scheme in April 2015 via Amendment C176. The amendment applied:

- The Neighbourhood Residential Zone (NRZ) to areas within the Heritage Overlay, areas outside 400m of public transport pedestrian catchments and the Yarra River Corridor; and
- The General Residential Zone (GRZ) to select main roads and key boulevards that have experienced substantial redevelopment and offer future redevelopment opportunities, warehouse sites within heritage residential streets and all other residential areas.

The application of the NRZ and GRZ in Yarra has resulted in limitations on development in established residential areas. Most sites covered by these zones have a maximum building height of between 8 and 9 metres. Some existing warehouses and main road locations can accommodate buildings up to 11.5 metres. Additionally, the NRZ specifies a maximum number of dwellings that can be constructed on a lot.

In 2016 the Victorian Government completed a review of the new residential zones, and the subsequent reforms were introduced into Victorian planning schemes in March 2017.

¹⁶ Department of Planning and Development, 1995, the *Good Design Guide for Medium Density Housing*, Melbourne.



Attachment 3 - Final Yarra Housing Strategy

The reforms sought to provide a fairer approach to managing residential development, and deliver consistent outcomes across Victoria's suburbs, towns and cities.

Key reforms relevant to Yarra include:

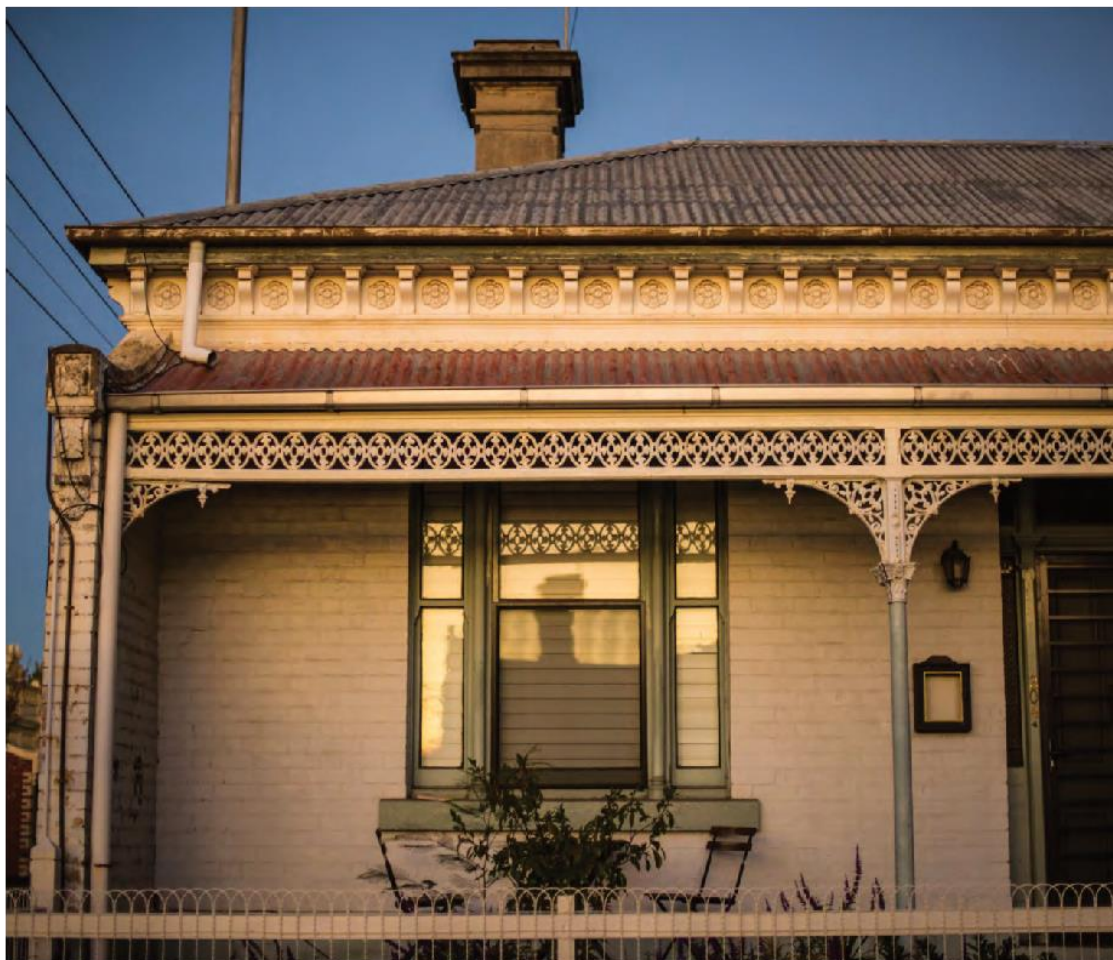
- Allowing councils to define neighbourhood character and design objectives;
- Removing the maximum number of dwellings on a lot in the NRZ;
- Mandatory building heights in the NRZ (9m and 2 storeys) and the GRZ (11m and 3 storeys) – Councils can set alternative height limits but they must be higher than 9m and 11m respectively; and
- Mandatory minimum garden area requirements in the NRZ and GRZ.

Further strategic work is required to review the schedules against the residential zones and align them with the reforms.

New commercial zones

The new commercial zone reforms were introduced in July 2013 to provide greater flexibility and growth opportunities for Victoria's business centres, directing housing growth away from established residential areas. The new Commercial 1 Zone, which applies to the majority of Yarra's activity centres, encourages housing in commercial centres by allowing a wider range of accommodation uses.

This strategy builds on the substantial strategic work undertaken to implement the new zones and does not seek to make any further changes to the current zoning provisions.



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Council Plan

Yarra's Council Plan is a strategic document that puts forward a vision for how the Council will respond to the opportunities and challenges facing Yarra over the next four years.

Given the significant increase in population and residential development in Yarra since the adoption of the previous Council Plan (2013-2016), the current Yarra Council Plan (2017-2021) identifies the need to actively plan and manage growth through the preparation of a new housing strategy. This strategy will help achieve Yarra's vision for development to be appropriately managed to maintain the character and heritage of the city.

COUNCIL PLAN



Inner Melbourne Action Plan

The Inner Melbourne Action Plan (IMAP) is a collaborative partnership between the Cities of Melbourne, Port Phillip, Stonnington, Yarra and Maribyrnong.

Given their geographical proximity, the IMAP councils share many similar issues and characteristics including, a high rate of employment and population growth, distinctive historic suburbs and extensive public transport networks. Comparing Yarra to the broader IMAP area provides a useful point of reference when trying to understand demographic trends and changes in Yarra and inner Melbourne.

The action plan, adopted in 2016, has been developed to continue to improve inner Melbourne's liveability while responding to the challenges of rapid growth. The action plan includes five main goals to achieve this:

- Goal 1: A globally significant, strong and diverse economy;
- Goal 2: A connected transport network that provides real travel choices;
- Goal 3: Diverse, vibrant, healthy and inclusive communities;
- Goal 4: Distinctive, high quality neighbourhoods and places; and
- Goal 5: Leadership in achieving environmental sustainability and climate change adaptation.

Under Goal 3, the relevant housing strategies for inner Melbourne are:

- Create a substantial increase in the supply of affordable housing; and
- Advocate to achieve improved design quality, internal amenity standards, environmental sustainability and diversity of apartments and all new/refurbished homes.



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Implications for the Yarra Housing Strategy

Plan Melbourne and the PPF provide clear support for the urban consolidation of Melbourne, particularly within and close to activity centres and along transport corridors (away from established residential neighbourhoods).

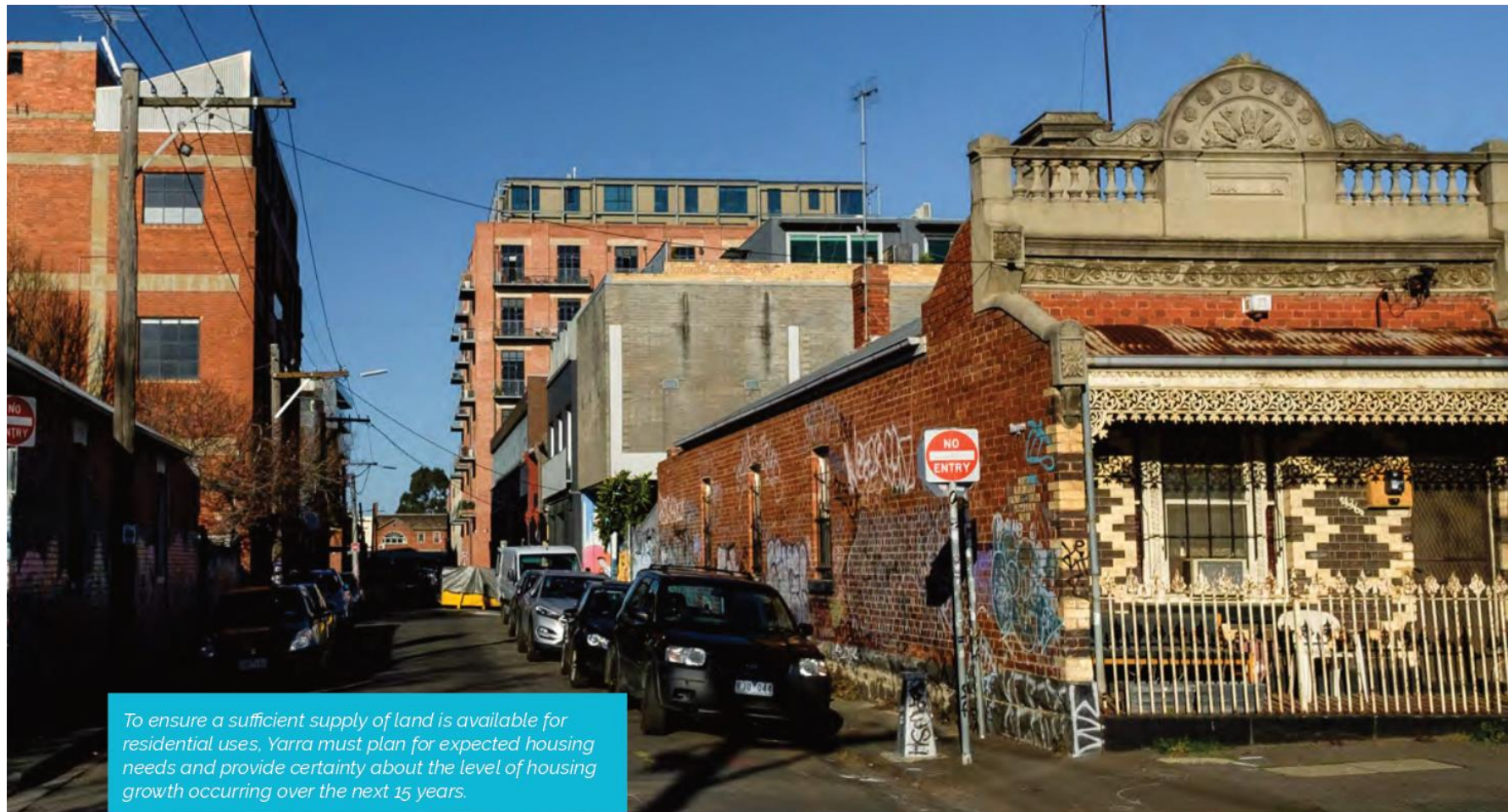
As Melbourne continues to grow, established municipalities such as Yarra will need to accommodate more housing growth. As such, Yarra must plan for expected housing needs and provide certainty about the level of housing growth occurring over the next 15 years. A significant part of this work has already been undertaken through the application of the new residential zones in 2015. This strategy seeks to build upon this significant body of work by defining locations best able to support housing growth in a way that maintains the city's liveability and also creates additional benefits, including:

- Increased supply of affordable housing;
- Greater choice and diversity of housing; and
- Well designed internal and outdoor communal spaces in new development to better cater for family and share households.

Specific directions on the scale and form of development in the residential neighbourhoods are appropriately captured through existing policy and zoning provisions. Structure Plans, local area plans and built form frameworks have also been prepared and will be translated into associated planning controls.



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4. A PROFILE OF HOUSING IN YARRA

Historical development

The rich and varied history of Yarra is reflected in its built form and mix of residential, industrial and commercial areas. The people, places, activities and economy in Yarra have all undergone significant change in the past years, decades and centuries.



1830-1850: GRID ROADS AND FIRST SUBURBS

Fitzroy was Melbourne's first suburb, following the subdivision of land between Melbourne City and Alexandra Parade in 1839.

Some suburbs, such as Carlton, were comprehensively surveyed and laid out while other areas, such as Collingwood and Richmond, were relatively unplanned. These areas had disjointed and often narrow streets and lots, and were places where cheaper housing was built.

1850-1890: GOLD RUSH TO MARVELLOUS MELBOURNE

Introduction of grand houses in parts of Yarra in areas like Princes Hill, Carlton North, Fitzroy North and Richmond Hill.

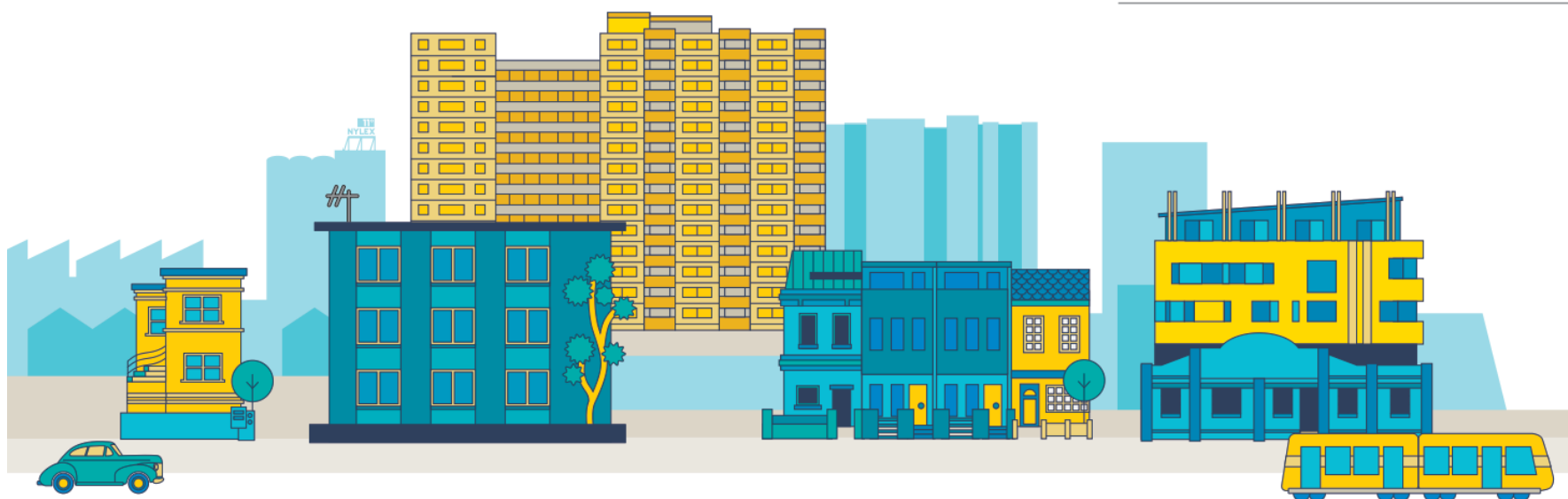
More modest housing was constructed in Fitzroy, Collingwood, Abbotsford and Richmond for workers employed in developing industries nearby.

Melbourne's first cable tram routes were developed along the main roads in the latter part of the 19th Century, attracting long corridors of shops and businesses, forming the beginnings of what we recognise today as Yarra's major activity centres.

Many of Yarra's historical landmark buildings, including St Ignatius' Church and the Town Halls with their characteristic clock towers, were built during this period.



Attachment 3 - Final Yarra Housing Strategy



1920-1950: DEPRESSION AND AUSTERITY

The population decline of the interwar period resulted in different patterns of residential development across Yarra, with some expansion of industrial buildings.

During the Depression, the poorer parts of Fitzroy, Collingwood and Richmond were affected by poverty and classified as slums.

1950-1980: POST-WAR CHANGE

In the 1950s, while many families were moving to Melbourne's new suburbs, newly arrived migrants from southern European countries were moving to Yarra. Many of them joined the workforce of the thriving textile, clothing and footwear industries. These new residents brought new foods, languages and a change to the street life and culture.

The Housing Commission's slum clearance projects in the 1950s and 1960s also had a huge impact on Yarra. Whole blocks of houses were demolished and replaced with towering housing estates, dramatically changing the streetscape. Yarra's built form was also being changed by the Melbourne-wide boom in the development of apartment buildings.

1980-2018: RETURN TO THE INNER-CITY

The increasing popularity of the inner suburbs in the 1980s as places to live spurred the support for heritage protection for areas of cultural significance and provided the foundations for Yarra's existing heritage controls.

The turn of the millennium saw no slowing in demand for inner city living, business and leisure. Property development continued, diversifying to include creative work spaces, such as design and architectural studios, and niche manufacturing in industries that had a long history in Yarra, such as fashion and food production.

As urban consolidation gained more support in Melbourne in the early 2000s, development was actively directed to activity centres and former industrial areas within the inner city.

Recent changes in Yarra reflect a global trend of people wanting to live closer to city centres to access employment, an inner city lifestyle, nightlife and vibrant places. But change is not new; the area known now as the City of Yarra has been evolving since European settlement in the 1830s.

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Yarra community profile

Understanding the population and household characteristics of Yarra, and how they compare to other local government areas, provides a good insight into Yarra's residential role and function, and how it is likely to change in the future.

Based on 2016 Australian Bureau of Statistics (ABS) Census data¹⁷, Yarra contains a multi-cultural population with 28.9% of the population born overseas and 19% from a non-English speaking background. The largest non-English speaking country of birth in the Yarra was Vietnam, where 3.0% of the population were born. In Yarra, 22% of people spoke a language other than English at home.

Yarra also has a young population and workforce, with the largest age group being 25 to 29 year olds, and the median age of residents being 33 years old. The people in Yarra are also increasingly high earners, attracted to what Yarra has to offer such as its proximity to the city centre and its employment, entertainment and education attractors. In 2016, the median weekly personal income for people aged 15 years and over in Yarra was \$1,039, median family income was \$2,509 per week and median household income was \$1,958.

Yarra has one of the highest turnover rates of residents in Melbourne. In 2016, 52.6% of residents were new to their address in the last 5 years, 41.4% moved from elsewhere in Australia and 11.2% moved from overseas.

¹⁷ Australian Bureau of Statistics, Census of Population and Housing, 2016. Compiled and presented in profile.id by .id, the population experts.



A DEMOGRAPHIC SNAPSHOT



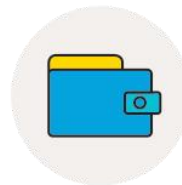
28.9% of residents born overseas
3% of residents born in Vietnam



19% of residents come from a non-English speaking background
22% speak a language other than English at home



Largest age group is 25 to 29 year olds
Median age of residents is 33 years old



Median weekly income:
Personal: \$1,039
Family: \$2,509
Household: \$1,958



52.6% of residents were new to their address in the last 5 years

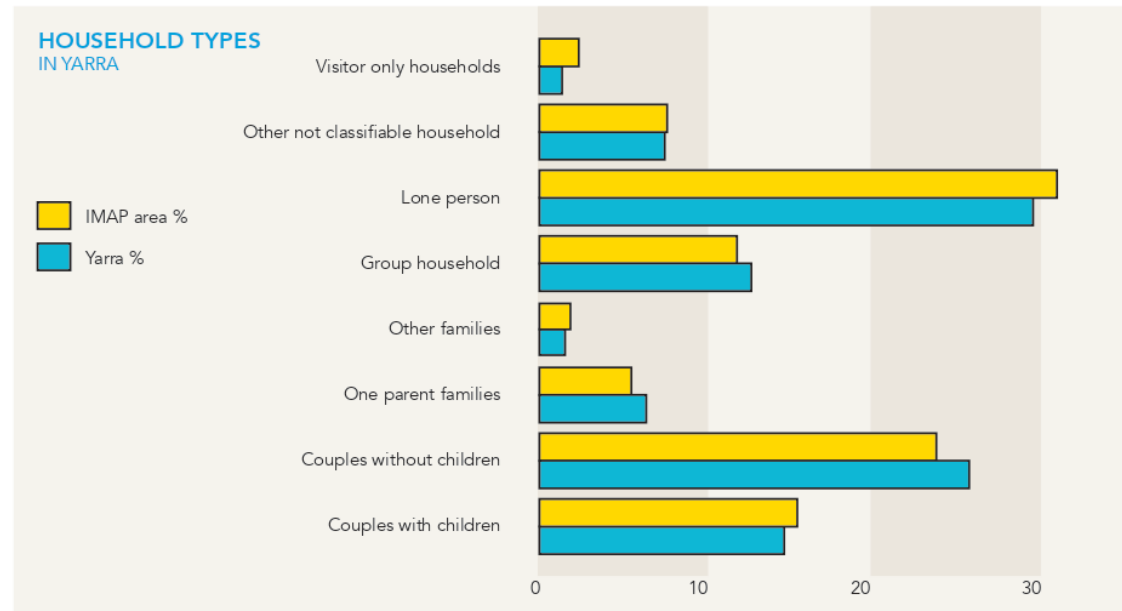
Attachment 3 - Final Yarra Housing Strategy

In 2017, the estimated resident population of Yarra was 96,368¹⁸, living in 43,033 dwellings with an average household size of 2.1. The number of dwellings in Yarra have been growing at approximately 1,160 dwellings per annum since 2010¹⁹.

Household structure

Household and family structure is one of the most important indicators for understanding and planning for housing needs, providing insights into the level of demand for different types of housing within a municipality.

In 2016, the dominant household type in Yarra was lone person households followed by couples without children. This social trend is reflected throughout the IMAP area. Overall, the proportion of lone person households in Yarra was 29.5% compared to 31.0% in the IMAP area while the proportion of couples without children was 25.7% compared to 23.8% in the IMAP area.



¹⁸ Australian Bureau of Statistics, Census of Population and Housing, 2016. Compiled and presented in profile.id by .id, the population experts.

¹⁹ Managing Residential Development Taskforce & Victoria. Department of Environment, Land, Water and Planning (issuing body) 2016, *Central Subregion: Residential Zones State of Play*, Melbourne.

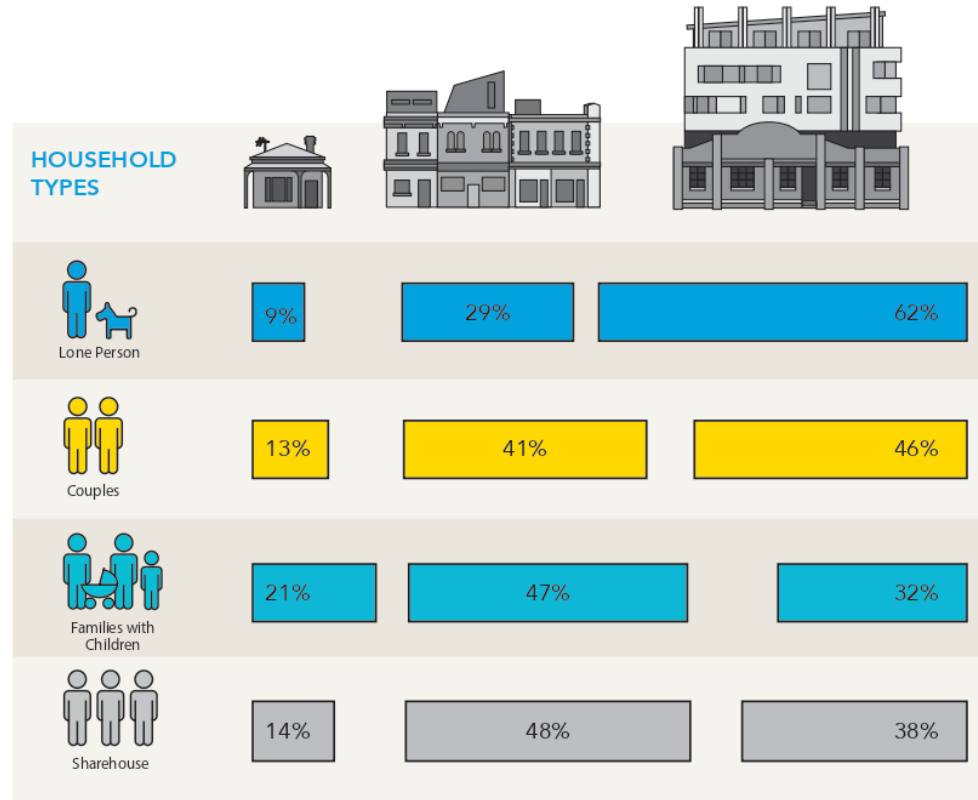
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Housing structure summary

In Yarra:

- Families with children were most likely to live in semi-detached, row or terrace or townhouses;
- Lone persons were most likely to live in an apartment;
- Couples were most likely to live in an apartment or semi-detached, row or terrace or townhouse;
- Sharehouses were most likely to live in semi-detached, row or terrace or townhouses, or apartments; and
- One third of families with children lived in apartments.



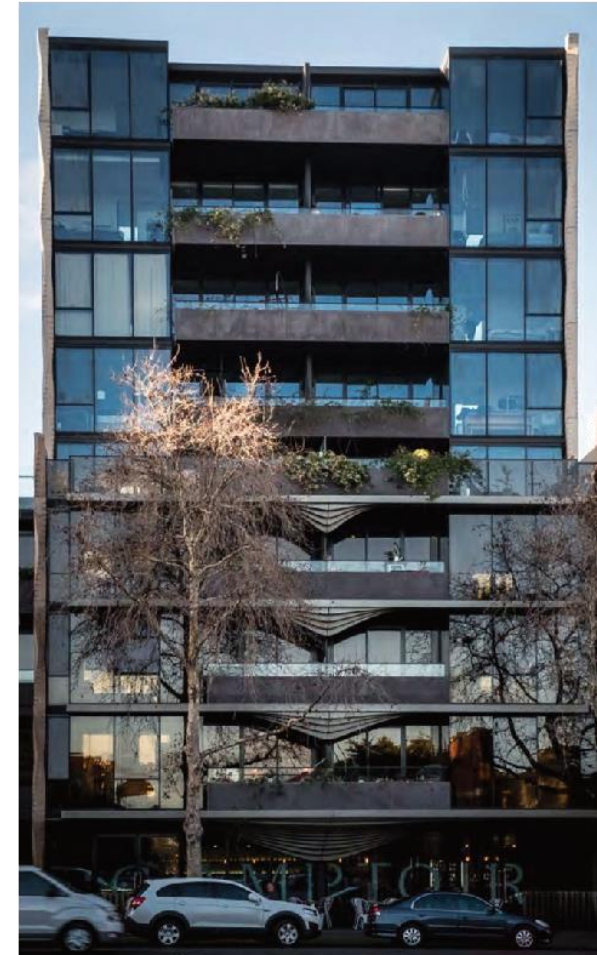
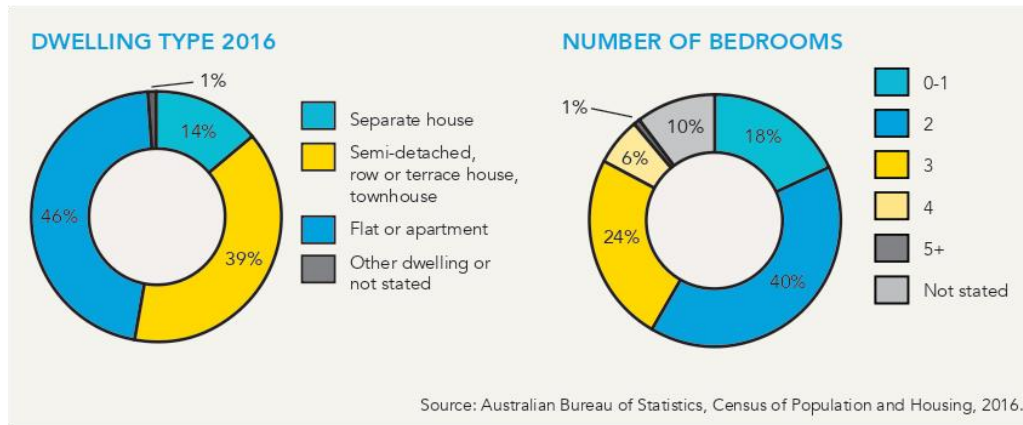
Attachment 3 - Final Yarra Housing Strategy

Housing diversity – dwelling type and bedroom split

Yarra performs fairly well for an inner city municipality in terms of housing diversity. In 2016, more than 46% of the population lived in a flat or apartment, while only 14% of the population lived in separate housing.

New dwellings in Yarra increasingly have two bedrooms and are located in apartment developments (in 2016, 44% of dwellings were two bedroom dwellings and 46% were apartment dwellings).

These statistics correspond with the high number of lone person households in Yarra, with only 15% of households in Yarra being made up of couples with children in 2016, compared with 33% in Greater Melbourne. This trend is likely to continue.



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HOUSEHOLD SPLIT BY DWELLING TYPE



Families with Children



Couples



Lone Person



Sharehouse



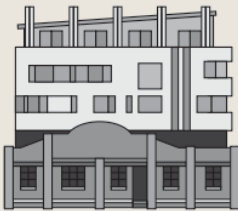
SEPARATE HOUSE

Separate houses are 14% of Yarra's housing stock and are predominantly occupied by families with children or couples without children.



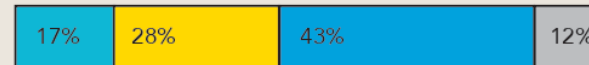
SEMI-DETACHED, ROW OR TERRACE HOUSE, TOWNHOUSE

Semi-detached, row or terrace houses and townhouses form 39% of Yarra's housing stock and are predominantly occupied by families with children or couples without children.



FLAT OR APARTMENT

Flats or apartments are 46% of Yarra's housing stock and are predominantly occupied by lone person households and couples without children.



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Housing tenure

In 2016 the majority of people in Yarra rented (50.3%), followed by people who had a mortgage (20.4%).

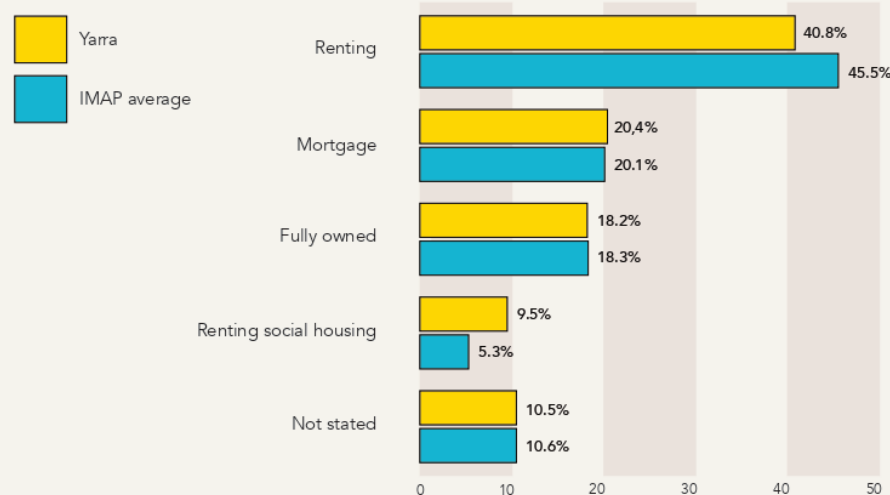
The median mortgage repayment per month in Yarra was \$2,167 and median rent per week was \$421. These are comparatively high for metropolitan Melbourne prices, but consistent with IMAP councils.

Affordable and social housing

Yarra has a higher proportion of social housing compared to the broader IMAP area. In 2016, 9.5% of Yarra's households were renting their dwelling from a government authority, compared to the IMAP average of 5.3%. In Yarra, the Department of Health and Human Services owns and manages 4,615 dwellings. However, more and more, lower income households are facing reduced housing choice due to the limited availability of social housing in Yarra.

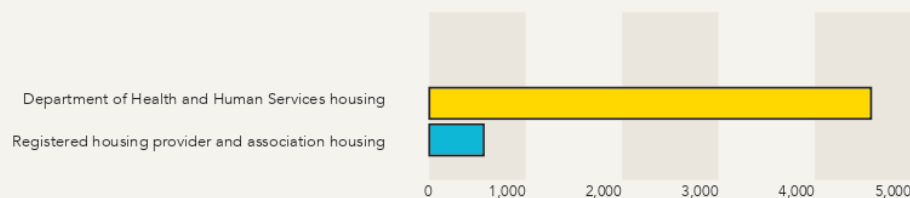
Registered housing associations and providers are increasingly delivering more affordable housing options. In Yarra, housing associations and providers manage and/or provide 573 affordable rental dwellings. Housing associations are companies that construct and/or acquire new affordable housing using a mix of government and private sector investment. They also manage housing properties owned by them or leased from other parties, such as the Director of Housing (DOH). Housing providers primarily manage rental housing portfolios for other parties, such as the DOH. Housing providers often specialise in particular client groups which may include disability housing, aged tenants and youth housing.

HOUSEHOLD TENURE IN YARRA



Source: Australian Bureau of Statistics, Census of Population and Housing, 2016.

NUMBER OF AFFORDABLE RENTAL DWELLINGS IN YARRA 2018



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People sleeping rough in Yarra

In Yarra, most of the homelessness is hidden, including people staying in boarding houses or temporary accommodation, living in unsafe conditions, or sleeping on friend's couches.

Homelessness is a complex issue and StreetCount helps councils to better understand it and plan support, services and longer term solutions. In June 2018, the IMAP councils undertook a joint count of people sleeping rough in inner Melbourne. StreetCount 2018 recorded 392 people sleeping rough across inner Melbourne, with 29 people recorded in Yarra.

Key findings across the five municipalities include:

- 78% were male and 22% were female;
- 54% of people were aged 26-40 and 34% aged 41-60;
- 79% were Australian born;
- 14% identified as Aboriginal and Torres Strait Islander;
- 35% of people were sleeping on the street, 13% in parks and 48% in various other locations including river banks;
- 42% of people surveyed were on the social housing waiting list; and
- 14% of people surveyed had been transient for more than five years.

The StreetCount 2018 results highlight the need for Yarra to advocate and facilitate more affordable and social housing in inner Melbourne.

Implications for the Yarra Housing Strategy

Yarra has a young, well educated population and workforce. Despite the relatively high income levels of residents in Yarra, renting is the most viable option for the majority of people, given the high costs associated with purchasing a home. While renting is the cheaper option of the two, the cost of rent is still high and can be unaffordable for many very low to moderate income households. The strategy should seek to encourage an increase in affordable housing options to maintain social diversity.

Yarra also has a highly transient population. While many people generally prefer to stay in the same area, a lack of suitable housing options, particularly for families, can make this difficult. New apartment developments in Yarra predominantly have two bedrooms and as such are typically occupied by lone person households. For all life stages and household types, people should be able to access housing that meets their needs. The strategy should consider how best to facilitate, at the planning and design stage, apartment developments that meet the needs of a wider range of household types.



5. WHAT ARE WE PLANNING FOR?

Yarra has experienced rapid population and housing growth in the past five years, with an increase of 17,208 persons between 2011 and 2016²⁰, which represents a 3.7% yearly increase and corresponds with a peak in housing development completions.

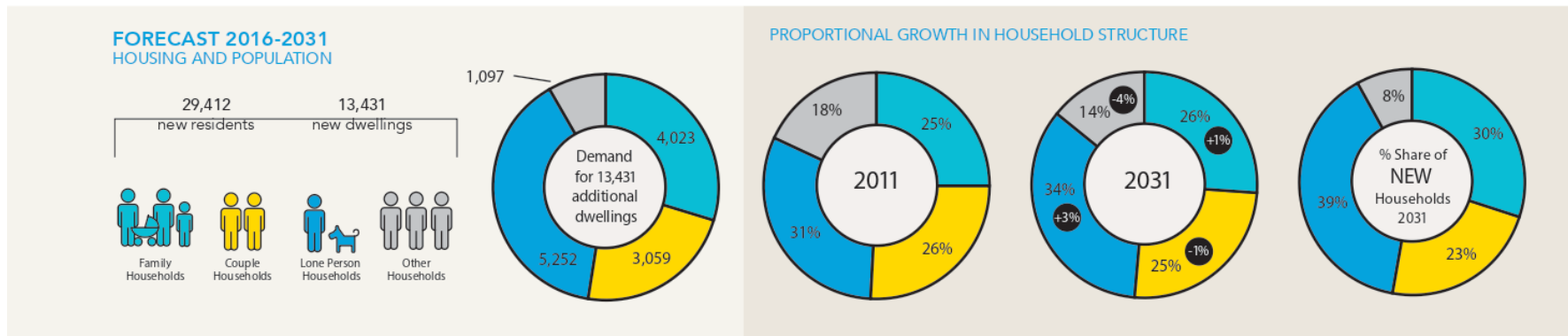
This is an unprecedented growth rate for Yarra, but is forecast to reduce to a yearly growth rate of approximately 2%. Over the next 15 years Yarra will need to accommodate its growing population.

Population and household projections

The VIF2016 population and household projections indicate there will be 29,412 new residents in Yarra and 13,431 new dwellings required by 2031²¹. The VIF2016 projected change in household types in Yarra from 2011 to 2031, indicates continual growth in lone person households, while the proportion of couples without children is expected to slightly decline. The number of families will increase to 26% which accounts for a 30% share of new households in the next 15 years.

The additional 29,412 new residents will likely form households that are:

- 30% family households (including single parent families), or 4,023 households of this type;
- 23% couples households, or 3,059 households of this type;
- 39% lone person households, or 5,252 households of this type; and
- 8% share households, or 1,097 households of this type.



20 Australian Bureau of Statistics, Census of Population and Housing 2011 and 2016

21 Department of Environment, Land, Water and Planning, 2016, *Victoria in Future 2016: Population and Household Projections to 2051*, Melbourne

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Implications for the Yarra Housing Strategy

The VIF2016 projections indicate that by 2031, there will be 29,412 new residents in Yarra who will require 13,431 new dwellings. Yarra supports the development of new housing to meet the demands of its growing residential population. However, as more housing is constructed in Yarra, it is important to ensure that it is designed to meet the needs of municipality's population over their lifetimes. This includes transitions between shared, sole person, couple and family housing, and downsizing later in life.

Yarra is planning for more housing choices to support a diverse community, by facilitating and advocating for more affordable housing, liveable apartments with sufficient communal internal and open space, and dwellings that are adaptable and accessible.



6. HOUSING TRENDS IN YARRA

Increased residential development

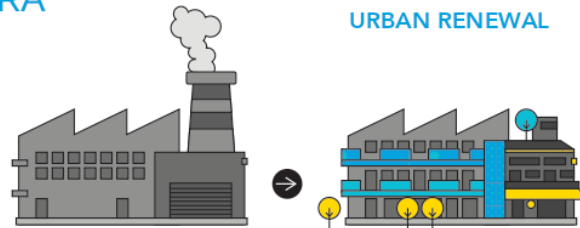
As the demand for living and working in Yarra has increased, so has the supply of commercial and residential development in Yarra. Development in Yarra is at its highest level in ten years.

Yarra's growth trajectory has mirrored metropolitan Melbourne's growth with the rate of new dwellings steadily increasing from 2010. Over the decade from 2005-2014²², Yarra saw an average increase of 830 dwellings per annum, with Richmond seeing the greatest increase. Since 2010, the annual increase has risen to 1,160 dwellings per year.

Approvals for apartment developments over 4 storeys have doubled from 2,394 (2006-2010) to 4,904 (2011-2015). There appears to be a consistently high rate of conversion from development approval to construction in Yarra.

Over the decade, there were 581 projects in Yarra that produced a net dwelling increase.

²² Department of Environment, Land, Water and Planning, 2014 Housing Development Data - Yarra, Melbourne.



URBAN RENEWAL

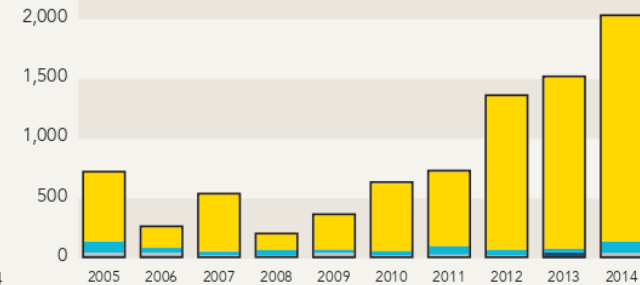
87%

87% of housing development was urban renewal (development of underutilised medium and large scale urban areas, precincts or sites for mixed land use purposes) and 13% was infill (development of vacant or underutilised land in existing urban areas)

72%

72% of new dwellings were in activity centres or on strategic redevelopment sites.

ANNUAL NET INCREASE IN DWELLINGS



Source: Housing Development Data 2014



581 housing projects in 10 years has transformed 54 ha of land.



Projects with 10+ dwellings were most prevalent in Richmond and Collingwood, while smaller projects with 2-9 dwellings were mostly in Richmond and Fitzroy North.



Since 2010, the number of new dwellings in Yarra has grown at a rate of 1,160 per year.



Approvals for apartments over 4 storeys have doubled from 2,394 (2006-2010) to 4,904 (2011-2015).

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Unprecedented population growth and strong economy supporting the housing market

Melbourne's high population growth, liveability²³ and booming economy has underpinned a strong housing market in recent years. Population forecasts and economic outlooks indicate that this is expected to continue to support the Melbourne housing market in the medium term. Indicators reflect a cooling housing market, but no downturn²⁴.

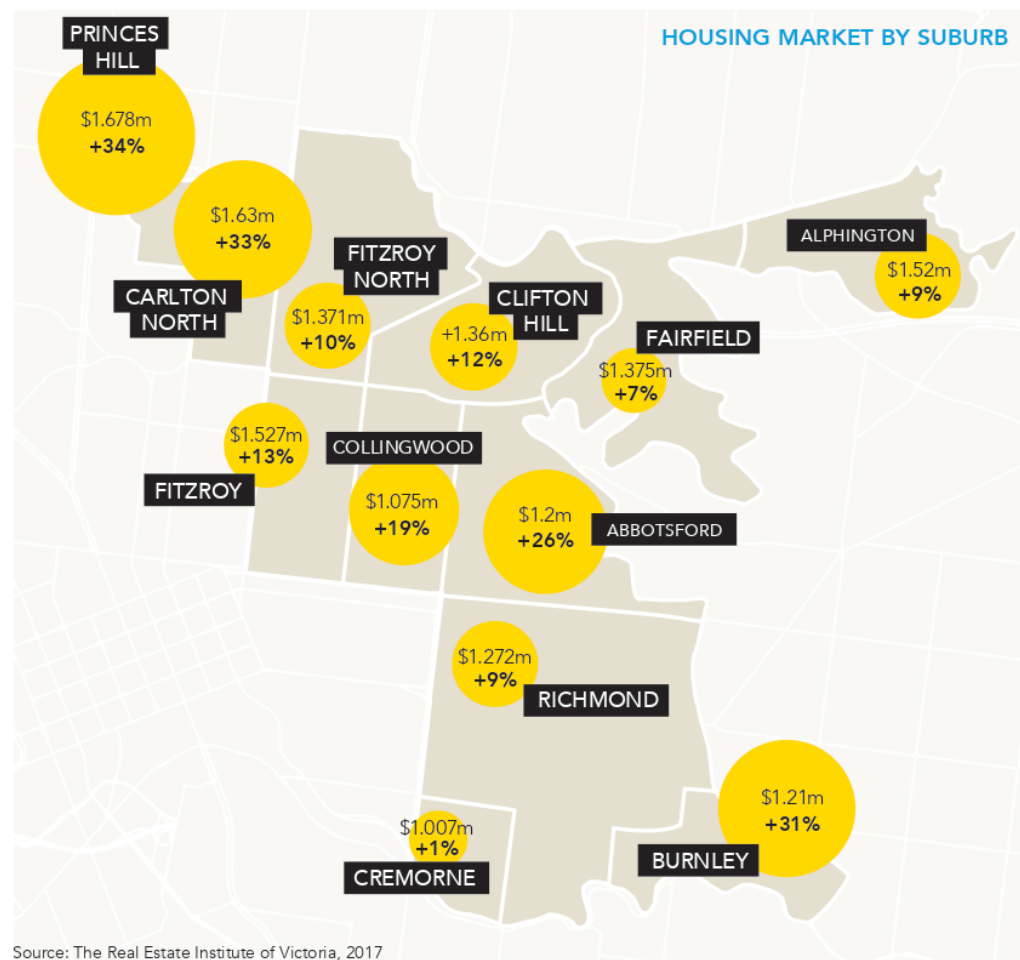
In the past two years Richmond and Abbotsford have emerged as two of the highest performing housing markets in Melbourne. Houses are outperforming apartments, due to the high number of new apartment developments under construction and a subsequent abundance of supply. Higher quality developments and larger apartments are attracting a growing population of downsizers.

Yarra's reputation as a prime residential property location continued with significant increases in property values in the last 12 months. Capital growth of more than 10% was almost universal across the municipality²⁵.

²³ Lucas, C and Heffernan, M, 17 August 2017, *Melbourne named world's most liveable city by The Economist for seventh year*, The Sydney Morning Herald, accessed 29 January 2018, <<http://www.smh.com.au/business/the-economy/melbourne-named-worlds-most-liveable-city-by-the-economist-for-seventh-year-20170815-gxx1kg.html>>..

²⁴ Lassell, J, 2017, *Australia Melbourne Housing Market Overview*.

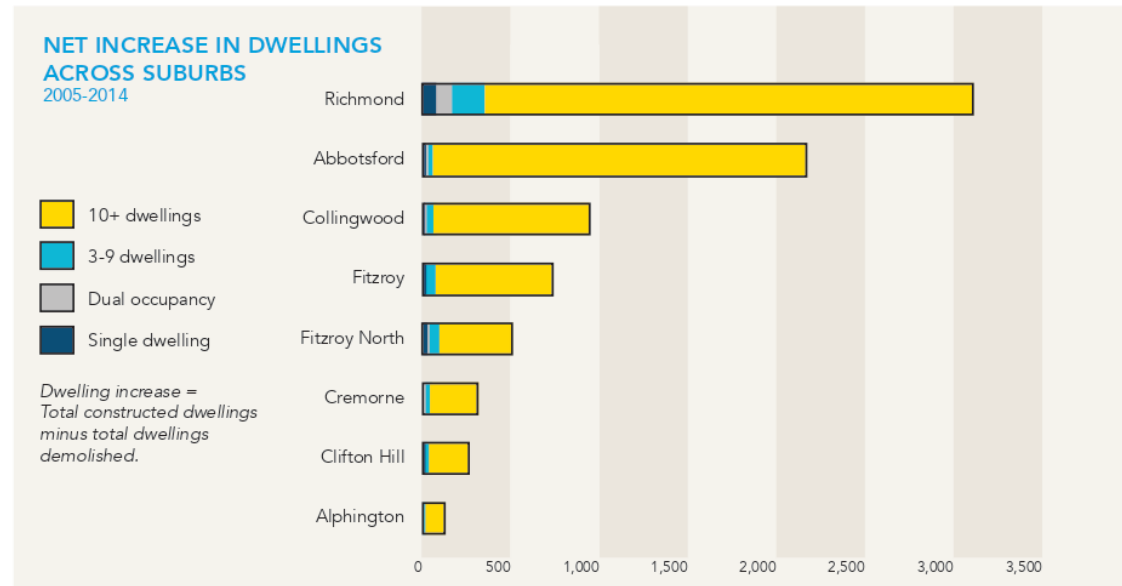
²⁵ Jellis Craig, 2017, *The Report Richmond and Surrounds*, 2017.



Location of housing growth in Yarra 2005-2014

Overall, the location of the housing growth in Yarra between 2005 and 2014 was spread fairly evenly between residential areas, activity centres and nominated strategic redevelopment sites, each accommodating approximately 30% of total housing growth.

Only 10% of the projects recorded in the Housing Development Data²⁶ were projects over 10 dwellings and the majority of larger projects were within (or close to) activity centres and on strategic redevelopment sites.



²⁶ Department of Environment, Land, Water and Planning, 2014 Housing Development Data - Yarra, Melbourne.

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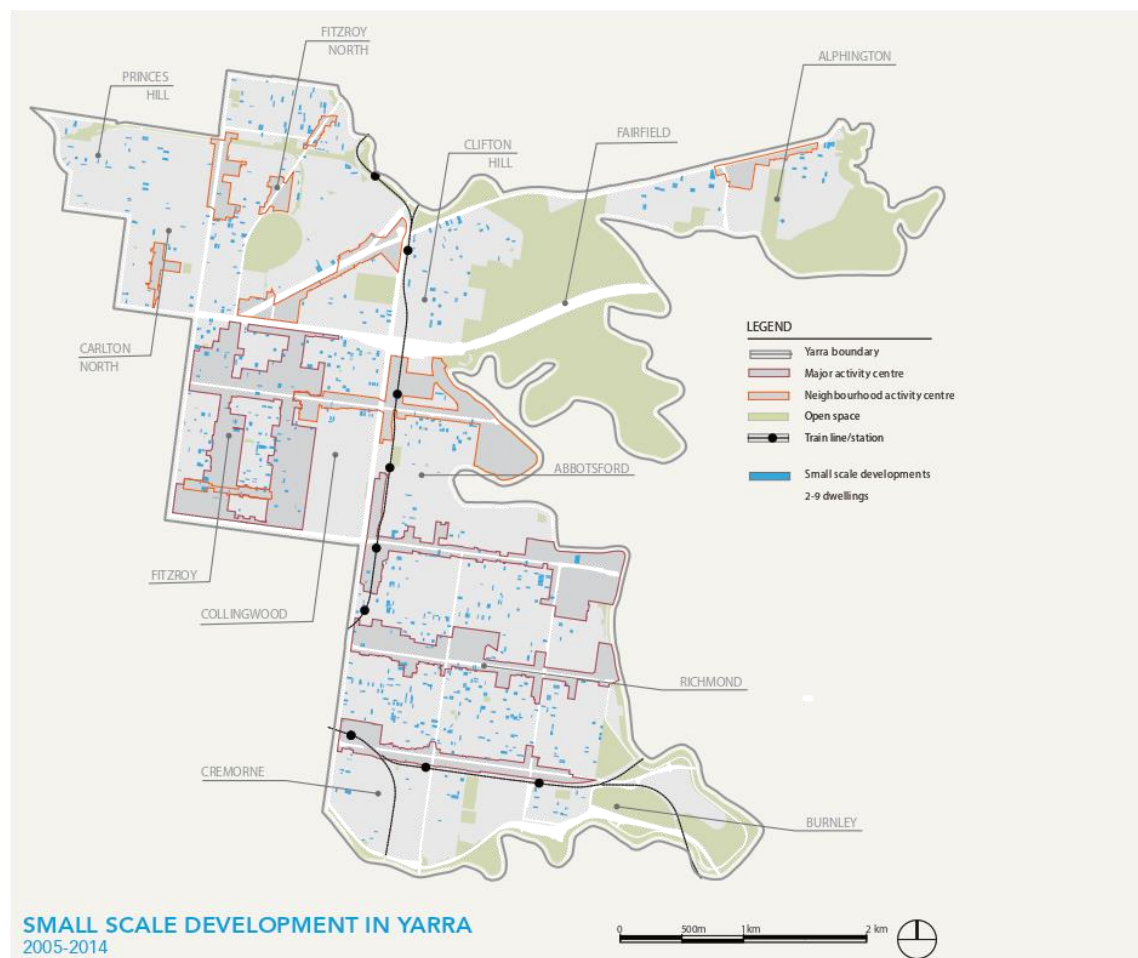
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Small scale development in residential neighbourhoods (2-9 dwellings)

Housing development in Yarra during this time was predominantly small-scale, comprising of dual occupancy and 3-9 dwelling developments. Yarra's residential neighbourhoods absorbed most of the small scale development, with the largest number of projects in Richmond. Small scale development has increased housing diversity in Yarra's residential neighbourhoods, and provided more housing choice for residents. Approximately 75% of the small scale projects delivered only 2-3 dwellings (dual occupancy and townhouse developments). The remaining projects delivered between 4 and 9 dwellings (townhouses and low-rise small apartment developments).

There was a high level of renewal of individual houses across the municipality, with 148 dwellings recorded as demolished and replaced by a new single dwelling. These projects were most prevalent in Richmond and North Fitzroy. In addition to replacement dwellings, there has been a high level of residential extensions across the municipality; cumulatively changing the housing stock, with most redevelopments and extensions increasing the size of dwellings and bedroom numbers.

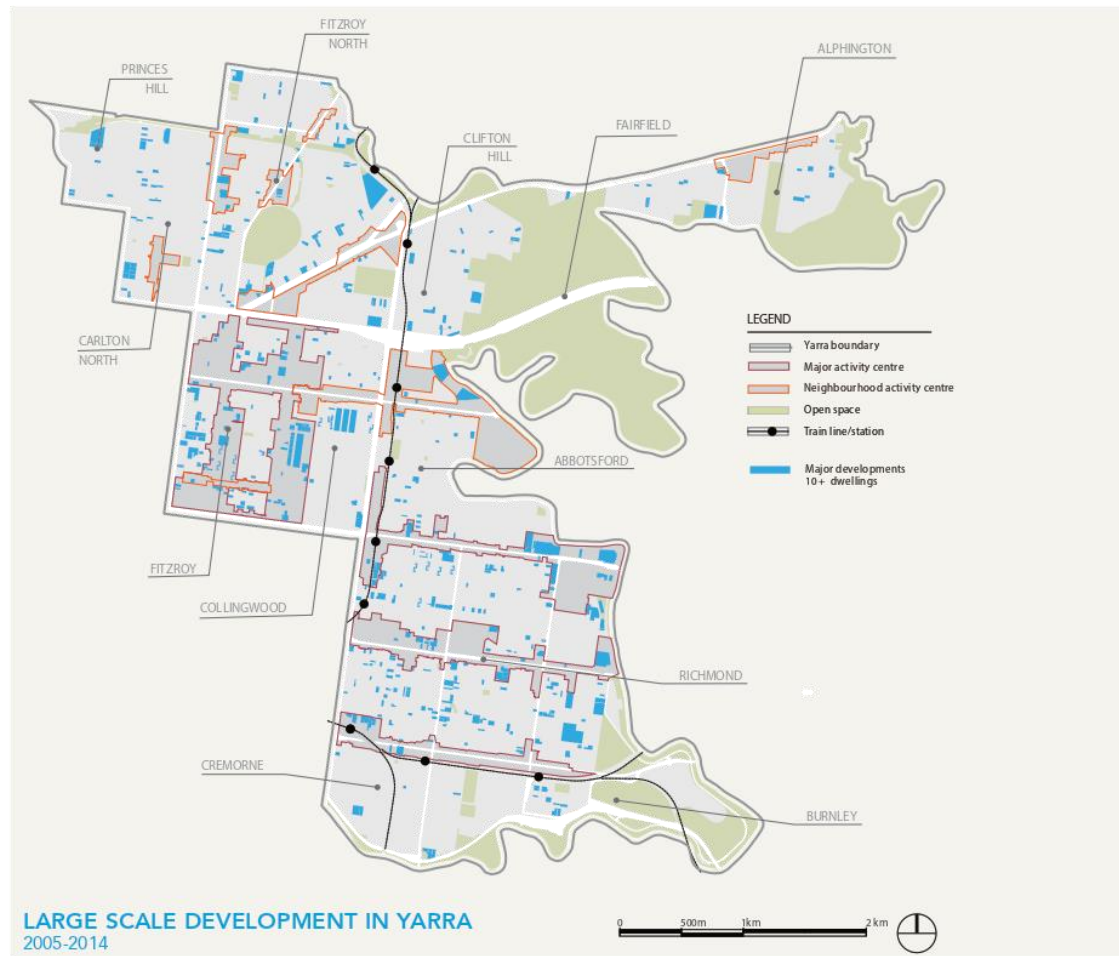
The established residential neighbourhoods of the municipality (including Fitzroy North, Clifton Hill and Alphington) have seen minimal housing development.



Larger developments in activity centres and Strategic Redevelopment Sites

The limited opportunities for substantial growth in Yarra's residential neighbourhoods has resulted in more intensive development in Yarra's major activity centres and former industrial areas, adding new housing near jobs, transport and services. Larger sites are common in these areas. Larger sites tend to be easier to develop and provide a greater level of design flexibility. Residential developments in these areas have typically taken the form of mid-rise (5-14 storeys) apartment buildings, with lower levels of mixed use development.

While more intensive development occurred in all of the major activity centres, the greatest levels of redevelopment occurred along the western section of Bridge Road, western end of Swan Street and the eastern end of Victoria Street, with mid-rise buildings up to 12 storeys high.



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Development on strategic redevelopment sites in the Yarra Planning Scheme

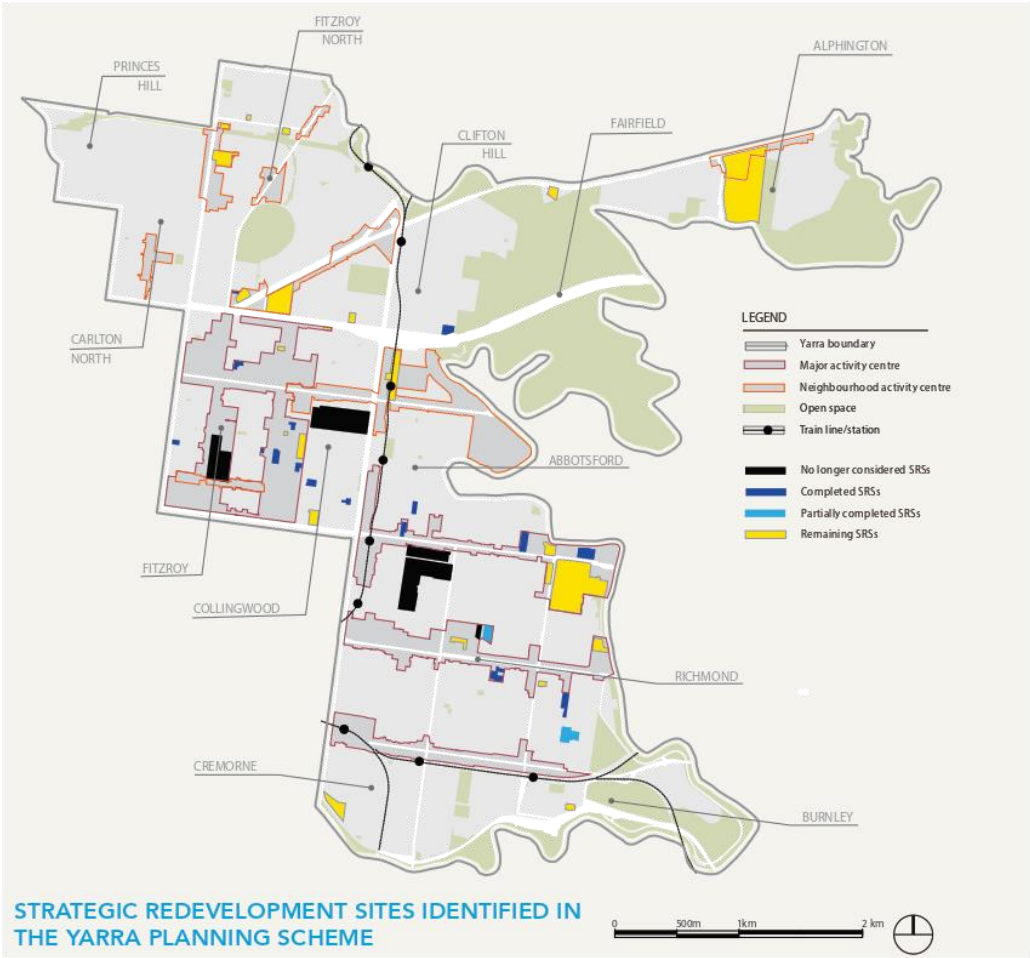
The Yarra Planning Scheme identifies 42 Strategic Redevelopment Sites (SRSs) and, since their introduction in 2009, they have absorbed significant housing growth.

In total the SRSs provided 42.6 ha of land for housing development. The diversity of locations of the SRSs has resulted in a range of development outcomes with different responses to built form, massing, building height and amenity. A large proportion of the sites were developed with a mix of uses, including offices, retail, hospitality and gyms and a couple of full line supermarkets. Abbotsford accounted for the largest proportion of constructed dwellings, with 1,044 dwellings, followed by Collingwood with 742 dwellings and Richmond with 326 dwellings.

Just under 70% of the sites identified as SRSs have either been fully developed or are under active consideration by Council. This is a significant take-up rate since the policy was introduced. These sites accounted for a large amount of residential growth in line with planning scheme strategies. The remaining 13 sites will make an important contribution to future housing supply in Yarra.

The following sites will be excluded from future calculations of housing growth as they are no longer considered SRSs: the Griffiths Street site in Richmond (now under construction for Richmond High School); and the housing estates in Richmond, Collingwood and Fitzroy.





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Implications for the Yarra Housing Strategy

Demand for residential development in Yarra is likely to remain strong in the short to medium term, driven by a range of influences such as:

- Strong population growth;
- Sustained demand for inner city living and working; and
- Broader metropolitan policies that support urban consolidation and inner city development.

Small scale development will continue in residential neighbourhoods, but is likely to be less than the 30% of total residential development seen over the past 10 years, given the new residential zones implemented to protect residential neighbourhoods and heritage areas in Yarra.

Established residential neighbourhoods shouldn't be relied on to contribute substantially to housing growth in Yarra, although some small-scale development will add to Yarra's housing supply over the next 15 years.

The trend of major residential developments in activity centres and on SRSs is set to continue with a high volume of planned developments already in the pipeline. Additional residential growth in activity centres should be encouraged due to their proximity to the city centre, jobs, schools, public transport, entertainment and services. New housing in these areas provides the opportunity to create a more sustainable and healthy municipality, with walkable neighbourhoods and reduced reliance on private vehicles.

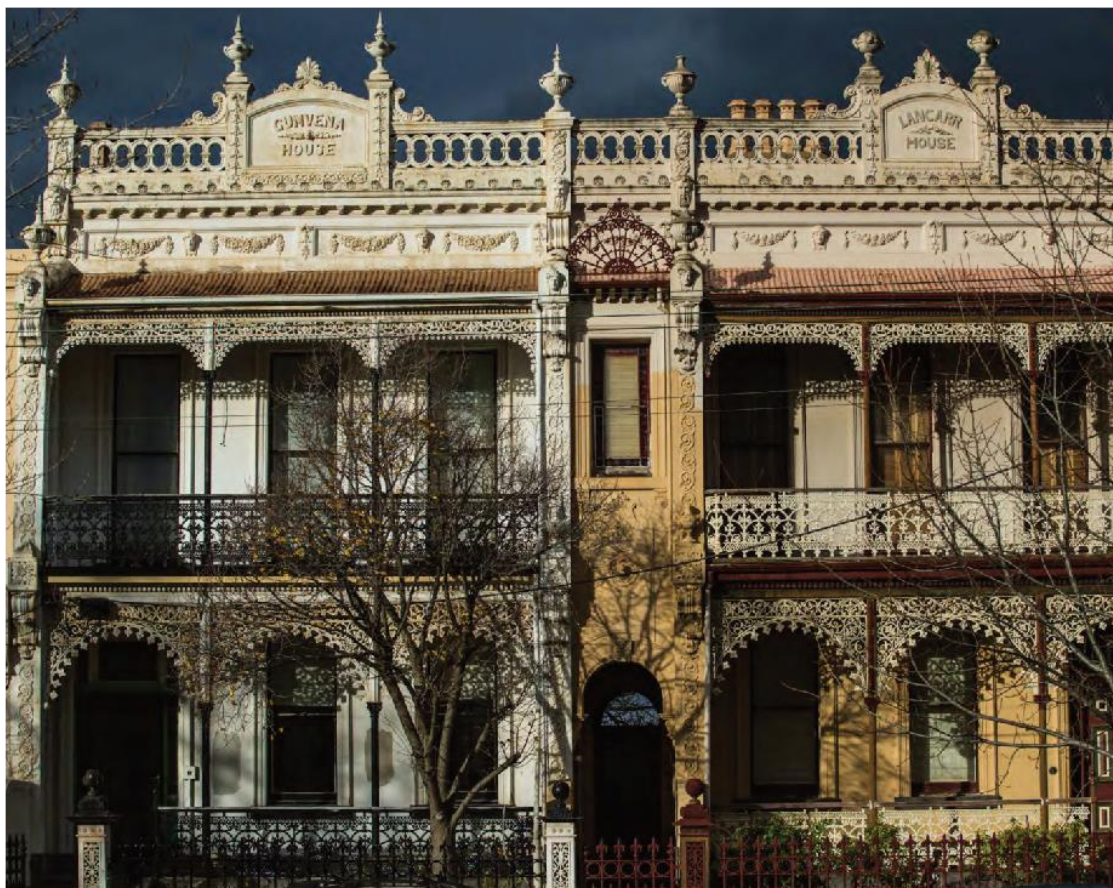
More detailed guidance is required to provide certainty to the community and land owners about the level of growth appropriate in these areas. Identifying the locations most appropriate to accommodate substantial growth will be important. Key directions for managing growth and change in the activity centres will need to be responsive to the varied context of the centres and respond sensitively to the highly valued significant built heritage and character of each centre.

7. PLANNING FOR FUTURE HOUSING GROWTH

We need to identify land for over 13,000 new dwellings in the next 15 years. It is important to plan for a continuous supply of housing land in the long-term to ensure that a perceived lack of supply does not impact unnecessarily on housing affordability.

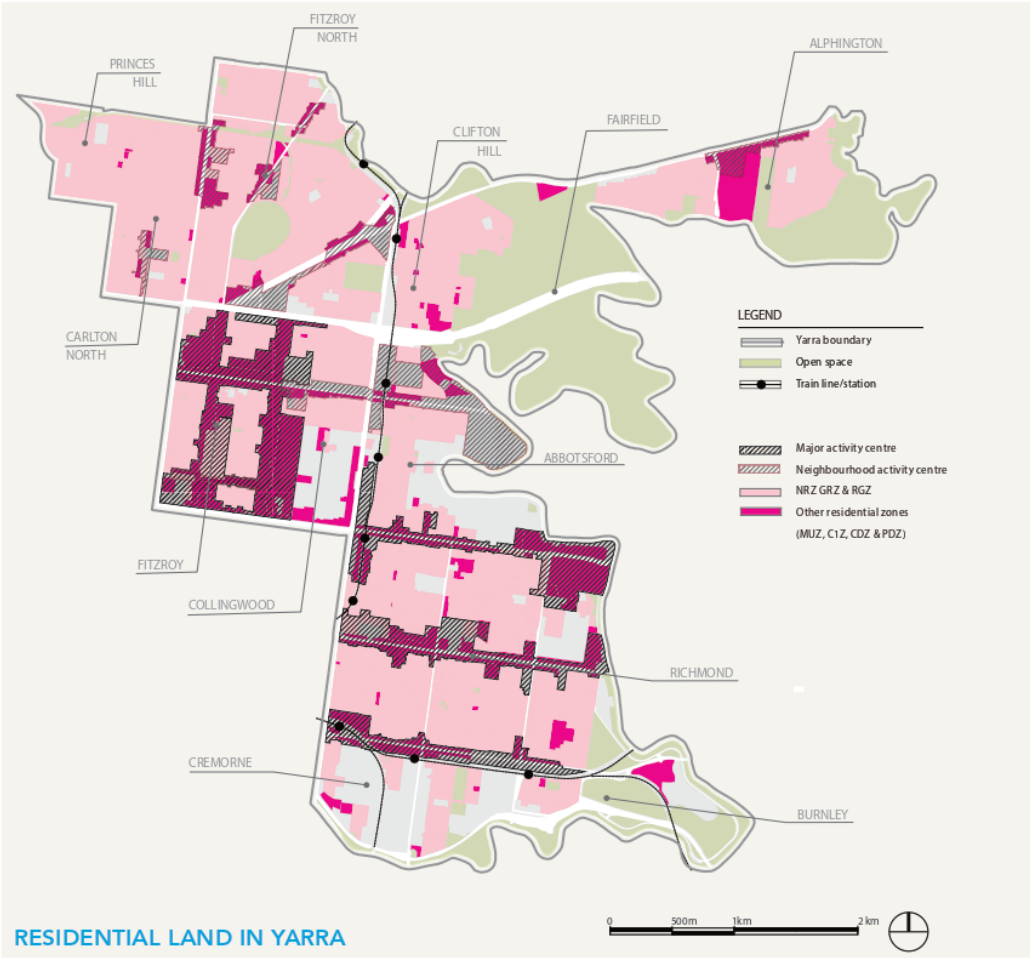
Land use in Yarra

Yarra's vibrant neighbourhoods contain a diverse mix of evolving land uses, including residential, retail and entertainment precincts, mixed employment precincts, health and education institutions. The juxtaposition of a diverse range of land uses has long been a part of the character of Yarra and creates economic and social diversity. Land use planning influences residential and economic activity through regulations in the form of state, regional and local planning policies, land use zones, special overlays, and location specific spatial plans, such as structure plans. Land use zones provide guidance on how land can be used, particularly what is and is not permissible. Each zone has a purpose, and its application provides planning certainty of what can occur. This directly influences housing land availability in Yarra.



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Residential land

There is a significant amount of land (805 ha) zoned for residential use in Yarra, accounting for 41.6% of all land. The following provides a breakdown of the residential land by zone.

TABLE 1

ZONE	AREA (HECTARES)
Neighbourhood Residential Zone (NRZ)	420 ha
General Residential Zone (GRZ)	186 ha
Commercial 1 Zone (C1Z)	105 ha
Mixed Use Zone (MUZ)	76 ha
Comprehensive Development Zone (CDZ)	15 ha
Priority Development Zone (PDZ)	3 ha
Total	805 ha

Over half of Yarra's residential land is in the NRZ, which incorporates largely low-scale residential neighbourhoods with special and intact neighbourhood character and heritage significance.

These neighbourhoods include Princes Hill, Carlton North, Fitzroy North, Clifton Hill, Fairfield, Alphington and Fitzroy. There are also pockets within Abbotsford, Richmond, Cremorne and Burnley between the activity centres.



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These areas are considered the least suitable for growth and change. While there are some opportunities for new low scale infill development, it is expected to mainly take the form of extensions and renovations.

Almost a quarter of residential land is in the GRZ. This includes the established residential neighbourhoods of Fitzroy, Richmond, Abbotsford and larger sites on main roads and close to activity centres across the municipality. The land within these areas is made up of predominantly small, individual, residential lots that are unsuitable to accommodate substantial residential growth. There are some larger sites in the GRZ that are suitable for low-rise apartment development.

Yarra also has a significant amount of land in other zones that allow for residential development, including within the C1Z, MUZ, CDZ and PDZ. These zones define land use in and around the municipality's public transport corridors and activity centres, including land along Victoria Street, Swan Street, Bridge Road, Brunswick Street, Smith Street and Johnston Street. These zones generally allow for high density residential development and encourage a mix of land uses.



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Non-residential land

Open space and land for community use

In Yarra, 24% of land is zoned for public open space (Public Park and Recreation Zone) and community use (Public Use Zone and Special Use Zone). This includes the many parks and gardens in Yarra as well as community and education facilities. These areas provide spaces to relax, play, walk and cycle. They also support an abundance of trees, plants, animals and waterways that are essential to the local environment and biodiversity. These areas are not suitable for housing.

Employment land

Less than 10% of land in Yarra is zoned for employment use (Commercial 1 and 2 Zones and Industrial 1, 2, and 3 Zones). The C1Z is the only employment zone that permits residential uses and is predominantly in activity centres where employment is mainly in retailing and services.

Compared to other councils in the inner metro region, Yarra has a significant amount of Commercial 2 Zone (C2Z) land, which is used for a variety of commercial purposes. Yarra's major employment precincts of Gipps Street/ Easy Street (Collingwood) and Cremorne Street/Church Street south (Cremorne) are within the C2Z. Residential uses are not permitted in these precincts. These precincts are highly sought after as business locations (particularly in the technology and creative sectors) due to their transport connectivity, business synergies and proximity to vibrant activity centres.

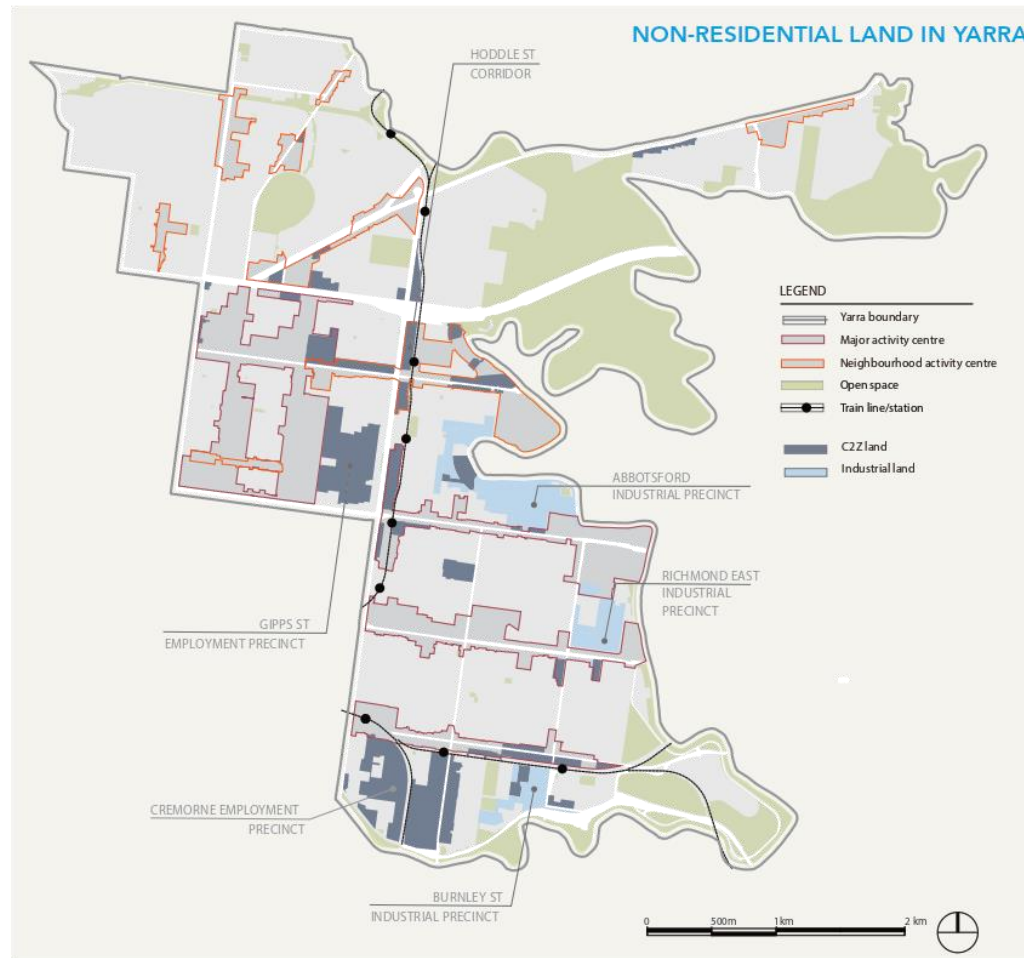
Office use is generally considered the highest value use in the C2Z (subject to specific site attributes). Over the past seven years, Yarra has averaged approximately 20,000sqm of office floorspace approved per annum. The current level of office development interest is unprecedented in Yarra.

Yarra's employment precincts are uniquely positioned in the municipality to cater to the needs of contemporary businesses and workers. Their strategic role should be supported and fostered.

Yarra has three core industrial areas including Victoria Crescent/CUB Site (Abbotsford), Palmer Street (Richmond) and South Burnley. These areas are often bordered by C2Z land and provide a range of commercial and industrial uses, contributing to the local economy and employment. No change to the zoning in these areas is recommended until Council undertakes further strategic planning into their future roles and development potential.

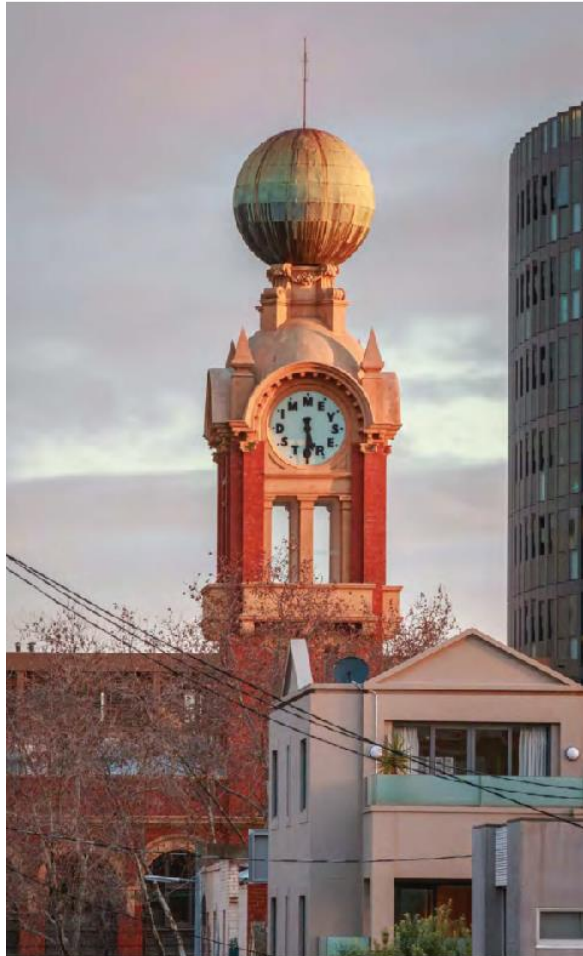
Given Yarra is experiencing significant overall economic and employment growth, it is important to keep the balance between land available for housing growth and ensuring adequate employment land to accommodate growth in businesses and jobs. No further review of employment land for residential potential is proposed in this strategy.





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Future residential land supply

From time to time there is a need to revise land use zoning to better reflect the changing needs of the community. This must be supported by sufficient strategic justification and a demonstrated contribution to delivering net community benefit.

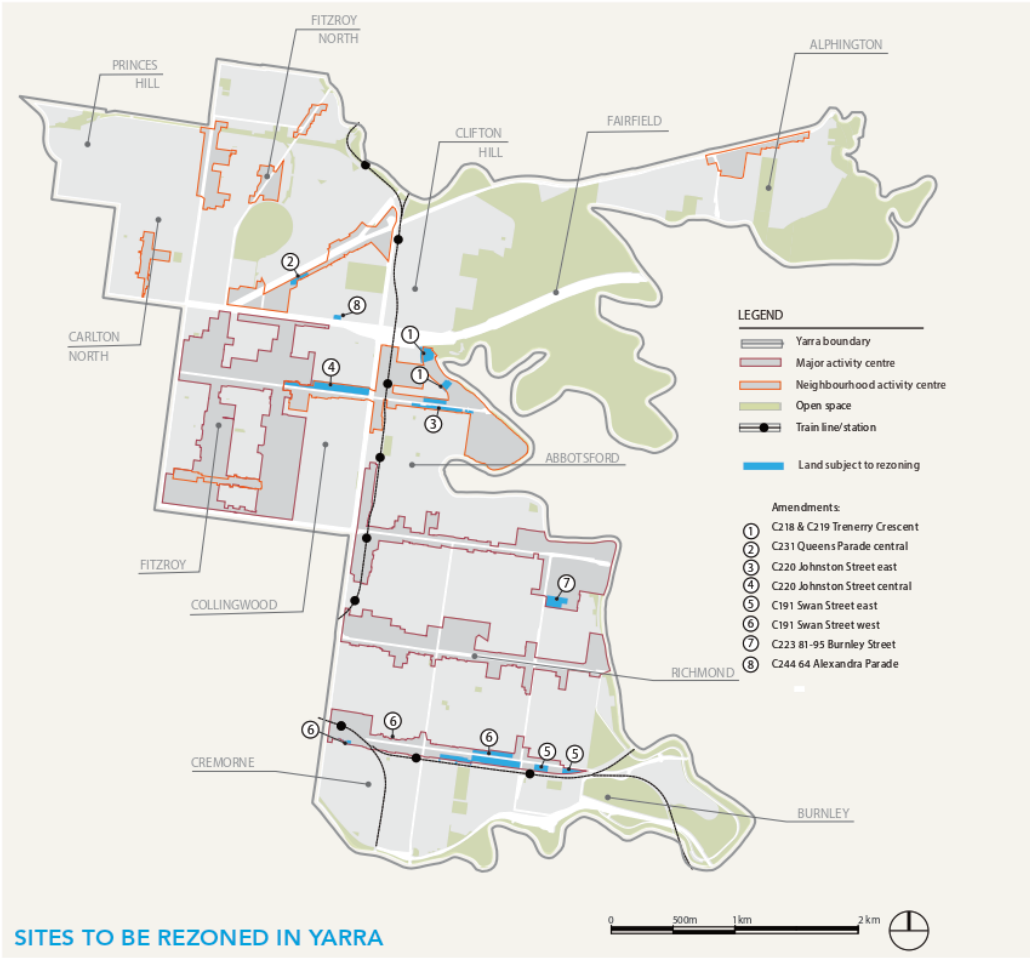
Precincts affected by current strategic land use planning

Council has or is undertaking work to inform the preparation of structure plans, built form frameworks and local plans for all its major and neighbourhood activity centres. In respect to Swan Street, Johnston Street and Queens Parade, a Structure Plan, Local Area Plan and Built Form Framework (respectively) have been prepared that support the rezoning of some C2Z areas to C1Z (to allow for commercial and residential uses). In addition, site specific strategic work has been undertaken for a number of sites in Fitzroy North, Burnley and Abbotsford to support rezoning the land to allow for commercial and residential uses.

Table 2 identifies the land area to be rezoned. The zone changes are being proposed through individual planning scheme amendments for each area. The proposed rezonings are generally located in Yarra's activity centres and, if approved, would support further commercial and residential development in the centres, consistent with state planning policies.

TABLE 2

AREA TO BE REZONED	TOTAL LAND AREA	PLANNING SCHEME AMENDMENT
Johnston Street central	31,840 m ²	Amendment C220
Johnston Street east	17,094 m ²	Amendment C220
Queens Parade central	5,242 m ²	Amendment C231
Swan Street east	41,410 m ²	Amendment C185
Swan Street west	10,682 m ²	Amendment C185
81-95 Burnley Street	13,000 m ²	Amendment C223
Trenerry Crescent	13,582 m ²	Amendments C218 & C219
64 Alexandra Parade	3,000 m ²	Amendment C244
Total	135,850 m² (13.58 ha)	



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Future investigation areas

Yarra has a substantial amount (805 ha) of land zoned for residential use. To accommodate the additional 13,341 dwellings required by 2031²⁷, Yarra does not need to rezone employment land (apart from zoning proposals already approved or proposed by Council) at this time to provide additional housing supply. An analysis of Yarra's capacity for future residential growth is discussed further in section 8 of this strategy.

The Yarra Spatial Economic and Employment Strategy (SEES) recommends that the majority of C2Z land in Yarra is retained, unless and until future strategic planning work supports change.

The C2Z areas adjacent to the industrial precincts at Abbotsford (Victoria Crescent/Carlton United Breweries), Richmond East (Palmer Street) and Burnley South, and C2Z land at Church Street North provide the following functions:

- Supports established business areas and serve a useful economic and employment function;
- Contributes to the economic diversity of the Yarra economy; and
- Offers locations for different land uses and businesses.

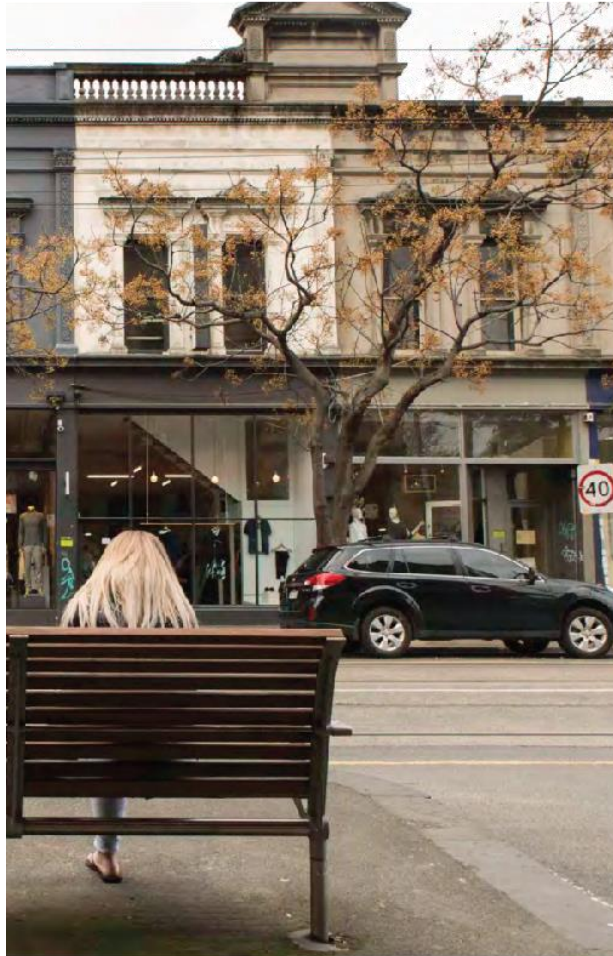
These areas are part of broader employment precincts of sufficient size and importance that further strategic planning investigations are required to determine if alternative land uses, economic activities and built form outcomes are appropriate. All future rezoning of employment land will be informed by the SEES.



²⁷ Department of Environment, Land, Water and Planning, 2015, *Victoria in Future 2016: Population and Household Projections to 2051*, Melbourne



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Implications for the Yarra Housing Strategy

There is enough land zoned for residential development in Yarra to meet the forecast housing demand for the next 15 years. There is no need to review land used for open space, community or employment uses to contribute to housing land availability at this time.

A large proportion of residential land is in the NRZ and GRZ, which do not allow for significant residential growth and should not be expected to contribute substantially to future housing growth.

Smaller scale infill development and residential extensions are likely to continue in these areas. Yarra's residential neighbourhoods should be maintained by promoting lower rise development as the preferred character for these areas, directing housing growth to other locations.

The current and proposed residential land in Yarra's activity centres, mixed use zone precincts and key development sites are the most appropriate locations for directing future housing growth. They are well serviced by public transport, community services, provide access to jobs, shops and entertainment for residents and can accommodate substantial growth with the least impact. The level of housing growth in these areas will vary depending on a site's context and suitability to accommodate housing growth.

Directions for guiding future residential growth in these areas will be informed by the detailed heritage reviews and built form frameworks being undertaken for Yarra's activity centres and will provide guidance on the levels of growth appropriate in each precinct.

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Planned developments 2017

Yarra has a strong housing supply pipeline. The Victorian Government's *Urban Development Program: Metropolitan Melbourne Redevelopment 2017* (UDP2017)²⁸ identifies 145 planned major residential development projects (10+ dwellings), which propose to deliver 12,192 dwellings in Yarra in the longer term (VIF2016 forecasts that by 2031 Yarra will need an additional 13,341 dwellings). These include projects which are under construction, have planning permits or planning applications that are

under active consideration by Council. The map on the next page shows the proposed locations of planned major residential developments in Yarra.

Less than 10% of planned major residential developments are proposed in Yarra's residential neighbourhoods. This supports the community's desire to protect existing residential neighbourhoods and significant heritage areas from substantial growth and development, and is a sign that the existing planning controls are effective in supporting this outcome.



28 Department of Environment, Land, Water and Planning, 2017, *Urban Development Program: Metropolitan Melbourne Redevelopment 2017*, Melbourne.

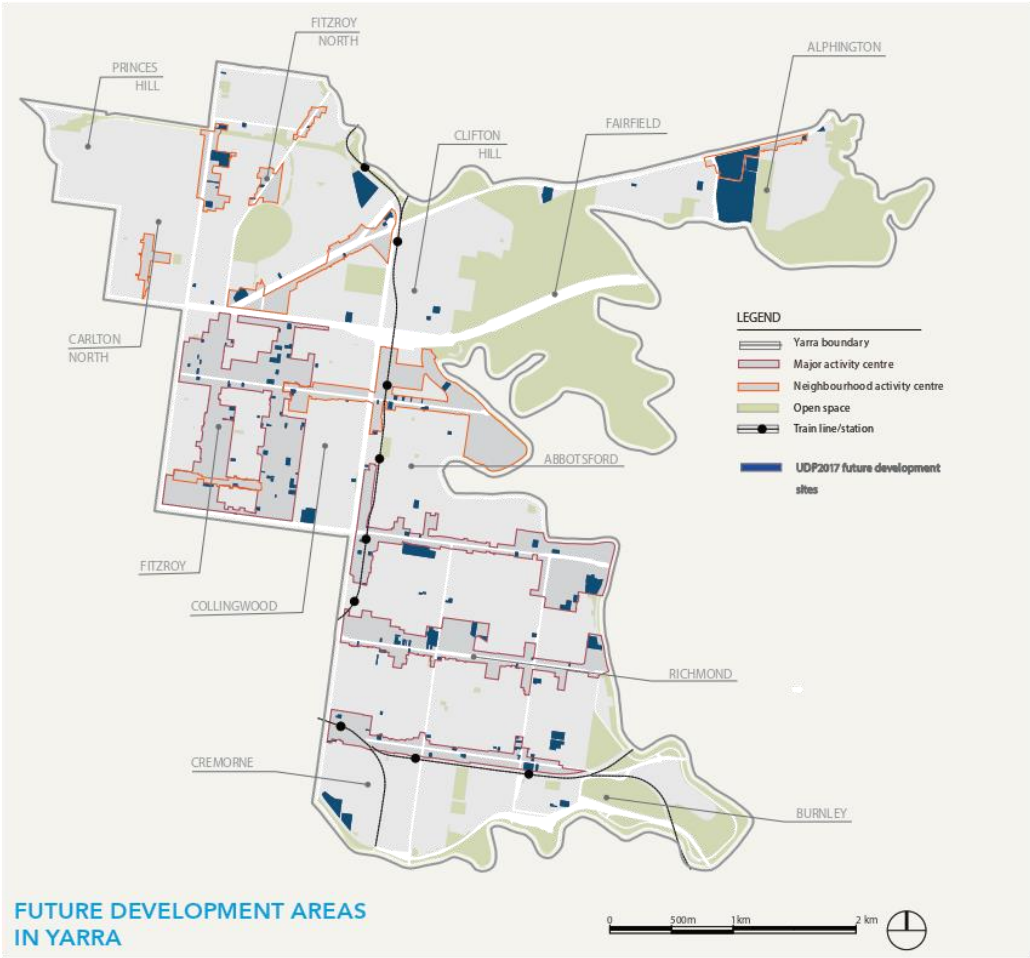
The trend of developments with 10 or more dwellings located within or close to activity centres will continue. Over 90% of planned developments are proposed in these areas. This supports a more sustainable pattern of development, providing better access to public transport, services, jobs and entertainment for future residents, while making efficient use of land in inner Melbourne.

The level of planned growth varies significantly across activity centres due to the diversity of existing land uses, character, heritage places, lot sizes and the rate of land transformation that has already occurred.

The majority of planned projects (83%) are developments with less than 100 dwellings. The remaining projects range in size as follows:

- 12 projects of between 100-200 dwellings;
- 12 projects of between 200-500 dwellings; and
- 2 projects of over 500 dwellings.

It is difficult to predict what percentage of the planned developments will proceed through to construction. In the past there has been a fairly high conversion rate of permits to construction in Yarra. The UDP2017 represents a potential supply pipeline of residential redevelopment. The timing for the development of these sites, however, is up to land owners and developers and can be influenced by changes in market conditions. It is likely to take longer than 5 years for all proposed developments to be realised (if they do proceed to construction at all).



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Planned housing growth by neighbourhood

The distribution of housing growth is focussed in Alphington/Fairfield, Richmond, Collingwood, Cremorne/Burnley and Abbotsford. These suburbs will account for approximately 80% of the total planned dwellings and could deliver over 9,000 dwellings in the next 15 years. Carlton North/Princes Hill and Clifton Hill have very limited growth projections for developments.

How do Yarra's planned developments compare to other inner city areas?

The UDP2017 identifies that the inner metro region (Cities of Melbourne, Port Phillip and Yarra), will account for 42% of the dwelling supply for metropolitan Melbourne.

Yarra's planned major residential redevelopments of 12,192 dwellings will contribute 5% of metropolitan Melbourne's total planned development of 234,113 dwellings. The City of Melbourne's developments will contribute the largest share, with 248 planned developments providing 29% of metropolitan Melbourne's dwelling supply. By comparison the City of Port Phillip will contribute 8%.



Implications for the Yarra Housing Strategy

Given the high level of land transformation that has occurred in Yarra, there are limited remaining large development sites or major urban renewal precincts to absorb substantial housing growth.

In the short to longer term (0-15 years), future housing supply in Yarra is anticipated to be provided from the following sources:

- The remaining 13 SRSs;
- The 10 year pipeline of planned major residential developments identified in the Victorian Government's UDP17;
- Development sites within activity centres and mixed use precincts that have been identified as suitable for future residential growth; and
- Minimal and incremental development in established residential areas.



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8. HOUSING CAPACITY

Future housing growth in Yarra's activity centres

The Planning Policy Framework seeks to direct housing growth to major and neighbourhood activity centres. Yarra's activity centres vary in size, catchment and function, and each has a different capacity for development and change. Assessing the ability of Yarra's activity centres to accommodate future housing growth is critical to plan for the spatial distribution of housing growth in Yarra.

Housing capacity model assumptions

SGS Economics and Planning have created an interactive model to allow Council to estimate housing capacity within our major and neighbourhood activity centres over the coming 15 years.

Importantly, the model's estimates are based on the following assumptions for available land, capacity and take-up (eventual development realisation):

- All available land is included;
- All unavailable land is excluded, such as:
 - Multiple dwelling sites;
 - Recently developed sites;
 - Social housing sites; and
 - Community facilities.
- Building height limits, informed by current strategic work for the centres, assuming:
 - 4 metres per storey for non-residential; and

- 3 metres per storey for residential.
- 1 or 2 storeys for non-residential, based on the Yarra Spatial Economic and Employment Strategy;
- 85% site coverage;
- 90% building efficiency;
- 70m² average dwelling size; and
- Future take up rate of residential development based on UDP2017 data (in the short term) and housing trends from the last 5 years to estimate the medium and long term.

Housing capacity analysis

An analysis of Yarra's activity centres indicate that the centres, alone, can supply approximately 14,300 dwellings by 2031 (greater than the 13,341 new dwellings required by VIF2016 for the whole of the municipality). The total amount of available land and estimated supply of new dwellings for the major and neighbourhood centres in Yarra are shown in Table 3.

TABLE 3

	TOTAL AVAILABLE LAND (HECTARES)	ESTIMATED SUPPLY OF NEW DWELLINGS (2016-2031)
MAJOR ACTIVITY CENTRES	96 ha	9,900
NEIGHBOURHOOD ACTIVITY CENTRE	41 ha	4,400
ESTIMATED TOTAL	137 ha	14,300

Source: SGSEP, 2018

The capacity analysis shows that the level of housing growth is expected to differ across and also within the activity centres, due to the varying amount of land available for residential development.

The major activity centres have the most available land to supply new dwellings in Yarra. Of these centres, it is expected that Bridge Road and Victoria Street will accommodate a greater share of housing growth. A large amount of development is already occurring along the western end of Bridge Road and the eastern end of Victoria Street, which has influenced the estimated supply of net new dwellings in the centres.

It is expected that Queens Parade and Heidelberg Road will supply the most new housing of the neighbourhood centres. These centres include three large strategic redevelopment sites within their centre boundaries, which will accommodate over half of the estimated supply of new dwellings. In Queens Parade, the sites at 111 Queen Street and 433 Smith Street, Fitzroy North (former Gasworks site) and at 26-52 Queens Parade, Fitzroy North will supply approximately 1350 new dwellings. The site at 626 Heidelberg Road, Alphington (former Alphington Paper Mill site) is anticipated to supply approximately 850 new dwellings within the centre boundary. The supply of new dwellings across the remainder of the two centres is expected to be moderate.



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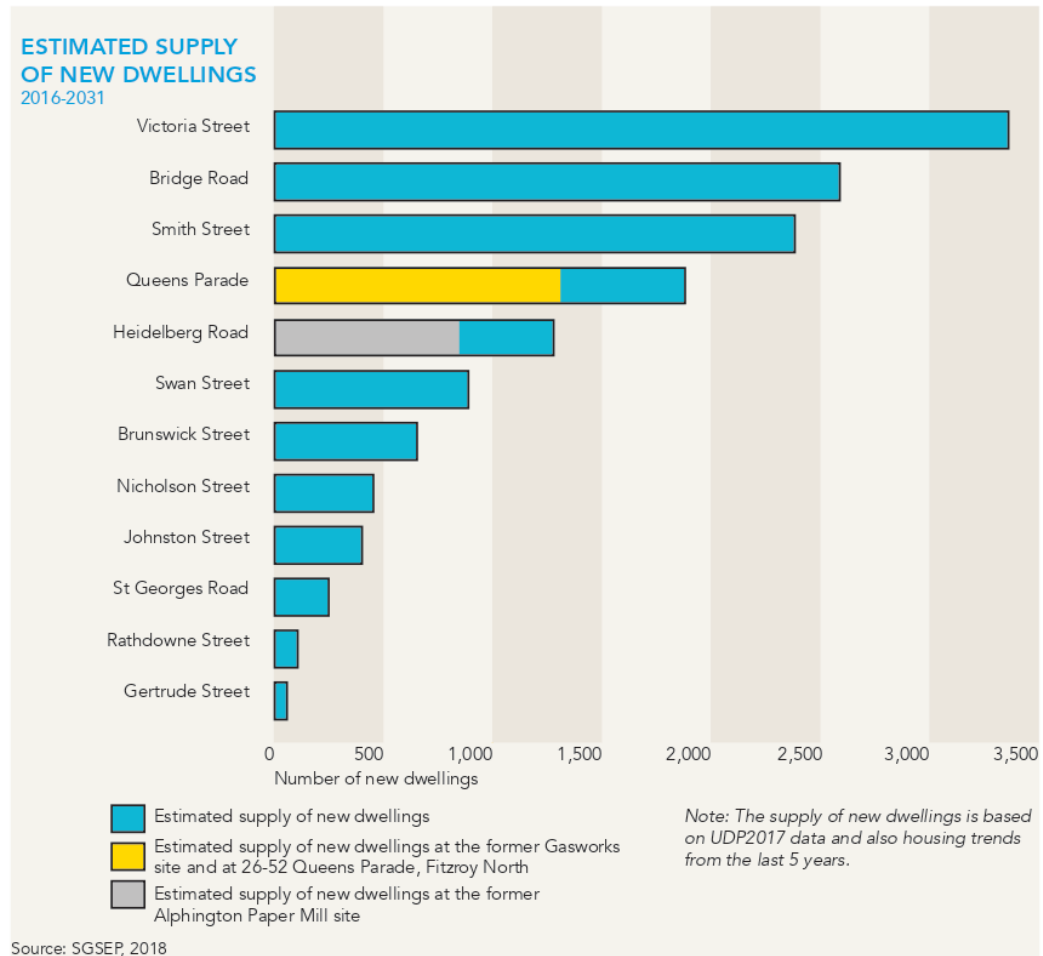
The Johnston Street and Swan Street activity centres appear to have a low estimated supply of new dwellings. This may change as the C2Z land within the centre boundaries (which does not permit residential uses), is rezoned as part of the current Yarra Planning Scheme Amendments C220 (Johnston Street) and C191 (Swan Street). It is proposed to maintain the capacity model to accurately reflect land available for residential development, the density of development and eventual development realisation.

Implications for the Yarra Housing Strategy

The housing capacity analysis indicates there is enough capacity within Yarra's activity centres to accommodate sufficient housing growth. The analysis confirms that, while Yarra's established residential neighbourhoods will continue to accommodate some housing growth, Yarra does not need to rely on these areas to supply projected housing growth.

The capacity analysis also demonstrates that the application of building height controls to the activity centres will not limit the supply of dwellings, but will provide more certainty for residents and developers and maintain the mid-rise character of Yarra.

The capacity model will be used to monitor housing delivery over time and assess implications of built form controls on housing capacity figures. The model will be a reliable source for understanding long-term housing capacity in Yarra.



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9. A PREFERRED GROWTH STRATEGY FOR YARRA

The Yarra Housing Strategy provides direction on key issues such as housing diversity and adaptability, affordable housing, and apartments that are suitable for larger household groups to ensure there will be more housing choice to support Yarra's diverse community. The strategy has been informed by the issues and actions identified by the Liveable Yarra panel, a group of residents selected to represent the broader Yarra community.

Four strategic directions articulate Yarra's preferred growth strategy, which responds to the unique context of Yarra and provides a strategic approach to where and how Council will guide future housing growth.

Strategic direction 1: Monitor population growth and evolving development trends in Yarra to plan for future housing growth and needs.

Strategic direction 2: Direct housing growth to appropriate location.

Strategic direction 3: To plan for more housing choice to support Yarra's diverse community.

Strategic direction 4: Facilitate the provision of more affordable housing in Yarra.



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Strategic directions

Strategic directions 1 (SD1): Monitor population growth, land capacity, and evolving development trends in Yarra to plan for future housing growth and needs.

SD1 will be implemented through the following strategies:

- SD1.1** Monitor population growth forecasts and demographic changes in Yarra;
- SD1.2** Monitor housing delivery trends;
- SD1.3** Maintain the Yarra housing capacity model to reflect residential land available for development, the density of development and development realisation; and
- SD1.4** Monitor the outputs of the Yarra housing capacity model to maintain an adequate supply of residential land for future housing and population growth.

Rationale

Monitoring changes to population and housing growth forecasts will enable Council to more accurately plan for an adequate supply of housing land. Projections are important in assisting Council to plan for anticipated growth more effectively. Monitoring development trends and demographic changes will be necessary to respond to any major shifts in population and housing growth projections,

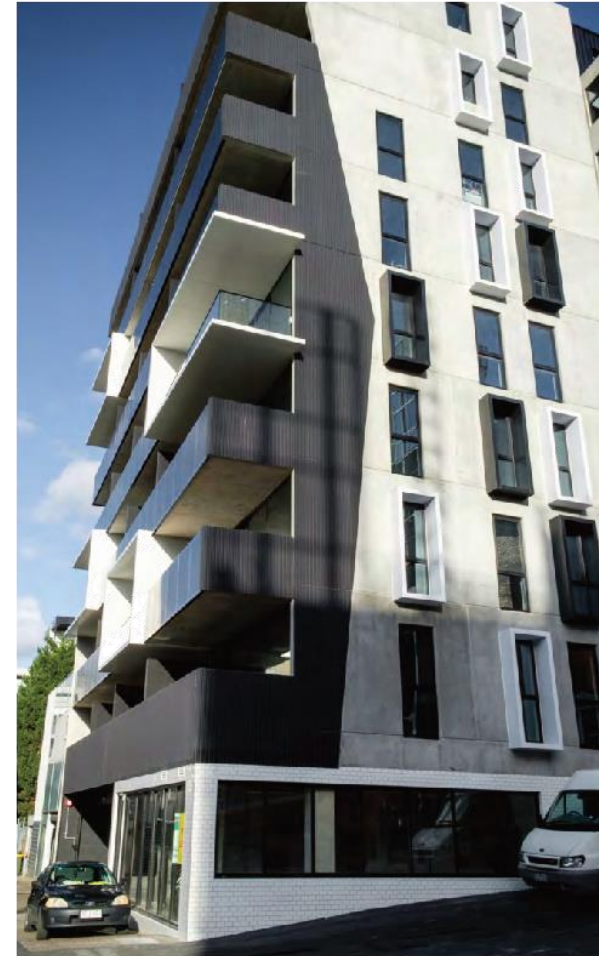
ensuring the ongoing currency of the strategy.

The UDP2017 indicates that Yarra's dwelling supply is mostly available through projects that are being considered, likely to occur or already under construction. Yarra's residential capacity model provides estimates of the potential of Yarra's activity centres to provide additional housing supply above the forecasts included in the UDP2017.

As shown by the assessment of the Yarra's activity centres to accommodate future housing growth, Yarra can rely on existing capacity and does not need to make significant changes to rezone other land at this time to provide additional housing supply. If housing delivery trends continue to be strong in Yarra, within the next 5 to 10 years it will be important to identify key precincts to undertake further strategic planning to identify long term housing land availability.

What will this achieve?

- Certainty to the community that Council is actively planning for future housing growth and has an understanding of changing housing needs in Yarra;
- Certainty to the Victorian Government that Yarra can provide a 15 year supply of housing land; and
- A clear plan for ensuring forecast population and housing growth can be accommodated appropriately in Yarra.



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Strategic direction 2 (SD2): Direct housing growth to appropriate locations.

SD2 will be implemented through the following strategies:

- SD2.1** Develop a hierarchy of housing change areas and apply them to all residential land in Yarra;
- SD2.2** Introduce the hierarchy of housing change areas as a strategic housing framework plan into the Yarra Planning Scheme; and
- SD2.3** Develop policy objectives and strategies to guide and direct the appropriate level of change on all housing land in Yarra.

Rationale

The strategy seeks to direct new housing to areas within or close to activity areas that have good access to public transport, open space, and other services and limit housing growth in established residential areas, consistent with Plan Melbourne, state and regional policy, and also community feedback.

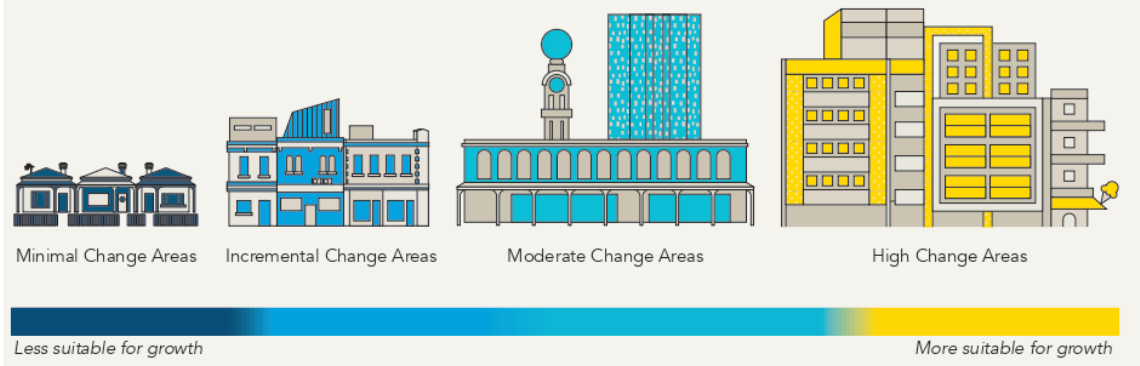
Further to this, the strategy categorises all residential land into four distinct housing change areas to provide more clarity and certainty to the community about the level of growth anticipated across the municipality.

The housing change areas differentiate between those that have the capacity to accommodate minimal, incremental, moderate, and high change housing growth.

The housing change areas are based the following:

- **Current and proposed zone and overlay requirements:** Types of use and development allowed in each zone;
- **Context:** Walking distance and access to services, public transport and employment centres, proximity to activity centres;
- **Land attributes:** Land constraints (including sensitive interfaces), lot size, development activity and emerging character;
- **Strategic planning work:** Areas subject to structure plans, built form frameworks and proposed built form controls;
- **Capacity:** Amount of growth that is likely to occur in an area, given a set of assumptions; and
- **Community feedback:** Where growth is acceptable to the community and where it isn't.

HOUSING CHANGE AREAS



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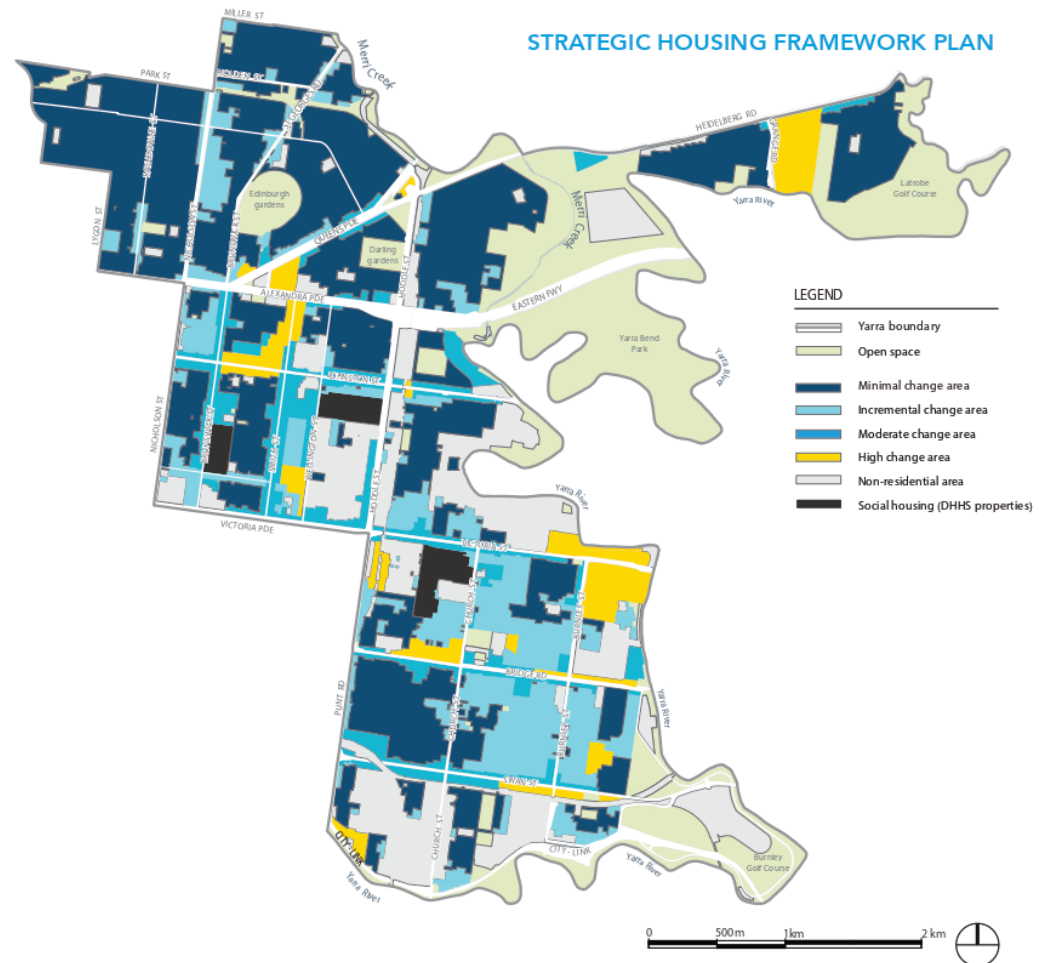
Strategic housing framework plan

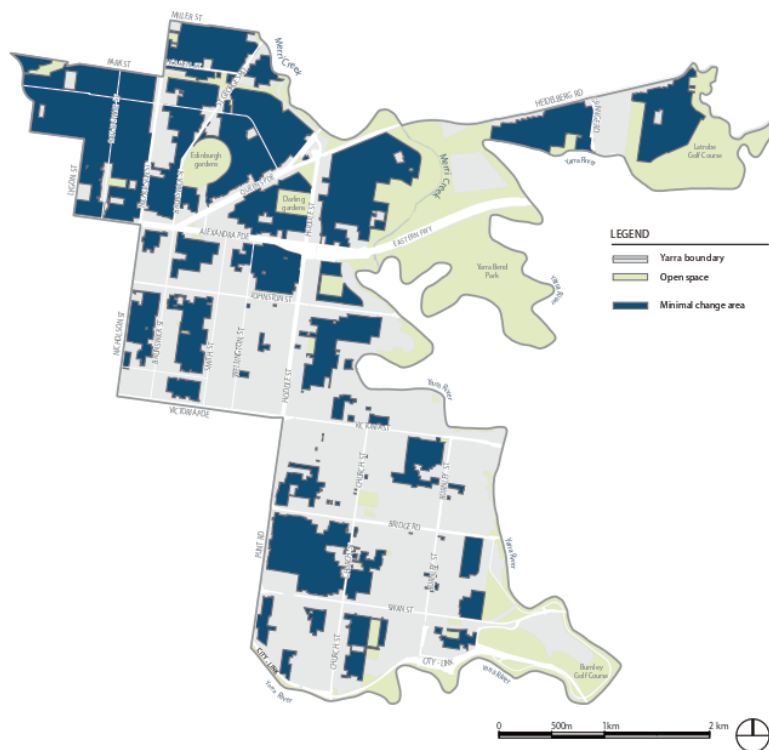
The housing change areas are shown on the strategic housing framework plan to visually represent the level of growth anticipated across the municipality. This is a common approach implemented by other metropolitan councils in their planning schemes. Yarra is currently rewriting its planning scheme and it is intended that the framework plan will be included in the revised planning scheme.

The four housing change areas have been applied to the strategic housing framework plan based on a set of categories. Some sites within these areas may have been recently developed. The scale and form of residential growth may differ across a change area and development proposals will need to appropriately respond to their context and the capacity of an individual site to accommodate housing growth.

What will this achieve?

- A clear policy framework for Yarra to guide and direct housing growth;
- Certainty for land owners, developers and the community about the level of housing growth expected in each neighbourhood and activity centre; and
- Clarity over the areas that are most suitable for accommodating substantial residential growth over the next 15 years.





- Residential areas that have limited capacity to accommodate future housing growth over time.

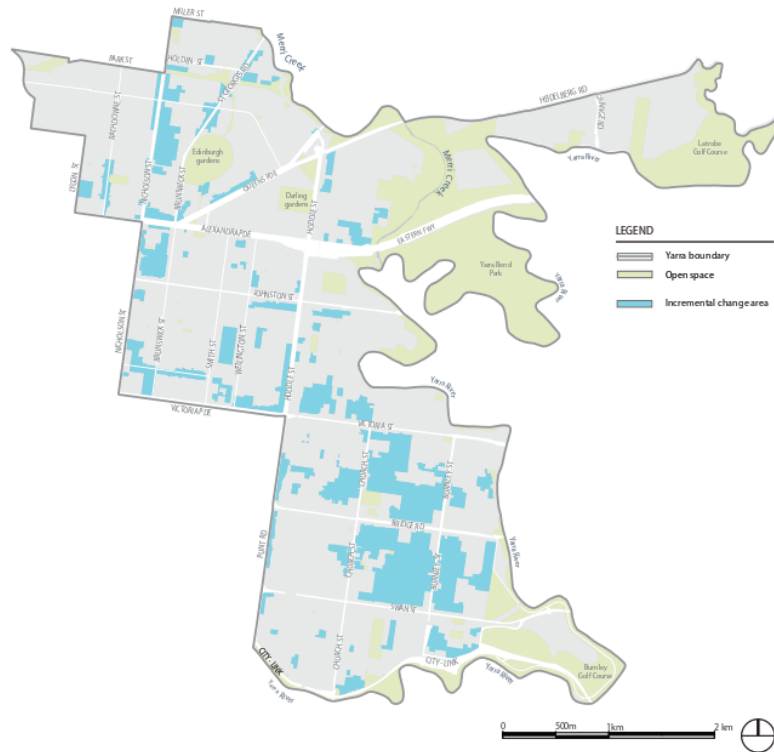
- Within established residential areas (Neighbourhood Residential Zone) that have heritage significance;
- Have consistent fine-grain subdivision pattern and small lots sizes; and/or
- Have detached and dual occupancy dwellings.

What type of development is likely in minimal change areas?

Minimal change areas are not proposed to prohibit additional residential development, but allow a level of development that respects the type, scale, and prevailing character of the area. It is expected that development of one or two dwellings on typically small individual lots (including alterations and additions to existing dwellings) will continue.

The provisions of the zone and/or Heritage Overlay in the Yarra Planning Scheme will determine the scale and form of residential growth in these areas.

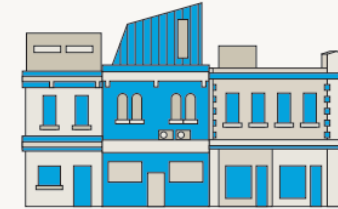
INCREMENTAL CHANGE AREAS



Incremental change areas

Level of growth:

- Residential, mixed use and commercial areas that have the capacity to accommodate a more modest level of housing growth over time.



Incremental change areas generally display one or more of the following characteristics:

- Within established residential areas (General Residential Zone);
- Within mixed use and commercial areas that have heritage significance, including cohesive and highly intact heritage streetscapes and buildings;
- Have consistent fine-grain subdivision pattern and small lots sizes; and/or
- Have detached, dual occupancy and smaller scale apartment dwellings.

Incremental change areas are proposed to apply to over 21% of Yarra's residential land.

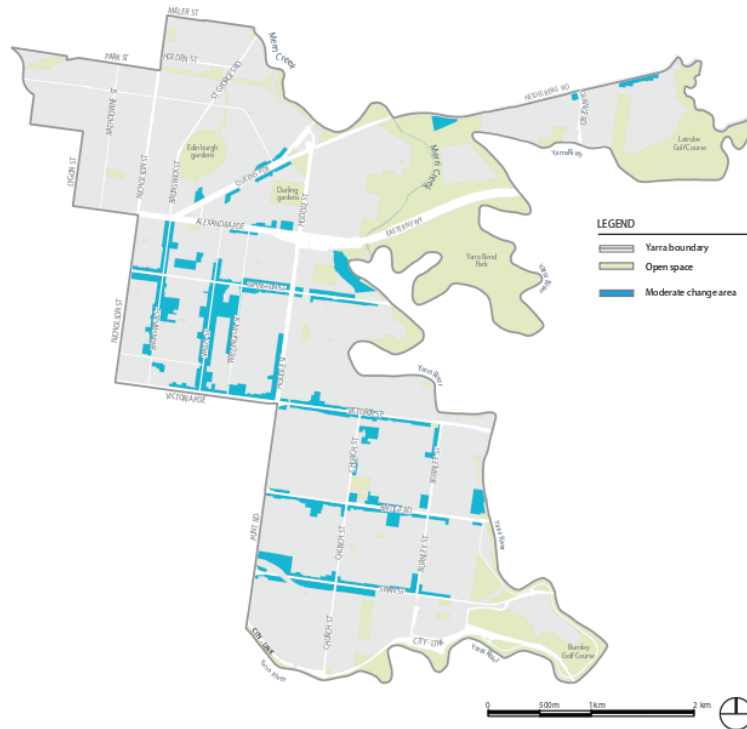
What type of development is likely in incremental change areas?

It is expected that incremental change areas will gradually evolve over time as development of one; two or more dwellings on individual lots (including smaller scale apartment developments and alterations additions to existing dwellings) will continue.

The provisions of the zone and/or Heritage Overlay in the Yarra Planning Scheme will determine the scale and form of residential growth in these areas.

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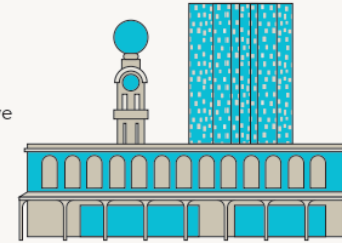
MODERATE CHANGE AREAS



Moderate change areas

Level of growth:

- Mixed use and commercial areas that have the capacity to accommodate moderate housing growth over time.



Moderate change areas generally display one or more of the following characteristics:

- Within or close to activity centres that have heritage significance, sensitive interfaces and other site constraints;
- Have excellent access to services, open space and public transport; and/or
- Have mixed lot sizes.

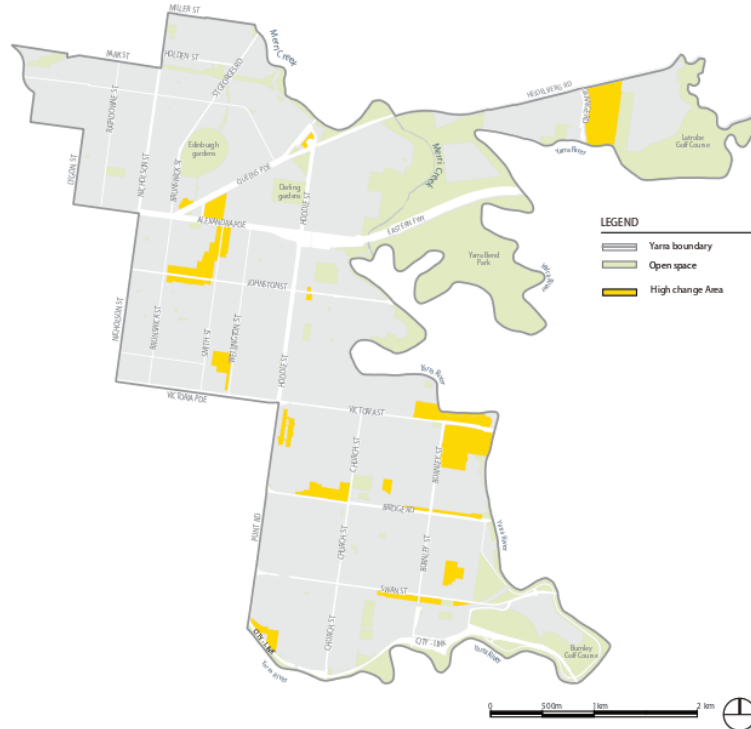
Moderate change areas are proposed to apply to over 12% of Yarra's residential land.

What type of development is likely in moderate change areas?

It is expected that moderate change areas will support increased residential densities and housing diversity through mixed use, infill and shop-top apartment development on individual and consolidated lots that respond to existing heritage character of streetscapes.

The provisions of heritage and/or built form overlays in the Yarra Planning Scheme will determine the scale and form of residential growth in these areas. In those areas where no overlays apply, urban design and/or heritage local planning policies will determine built form outcomes for the areas.

HIGH CHANGE AREAS



High change areas

Level of growth:

- Mixed use and commercial areas and sites that have the capacity to accommodate substantial housing growth over time.

High change areas generally display one or more of the following characteristics:

- Within or close to activity centres that have an absence of site constraints;
- Have excellent access to services, open space and public transport; and/or
- Have large lot sizes.

High change areas are proposed to apply to over 8% of Yarra's residential land.

What type of development is likely in high change areas?

It is expected that high change areas will support increased residential densities and housing diversity through mixed use, infill and urban renewal apartment development that will establish new character for a site or precinct.

The provisions of heritage and/or built form overlays in the Yarra Planning Scheme will determine the scale and form of residential growth in these areas. In those areas where no overlays apply, urban design and/or heritage local planning policies will determine built form outcomes for the sites and areas.



Attachment 3 - Final Yarra Housing Strategy

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Strategic direction 3 (SD3): To plan for more housing choice to support Yarra's diverse community.

SD3 will be implemented through the following strategies:

- SD3.1** Support flexible housing design that allows for adaptations to support changing housing needs over time;
- SD3.2** Introduce a requirement in the Yarra Planning Scheme for housing diversity to be demonstrated in applications for residential rezoning and major residential developments (50 or more dwellings), based on available demographic information;
- SD3.3** Encourage the development of aged care, student accommodation and key worker housing within or close to activity centres, health and education precincts;
- SD3.4** Encourage more family-friendly design of communal open spaces in apartment developments;
- SD3.5** Support additions to existing houses to provide accommodation for larger household types;
- SD3.6** Encourage apartment development that includes the provision of sufficient internal common space; and
- SD3.7** Provide policy support for cohousing development in Yarra.

Rationale

As more housing is constructed in Yarra, it is important to ensure that it is designed to meet the changing needs of the population over their lifetimes. Providing a diverse mix of housing options for all residents in Yarra also helps support social inclusion and diversity within neighbourhoods, and allows people to age in place.

As most of the new housing being delivered in Yarra is in the form of apartments there is a need to ensure high density development can accommodate different housing needs, including design considerations to make higher-density living more attractive for larger household groups, students, and people with disabilities and older people in Yarra.

Specific needs for larger household groups include providing sufficient internal and outdoor space and also a diversity of apartment types and sizes. Larger apartments, for families in particular, are best located together, over-looking communal open space.

The specific needs of older people and people living with a disability include dwellings that have adequate storage space, are close to shops, transport and other services, have an accessible layout and are also easy and cost-effective to adapt. These issues are best dealt with at the design and planning stage.

Introducing a requirement into the Yarra Planning Scheme for housing diversity to be demonstrated would complement the new apartment design requirements. Housing diversity could be demonstrated by including the expected demographic mix, to enable consideration of particular housing needs in a planning application for a major redevelopment or rezoning. Early consideration of these issues will help ensure that future housing stock is suitable for a wider range of households.

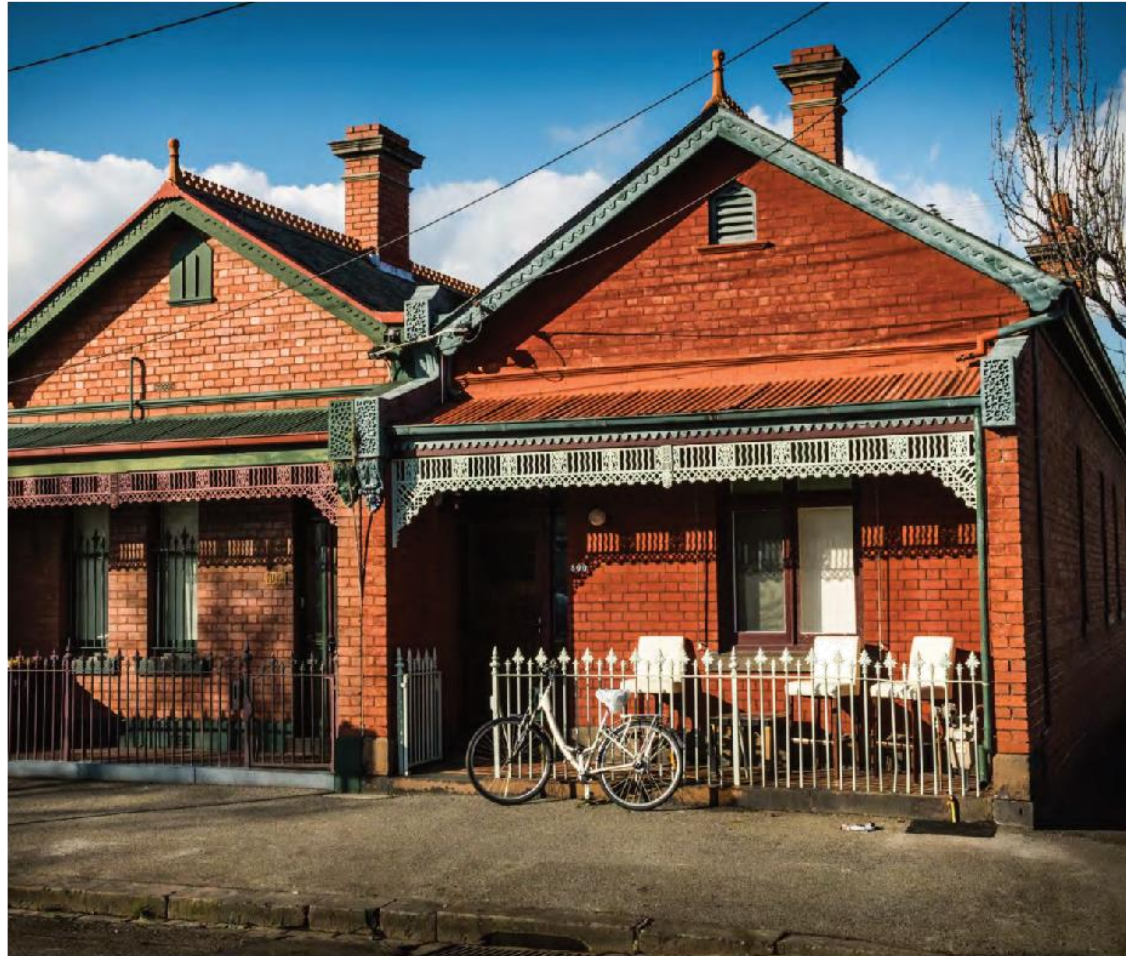
While Yarra supports and encourages people remaining in their home for as long as possible, it is sometimes necessary for a person to relocate to a residential aged care facility or retirement village to receive adequate support. To meet future demand from an ageing population, more aged care facilities and retirement villages will be required to assist residents to age in place in Yarra. Supporting this type of housing development within and close to activity centres and health precincts will help residents receive adequate support and maintain connections with their community.



Attachment 3 - Final Yarra Housing Strategy

What will this achieve?

- More housing choice for our diverse community to support social inclusion and maintain Yarra's vibrant community;
- Better alignment between the design of new developments and housing needs in Yarra;
- Allowing more residents to age in place;
- More family friendly apartments; and
- Better communal open and internal space within apartment developments that cater to the needs of a wider range of households.



Attachment 3 - Final Yarra Housing Strategy

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Strategic direction 4 (SD4): Facilitate the provision of more affordable housing in Yarra.

SD4 will be implemented by:

- SD4.1** Foster effective partnerships between registered housing associations or providers and the property development industry to deliver more affordable housing;
- SD4.2** Introduce requirements into the Yarra Planning Scheme for all rezonings to residential use, and in significant developments of 50 or more dwellings, to provide at least 10% affordable housing;
- SD4.3** Support opportunities to allow for shared equity schemes and other emerging affordable housing models;
- SD4.4** Advocate for policy and legislative changes that enable Council to introduce inclusionary zoning or an alternative mechanism to secure affordable housing; and
- SD4.5** Support the improvement and retention of social housing in Yarra.

Rationale

Yarra has experienced rapid growth in house prices in recent years, consistent with other parts of the IMAP area. As a result, many households cannot afford to rent or purchase a home in the municipality. Yarra aims to address this through the provision of affordable housing that is appropriate for the needs of very low, low and moderate-income households.

The provision of affordable housing will maintain Yarra's diversity and support the economy by providing greater housing choice for those working or starting businesses in the municipality. It will also enable key workers, who are employed in occupations important to the functioning of the municipality, to live closer to their workplaces.

The Victorian planning system provides an opportunity to secure a percentage of affordable housing when sites are being rezoned or redeveloped. In 2017, Council adopted the *Policy Guidance Note: Affordable Housing Outcomes at Significant Redevelopments*. It outlines Yarra's expectations relating to affordable housing at significant redevelopment sites. With significant rezoning of commercial and industrial land to residential use, developers are expected to provide at least 5% affordable housing at sites yielding 50 dwellings or more, and work with a registered housing association or provider to deliver affordable housing.

This strategy strengthens and builds upon the note by recommending the introduction of requirements into the Yarra Planning Scheme for all rezonings to residential use, and in significant developments of 50 or more dwellings, to provide at least 10% affordable housing. This will communicate a clear expectation to developers about their obligation to provide affordable housing stock as part of significant new developments, and reduce the need for this to be negotiated on a case by case basis.

There is also a need to support the improvement and retention of social housing in Yarra to ensure the needs of existing and future residents in need of this type of accommodation are supported.

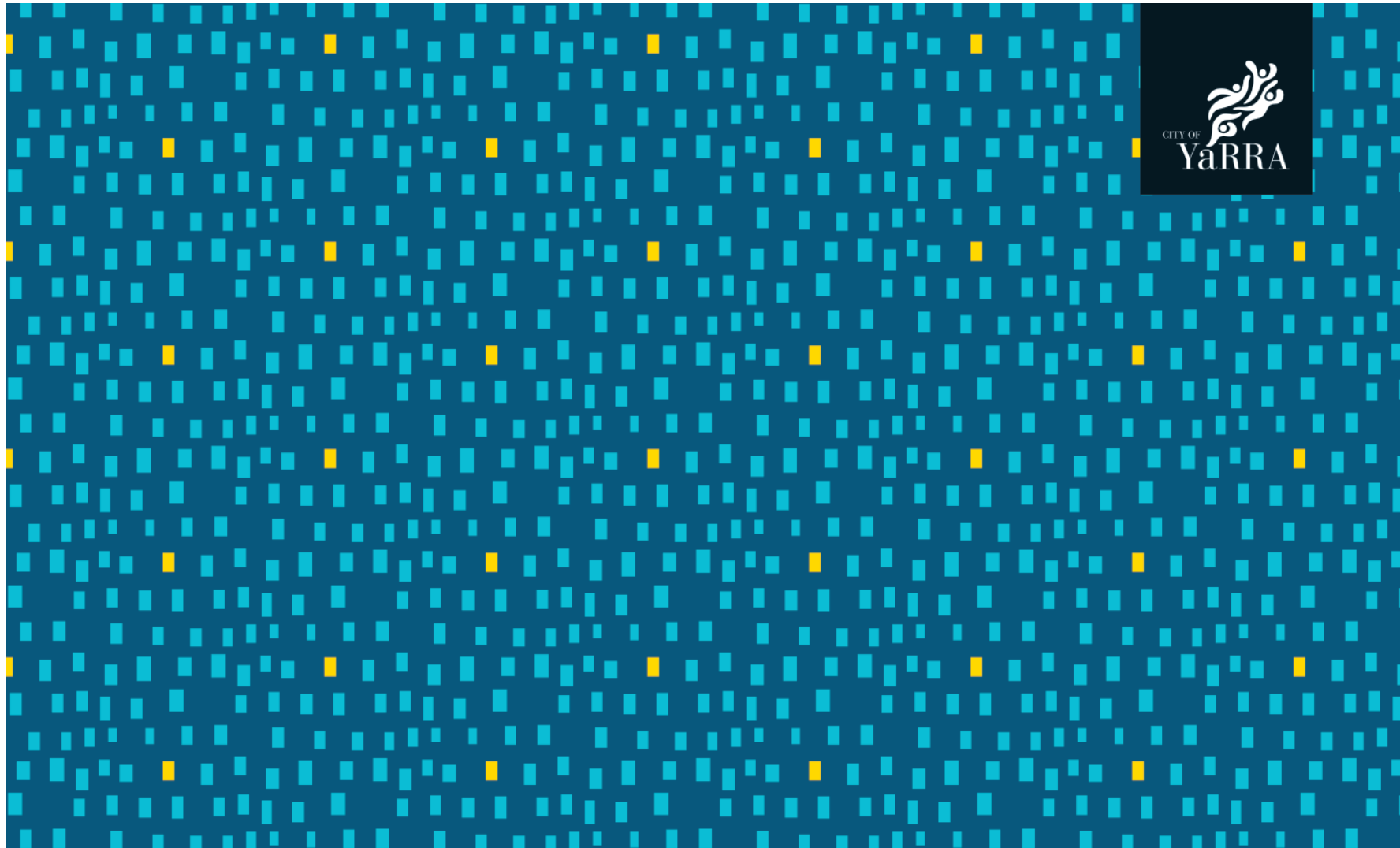
What will this achieve?

- An increase in affordable housing will help maintain and support a socially, economically and culturally diverse community; and
- Reduce the need for complex negotiations between Council and developers about providing affordable housing stock as part of significant new developments and rezonings.





Attachment 3 - Final Yarra Housing Strategy



For information in your language, please call 9280 1940 and quote the **REF** number below. | 欲知粵語版本的資訊，請致電9280 1932並報上下列**REF**號碼。 | Για πληροφορίες στα Ελληνικά, παρακαλούμε καλέστε το 9280 1934 και αναφέρετε τον αριθμό **REF** παρακάτω. | Per informazioni in italiano siete pregati di chiamare il numero 9280 1931 e di citare il numero di riferimento (**REF** number) sottoindicato. | 欲知普通话版本的信息，请致电9280 1937并报上下列**REF**号码。 | Para información en castellano, llame al 9280 1935 y cite el número de **REF**. De más adelante. | Để biết thông tin bằng tiếng việt, xin hãy gọi số 9280 1939 và nói số **REF** dưới đây. | للمعلومات باللغة العربية، يرجى الاتصال هاتفيا بالرقم 9280 1930 والإشارة إلى رقم المرجع **REF** المذكور أدناه. |

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Attachment 4 - Strategic Directions



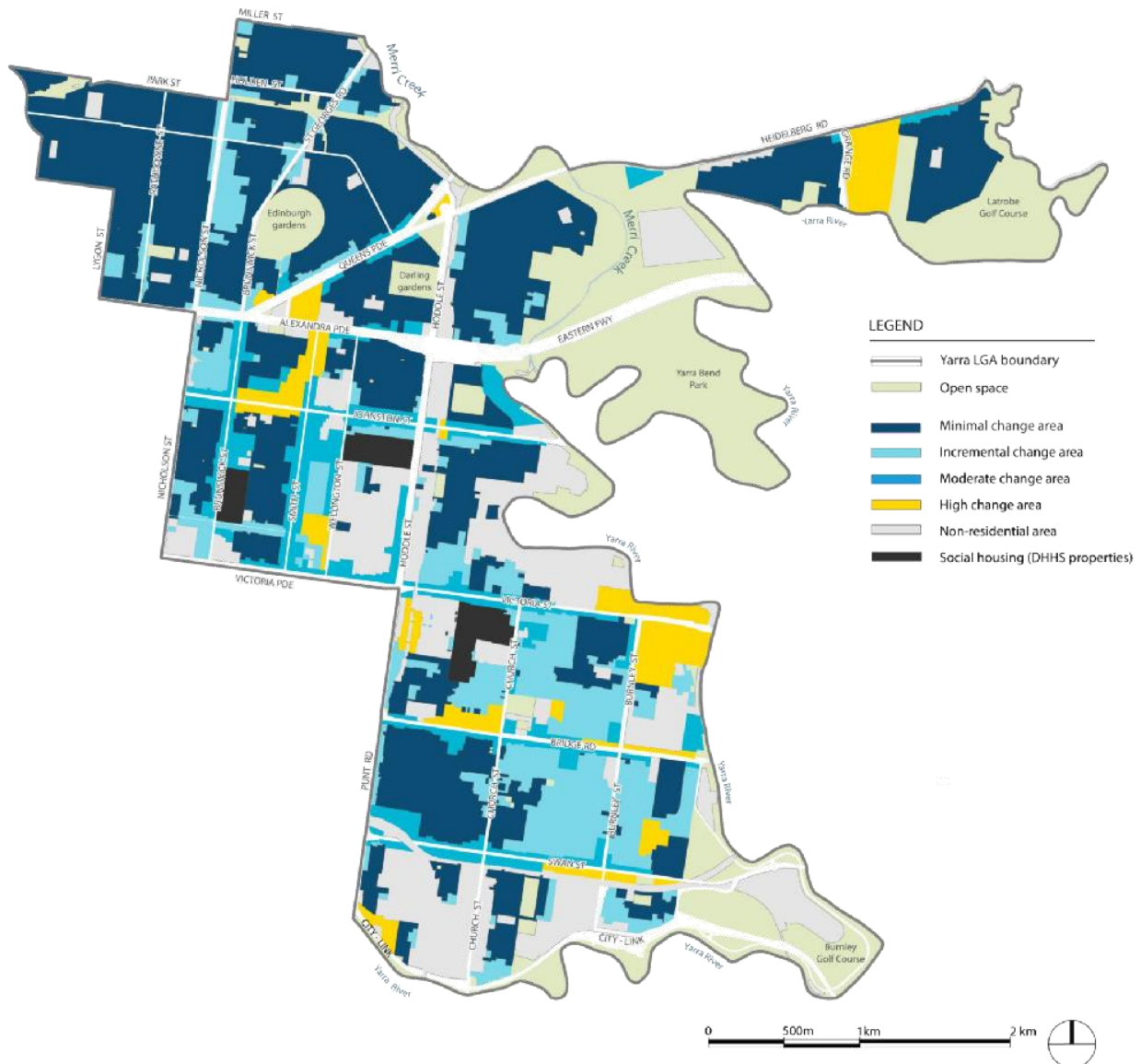
Strategic directions and the strategies to implement each of the four directions:

Strategic direction	Strategies
Strategic directions 1: Monitor population growth, land capacity, and evolving development trends in Yarra to plan for future housing growth and needs.	SD1.2 Monitor population growth forecasts and demographic changes in Yarra; SD1.2 Monitor housing delivery trends; SD1.3 Maintain the Yarra housing capacity model to reflect residential land available for development, the density of development and development realisation; and SD1.4 Monitor the outputs of the Yarra housing capacity model to maintain an adequate supply of residential land for future housing and population growth.
Strategic direction 2: Direct housing growth to appropriate locations.	SD2.1 Develop a hierarchy of housing change areas and apply them to all residential land in Yarra; SD2.2 Introduce the hierarchy of housing change areas as a strategic housing framework plan into the Yarra Planning Scheme; and SD2.3 Develop policy objectives and strategies to guide and direct the appropriate level of change on all housing land in Yarra.
Strategic direction 3: To plan for more housing choice to support Yarra's diverse community.	SD3.1 Support flexible housing design that allows for adaptations to support changing housing needs over time; SD3.2 Introduce a requirement in the Yarra Planning Scheme for housing diversity to be demonstrated in applications for residential rezoning and major residential developments (50 or more dwellings), based on available demographic information; SD 3.3 Encourage the development of aged care, student accommodation and key worker housing within or close to activity centres, health and education precincts; SD3.4 Encourage more family-friendly design of communal open spaces in apartment developments; SD3.5 Support additions to existing houses to provide accommodation for larger household types; SD3.6 Encourage apartment development that includes the provision of sufficient internal common space; and SD3.7 Provide policy support for cohousing development in Yarra.
Strategic direction 4 (SD4): Facilitate the provision of more affordable housing in Yarra.	SD4.1 Foster effective partnerships between registered housing associations or providers and the property development industry to deliver more affordable housing; SD4.2 Introduce requirements into the Yarra Planning Scheme for all rezonings to residential use, and in significant developments of 50 or more dwellings, to provide at least 10% affordable housing; SD4.3 Support opportunities to allow for shared equity schemes and other emerging affordable housing models; SD4.4 Advocate for policy and legislative changes that enable Council to introduce inclusionary zoning or an alternative mechanism to secure affordable; and SD4.5 Support the improvement and retention of social housing in Yarra.

Attachment 5 - Strategic housing framework plan



Strategic housing framework plan:



11.2 Spatial Economic and Employment Strategy

Trim Record Number: D18/143002

Responsible Officer: Director Planning and Place Making

Purpose

1. The purpose of this report is to:
 - (a) outline the feedback from the exhibition of the draft Spatial and Economic Strategy (SEES) which occurred from 26 March – 30 April 2018; and
 - (b) present the final SEES for adoption.

Background

2. The draft SEES is intended to assist Council to understand, and capitalise on, Yarra's economic strengths and respond to the key trends and economic drivers over the next 10 to 15 years. It also provides advice on zoning and other planning changes required to accommodate projected employment growth and change to 2031.
3. The draft SEES is complemented by additional strategic work being prepared as part of the wider **Yarra Planning Scheme rewrite program**, such as: the *draft Housing Strategy* and the *Activity Centre Built form Framework Analysis*.
4. The SEES is intended to replace Council's adopted *Business Industrial Land Strategy (BILS)* and become a reference document in the Yarra Planning Scheme.
5. The draft SEES sets out 6 strategies to direct emerging policy in the Planning Scheme.
 - (a) Strategy 1: Support employment growth in activity centres;
 - (b) Strategy 2: Retain and grow Yarra's major employment precincts (Cremorne / Church St and Gipps St Major Employment Precincts);
 - (c) Strategy 3: Identify preferred locations for housing growth to reduce pressures or conversion of employment land for housing;
 - (d) Strategy 4: Support the expansion of Yarra's health related employment and services in Yarra's health precincts;
 - (e) Strategy 5: Retain other C2 zoned land to support the diversity of business and employment opportunities; and
 - (f) Strategy 6: Plan for the transition of Yarra's remaining industrial areas (longer term these areas will need investigating for their future development, land use and economic opportunities).
6. Preparation of the SEES has included a range of consultation with a variety of businesses, hospitals, landowners and industry stakeholders.
7. An *Issues and Opportunities paper* in 2015 included consultation with a variety of businesses, hospitals, landowners and industry stakeholders. This consultation provided qualitative analysis of the key issues impacting on the future success of Yarra's retail and employment precincts.
8. In addition, discussion with the Yarra community on business and employment occurred in 2015 through the *Liveable Yarra Project*. This project provided an opportunity to have an in-depth conversation with the community on how Yarra can adapt to the challenges and opportunities brought by growth and change. The deliberative engagement process included the 'people's panel' which consisted of local community persons selected to represent the broader community (see Council website on *Liveable Yarra Project* for further information regarding methodology, process and the report of the group).

9. The draft SEES responded to the *Liveable Yarra* Panel's vision for business and employment in Yarra, which is for a "...*diverse and growing business community*". The Panel's recommendations included, amongst others:
 - (a) encourage mixed use in development including small spaces for business; and
 - (b) retain land for non-residential uses to support arts, cultural and other employment and economic uses.
10. Further detailed findings of this engagement are in the *Liveable Yarra Engagement Summary report* (Capire and City of Yarra October 2015).
11. The *Liveable Yarra Reference Group*, which was drawn from the broader 'people's panel', met throughout 2017 to discuss various topics that are informing the planning scheme re-write. A presentation on the draft SEES was made to the Group on 22 August 2017, which outlined the trends and drivers for Yarra's economy, the planning context, demand and capacity and spatial strategies.
12. On 6 July 2017 SGS attended Council's *Business Advisory Group* (BAG), to present the strategic directions recommended for the management of Yarra's employment lands over the next 10-15 years. Many of the matters raised by BAG members were beyond the scope of the SEES as they related to parking and transport; housing affordability; and directing growth around train stations. Relevant matters included the:
 - (a) need for the management of amenity expectations in the mixed use zone; and
 - (b) potential for changes to the Commercial 2 zone would create uncertainty in terms of business activities.
13. In response the SEES will include a clear expression of intent for any potential changes to C2 land.
14. Two workshops were held in late November and early December 2017, with businesses from two major employment precincts in the Yarra: Collingwood (around Gipps Street and Easey Street) and Cremorne. These areas are predominantly Commercial 2 Zone (C2Z).
15. The purpose of the workshops was to:
 - (a) inform the business community of the preparation of the SEES, its role in the Planning Scheme re-write, and the extent to which it can manage, guide and promote employment in the city; and
 - (b) obtain feedback from business representatives on their experiences in Yarra's major employment precincts.
16. Each workshop included time for recording individual comments and open discussion. Key findings common to both workshops are contained in the appendices to **attachment 1**:
 - (a) passionate about their local area;
 - (b) location is important;
 - (c) the look, feel and industrial history is an attractor;
 - (d) rents are increasing;
 - (e) parking and transport;
 - (f) local open space and pocket parks;
 - (g) poor internet;
 - (h) changing nature of working environments;
 - (i) balancing the needs of business and residential uses; and
 - (j) social issues.
17. Issues specific to Gipps Street, Collingwood included: built form and retention of heritage facades; need for improvements to the way housing growth is managed as an interface between businesses; safety; rubbish; and transport (parking).

18. Issues specific to Cremorne included a strong message that Cremorne was the technology hub of Melbourne; lack of safety and vibrancy at night; need to allow for a range of uses and activities; fairer access to council services; improved pedestrian amenity; better traffic management; stronger support for the innovation district; and allow for residential uses that support these industries.
19. The feedback is presented under themes and the order should not be considered as a preference of importance. All issues have been considered equally. It is also important to note that not all issues raised have planning solutions.

External Consultation

20. Although there was no statutory requirement for further consultation with the community there was value in testing the strategies set out in the SEES as the strategic basis for future planning policy in the Yarra Planning Scheme. A summary of the engagement process is included in **attachment 1**.
21. The exhibition process involved:
 - (a) exhibition from 26 March – 30 April 2018;
 - (b) two information sessions at Richmond and Collingwood;
 - (c) promotion via social media (Facebook and twitter); Yarra's E-news ; Council's business e-bulletin (includes 2,845 businesses) Council's web page; postcards and direct emails;
 - (d) online survey on *Have Your Say Yarra*; and
 - (e) hard copies of the draft made available.
22. The Council communications unit uploaded 8 posts on the social media network of Facebook over a 4 week period (6 April 2018 – 27 April 2018). In addition, several 'tweets' were posted on the social media website of Twitter. This consultation activity reached more than 17,000 Facebook users and amassed a total of 127 likes, comments and shares. This engagement activity shared information about:
 - (a) local traders opinions on trade;
 - (b) rising number of knowledge workers;
 - (c) How Yarra is planning the places and spaces in Yarra;
 - (d) Yarra's biggest employment sector being health care;
 - (e) the changing economy in Yarra;
 - (f) trends in shopping and eating in Yarra;
 - (g) fastest growing employment sector being knowledge, health care, retail and hospitality; and
 - (h) predictions for Yarra's future.
23. The social media posts and promotion of the SEES generated 104 click through to the *Your Say Yarra* survey.
24. The *Your Say Yarra* website included the following information:
 - (a) the six Strategic Directions;
 - (b) frequently Asked Questions (FAQs);
 - (c) document Library (including the draft strategy);
 - (d) the Spatial Structure Plan Map;
 - (e) glossary of planning terms;
 - (f) the project life cycle;
 - (g) contact information; and

- (h) a survey for the community contributions.
25. There were 426 total visits to the project page on the website: viewing images; downloading a document and visiting FAQs. A total of 20 participants contributed to the survey, primarily from Richmond and aged between 36 and 65 year of age.
26. The survey encouraged visitors to participate in a short survey and rate, on a scale of 1 to 5, how effective the six strategic directions were in planning for Yarra's economic future. With five being the 'most effective' and one being 'least effective'. The responses considered the strategic directions in the SEES as 'effective' to 'most effective'.
27. The survey asked participants to identify the strengths and areas for improvement for each strategic direction. Common themes in no order of importance included:
- (a) accessibility between precincts;
 - (b) built form;
 - (c) more consideration for higher education services;
 - (d) public space;
 - (e) traffic management;
 - (f) parking;
 - (g) retain the mixed use of areas;
 - (h) increase employment land;
 - (i) public and affordable housing;
 - (j) manage pressures and impacts; and
 - (k) consideration to key large and important landholdings (refer to appendix 2 in **attachment 1**).
28. The purpose of the SEES is to provide a spatial strategy for accommodating growth and change in economic activity. Issues raised in the survey responses relating to built form, affordable housing, transport and public realm would be addressed through separate strategies.
29. Three written submissions were received: 2 submissions relating to specific properties and 1 from a local community group, *Streets Alive Yarra*.
30. **Submission 1:** The *Streets Alive Yarra* submission supported the draft SEES and felt it could be improved by:
- (a) highlighting the interdependencies between land use, economic development, employment, transport and congestion; and
 - (b) increasing the emphasis on protecting the amenity of residents where residential zones adjoin commercial zones.
31. The submission made a number of recommendations:

Submission recommendation	Response
Include a section highlighting interdependencies between land use, economic development, employment, transport and congestion; and a strategy of investing in safe and active transport	No change recommended As outlined above the purpose of the SEES is to provide a spatial strategy to accommodating growth and change in economic activity. Transport and the interplay with land use have been recorded and would need to be addressed through separate strategies – such as: local framework planning, built form, transport and parking strategies.

Amend section 5.1(vision + objectives) to support new employment being balanced with amenity of existing residential uses.	No change recommended As outlined above the purpose of the SEES is to provide a spatial strategy to accommodating growth and change in economic activity. Issues raised relating to managing sensitive interfaces (e.g. built form) would be addressed through separate mechanisms: e.g. draft policy in the Planning Scheme re-write; local framework planning.
Amend Figure 39 so that residential zones in Cremorne are not included within the blue shaded Mixed Employment Precinct	No change recommended The areas shown on this diagram are indicative only and not intended to be precise. The intention is that the diagram is conceptual. Future local planning would address any issues with established residential areas within or adjoining the precinct.
Add a new strategy that relates to built form at the residential / commercial interface	No change recommended As outlined above the purpose of the SEES is to provide a spatial strategy to accommodating growth and change in economic activity. It does not relate to built form outcomes. Future local planning would address any issues with established residential areas within or adjoining the precinct.

32. **Submission 2:** This submission raised the following concerns.

33. Concern 1: Underestimation of the capacity of existing employment land. The submission applied the capacity assumptions to 2 sites: 32-68 Mollison Street & 10 Victoria Crescent, Abbotsford; and 198-242 Burnley Street, Richmond. Using these specific sites as examples, the submission asserts that the potential for the employment plot ratio could be higher.

Officer response: The capacity assumptions in the SEES are based on a precinct level and not a site basis. It assumes that all sites in a precinct are redeveloped to average parameters, recognising that sites may achieve higher or lower densities than the average. This is a logical process for estimating floor space capacity.

34. Concern 2: Failure to establish a framework to realise the strategic potential of underutilised employment land. It asserted that despite there being adequate land for residential development and employment, considerations for sites to evolve can be driven by more contextual considerations, such as: location relative to activity centres, major employment centres, high capacity transport and dwellings; physical characteristics such as size, land constraints, and surrounding built form; and specific needs within an area, such as public open space, and other community services.

Officer response: No change proposed as the SEES seeks to retain C2 land and recognises that the sites are part of *broader employment precincts which are of sufficient size and importance that further strategic planning investigations area required to determine if alternate land uses, economic activities and built form outcomes are appropriate*. As noted in the submission, the suite of zones in the current Victorian Planning Provisions make it difficult to achieve a true mixed use site as zones permit unrestricted residential use above ground level. As such the SEES should remain unchanged.

35. **Submission 3:** This submission related to land at 182-184 Stawell Street and 173 Barkly Avenue. It requested Council to consider the opportunity for residential uses to occur in a mixed use development of this large amalgamated site. Currently the site is zoned C2, which does not allow for residential development.

36. The site is in the Burnley South precinct in Strategy 5 of the SEES. Strategy 5 is to retain C2 land to support a diversity of businesses and economic activity and, in general, is not required to support housing. Unless strategic planning work supports a change of zone, existing C2 precincts and sites should be retained for employment uses. Future strategic planning work may identify opportunities for change, however this is not a priority for Council for at least the medium term (5 – 10 years). This strategy is based on the evidence presented in the SEES and the separate and complementing office study prepared by Urban Enterprise (consultants) which identified that Yarra is experiencing a significant level of office development. As such no changes are recommended to strategy 5.
37. A further presentation was made to the BAG on May 2018.
38. Having considered these submissions, the final SEES for adoption is presented in **attachment 2**.

Internal Consultation (One Yarra)

39. Officers have consulted with the Economic Development Unit and Communications and Engagement Unit.

Financial Implications

40. There are no direct financial implications for Council to consider from the development of the SEES.

Economic Implications

41. The economic implications of the SEES are likely to derive from:
 - (a) supporting growth in the activity centres; major employment, and health and education precincts; and
 - (b) managing the transition of larger industrial uses or C2 zoned land, if and when this occurs.
42. The SEES, in conjunction with the Housing Strategy, provides an important direction to alleviate the pressure for the ad hoc conversion of employment land for housing. Both strategies identify the preferred location for either housing growth and / or land to be retained for employment.

Sustainability Implications

43. The SEES is underpinned by the Economic Development Strategy (EDS) that has a vision for Yarra to be recognised as a smart, sustainable city with vibrant and thriving precincts and locally engaged business community.
44. The SEES provides for employment opportunities close to housing and public transport.

Social Implications

45. The SEES supports growth in Yarra's activity centres which already contain vibrant and constantly evolving retail, entertainment, hospitality and commercial services to meet the needs of visitors and the local population.

Human Rights Implications

46. There are no anticipated human rights implications.

Communications with CALD Communities Implications

47. Translation services were offered on promotional material distributed to libraries and Council town halls.

Council Plan, Strategy and Policy Implications

48. The SEES is an initiative set out in Objective 5: *A prosperous Yarra is a place where.... Local businesses prosper and creative and knowledge industries thrive*, of the Council Plan 2017-21.
49. The SEES has regard to the *State and Local Planning Framework*, *Yarra EDS*, *Yarra's Business and Industrial Land Strategy* and the *Night time Economy Strategy 2014-18*.

Legal Implications

50. There are no anticipated legal implications. The exhibition of the draft document was a voluntary non statutory process considered valuable informing the strategies of the final SEES.

Options

51. There are three options for Council:
- (a) Option 1 - Adopt the SEES as presented;
 - (b) Option 2 - Make additional changes in response to submissions; and
 - (c) Option 3 - Do not adopt the strategy.
52. Option 1 is recommended as the SEES reflects evidence based research and considers feedback obtained during the preparation of the strategies. Adopting the SEES provides evidence based justification for the formulation of draft local planning policy for Council consideration.
53. Option 2 is not required for the reasons outlined in the discussion above. Option 3 would remove the strategic basis for future policy in the draft Planning Scheme.

Conclusion

54. The SEES outlines the trends and drivers for Yarra's economy, the planning context, demand and capacity and spatial strategies. This will further inform draft local planning policy for the Yarra Planning Scheme.
55. The draft SEES was released for community engagement in March 2018 to inform and educate the community and key stakeholders on emerging policy and to shape the future strategy where appropriate.
56. The survey feedback received during the exhibition indicated high support for the effectiveness of the strategies set out in the SEES.

RECOMMENDATION

1. That Council:
- (a) note the officer report regarding the process in formulating the draft Spatial Economic and Employment Strategy (SEES);
 - (b) note the draft Spatial Economic and Employment Strategy (SEES) and the Consultation Outcome Report in the attachments;
 - (c) having considered the comments received and the officer report, adopt the Spatial Economic and Employment Strategy, August 2018 to provide strategic direction and inform the re-write of the Yarra Planning Scheme; and
 - (d) authorise the CEO to make minor, policy neutral changes to the adopted SEES prior to exhibition of the subsequent local planning policy in the Yarra Planning Scheme.

CONTACT OFFICER: Fiona van der Hoeven
TITLE: Senior Coordinator Strategic Planning
TEL: 9205 5156

Attachments

- 1 [↓](#) Final Yarra SEES - September 2018
2 [↓](#) SEES Consultation Outcomes Report _FINAL (Appendices)

Attachment 1 - Final Yarra SEES - September 2018



Yarra Spatial Economic and Employment Strategy



Final report

August 2018



Attachment 1 - Final Yarra SEES - September 2018



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Attachment 1 - Final Yarra SEES - September 2018

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EXECUTIVE SUMMARY

The City of Yarra (Yarra) plays a vital role in the economy of Metropolitan Melbourne. It sustains a diverse range of businesses that contributed \$10,085 million Gross Value Add (GVA) to Melbourne's economy in 2015, equivalent to 4.3% of its total output. By way of comparison, Yarra represents just 0.2% of Greater Melbourne's land area and hosts 2% of its population. This economic activity is comprised of a diverse and evolving mix of employment and land uses that make a unique contribution to the metropolitan region. Yarra's mix of retail and entertainment precincts, mixed employment precincts, and health and education facilities provide employment and services that are metropolitan in their reach and, arguably, vital to Melbourne's 'brand' as a creative urban economy.

This Spatial Economic and Employment Strategy (the Strategy) has been developed to assist the City of Yarra to understand and capitalise on Yarra's economic strengths and respond to key trends and economic drivers over the next 10 to 15 years.

Trends and drivers

The Yarra economy is continuously evolving. In recent decades employment in Yarra has become increasingly knowledge intensive and services oriented with an economy that benefits from a well-connected, inner city location with access to workers, customers and other businesses. The number of knowledge workers in Yarra has doubled between 1996 and 2016, increasing from around 18,300 to around 44,000 over that period¹. Health care is expanding rapidly to become the largest single employment sector in Yarra. It currently employs 20,000 people (19% of Yarra's jobs). By 2031, provided capacity constraints can be overcome, the number of Yarra workers employed in the healthcare sector is projected to grow to more than 32,000 (23% of total jobs and one third of the growth in total employment). Retail and hospitality have also grown substantially with this sector increasing in size from 14,000 jobs in 1996 to an estimated 26,000 in 2016. In recent decades manufacturing employment has declined in absolute terms but has also evolved to more highly specialised niches including perishable products and advanced manufacturing.

The drivers behind these changes – the rise of advanced business services, greater global economic integration between countries, outsourcing, technological advancements, and an ageing population – are factors that are likely to become more influential in the coming decades. Deepening structural economic change can continue to be leveraged by Yarra to support local economic growth.

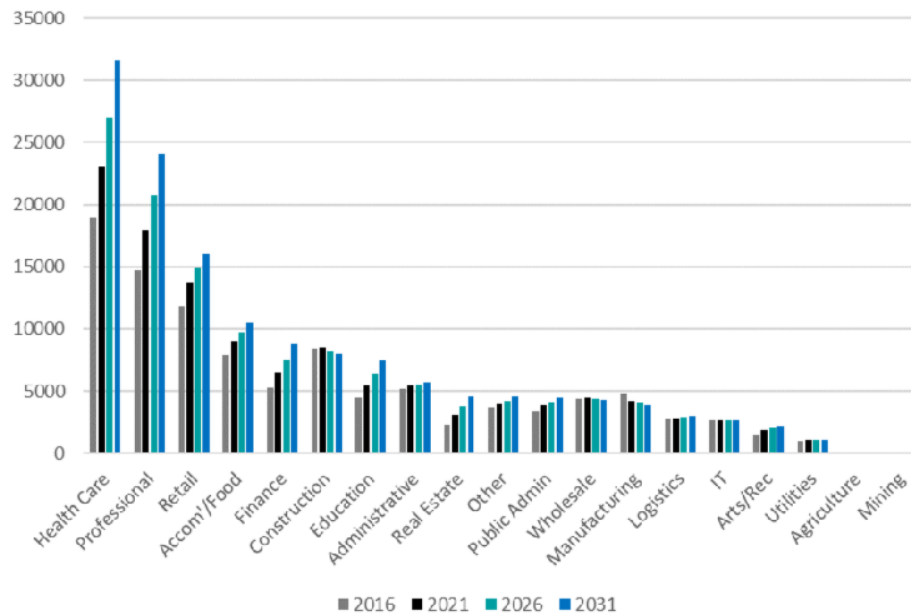
Continued and high growth in employment is projected over the next 15 years in Yarra (see figure below). Accommodating this growth will require changes in the type of employment floor space on offer across the municipality. Over the next 15 years SGS' modelling estimates that there will be demand for an estimated 389,000 sqm of additional commercial floor space, 89,000 sqm of additional retail floor space, 206,000 sqm of additional institutional floor space, and a net reduction in demand of 642,000 sqm of industrial floor space. In line with employment floor space trends, these projections assume the average floor space per job will contract between 2016 and 2036 by an average of 20%.

Demand for housing is also significant in accessible high amenity areas like Yarra. In this context it is important that demand for housing is managed (or appropriately calibrated) so as to limit 'ad hoc' conversion of employment land for residential purposes, or speculative land trading, both of which can undermine the ongoing viability of existing employment precincts.

¹ SGS assume that the number of knowledge workers in Yarra is broadly equivalent to the number of workers employed in the following ANZSIC industry classifications: Information Technology; Financial and Insurance Services; Professional, Scientific and Technical Services; and Health Care and Social Assistance.

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YARRA EMPLOYMENT PROJECTIONS BY INDUSTRY, ('000)



Source: SGS Employment Projections

Planning context

The State Government's metropolitan planning strategy *Plan Melbourne* provides high-level direction on desired urban outcomes over the next 40 years, including housing and employment. Plan Melbourne reinforces the role of the central city and its inner-city sub-precincts as fundamental in driving economic growth and in supporting liveability. Several precincts within Yarra were identified as 'Other urban renewal areas' in early iterations of the Plan: Collingwood (Gipps Street precinct), the North Richmond to Victoria Park corridor, East Richmond Station-Cremorne, and Alexandra Parade. In the 2017 'refresh' of Plan Melbourne this designation was removed. As a result, there is presently no specific guidance from the state government concerning the anticipated role of these areas. The Action Plan that accompanied the latest version of the Plan suggests the state government intends to pursue a series of short term actions that would provide more guidance for planning for employment lands, in particular for areas transitioning from industrial uses to alternative uses. Plan Melbourne recognises the health and education capabilities of Yarra in the updated Plan Melbourne with Epworth recognised as a Health Precinct, and the St Vincents Hospital and Australian Catholic University Precincts recognized as a Health and Education Precinct.

It is understood that an 'Inner Melbourne Framework Plan' is being prepared by the Victorian Planning Authority (VPA) to provide guidance on the planning for Melbourne's various inner city renewal areas. This process could reveal more about the capacity of these precincts to accommodate housing and employment, outline infrastructure needs, and identify the respective roles of the renewal areas identified in Plan Melbourne. The development and refinement of this plan would align with Action 1 in the Plan Melbourne implementation plan.

Past studies conducted by the City of Yarra, in particular the Business and Industrial Land Strategy (BILS), highlighted key economic trends and provide guidance for land use planning including recommendations for the development of specific plans or strategies across Yarra.

Within this broad framework, the SEES seeks to provide clarity on the future roles of health and education precincts, the urban renewal areas designated in early iterations of Plan Melbourne, and former industrial areas that are transitioning to alternative employment uses. The strategic directions set out in the SEES will replace the BILS.

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Capacity for employment growth

For the purposes of assessing capacity for additional employment floor space, employment precincts were developed based on the existing land use zones and the functional characteristics of Yarra's activity centres and employment areas. There is currently an estimated 3.6 million sqm of employment floor space in Yarra. Based on a series of assumptions about development potential under current planning zones, there is theoretical capacity for a total of 4.9 million sqm of employment floor space. This suggests the capacity for additional floor space is in the order of 1.3 million square metres. Across Yarra's precincts, there is sufficient aggregate opportunity to accommodate projected growth to 2031.

In particular, there is significant capacity for commercial employment in the Gipps and Cremorne precincts. A review of office demand in Yarra completed by Urban Enterprise (February 2018) found that Yarra is currently experiencing a surge in planning applications for office developments, with a total of over 190,000sqm of office space under assessment. Three suburbs account for 89% of the total approved office floor space: Cremorne (28,353sqm), Richmond (48,000sqm) and Collingwood (57,000sqm). Abbotsford has also emerged as a popular location for office development. It is apparent that C2 zoned land has attracted the majority of the office development: with 68% of approved office floorspace and 80% of floor space currently under assessment is located on sites with a C2 zoning.

Significant demand for institutional floor space is forecast which suggests pressure for growth in Yarra's health and education precincts. Conversely, demand for land for industrial activities is forecast to decrease further.

The Spatial Strategy

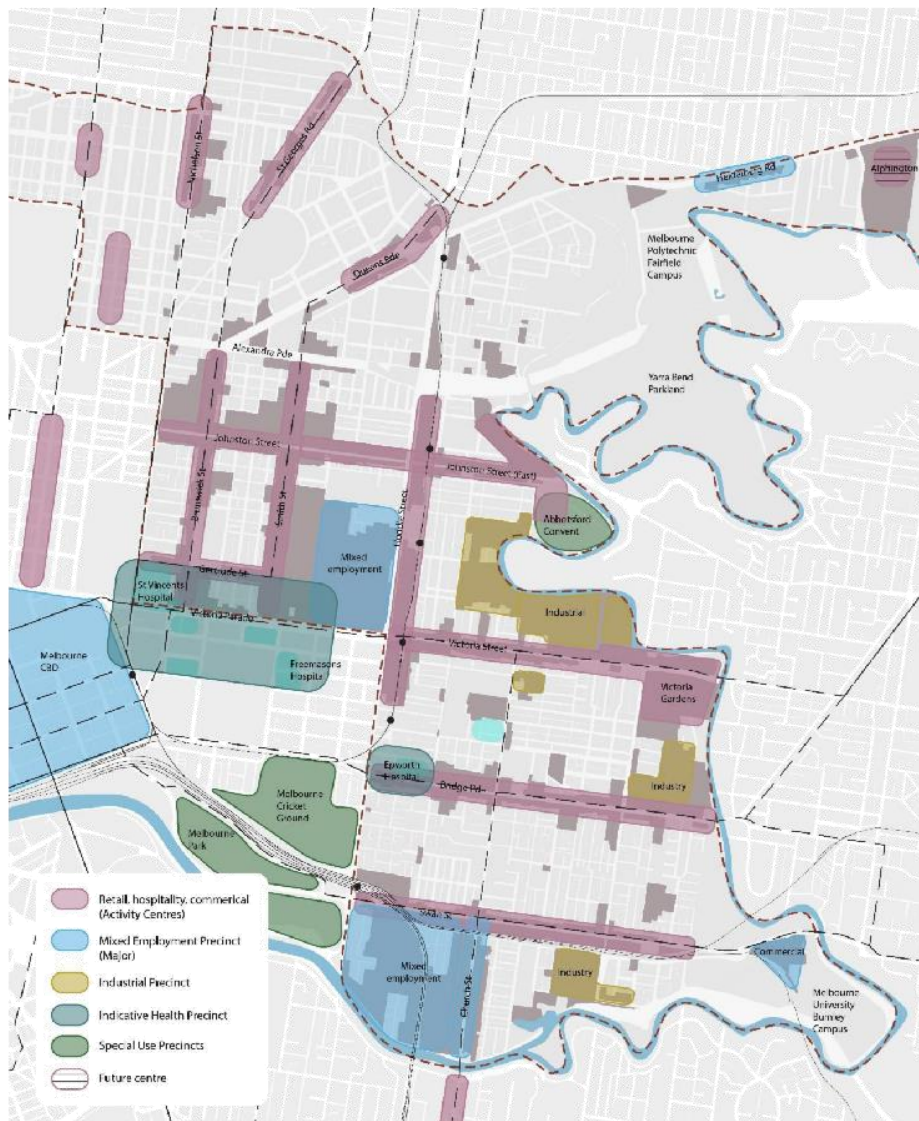
Yarra's stock of employment land is a strategic resource that accommodates a large and diverse range of businesses and jobs and provides employment for an extensive and growing number of workers with a wide range of skills. Given there is sufficient aggregate opportunity to accommodate projected growth to 2031, the task for Yarra in managing its employment land is to consider how best to respond to prevailing economic trends that will see continued changes in the nature of inner city employment and strong employment growth and demand for other uses, in particular housing. The main drivers of these changes include: the growth of health sector employment; strong growth in knowledge intensive employment; continued decline in traditional industrial uses; and pressure for conversion of employment land to housing.

In response the following strategic directions are recommended for the management of Yarra's employment lands over the next 10 to 15 years:

- 1. Support employment growth in Yarra's Activity Centres.** Activity Centres are areas that provide a focus for services, employment, housing, transport and social interaction. In Yarra, major activity centres set out in Plan Melbourne include: Bridge Road, Brunswick, Smith, Swan and Victoria Streets. Neighbourhood activity centres include: Johnston Street (east), Queens Parade, Nicholson Street St Georges Road and Alphington. Yarra's local centres, such as Rathdowne Village and Lygon Street will support modest growth.
- 2. Retain and grow Yarra's major employment precincts:** Preserve Yarra's larger mixed employment precincts at Gipps Street, Collingwood and Cremorne/Church Street South, Richmond. Retaining the employment role of these precincts is in keeping with their gradual transition from industrial areas to greater a mix of employment activity that includes professional services, creative industries, medical-related activities and small-scale manufacture.
- 3. Identify preferred locations for housing growth:** to reduce pressure for ad hoc conversion of employment lands Council is identifying preferred locations for housing that complement (rather than disrupt) employment activity and demonstrate sufficient capacity to accommodate housing demand in those locations.
- 4. Support the expansion of health related employment and services in Yarra's health precincts:** Anticipate demand for the expansion of health-related activities in and around the designated health precincts.
- 5. Retain other C2 zoned precincts and sites:** to support a greater diversity of businesses and economic activity. Some exceptions include locations where specific strategic planning work has been undertaken and supports a zone change. Future strategic planning work may identify opportunities for future change, however this are not a priority for Council in the short or even medium term (that is, the next 5 to 10 years).
- 6. Retain Yarra's existing industrial precincts for manufacturing and urban services:** Provided projected demand for employment and housing for the next 15 years can be accommodated in existing centres and employment precincts, there is no need to reconsider the role of industrial precincts at this time. While the need for such a transition is not imminent, it may be prudent for Council to consider how alternative uses for these precincts might be determined, infrastructure requirements, and flag the potential for the inclusion of social and/or affordable housing.

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YARRA'S ECONOMIC STRUCTURE – MAJOR EMPLOYMENT PRECINCTS



Source: SGSEP Pty Ltd, 2016.

1 INTRODUCTION

1.1 Project context

The City of Yarra (Yarra) plays a vital role in the economy of Greater Melbourne. It sustains a diverse range of businesses that contributed \$10,085 million Gross Value Add (GVA) constituting 4.3% of the Greater Melbourne economy in 2015². By way of comparison, Yarra comprises just 0.2% of Greater Melbourne's land area and accommodates 2% of its population.

The City of Yarra (Yarra) has adopted an Economic Development Strategy (EDS), which along with the Council Plan, provides overarching direction for economic development in Yarra. The EDS highlights the importance of the creative and knowledge sectors to the future of Yarra's economy.

The Yarra Business and Industrial Land Strategy (BILS), adopted in 2011, provides guidance on planning for Commercial and Industrial zoned areas. In broad terms, BILS suggests that Yarra's stock of business and industrial land could accommodate greater diversity of employment activity. The recommendations of BILS have guided Council's planning efforts for employment precincts.

Building on these documents, this Spatial Economic and Employment Strategy (SEES) sets out a vision for the future of Yarra's economy building on existing policies, analysis of existing conditions and emerging trends, and addresses a number of specific policy issues. The strategic directions in the SEES will supersede the BILS.

The SEES has been prepared to inform new policy in the Yarra Planning Scheme. It includes six strategic directions which will be translated into planning policy within the Yarra Planning Scheme.

1.2 Objectives of this Strategy

The purpose of this SEES is to provide guidance on managing growth and change in employment and economic activity. The objectives of the Strategy are to:

- Articulate the role of Yarra's centres, precincts and other economic clusters in a metropolitan context
- Articulate the role of Yarra's employment areas, both for the local community and their wider economic role
- Set out projections for the likely land and floor space demand for employment
- Provide a spatial strategy to accommodating growth and change in economic activity to 2031
- Identify those locations that are best suited to accommodating growth and change
- Identify issues, challenge or opportunities for specific employment precincts or activity centres
- Identify actions that Council needs to undertake to support growth and change in employment and economic activity
- Identify new policy directions for the Yarra Planning Scheme
- Detail the logic and evidence base used to develop the Strategy.

Economic activity in Yarra is arranged spatially among a range of different types of employment precincts: activity centres, specialised medical facilities, industrial precincts, mixed employment precincts, educational institutions, and areas where the Comprehensive Development and Priority Development zones have been applied. Reference will be made to these different types of employment precincts throughout this document, acknowledging their differing and complementary roles.

² SGS Economics and Planning, based on ABS data.

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1.3 Employment, economic activity and land use planning

Land use planning shapes employment and economic activity through regulations that influence the type, intensity and combination of land uses that are permissible on land. These regulations take the form of State Planning Policies, Local Planning Policies, land use zones, the application of special overlays, and location specific spatial plans such as Structure Plans, Local Area Plans and Urban Design Frameworks (an overview of the current planning framework is provided in Chapter 3).

The land use zones applied in Planning Schemes are set out in the Victorian Planning Provisions (VPP). The key employment zones in the VPP are the two commercial zones (Commercial 1 and Commercial 2 Zones) and the three industrial zones (Industrial 1, 2, and 3 Zones). The Mixed Use Zone also permits employment uses, however recent evidence suggest the majority of new development on land within this zone tends to be residential.

The deployment of these employment zones is one of the primary means by which Councils influence the location and mix of employment. Some of the key recommendations of this Strategy address the need to retain or change the mix and location of zones to support the growth and change of employment and economic activity across Yarra.

In addition to determining the appropriate zoning to support employment, land use planning can also:

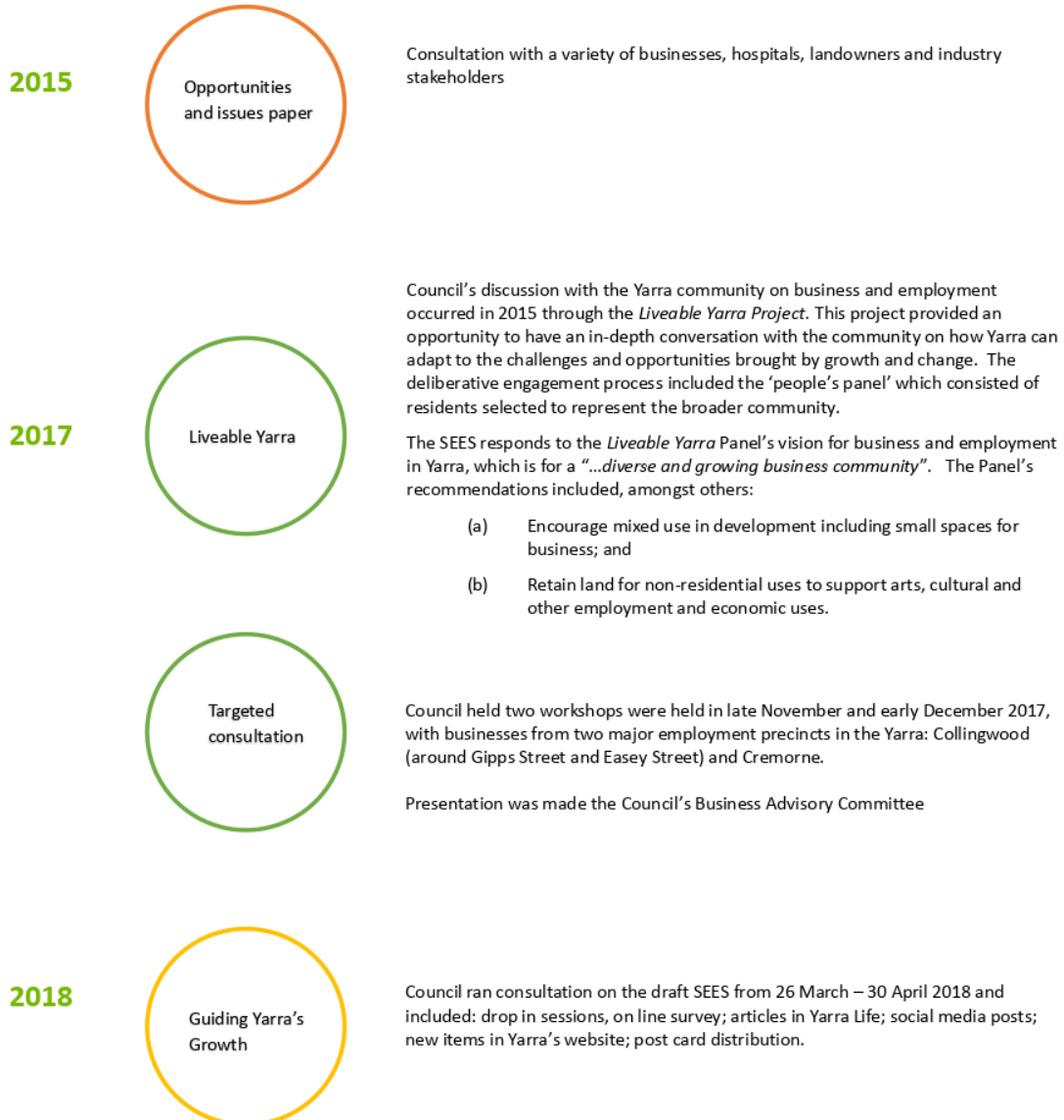
- Minimise the negative externalities associated with employment uses on adjoining and neighbouring land uses
- Maximise the potential for positive externalities (e.g. business clustering)
- Manage interfaces between land uses
- Establish a hierarchy for activity centres to assist decision making about the mix and intensity of retail activities, broadly defined, and also inform decision-making around infrastructure and service provision
- Shape policies relating to traffic generation, parking requirements, loading and servicing
- Outline policies relating to urban design, such as streetscape interfaces, urban character considerations and open space requirements.

The primary instrument that regulates development in the City of Yarra is the Yarra Planning Scheme. The spatial strategies in this document will inform new local policy in the Yarra Planning Scheme.

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1.4 Community Consultation

Preparation of the SEES has included a range of consultation with a variety of businesses, hospitals, landowners and industry stakeholders.



The purpose of this document is to provide a spatial strategy to accommodating growth and change in economic activity. Issues raised during consultation relating to built form, transport and public realm will need to be addressed through separate strategies.

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1.5 Structure of the SEES

The remainder of the report is organised as follows:

- **Chapter 2: Planning framework** describes the current planning framework and, with respect to the issues discussed in the previous chapter, highlights the limitations of current planning policies and approaches. This chapter also considers Council's Planning Scheme Review and relevant previous studies.
- **Chapter 3: Trends and drivers** summarises the key content from the Issues and Options Paper³ in relation to broader economic and spatial trends and sets out growth projections that establish projected future demand for employment floor space in the City of Yarra.
- **Chapter 4: Precinct assessments** consider the trends and drivers, projections, and consultation findings to understand the spatial implications of forecast employment growth for specific employment precincts, activity centres, and Yarra's activity centre hierarchy.
- **Chapter 5: Strategy** sets out the spatial strategy to accommodate growth and change in employment and economic activity in Yarra and identifies policy directions and implementation actions.

The appendices provide more detailed information on the employment forecast, the classification of retail centres and employment precincts, and the capacity analysis.

³ SGS Economics and Planning (2015) Spatial Economic and Employment Strategy - Issues and Opportunities Paper

2 PLANNING FRAMEWORK

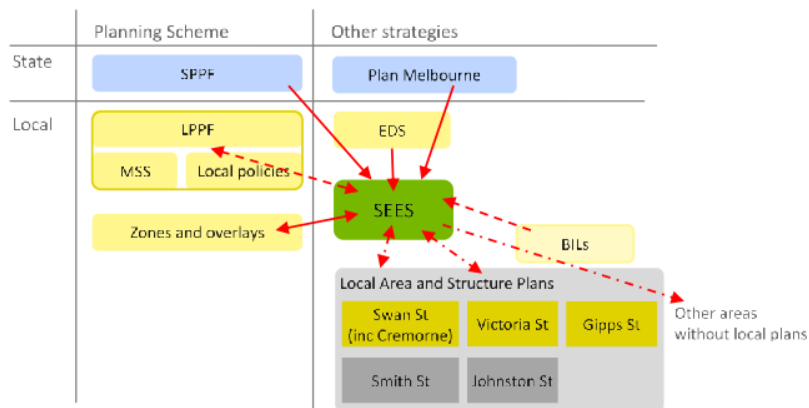
This chapter provides a high-level review of the current planning and policy framework relevant to Yarra's employment lands. It highlights key issues and gaps in the current policy which the SEES, in part, seeks to address.

2.1 Overview

Figure 1 highlights the main elements of the planning framework relevant to the SEES. The SEES draws from these policies and plans and will inform future iterations of the local policies and strategies.

The SEES provides a localised spatial understanding of the State's and Yarra's overarching employment objectives. This will help provide context for existing local area plans and direction for locations which currently do not have a local plan.

FIGURE 1. CITY OF YARRA PLANNING FRAMEWORK



2.2 Plan Melbourne

Plan Melbourne (2014)

Plan Melbourne is the Government's metropolitan planning strategy, which aims to guide Melbourne's growth and change over the next 40 years. Plan Melbourne takes a more holistic view than previous metropolitan plans, ostensibly addressing a broader range of planning issues including employment, housing, transport, liveability and the environment. There is a strong focus in Plan Melbourne on the central city area which includes Yarra. The importance of planning for employment received also renewed emphasis with a stronger economic narrative and the identification of a range of State Significant employment precincts.

Several precincts within Yarra were identified in the 2014 document as 'other urban renewal areas' including Collingwood (Gipps Street), the North Richmond to Victoria Park corridor, East Richmond Station and Cremorne, and Alexandra Parade (these areas are shown in the pink shaded areas in Figure 2). This designation was distinct from 'Expanded central city urban renewal areas' (shown in purple in Figure 2). The anticipated role of the 'other' renewal area was not clearly articulated: the document suggested they 'presented opportunities', may be 'underutilised' and might take 'pressure off existing neighbourhoods and allows people and jobs to be located close to public transport'. These observations could be interpreted as suggesting renewal would be residential-led or employment-led, or a combination of both.

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The cluster of the St Vincent's Hospitals (public and private) and the Australian Catholic University was identified in as a health and education precinct and the Epworth Hospital identified as a health precinct.

FIGURE 2. PLAN MELBOURNE (2014) IDENTIFIED URBAN RENEWAL AREAS



MAP 20 - EXPANDED CENTRAL CITY - TRANSPORT 2050

SOURCE: DEPARTMENT OF TRANSPORT, PLANNING AND LEGAL INFRASTRUCTURE, 2014



- | | |
|--|--|
| — Rail network | — East West Link |
| ● Existing rail station | — CityLink-Tulla widening |
| — Melbourne Rail Link (not urban renewal area) | — St Kilda Road precinct |
| — Airport Rail Link (as part of Melbourne Rail Link) | — Melbourne Central Business District |
| — Cranbourne-Pakenham Rail Corridor Project | — Expanded central city urban renewal area |
| — Potential Rail Projects (assessments not yet determined) | — Industry and employment area |
| — Potential future station (final location not yet determined) | — Other urban renewal area |
| — Tram network | — Port of Melbourne |
| — Potential future light rail | — Open space |
| — Potential ferry route | — Waterway |
| — Freeway network | — Key bus route |
| — Road network | |

Source: Plan Melbourne (2014)

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Plan Melbourne Refresh Discussion Paper (2015)

A Plan Melbourne Refresh document was published in 2015 and sought feedback on a range of issues with a view to a 'refreshed' version of Plan Melbourne being released later in 2016. The 'Refresh' discussion paper maintains support for an expanded central city concept, advocating for the preservation of commercial development opportunities and the early delivery of key transport infrastructure. It did not provide any further directions specific to the 'other' renewal areas.

Plan Melbourne 'Refreshed' (2017)

In March 2017 the 'refreshed' Plan Melbourne was released, accompanied with a five-year implementation plan. The pivot role of the central city as a location for employment and housing remains in this iteration of the Plan. The St Vincent's and Australian Catholic University cluster and the Epworth Hospital retain their designations as precincts of state significance. However, the designation of 'other renewal area' have been removed and, as a result, this most recent iteration of the Plan doesn't directly acknowledge many of Yarra's employment precincts (see Figure 5).

This change may suggest the State has decided to focus its efforts on the designated major renewal precincts at Docklands, Fishermans Bend, Arden, Macaulay, E-Gate, Dynon, and the Flinders Street to Richmond Station corridor. There is a suggestion that the emphasis of these renewal efforts will be on accommodating housing. Direction 1.3 ('Create development opportunities at urban renewal precincts across Melbourne') states that renewal precincts will 'ease pressure on established areas' and 'offers the opportunity to improve local amenity, accommodate *more housing* and offer a greater mix of uses to support local communities' (p.38, emphasis added).

The Action Plan document contains a series of action relevant to land use planning for Yarra's employment area. In particular, Actions 1, 2, 6, 8 and 12, which are reproduce in below.

Action 1 ('Land-use framework plans for each of the metropolitan regions' – see full text below) suggests that future strategic land use decisions for existing employment precincts should be informed by these regional framework plans, when they are prepared. Yarra is located within the Inner Region that include the City of Melbourne and the City of Port Phillip. This action is listed as having a medium-term timeframe for implementation with DELWP as the lead agency and Councils, the VPA, DEDJTR, DHHS and DET as implementation partners.

Action 2 ('Central city planning') will focus on the renewal precincts highlighted above, however the text associated with this action indicates that other 'special' areas might be identified and acknowledged. Planning that 'determines the specialised economic functions of individual precincts across the central city' and 'identifies opportunities to establish and expand creative industries, small businesses and tourism' is as relevant to Yarra's established activity centres and employment precincts, as it is to the designated renewal precincts.

Without defining 'regionally significant industrial precincts', Action 8 suggests an awareness of the potential for contribution of 'redundant' industrial land to support alternative employment uses. Yarra's larger employment precincts are already experiencing changes that could be described as 'renewal of older industrial areas that are no longer well suited to industrial activities for alternative employment activities such as offices, creative industries and other employment-generating activities'.

Action 12 ('Planning for future employment growth') is also of relevance to Yarra, suggesting DELWP will provide direction on 'assessing the ongoing suitability of established industrial and commercial areas for different types of employment purposes' and 'when such areas should be retained for employment purposes and when they should be considered for rezoning to mixed-use or residential.'

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FIGURE 3. EXTRACTS FROM PLAN MELBOURNE (2017) ACTION PLAN

Action 1: Land-use framework plans for each of the metropolitan regions (medium)

In consultation with the Metropolitan Partnerships, the metropolitan regional planning groups will prepare a land-use framework plan for each of the six metropolitan regions. The land-use framework plans will include strategies for population growth, jobs, housing, infrastructure, major transport improvements, open space and urban forests.

The plans will identify:

- land to be set aside primarily for business and employment-generating purposes
- precincts and activity centres where a mix of higher-density residential, commercial and other activities are encouraged
- urban renewal precincts and sites where medium- and higher-density housing and mixed-use development will be encouraged
- transit-oriented development opportunities that arise from major transport infrastructure projects such as the Metro Tunnel, level crossing removals and the Regional Rail Link
- an access framework that ensures that activity centres and urban renewal, employment and tourism precincts are supported by walking, cycling, public transport and night travel options
- additional regional-scale community, health, education, recreation, sporting and cultural facilities additional regional open space networks and enhancements and greening initiatives.

Action 2: Central city planning (short term)

In consultation with the Cities of Melbourne, Port Phillip and Yarra, develop a whole-of-government approach to planning for the central city that:

- establishes a program for the timing and staging of development across different urban renewal precincts within the central city to identify the particular investments required to support such growth, and the timeframe anticipated for its delivery
- outlines an access framework that connects all employment precincts to the CBD and to the wider metropolitan transport system. The framework will identify new, strategic transport connections and identify transport-management strategies including walking, cycling, public transport and night-time travel options
- determines the specialised economic functions of individual precincts across the central city and the infrastructure necessary to support growth
- identifies opportunities to establish and expand creative industries, small businesses and tourism
- identifies opportunities to improve the public realm, open space, social, cultural and recreational facilities that support the central city's economic functions
- recommends utility improvements to accommodate growth
- makes recommendations about whether special governance arrangements will be necessary to coordinate matters such as investment facilitation, infrastructure delivery and development approvals.

Action 6: Health and education precincts (short to medium term)

Review planning provisions for health and education precincts to support their continued effective operation and their future growth and expansion, including in the case of health precincts, for associated allied health services. Many health and education precincts are within NEICs, metropolitan or major activity centres, so may be included in planning for these locations.

Action 8: Significant industrial precincts (short term)

Work with local government to strengthen regionally significant industrial precincts in established urban areas for employment-generating activities by:

- ensuring that sufficient land is zoned for employment purposes and that sensitive land uses such as housing are not permitted to be established in them
- retaining larger industrial precincts for local manufacturing, service industries, warehousing and distribution
- promoting the renewal of older industrial areas that are no longer well suited to industrial activities for alternative employment activities such as offices, creative industries and other employment-generating activities
- facilitating improved information and communications technology infrastructure, access and amenity within these areas
- reviewing planning, building and environmental regulations to ensure that these are not barriers to the affordable conversion of designated industrial areas for alternative employment-generating activities
- identifying areas no longer required for employment activities.

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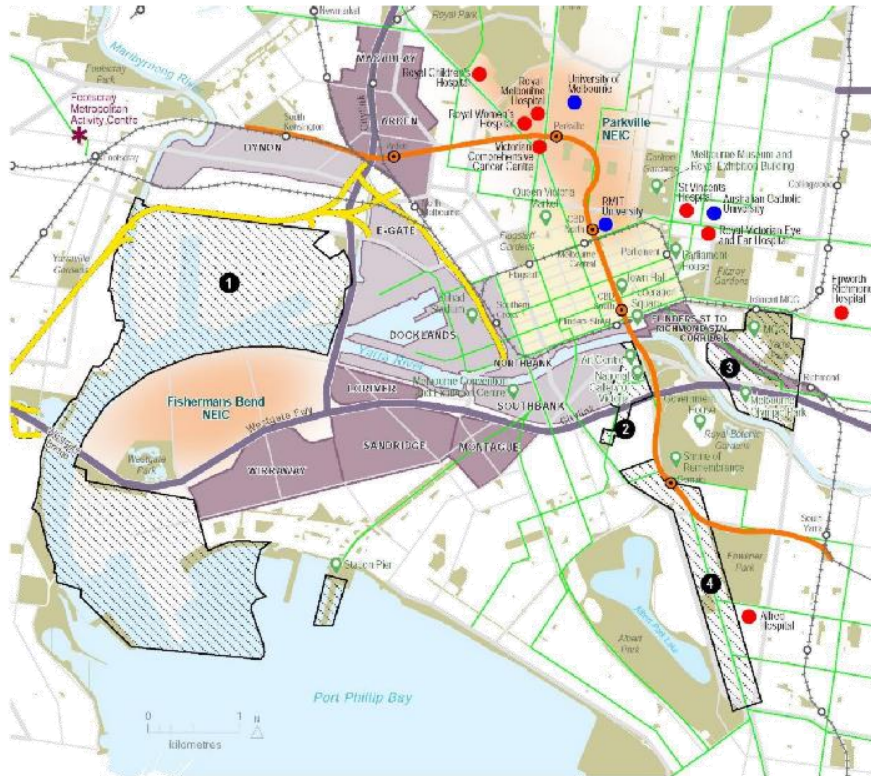
FIGURE 4. EXTRACTS FROM PLAN MELBOURNE (2017) ACTION PLAN

Action 12: Planning for future employment growth (short term)

Assist councils to plan for future employment needs by:

- addressing how metropolitan regional employment demand forecasts can be translated into floorspace requirement, land-use and zoning frameworks
- providing direction for assessing the ongoing suitability of established industrial and commercial areas for different types of employment purposes
- providing direction about when such areas should be retained for employment purposes and when they should be considered for rezoning to mixed-use or residential.

FIGURE 5. PLAN MELBOURNE (2017) URBAN RENEWAL AREAS



Map 4

Key features in and around Melbourne's central city



Source: Plan Melbourne (2017)

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Inner Melbourne Framework Plan

It is understood that an 'Inner Melbourne Framework Plan' was being prepared in 2016 by the Victorian Planning Authority to provide more specific guidance on the planning and redevelopment of Melbourne's multiple inner city renewal areas. This plan, when complete, should reveal more about the capacity of these precincts to accommodate housing and employment, infrastructure needs, and the role for the 'other' inner city renewal areas as identified in earlier iterations of Plan Melbourne. Further development and refinement of this plan would align with Action 1 in the Plan Melbourne implementation plan.

Summary

The key issues (and omissions) identified in these documents of relevance to the SEES include:

- The concept of an expanded central city is a core principle in Plan Melbourne. Yarra is included in the definition of this expanded central city area.
- Yarra's health and education precincts are nominated as precincts of State Significance in the Plan. The Action Plan includes an action to reviewed planning for health and education precincts to support their effective operation, growth and expansion.
- The most recent version of the Plan Yarra's employment areas are no longer explicitly nominated as 'other renewal areas.' However, the accompanying Action Plan suggests that the government will pursue a series of short term actions that would provide more guidance for planning for employment lands, particular for areas transitioning from industrial uses to alternative uses. Guiding and informing these actions will be important to support economic activity in Yarra.
- Despite a greater focus on employment than the previous metropolitan strategy, Plan Melbourne is largely silent on the matter of inner city employment land, and in particular, the issue of increasing pressure for residential conversion.

2.3 Yarra Planning Scheme

Local Planning Policy Framework

The Local Planning Policy Framework (LPPF) in the Yarra Planning Scheme sets out the strategic goals for employment land uses in Yarra. The land use vision for Yarra has a particular focus on activity centres and on increasing opportunities for employment and providing for the retail needs for both local residents and people across Melbourne.

Planning zones for employment

The current distribution of land use zones in Yarra is shown in Figure 6. The specific zones that contain the majority of employment activity are the Commercial 1 and Commercial 2 zones (C1Z and C2Z), the Industrial 1 and Industrial 3 zones (IN1Z and IN3Z) and to a lesser extent the Mixed Use zone (MUZ).

Mixed Use Zone (MUZ)	Commercial Zones (CZ)	Industrial Zones (INZ)
The MUZ allows residential, commercial, industrial and other uses and as such allows the widest variety of land uses of any zone. However, in recent years the MUZ in Yarra has tended to function as a quasi-residential zone with the majority of development being higher density residential. This trend is likely to continue while the demand for housing is strong and the financial returns from residential development are higher than those of alternative land uses.	<p>The C1 zone is the most conducive zone to retail and commercial activity and planning permits are not required for shops, food and drink premises, or office uses, and there are no floor space limits for these uses.</p> <p>The C2 zone also seeks to promote commercial activity, particularly for offices, with some manufacturing and industrial uses where appropriate. There are limits on the floor space of retail uses in this zone. Whereas offices have no maximum floor area restrictions. Smaller supermarkets of less than 1,800 square metres are also permitted without the need to seek planning approval.</p>	<p>The IN1 zone encourages manufacturing, storage and distribution, and associated uses. Its use is restricted to a few consolidated areas in the suburbs of Abbotsford and Richmond. The 2013 changes to the VPP zones made office a permissible land use in this zone.</p> <p>The IN3 zone is intended to support lower impact industrial and other land uses and in Yarra is used as a buffer between IN1 zoned land and residential of commercial areas, or for those industrial areas that are wholly enclosed by more sensitive land uses.</p>

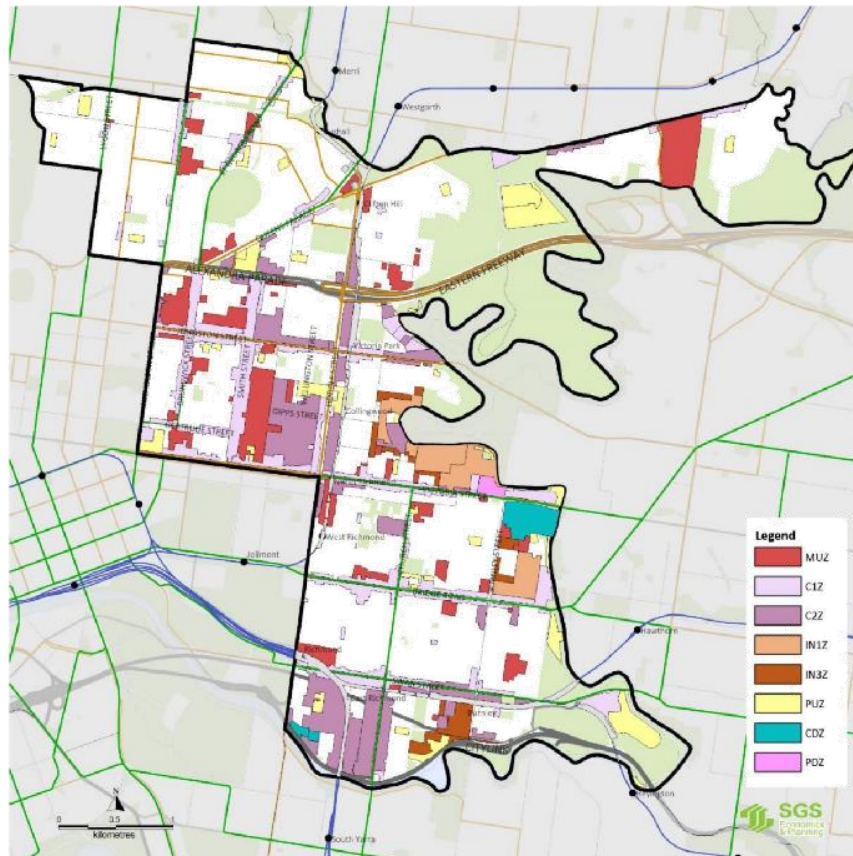
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In addition to these standard zones the Comprehensive Development Zones (CDZ) and Priority Development Zones (PDZ) apply to specific precincts. The CDZ applies to land at the eastern end of Victoria Street and Victoria Gardens. This CDZ seeks to encourage the redevelopment with a mix of uses that will complement and enhance the Yarra River environment. The second CDZ applies to the 'Maltings' site bounded by Gough, Balmain, Dover and Bent Streets in Cremorne. Its purpose is to ensure that land is planned and developed as a whole in a form that is responsive to area character and amenity, site characteristics and opportunities. The PDZ1 is applied to an area bounded by Walmer Street, Victoria Street, Flockhart Street, land immediately north of Shamrock Street, and the Yarra River. The area is planned as a mixed use precinct as part of the Victoria Street Major Activity Centre.

The main issues with respect to the zoning of employment land in Yarra are as follows:

- Balancing policy direction for residential development in activity centres with the need to accommodate retail and other uses in response to local demand and demand that originates outside of Yarra
- Supporting employment growth on other employment lands and managing pressure to rezone for residential, and
- Ensuring there are no planning barrier to meeting the floor space needs of the health and education institutions.

FIGURE 6. YARRA'S CURRENT PLANNING SCHEME ZONES



Source: City of Yarra (2015)

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2.4 Structure Plans and Local Area Plans

A series of Structure Plans and Local Areas Plans have been prepared to guide and manage growth within Yarra's key activity centres and employment precincts. Such plans are developed to manage the future of an area and provide direction on preferred land use and built form, pedestrian access and movement in the area, and identifying zones and other planning controls required.

The use of structure plans and local area plans in Yarra has proven challenging. The time taken to prepare and adopt structure plans has been lengthy, while their adoption and implementation has been difficult in some instances due to questions about the lack of strategic justification or supporting evidence.

There are currently five structure and local area plans in Yarra with varying status levels:

- The Smith Street Structure Plan was adopted by Council 2008 but the subsequent Design and Development Overlay was abandoned June 2012
- The Swan Street Structure Plan was adopted by Council in December 2013 and is being implemented through a Planning Scheme Amendment
- The Victoria Street Structure Plan was adopted by Council in 2010
- The Johnston Street Local Area Plan was adopted in December 2015 and will be implemented through a Planning Scheme Amendment, and
- The Gipps Street Local Area Plan was adopted by Council in April 2011.

2.5 Other studies and strategic developments

Yarra Economic Development Strategy 2015-2020 (2013)

The Yarra Economic Development Strategy (EDS) highlights three significant industries that will be the focus of economic development over the next five years being health, professional services, and retail, accommodation and food services. Supporting and facilitating the existing knowledge economy is a key strategy within the EDS with a particular focus on four identified specialised economic clusters (see Figure 7):

- The Fitzroy health/education cluster: includes St Vincent's Hospital and ACU
- The Richmond health/education cluster: a state significant precinct which includes Epworth Hospital
- The Collingwood creative cluster: concentration for creative businesses, and
- The Cremorne creative cluster: major creative services cluster, particularly design.

The strategic framework for the EDS contains three parts which are outlined in Table 1 below.

TABLE 1. YARRA EDS STRATEGIC FRAMEWORK

Strategic goal	Vision	Directions
Smart city	Yarra will be recognised for its highly skilled, innovative, artistic and competitive business environment. It will support and attract a range of businesses, entrepreneurs involved in knowledge-intensive industries, and the creative sector.	<ul style="list-style-type: none"> – Cluster development – Partnerships and collaboration – Industry development and support – Organisational delivery
Vibrant and thriving precincts	The City of Yarra will continue to strengthen its precincts as vibrant hubs for retail, entertainment, arts, cultural and business activity to service the local population and develop as destinations of national and international recognition.	<ul style="list-style-type: none"> – Infrastructure and maintenance – Positioning and activation – Destination development
Locally engaged business community	The City of Yarra will continue to facilitate business growth and prosperity, intrinsically linked to the well-being of the local community.	<ul style="list-style-type: none"> – Local employment opportunities – Local supply chains – Sustainable business practices

Source: Adapted from City of Yarra, 2014

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FIGURE 7. SPECIALISED ECONOMIC CLUSTERS



Source: City of Yarra, 2014

Of the priorities identified within the EDS, the following five are of particular relevance to this Strategy:

- Strengthening the role of Collingwood and Cremorne creative clusters
- Supporting expansion plans for St Vincent's, Epworth Richmond and ACU
- Ensuring that the spatial strategies contain adequate consideration of clusters
- Engaging with the Abbotsford Convent in relation to future development plans and potential to accommodate creative industries
- Activating precincts and provide business mix, and
- Understanding and supporting local supply chains.

Business and Industrial Land Strategy (2011)

The 2011 Yarra Business and Industrial Land Strategy (BILS) provide analysis and direction the land zoned Business and Industrial in Yarra. The vision set out in BILS is as follows:

Business and industrial areas in the City of Yarra play a vital role in sustaining the local and inner Melbourne economy and local communities. They will continue to change, with significant growth in the business sector and a decline in industry activity and employment. This Strategy will provide sufficient land to sustain growth in economic activity. In doing this, it will contribute to the economic strength of the region, and enhance its vibrancy and diversity.

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BILS suggested that Yarra contains a significant stock of business and industrial land in the inner metropolitan context. Given a likely continuation of the decline in industrial activity and employment in the municipality, BILS recommended facilitating greater diversity of employment activity in both business and industrial areas. With employment in Professional, Scientific and Technical Services expected to grow, significantly more office-based employment was recommended.

The strategy recommended investigating land use change options for sites which interface with the regionally significant Yarra River corridor to maximise employment and improve amenity in this precinct. It also recommended the development of masterplans or local area plans for precincts where major change is likely, and where amenity, urban design and access considerations are needed.

The recommendations of BILS have been used by Council to guide Council's planning efforts for employment precincts.

Review of the Yarra Planning Scheme (2014)

A review of the Yarra Planning Scheme was undertaken in 2014. The review suggested the current Yarra Planning Scheme lacked an overarching, evidence-based narrative for projected housing and employment growth in the municipality which might be used to assess the merits of individual planning proposals. As growth of both housing and employment continues, it is expected that there will be a competition for land and other assets in Yarra. The review noted that it is important to carefully manage and protect certain assets, and facilitate growth in locations that will provide benefit for current generations, but also be sustainable into the future.

The review identified a lack of local spatial plans, including plans for activity and neighbourhood centres, economic clusters, urban renewal locations and other commercial areas. It further suggests that the roles and strengths of activity centres in particular need to be defined, and strategies to meet the projected demand for retail and activity centre facilities need to be identified.

The review notes that with the 2013 changes to the VPP zones by the State Government there is now greater flexibility in the location of commercial and retail activity in employment zones. In particular, there is greater opportunity for new retail nodes to develop in C2 zoned areas such as Hoddle Street, and this possibility should be considered in future policy development.

Redevelopment of the Alphington Paper Mill (Ampcor site)

The 16.5ha former Ampcor paper-mill site in Alphington was identified as a Strategic Redevelopment Site within the Municipal Strategic Statement. It was also identified as a priority Urban Renewal Area within the Central Sub-region of Plan Melbourne (2014). It is one of the largest urban infill sites in Melbourne.

In December 2015 Council approved a revised Development Plan for the Alphington Paper Mill. The approval allows for 2500 dwellings, and 11,500 commercial floor space and 13,500 retail floor space. It also secures 4.5% open space, 1700 square metres of community facilities and 5 percent affordable housing.

Night Time Economy Strategy 2014-18

Adopted by Council in June 2014, this strategy is intended to further improve the safety, vibrancy and functionality of night time activities in Yarra. The strategy was developed in response to media and community speculation about the impacts of alcohol use at night on residents, despite very little evidence of negative impacts. The strategy contains three objectives:

- A safe night time economy: at night public spaces are well-kept and people behave respectfully
- A vibrant night time economy: at night there are a range of people and ages, and a diversity of facilities and activities, not centred on alcohol, and
- A functional night time economy: at night entertainment precincts accommodate people at peak times, attract people to walk, cycle or use public transport and have adequate public amenities (e.g. toilets) and infrastructure.

The strategy also includes a cost benefit analysis that suggested the benefit-cost ratio of the night time economy was 2:1.

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2.6 Summary of existing policy and planning gaps

Yarra continues to be a strategically important location for employment. It hosts significant existing employment clusters, key assets of state significance, and sites with renewal potential have been identified in the earlier iterations of Plan Melbourne and current local planning policies.

While there are general statements in support of economic activity in Yarra, neither state nor local policy frameworks provide specific direction for the future employment role. The Swan Street Structure Plan includes a range of objectives and strategies related to employment uses in the various precincts within that plan.

Previous studies and the analysis presented in the preceding chapter suggest that industrial employment is likely to continue to decline, while employment in professional services, health and education, and retail and hospitality are all expected to grow.

Recent changes to the VPP employment zones have already provided greater flexibility for the location of employment uses. Changes to zoning in the Gipps Street precinct (from Industrial 1 to Business 3 in 2011 and subsequently to Commercial 2 in 2013) have taken some time for on-the-ground changes can be observed, but gradually new development is occurring, and new businesses are locating to this area.

It is evident that a clear and robust evidence base is required to support the development and implementation of land use planning policy in Yarra. In an effort to address this gap, the next chapter will consider the trends and drivers of change for the economy in Yarra and concludes with forecasts for employment growth and demand for additional employment floor space over the next 15 years. The subsequent chapter compares this floor space demand to estimates of capacity for employment floor space for each of Yarra's major employment precincts.

3 TRENDS AND DRIVERS

This chapter provides a brief history of the evolution of economic activity in Yarra and an overview of the strategic spatial context. It then describes key economic trends relevant to the future of employment and economic activity. It concludes with a series of employment and floor space projections across four broad industry sectors, which provide a foundation for the subsequent chapters of the Strategy.

3.1 Historical context



⁴ An arts and entertainment venue from the 1970s until the late 1990s.

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3.2 Strategic context

Yarra's location within the metropolitan context and its relation to key infrastructure and institutions are important drivers of employment growth across the municipality. Yarra is situated immediately to the north and east of central Melbourne (see Recent marketing sounding and consultations with local businesses identified a number of important competitive advantages for Yarra as an employment location compare to the CBD and other inner Melbourne locations. This include: favourable zoning, particularly the availability of C2Z land; industrial heritage and opportunities for re-use and adaptation of heritage buildings; strong lifestyle attributes and vibrant precincts attractive to workers; and recognition as a hub for creative and tech-based businesses. These attributes contrast with the established office markets in the CBD and Docklands which are perceived as being more conventional. Although outside the CBD, the emerging renewal precincts at Fishman's Bend and Arden Macauley currently lack the mix of existing retail and entertainment opportunities, diverse building stock and accessibility that are abundant throughout much of Yarra.

Figure 8). Established suburbs extend beyond each side of the municipality and are connected through a range of transport options. As a result, Yarra is one the most highly accessible locations in Melbourne from a labour market perspective. A range of businesses, especially knowledge intensive industries, find it an attractive location due to its proximity and connectivity to the CBD.

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FIGURE 8. CENTRAL MELBOURNE EMPLOYMENT AND URBAN RENEWAL PRECINCTS



Source: SGS, 2015.

⁵ Undertaken by Urban Enterprise during the preparation of their Yarra Office Demand Study (March 2018).

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Key institutions and public assets

Key institutions and public assets (health, education, arts and commercial) in Yarra also represent key nodes in their own right. The western side of the municipality is adjacent to number of significant institutional assets, including the major health and education precinct around Parkville which extends along Victoria Parade and includes a number of major health and education facilities in Yarra and the neighbouring municipality of Melbourne. The western end of Swan Street has strong connections to Melbourne's major sporting precinct which provides high volume demand to retail, hospitality and the tourism sectors during major events. The southern end of Church Street also provides a 'boutique' restricted retail offer which has leveraged strong connections into Forrest Hill and Chapel Street. The north of the municipality has strong links to a number of activity centres: High Street, St Georges Road, Lygon Street and Sydney Road. The eastern edge of the municipality is generally defined by the Yarra River, over which there are limited crossings creating a natural break from Melbourne's eastern suburbs and also providing access to open space and recreation assets.

Transport connections

Yarra enjoys a relatively high degree of both private and public transport accessibility; it is traversed by numerous major freeways, arterial roads, train lines, tram and bus routes. Yarra is intersected or bordered by a number of major road corridors, including Punt Road/Hoddle Street, Eastern Freeway, Heidelberg Road, Nicholson Street and CityLink. These corridors play an important cross-city traffic role ensuring connection to labour markets across the city and good access to key assets (airports, universities, hospitals, etc.). In some instances however they are barriers to mobility and integration between areas within the municipality. Bike and pedestrian routes add to this rich transport network and extend across Yarra.

The key shaper of Yarra's retail precincts has been the tram network. This will continue to be the strongest influence from a transport perspective on retail development. In particular, the five major retail strips Brunswick Street, Smith Street, Victoria Street, Bridge Road and Swan Street have benefited from this infrastructure. Compared to Hoddle and Johnston Streets, Yarra's main streets with tram lines heritage and quality of place attracts dynamic businesses esp in hospitality and entertainment. These streets have a more fine-grained urban structure, less intrusive traffic and better performing retail precincts.

A number of major railway stations serve the north and south of the municipality. Stations at Richmond, East Richmond and Burnley are located in established retail strips and present opportunities for consolidation and densification of commercial, retail and residential land uses. Stations at Victoria Park, Collingwood and North Richmond all serve the Hoddle Street precinct. At a metropolitan scale Yarra is highly accessible from the north, east and south (as evidenced in the journey to work data) and a convenient location for a diverse workforce to access employment opportunities in the CBD. Locally, there is also a high level of accessibility to employment, retail and services via public transport, walking and cycling, and private vehicles.

3.3 Key trends affecting Yarra

This section highlights some of the key economic trends that have affected the broader metropolitan economy in recent decades, including the growth and spatial distribution of employment and economic activity in Yarra. These macro-scale trends are generally beyond the influence of governments be they local, state and federal. However, they are fundamental considerations in understanding how employment and economic activity will continue to evolve and the need for land use planning strategies and policies to respond to pressures for change.

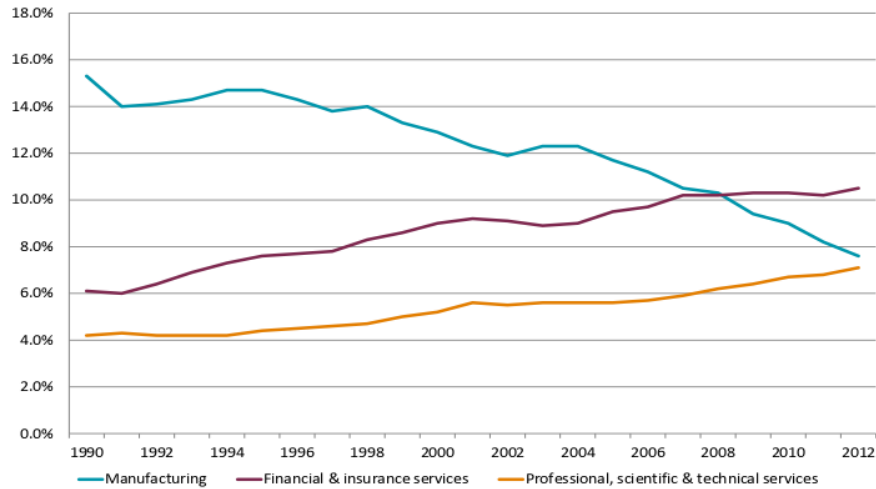
Structural economic change

The last 30 years have seen significant shifts in the nature of economic activity in Australia. As demonstrated in Figure 9, the share of the economy derived from knowledge intensive services has increased significantly while the share in manufacturing has seen a profound decline. The factors driving these changes are likely to continue to influence employment and economic trends across metropolitan Melbourne and Yarra.

Economic activity in Yarra has responded to these shifts and continues to adjust. Yarra is now host to a post-industrial economy which features a diverse range of industry sectors, producing high value outputs, with an increasing emphasis on professional services, health care and education, creative industries and a diverse retail and hospitality offer.

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FIGURE 9. SHARE OF GDP FOR SELECTED INDUSTRIES IN AUSTRALIA



Source: Australian Bureau of Statistics – National Accounts

Innovation, knowledge services, agglomeration

The long-term competitiveness of Australia's economy will be underpinned by its ability to continue to innovate. Innovation is essentially the reshaping of existing products and services for existing customers and the development of new products and services leading to the creation of new markets. As local and global economies continue to evolve rapidly, innovation is essential for businesses to remain relevant and competitive.

Melbourne's diverse and skilled labour force will increasingly be leveraged to support innovation and growth across all sectors of the economy. While economic growth has been concentrated in the financial and professional services sectors, all sectors – retail, health, hospitality, agriculture, mining and construction – can leverage analytical and creative services to boost productivity. The massing and clustering of professional services – also described as 'agglomeration' – improves their ability to innovate, boosting their productivity and, in turn, that of their customers. Agglomeration benefits are one of the main attractions for the growing professional services industries to locate in central city areas and near major transport nodes.

After the City of Melbourne, Yarra has next highest concentration of knowledge sector employment with significant proportion of workers engaged in knowledge intensive sectors of health and education, architectural and engineering services, finance, advertising and information technology. Knowledge sector jobs grew by 17% (more than 5,000 additional jobs) between 2006 and 2011⁶. Yarra also hosts a significant share of creative industries with an estimated 11% of workers and 21% of businesses in Yarra involved in the creative sector⁷.

Development of mixed employment precincts

Yarra has two significant 'mixed employment' precincts: the Gipps Street precinct in the south eastern corner of Collingwood and the Cremorne precinct south of Swan and east of Church Streets. Both precincts have a long history of employment uses and as a result contain a mix of industrial buildings, warehouses, and newer office buildings. They also contain some housing that pre-dates the introduction of distinct residential and industrial land use zones. Their proximity to the central city has meant they are an attractive location for business seeking affordable accommodation, but still in close proximity to a large number of other firms, customers and clients. Examples of the types businesses in these precincts include light industrial uses, architecture and design firms, small-scale manufacturing and property services. In recent years office rents have increased in Yarra and its relative affordability is being eroded. In Cremorne in particular, office rents are approaching rates of \$500-600 per square metres which are comparable to CBD rates.⁸

⁶ City of Yarra (2013) Economic Development Strategy 2015-2020.

⁷ Ibid. Analysis based on the methodology set out in SGS (2013) Valuing Australia's Creative Industries Study.

⁸ Urban Enterprise (2018) Yarra Office Demand Study

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The precincts host a diversity of building stock in terms of age, type and size, providing a range of tenancies for small to medium size firms with a range of floor space needs. The diversity of lot sizes and built forms are the product of decades of evolution and change and are unlikely to be reproduced through deliberate urban renewal efforts such as those pursued at Southbank and the Docklands or envisaged for other renewal precincts including Fishermans Bend. Yarra's mixed employment precincts are unique locations that make an important contribution to the economic landscape of Yarra and the metropolitan region.

Urban economists, past and present have suggested that the density and diversity of economic activity in cities drives innovation (Jacobs, 1970; Glaeser, 2011; Florida, 2012). However the questions of how and where innovation occurs in cities are not easily answered. Density and proximity contribute to the likelihood of business to business interactions that lead to innovation. The diversity of businesses, skills, networks, buildings and tenancies within an employment district is also a contributing factor. And finally, connectivity and networks to facilitate relationships between people, firms and places form a third element that underpins idea generation, innovation and commercialization efforts.

The unique qualities and mix of businesses in Yarra's mixed employment precincts and their contribution to the contemporary urban economy and role as sites for innovation have been a focus of research (Hutton, 2008; Wood and Dovey, 2015). Research on 'urban makers' by Melbourne University has considered how "small, high-value-add, highly-innovative urban manufactures" benefit from locations like the Gipps and Cremorne precincts (Day et al, 2015). An issue identified early on in this research was the challenges of using existing employment data sources to determine the location, number and contribution of these firms to the Victorian economy. Without this data it is difficult to understand the size and scope of the 'urban making' economy, or the impact that planning or other changes would have on the viability of these employment activities.

FIGURE 10. DIVERSITY OF BUILT FORM IN MIXED EMPLOYMENT PRECINCTS



Source: SGS, 2015.

Growth in new niche manufacturing and logistics

Despite the loss of much of the manufacturing activity that formerly underpinned the Yarra economy, subsectors of manufacturing still remain and are growing. These are broadly focused on the manufacture of perishable products and more advanced/innovative manufacturing where skilled labour is required.

While there are still some remaining large-scale industrial uses – the Carlton United Brewery stands out as the largest site – most precincts are experiencing a decline in the quantity of industrial floor space as they transition to commercial, retail or residential uses. This is apparent in the Gipps Street precinct that was rezoned from Industrial 1 to Business 3 in 2011, and subsequently made Commercial 2 in 2013 with the introduction of the new VPP zones. The industrial firms that remain in Yarra are generally small-scale manufacturers in sub-sectors such as food production, textiles, bespoke furniture and printing. These firms generally produce boutique, custom-made products that require the input of specialised designers. The need to be close to clients and business collaborators, who are concentrated in inner city locations, is thought to be a key driver for the continued existence of such firms in Yarra.

Another attraction of Yarra for small creative firms is the presence of older warehouse buildings as collaborative workspaces, design and development spaces. These spaces are often cheaper and more flexible than purpose-built office developments which make them particularly desirable to this creative/ innovation sector.

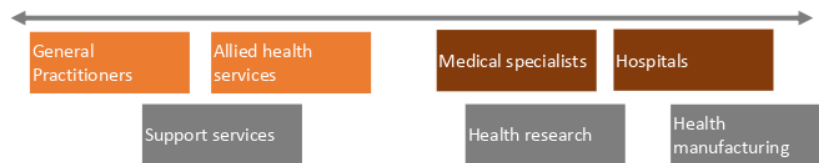
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With the benefit of a deep water port, Melbourne has experienced strong growth in the freight and logistics sector as volumes of inbound and outbound trade has grown. Logistics firms are increasingly clustering in larger industrial nodes with good access to arterial roads and freeways. With increasing property values, traffic management issues and conflict with non-industrial land uses, Yarra is unlikely to attract substantial growth in freight and logistics businesses in future.

Growth of the health care sector

Growth in the health sector will result from a population that is both ageing and growing, as well as through technological advancements. These factors will combine to broaden the sector with increasing employment in allied and support services along with higher levels of specialisation. Growth in the health sector can be broken down into two main areas (see Figure 11). Regional services (e.g. hospitals) which will be increasingly clustered around existing nodes as specialisation drives innovation; and the growth of local health services (e.g. general practitioners) which are more dispersed and follow broad patterns of population growth. Yarra will experience both types of growth, however the former is of considerable significance given the presence of the St Vincent and Epworth hospitals.

FIGURE 11. HEALTH SECTOR STRUCTURE



Source: SGS Economics and Planning

Growth in education

Yarra hosts a number of tertiary education institutions, which can be drivers of employment growth and attractors for retail, housing and ancillary activities. The Australian Catholic University has a campus on Victoria Parade in Fitzroy and this will grow as an employment hub. In addition, the Kangan Institute in Cremorne is an important training and education facility on an underutilised site. It specialises in traineeships, diplomas, advanced diplomas and tailored programs in fashion and creative industries. Education jobs will grow rapidly alongside health sector jobs in the St Vincent and Epworth hospital precincts because of their teaching role. Melbourne University's Burnley campus hosts teaching and research in environmental and ornamental horticulture.

The rapid growth of Melbourne's resident population, particularly in inner city regions such as Yarra, has increased demand for school places. In recent times, a major shortage has been reported (Cook, 2017), with demand in Yarra amongst the highest in the metropolitan area. A 52% growth in school age students is anticipated in the next 10 years. New education facilities are planned in Yarra. A new year 7 to 12 high school is being developed on land adjacent to the Richmond Bowling Club and Richmond Town Hall. The Development Plan for the Amcor site also "allows for and encourages the establishment of a new early years Government Primary School campus within the site"⁹.

Future planning should consider whether population growth and demographic change could generate demand for additional facilities in the medium to longer term, and, if required, where the facilities might be best located.

Competition between housing and employment in land markets

The growth in demand for housing in accessible locations in and around the central city has important implications for employment land. Residential development is typically the most profitable redevelopment proposition on land that is zoned commercial and mixed use. This has been the case in Yarra with the majority of recent developments on mixed use zoned land being predominantly or entirely residential.

Under these market conditions residential uses 'outbid' all other uses. Land owners seeking optimal returns are likely to pursue residential conversion or sell to residential developers (who will likely be the highest bidders), displacing existing employment uses. Even in areas where residential uses are not permitted due to zoning restrictions, there is often still significant pressure for residential conversion.

⁹ Alphington Paper Mill Development Plan, 2016, page 34.

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There are benefits to accommodating additional housing in established urban areas with good access to employment, transport and services. Additional housing in and near activity centres increases retail expenditure and can act as a catalyst for new economic activity. It also provides opportunities for people to live in locations with good access public and active transport infrastructure.

The downside of this residential development includes the displacement of existing economic activity and indirect pressures for displacement due to conflicts between housing and employment uses. Employment precincts that are outside activity centres can provide a diversity of employment floor space types, accommodating a variety of employment uses. They can also provide a reserve of land for the growth and expansion of employment activity through redevelopment to higher intensity uses.

FIGURE 12. RECENT EXAMPLES OF HIGHER DENSITY HOUSING IN YARRA



New residential development on mixed use land near Gipps Street. The 'new' Coles supermarket – part of the Smith & Co. development on Smith Street. (Source: SGS, 2015)

Continued growth in retail and hospitality

Acting as a primary shaper of local activity, the retail and hospitality sector will likely continue to evolve in response to wider trends and changes in local residents' tastes and preferences. The format of retailing will also continue to evolve beyond a simple 'shop-front' model to formats that also promote on-line retail options.

Yarra is a regional destination with many of the City's retailers attracting shoppers from beyond local retail catchments. Consultation with Yarra's retailers has indicated that approximately 20% of trade is derived from local residents with the remaining 80% sourced from workers, tourists and visitors. Yarra's broad range of retail and related activities are often quite distinct from retailing that is more oriented towards a local population. As a result, the viability of many of Yarra's Activity Centres is less contingent on the presence of supermarket or other anchors. Yarra also supports a vibrant night time economy sustained in large part by visitors from outside of the municipality.

As the output of this sector continues to grow, it has also constantly evolving in response to consumer preferences, product innovation and technology. This has a number of significant implications for the sector:

- The simple 'shop-front' which on-sells goods from wholesalers is being superseded by multi-channelled retail, a format that synthesises both a shop front and online presence.
- Physical retailing will increasingly become services-based, with strong growth expected in hospitality along with other non-retail services (i.e. health, financial) within retail strips.
- The highly competitive supermarket sector will continue to innovate and find ways to dominate the local retailing space (e.g. smaller formats and tailored offerings based on local environment).

The ultimate impact of online retailing on 'bricks and mortar' retailers is as yet unknown. Although online was initially seen as a direct competitor to store based retailing, many traditional retailers have adopted online technologies to enhance a evolving business model that is still oriented around store-based retailing. By way of example, for many clothing and personal item retailers a physical store might still be necessary to demonstrate the brand or retailers' unique points of difference.

The Victoria Gardens Shopping Centre provides diversity to Yarra's retail offer with a larger format, multi-anchor centre that combines supermarkets, conventional retail and bulky goods retail. Although a break from the traditional

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main street retail formats, the centre provides a complimentary offer and serves a catchment that extends well beyond Yarra.

Broadly, population growth across Greater Melbourne will generate increased demand for retail and hospitality in high amenity and accessible locations with Yarra's Activity Centres likely to experience continued pressure to accommodate this growth. A trend favouring Yarra-based retail and hospitality businesses is the continued harmonisation and homogenisation of CBD retail, which contributes to demand for a differentiated, alternative retail offer in accessible non-CBD locations.

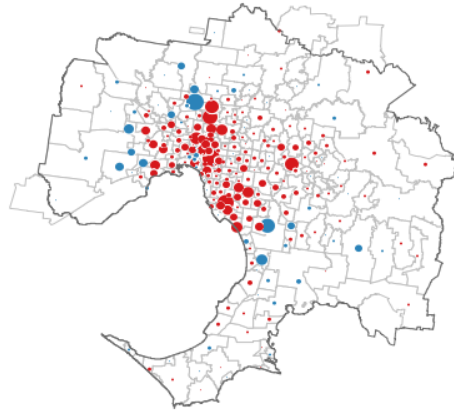
A new neighbourhood centre is proposed as part of the Amcor development seeking to fill a retail network gap in the Alphington/Fairfield area.

Spatial implications

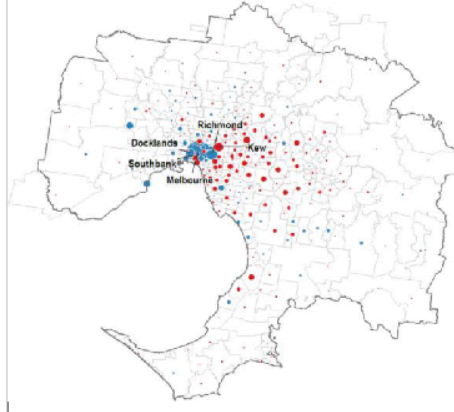
The spatial implications of Melbourne's changing economic landscape is summed up in Figure 13 which shows divergent trends of business openings and closures. The red dots represent a net loss of businesses from a postcode area while the blue dots represent net increases. The size of dots represent the relative magnitude of change, with larger dots signaling a large increase/decrease in number of businesses. The figure highlights the decline of manufacturing in the inner and middle suburbs, while manufacturing hubs in the outer west, north and southeast have experienced net increases in the number of businesses. Conversely, growth in professional services business has centred on the central city and inner suburbs, with a small amount of growth also seen in some greenfield areas.

FIGURE 13. NET CHANGE IN BUSINESS ESTABLISHMENTS BY POSTCODE 2001 TO 2011

Manufacturing



Professional services



Source: DSDBI

3.4 Employment growth projections

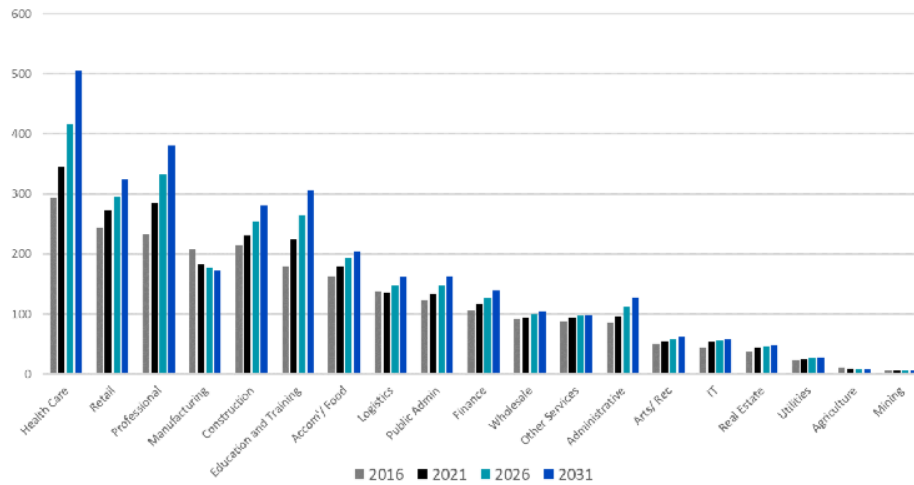
Metropolitan Melbourne employment trends

Recent and projected employment growth by industry for metropolitan Melbourne to 2031 are shown in the chart below. The chart shows that health care and professional services will be the two strongest employment growth sectors in coming decades. Economic output associated with manufacturing will remain relatively stable, however the number of people employed in the sector will continue to decline. Population serving sectors such as retail, education and construction will maintain their share of employment.

The changes in the mix of employment illustrated by the figure below underscore the significant restructure that is likely to continue to take place across metropolitan Melbourne.

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FIGURE 14. METRO MELBOURNE EMPLOYMENT PROJECTIONS BY INDUSTRY, ('000)



Source: SGS derived from ABS Census and other public datasets. Metropolitan level employment forecasts draw on official Australian Treasury macroeconomic modelling along with a number of official Victorian and regional level employment, economic output and population datasets from ABS and state departments. Analysis of structural economic changes, subsector economic drivers and labour force composition are also factored into the analysis.

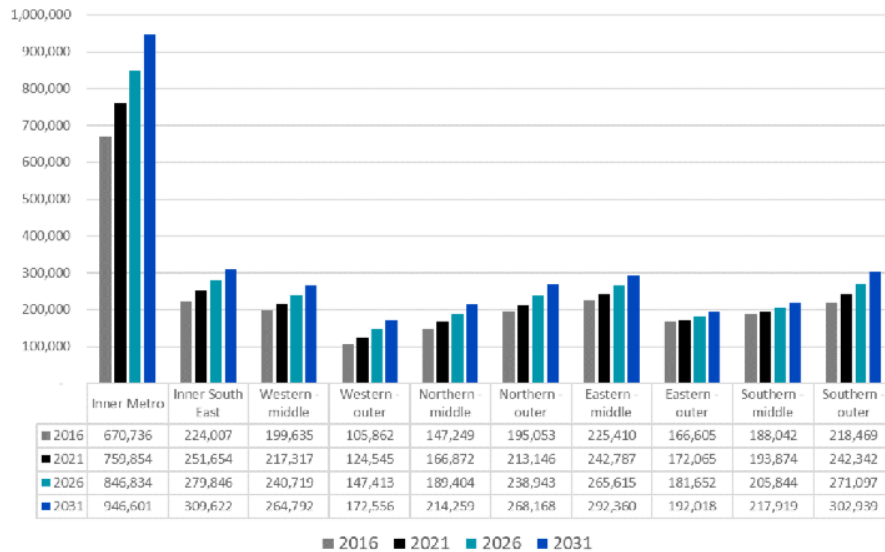
Trends for Melbourne's regions

Due to the uneven distribution of industries across Melbourne, the spatial implications of structural economic change will vary by region. Recent and projected employment growth across and within Melbourne's planning regions is shown in Figure 15.

Yarra is located within the Inner Metro region which also includes the local government areas of City of Melbourne and Port Philip. Based on current projections, the Inner Metro region will capture around a third of Melbourne's employment growth over the next 15 years: equivalent to an estimated 276,000 additional jobs. A significant proportion of metropolitan employment growth will also be captured in the Inner South East, with the rest spread relatively evenly across metropolitan Melbourne's regions.

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FIGURE 15. METRO MELBOURNE EMPLOYMENT PROJECTIONS BY REGION ('000)



Source: SGS derived from ABS Census and other public datasets

Projected employment growth in the City of Yarra

Yarra plays a vital role in the economy of Metropolitan Melbourne. It sustains a diverse range of businesses that contributed \$10,085 million Gross Value Add (GVA) – equivalent to 4.3% of the Melbourne's total economic output – over 2015¹⁰. As a measure of the density of Yarra's population, it accounts for just 0.2% of Greater Melbourne's land area, yet accommodates 2% of its population.

Drawing on a combination of metropolitan projections and local trends, SGS employment forecasts for Yarra suggest strong growth in demand for commercial office floor space, assuming a continuation of favourable conditions that underpin the continued supply of new employment floor space.

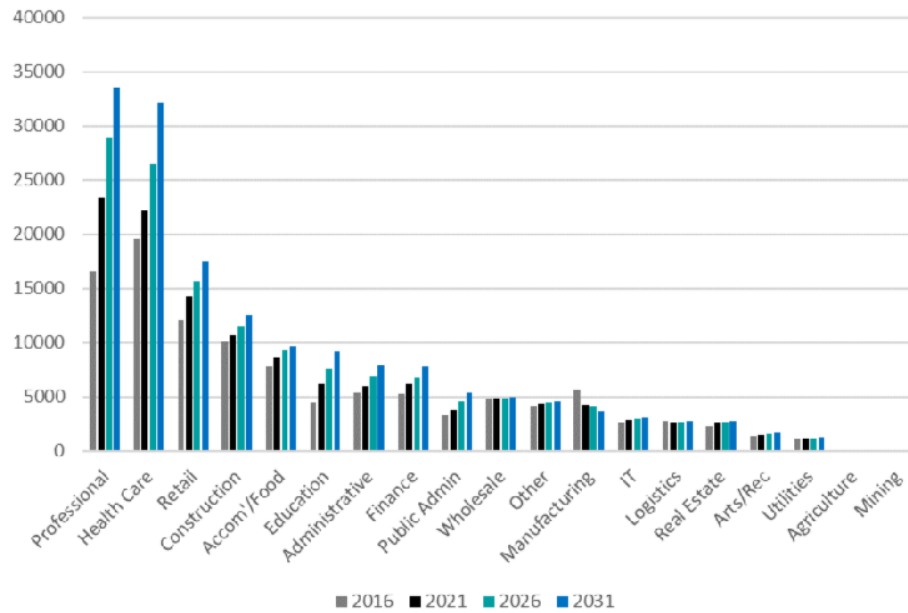
Employment is expected to grow significantly across most industry sectors. Over the past decade employment in Yarra has grown by 3,200 jobs per annum with an estimated total of around 98,000 jobs¹¹ in 2016 (SGS Employment Projections). This level of net employment growth is projected to slow with forecasts suggesting average rate of growth of 3,000 jobs annually over the next fifteen years. Retail trade, professional services and health care are projected to grow most rapidly (Figure 16) while stagnant or negative employment growth in the manufacturing and wholesale trade sectors is projected to continue.

¹⁰ SGS Economics and Planning estimates based on ABS data.

¹¹ This figure excludes construction sector employment. This sector is assumed to be highly transient, and are unlikely to be associated with ongoing demand for floorspace within the region.

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FIGURE 16. YARRA EMPLOYMENT PROJECTIONS BY INDUSTRY, ('000)



Source: SGS Employment Projections

Yarra's employment growth challenge

Growth in the Inner Metro economy – of which Yarra is an important part – is critical to the ongoing success of the broader metropolitan economy. Knowledge based service sector businesses gain significant benefits from clustering in job-rich, inner-city areas. These are areas that provide the most opportunity for business-to-business interactions and the best access to Melbourne's labour markets.

Providing opportunities for businesses to grow in existing and accessible employment nodes will ensure Melbourne remains competitive nationally and across Asia. The ability of Melbourne's inner city to grow its share of total employment has been a key contributing factor to the city's superior growth performance in recent years. In this regard, Yarra plays a key role in supporting metropolitan wide employment growth. An ongoing challenge for Yarra, however, will be facilitating adaptation in its floorspace mix in response to new and emerging trends and drivers. . Understanding the types and quantum of employment floor space that the City of Yarra might expect to accommodate in the next 15 years is the starting point for responding to this challenge.

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3.5 Employment floor space demand

The following section provides an indication of the type and mix of employment floor space required to accommodate the projected employment. Detailed industry categories have been aggregated into four broad floor space categories to facilitate this broad analysis (Figure 17). It should be noted that in practice individual business requirements are extremely varied, even within the same industry sector. For this reason, the following high-level analysis provides an 'order of magnitude' estimate for strategic planning purposes only.

FIGURE 17. EMPLOYMENT GENERAL CONCORDANCE

Broad category	ANZSIC 2006 industry classification
Commercial	Information Media and Telecommunications, Financial and Insurance Services, Rental, Hiring and Real Estate Services, Professional, Scientific and Technical Services, Administrative and Support Services, Public Administration and Safety
Retail	Retail Trade, Accommodation and Food Services, Arts and Recreation Services, Other Services
Institutional	Education, Health Care and Social Assistance
Industrial	Agriculture, Forestry and Fishing, Mining, Manufacturing, Electricity, Gas, Water and Waste Services, Wholesale Trade, Transport Postal and Warehousing

Note: Construction has been excluded from any 'broad category' as it is largely a transient.

Current floor space and forecast floor space demand have been estimated by broad categories as follows:

- Current floor space ratios by broad type, that is, the amount of floor space per job, were estimated by comparing current employment to the total employment floor space by broad category. Employment floor space was estimated from analysis of Council rates data and the Expanded Urban Development Program employment floor space data.
- Floor space ratios were reviewed against other jurisdictions, industry research and spot checks of selected sites within Yarra. Estimates were adjusted accordingly.
- Floor space ratios were projected into the future. This was undertaken to account for changing industry composition and improved efficiencies occurring within each broad category.

Figure 18 and Figure 19 below provide a summary of the floor space demand analysis.

Total employment is projected to increase from 98,000 jobs in 2016 to 148,000 in 2031 – an estimated increase of around 50,000 jobs (see Figure 18). Over this period employment in the commercial and institutional sectors will increase by the greatest quantity, with growth of 25,000 and 17,000 jobs respectively. Industrial sector employment is projected to experience a slight decline. With the rising cost of land and floorspace associated with the growth of competing sectors, some industrial land uses have become unviable in inner-city locations such as Yarra, and this trend will continue as these businesses shift to more appropriate locations in Greater Melbourne or beyond. Concurrently, employment densities within the broad industrial sector are likely to decline, leading to significant reductions in demand for floorspace associated with industrial land uses.

These totals exclude construction jobs. In the Yarra context these jobs are largely transient in nature and associated with a particular development site for a short period of time. Most don't occupy permanent ongoing floorspace and due to these complexities have been excluded from the strategy for planning for future floorspace requirements. Including construction jobs employment is forecast to increase from 109,000 in 2016 to 161,000 in 2031.

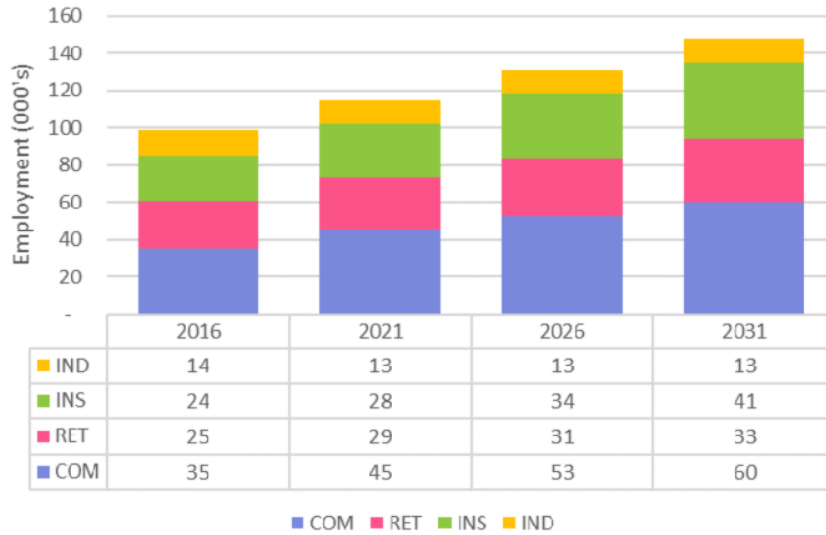
The floor space implications of these employment trends vary as a result of differing job to floor space ratios, and changes to these ratios over time¹². In spite of rapidly increasing employment, total employment floor space is projected to grow slightly from 3.59 million square metres in 2016 to 3.86 million square metres in 2031. Although the take-up of floorspace will grow strongly for the commercial and institutional sectors in particular, these increases will be offset by lower demand for floorspace from industrial employment as a result of both decreasing employee to floorspace ratios and declining overall employment.

This summary highlights the structural changes that have been occurring within the Yarra economy. While total employment will grow significantly over the next 15 years, total floor space demand will grow at a lower rate as each new job will require less floor space than the existing or exiting jobs. The type and location of new employment floor space will need to change to align with the future requirements of each sector.

¹² It has been assumed that job to floor area ratios will decline between 2016 and 2031 by a factor of 20% (see Table 4 for individual assumptions by floor space type for each period).

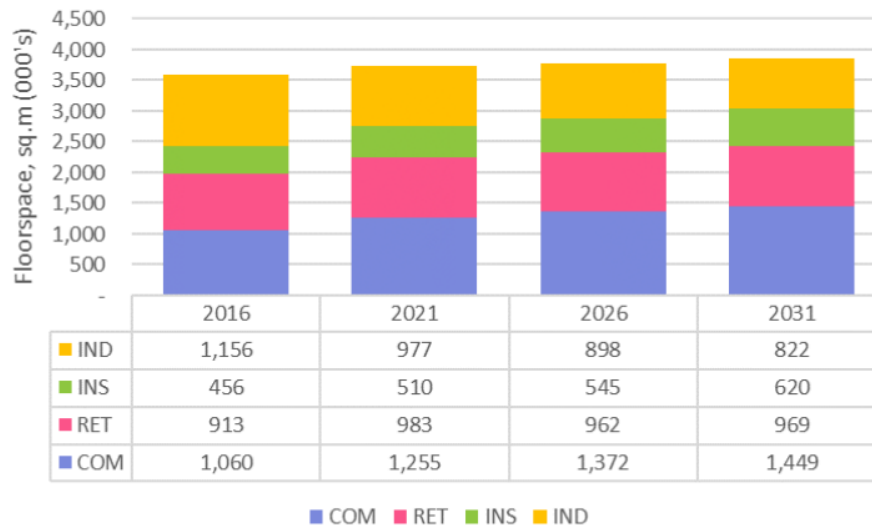
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FIGURE 18. YARRA EMPLOYMENT PROJECTIONS BY BROAD INDUSTRY, ('000)



Source: SGS derived from City of Yarra Rates Database, SGS Employment Projections, SGS floor space projections

FIGURE 19. YARRA FLOOR SPACE PROJECTIONS BY BROAD INDUSTRY, ('000)



Source: Derived from City of Yarra rates data, SGS employment projections and floor space projections.

The key patterns within each broad sector are described below.

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Commercial sector

While commercial employment has been steadily increasing in importance across Yarra, the average amount of floor space per job has been declining. This trend is likely to continue and is the result of a range of factors, including trends towards open plan and more space efficient offices and shared workspaces; increases in home-based businesses which do not require formal offices for operations; and higher occupancy rates as a cost savings measure given increasing office rents in accessible inner-city employment locations.

Recent additions to commercial office supply in inner Melbourne have been focussed on the CBD and city fringe locations, including Southbank, Docklands, St Kilda Road and South Melbourne. In contrast, smaller scale suburban office users have increasingly located in eastern suburbs like Camberwell and Hawthorn which feature buildings with larger floor plates, proximity to skilled worker pools, and good regional road connections.

Until relatively recently, Yarra was not seen as a city fringe office market by major commercial office tenants, occupying a unique niche between the CBD and suburban office market. In comparison with the City of Melbourne, existing professional service firms in Yarra are more oriented towards creative industries including architecture, design advertising and engineering and auxiliary finance and investment services.

There is however some evidence of a shift in this perception. Some larger commercial tenancies have located in Yarra, notably, Car Sales and realestate.com in Cremorne and the recently relocated David Jones head office at the Botanica Business Park in Burnley.

The development 'pipeline' for new office developments has seen a recent spike in activity. In 2016, 23 planning applications for office development were submitted for a total of 63,000 sqm of floor space. In 2017, 33 office permits were submitted totaling 202,000 square metres. To put these figures in perspective, Yarra's key employment precincts currently have in the order of 1,060,000 sqm of commercial floor space (see Figure 19), with forecast demand between 2016 and 2031 for a further 389,000 sqm of commercial floor space. The development pipeline for office therefore could provide around 50% of the forecast demand for the next 15 years. As not all planning permits will be realised however and assuming a 50% 'conversions rate' of permits to built outcomes, this pipeline would produce 25% of the floor space demand to between 2016 and 2031. The approved development plan for the former Amcor site in Alphington allows for up to 11,500 square metres of additional commercial office floor space.

Retail sector (including hospitality and recreation)

The retail, hospitality and recreation sector in Yarra has also experienced growth in both total employment and floor space, while at a lower rate than that of the commercial sector. This growth was largely comprised of a number of smaller scale retail developments, with 95% of new retail developments between 50 and 300 sqm. However, there was also a small number of large-scale retail developments including the Victoria Gardens and Hive developments on Victoria Street, Richmond. There is evidence that Yarra is likely to experience changing patterns of supermarket distribution with new store formats in new developments being used to gain market share.

Yarra currently supports in the order of 910,000 square metres of retail floor space with demand for an additional 55,000 square metres of floorspace projected over the next 15 years. 13,500 square metres of new retail floor space was approved development plan for the former Amcor site in 2015.

Institutional sector (includes health, education and social services)

This sector's growth has largely been driven by growing employment in health care sector, although employment in education and social services are also expected to grow at modest rates. Despite significant increases in demand, there has been little change in terms of total floor space. This is largely a result of significant reductions in job to floor space ratios in the health care sector. These reduced ratios have been driven by supply-side factors including increased operation hours and shift work and more efficient operations, as well as by strong growth in demand.

Yarra currently supports in the order of 456,000 square metres of institutional floor space. Projected demand over the next 15 years is for an additional 206,000 square metres.

A large portion of this is linked to the health care sector. There will be a tendency of new additions to be clustered within close proximity to existing health care precincts. It is possible that the projected demand for health sector floor space might not be met due to constraints on the expansion of existing facilities or on land nearby. The main hospital sites are effectively 'land locked' by residential areas limiting opportunities for physical expansion. Consultation conducted during the development of this Strategy confirmed this finding with the hospitals acutely aware of these potential limitations.

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The Australian Catholic University, located on Victoria Parade, have plans for a campus expansion that would see an additional 20,000 square metres of institutional floor space added to that facility. The new secondary school in Richmond will meet a share of the surging demand for school places. Additional primary and secondary school facilities may be required in the medium to long term.

Industrial sector

The reduction in floor space dedicated to industrial uses across Yarra reflects a long term decline in traditional manufacturing industries. As these uses migrate out of old industrial zoned land, a diverse urban economy which spans both services and old industrial sectors has emerged. This new sector comprises a range of activities from traditional manufacturing (e.g. clothing and medical manufacturing) to the latest in technological innovation (e.g. computer system design). These new 'industrial' businesses are typically more labour intensive and as a result typical job to floor space ratios will continue to reduce over time. Examples of the sorts of manufacturers that will drive demand for industrial floorspace in Yarra in the future include:

- KeepCup, which creates reusable coffee cups, started in Fitzroy and now sell cups across the world. The firm integrated marketing, design, sales and manufacturing skills to create a unique offer.
- Graphic designers and printers who work for advertising, architectural and other design consultants.
- Niche manufacturing in sectors such as food products, clothing and bespoke furniture manufacturing is also growing by focusing on bespoke customised products that required specialised inputs.

Yarra currently supports in the order of 1,011,000 square metres of industrial floor space. Over the next 15 years, a reduction in the quantity of industrial floorspace in Yarra is forecast, with the total floorspace demand within the municipality forecast to decrease by around 25%.

3.6 Summary

Yarra's economy has evolved through several significant shifts from early settlement to the present day. These changes have been driven by broader structural economic changes. This history of continual adaptation and change has resulted in a rich character and diverse land use structure across the municipality.

The national and metropolitan economies will continue to shift toward knowledge-intensive and services-based economic activities. Traditional industrial sectors are declining or finding highly specialised niches. Financial and professional services are increasingly driving innovation, efficiency and growth in the economy. Health care is expanding rapidly to address demand from a growing and aging population. The education sector is growing rapidly as it contributes to skills development and training for workers in the new knowledge-oriented economy. Retail and hospitality is continuing to evolve and adapt to the latest consumer preferences and advances in technology.

Yarra is ideally placed to benefit from this changing macro-economic context in terms of increasing employment and provide flexible and adaptable employment lands that are suited to the needs of a range of mostly high value industry sectors. The availability of land in Yarra for employment purposes is a key strength that has allowed for evolution and adaptation of economic activity.

Established suburbs extend in all directions from the municipality which is connected via a range of transport options, making Yarra one of the most highly accessible locations in Melbourne for both businesses and employees.

Yarra's diverse built form, industrial legacy, established institutions and diverse mix of uses throughout various employment precincts mean the municipality is well positioned to support future economic and employment growth.

Employment growth and floor space demand forecasts suggest that, in aggregate terms, Yarra will not need significant additional floor space to accommodate future employment growth. However, there will be significant changes in the mix and type of floor space that is required, necessitating redevelopment and renewal in existing employment precincts. Accompanied with this structural shift is a strengthening of the locational drivers for new businesses seeking well connected, high amenity areas.

Yarra's ability to continually evolve and adapt to change, while leveraging its existing infrastructure and rich culture has been key to its past economic success and will be similarly critical to its future.

4 PRECINCT ASSESSMENT

This chapter considers the spatial distribution of Yarra's employment and economic activity. It assesses the distribution of employment, the functionality of the various employment precincts and their future development potential. Demand for employment floor space is then aligned with capacity on a precinct-by-precinct basis drawing on a high-level analysis of the likely potential capacity for growth in employment floor space. By reconciling demand and potential supply this section tests the extent to which Yarra can accommodate employment growth within its employment precincts. Detailed analysis of the capacity of individual precincts was not undertaken and as a result the findings of the high-level analysis presented below may not be entirely consistent with precinct-specific investigations.

4.1 The distribution of employment activity

The City of Yarra contains a range of precincts that host retail, commercial, industrial and institutional employment. An overview of the mix of employment by Travel Zone is presented in the map below (Figure 20). The pie charts illustrate the amount and breakdown of employment by broad industry sector in each Travel Zone (see Figure 17).

It is evident from this map that a significant proportion of Yarra's employment is located in precincts to the south of Alexandra Parade. Commercial employment is focused around Gipps Street, Cambridge Street, Easey Street (near Smith Street), and the Kerr Street precinct (between Smith and Brunswick Streets). Retail employment is spread more evenly throughout Yarra, although there are concentrations at the northern end of Brunswick Street and the southern and central parts of Smith Street. Concentrations of institutional employment – the green portion of the pies – are noticeable in the south of the suburbs of Fitzroy and Collingwood, and the North of Richmond, with large numbers of workers in the health sector worker in these localities.

The Travel Zones that comprise Cremorne and the southern end of Church Street show a balance of commercial, retail and industrial floor space types. The Travel Zone at the eastern end of Victoria Street and Bridge Road also features a mix of employment floor space types. The northern part of this Travel Zone hosts significant retail floor space while the southern portion feature industrial uses and restricted retail.

Abbotsford also contains significant employment clusters including one of the largest concentrations of industrial employment in the municipality. Abbotsford also hosts significant commercial employment particularly around Johnston Street and Trennery Crescent.

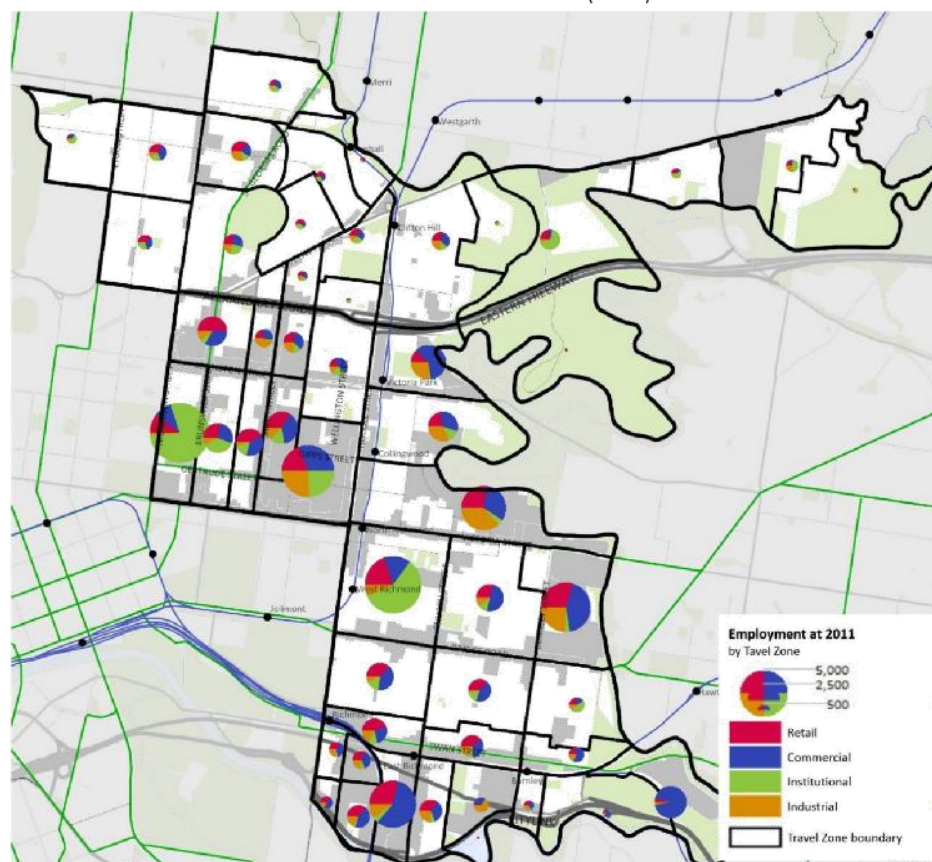
Development of the Amcor site in Alphington could bring about changes the network of activity centres potentially changing the role of the retail and commercial strips on Heidelberg Road.

Based on the data presented in Figure 20 and separate analysis of Australian Business Register (ABR) data, there is also evidence of the growing importance of home-based businesses across Yarra. The ABR records over 30,000¹³ businesses with a registered address in a residential area, while there are only 8,000 businesses registered in employment zones (i.e. MUZ, C1Z, C2Z, IN1Z and IN3Z). There is very little data and research available to isolate the activity, however, it was also raised as an important issue in consultation. While little can definitively be stated about this 'sector' of Yarra's economy, it has implications for how and where people work in the municipality.

¹³ Sourced from ABR data. Whilst all funds, trusts and other non-business entities have been removed, it is still possible registered businesses are dormant, or generating very limited (or no) turn over.

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FIGURE 20. BROAD MIX OF EMPLOYMENT BY TRAVEL ZONE (2011)



Source: SGS derived from ABS Census and other public datasets, 2014.

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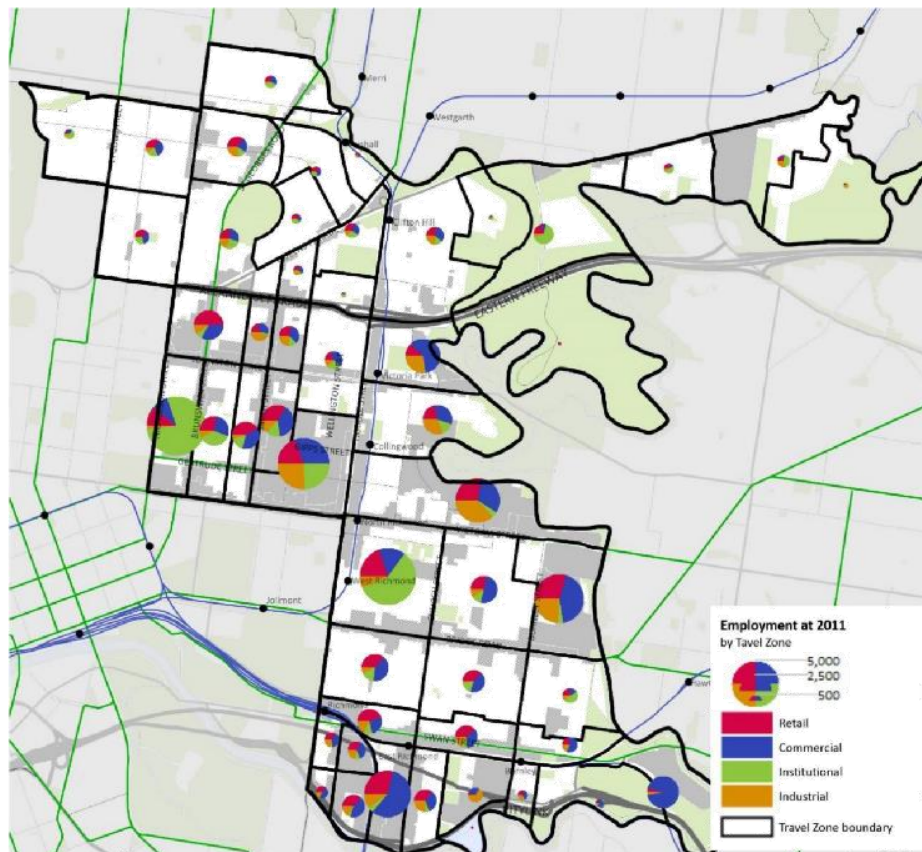
4.2 Defining and understanding the diverse precincts of Yarra

Understanding the spatial dynamics of Yarra's employment and economic activity is important to planning for the future. The conventional approach to categorising activity centres and employment precincts is to define a hierarchy of distinct local, district and regional centres and precincts. Local centres cater for more frequent 'low spend' visits whereas less frequent high spend visits are made to higher order centres offering a wider range of goods and services. Typically, industrial uses and larger commercial buildings are located in separate precincts. The spatial arrangement of employment land across Yarra does not align with this conventional model. Rather, Yarra hosts a diversity of employment and economic activities in overlapping yet functional precincts. Employment areas are not clearly always defined but overlap with neighbouring precincts, contributing to a complex mix of commercial, industrial, institutional and retail uses, as well as areas set aside for housing and recreation.

Defining employment precincts for capacity analysis

For the purposes of assessing employment capacity and providing planning directions, a set of employment precincts were developed based on the existing land use zones and the functional characteristics of Yarra's activity centres and employment precincts (See Figure 21).

FIGURE 21. YARRA'S EMPLOYMENT PRECINCTS



Source: SGS Economics and Planning, 2014.

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Employment precinct typology: retail precincts and other employment precincts

In the analysis that follows, a distinction has been made between 'retail precincts' – commonly referred to in planning policy as activity centres – and other 'employment precincts'¹⁴. Retail precincts are those established (or emerging) activity centres that are based around a main street supporting a combination of retail, commercial, residential and mixed use development. Employment precincts are typically more dispersed areas that support commercial and industrial employment with retail playing a relatively minor role.

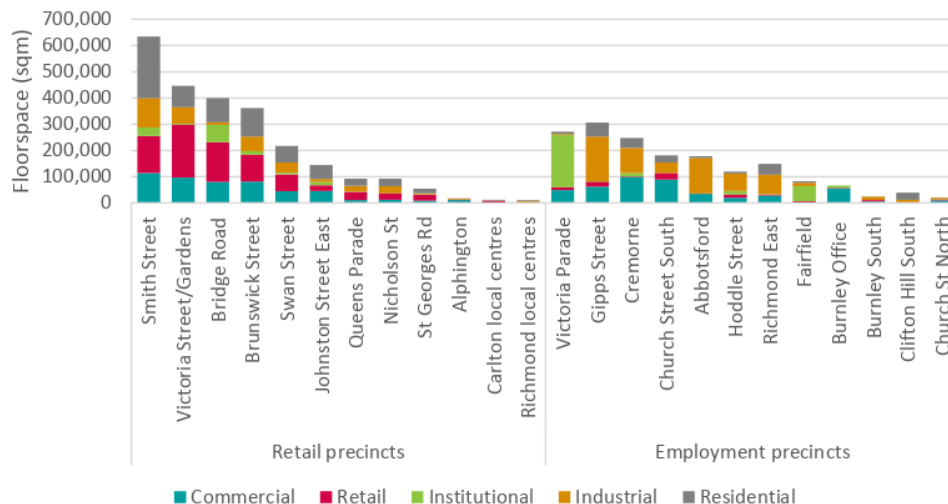
A distinction has also been made between larger and smaller precincts; larger precincts are those that have more than 120,000 square metres of employment and retail floor space.

Figure 22 shows the broad floor space uses within each precinct, while Figure 23 plots each precinct by its total employment floor space and the ratio of retail employment floor space to total employment floor space.

Hoddle Street and Church Street South host slightly less than 30% retail floor space and consequently have been classified as 'other employment precincts' rather than activity centres. As both precincts contain significant quantities of restricted retail their classification as other employment precincts is appropriate. Conversely, while the Smith Street precinct contains significant professional and creative services, its strong retail role and main street configuration justify its designation as a retail centre.

Yarra's activity centres are mostly long and narrow retail strips based along the main road and tram routes. In the case of Brunswick, Gertrude, Smith and Brunswick Streets these strips connect forming a network of retail strips. Victoria Gardens contrasts with these strip centres adopting a large footprint shopping centre format. A complete classification of Yarra's employment precincts by these metrics is provided in Figure 22 below.

FIGURE 22. FLOOR SPACE BY USE AND PRECINCT (SQM)

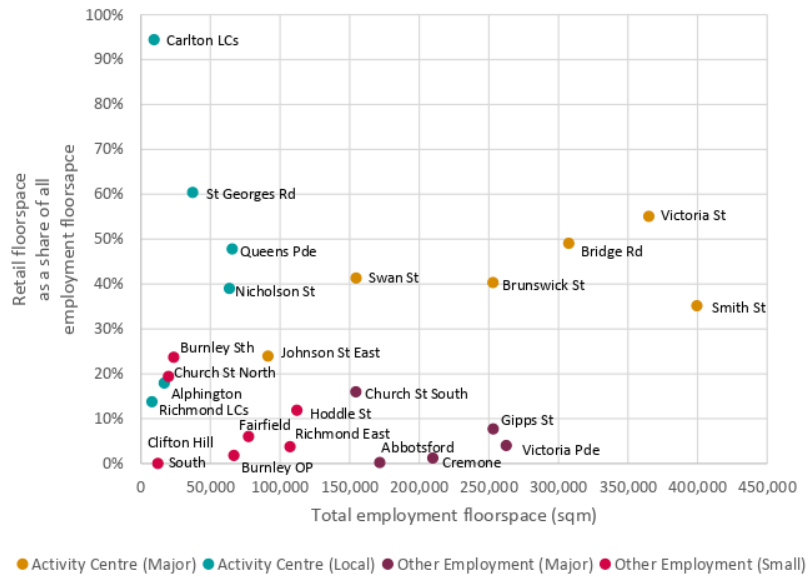


Source: SGS Economics and Planning based on Council Rates and Retail Centre Audit, 2014.

¹⁴ The categories of activity centres described by Melbourne 2030 were replaced in Plan Melbourne with a 'flatter' hierarchy described as Metropolitan Activity Centres, Activity Centres and Neighbourhood Centres. Yarra contains no designated Metropolitan Activity Centres.

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FIGURE 23. EMPLOYMENT PRECINCTS BY SIZE AND RETAIL SHARE OF FLOOR SPACE



Source: SGS, 2015, based on Council Rates and Retail Centre Audit.

TABLE 2. YARRA'S ACTIVITY CENTRES AND EMPLOYMENT PRECINCTS

Precinct name	Precinct type	Designation*	Notes
Bridge Road	Retail	Activity Centre (PM)	
Brunswick Street	Retail	Activity Centre (PM)	Incl. Johnston west of Smith St
Smith Street	Retail	Activity Centre (PM)	Includes Gertrude Street (given its interconnectedness)
Swan Street	Retail	Activity Centre (PM)	
Victoria Street	Retail	Activity Centre (PM)	Includes Victoria Gardens
Johnston Street East	Retail	Neighbourhood AC	
Queens Parade	Retail	Neighbourhood AC	Clifton Hill and North Fitzroy
Nicholson Street	Retail	Neighbourhood AC	Carlton North/North Fitzroy
St Georges Road	Retail	Neighbourhood AC	North Fitzroy
Alphington	Retail	Neighbourhood AC	Will incl. AMCOR retail/comm.
Carlton	Retail	Local Activity Centre	Rathdowne Village and Lygon St.
Richmond	Retail	Local Activity Centre	Three small centres in Richmond
Abbotsford	Employment	Major	Predominantly industrial
Church St South	Employment	Major	Mixed employment
Cremorne	Employment	Major	Mixed employment
Gipps Street	Employment	Major	Mixed employment
Victoria Parade	Employment	Major (HEP)	Predominantly institutional
Fairfield	Employment	Minor	Predominantly institutional
Burnley Office	Employment	Minor	Predominantly commercial
Burnley South	Employment	Minor	Mixed employment
Church Street North	Employment	Minor	Mixed employment
Richmond East	Employment	Minor	Predominantly industrial
Clifton Hill South	Employment	Minor	Predominantly industrial
Hoddle Street	Employment	Minor	Predominantly industrial

Source: SGS, 2015. * Plan Melbourne designations: PM = Activity Centre; HEP = Healthy/Education precinct.

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4.3 Assessing employment floor space capacity

There are no 'greenfield' opportunities in Yarra and relatively few major renewal sites available for development in the near term. In the past, however, through a constant process of incremental renewal and reinvention of spaces, employment has been able to evolve and grow significantly across the municipality in response to changes in the wider economy. Assessing the ability of Yarra employment precincts to accommodate growth is critical to robust strategic spatial planning for employment. The following section seeks to provide a high-level, order of magnitude assessment for understanding of the potential employment floor space capacity across Yarra's retail and employment precincts.

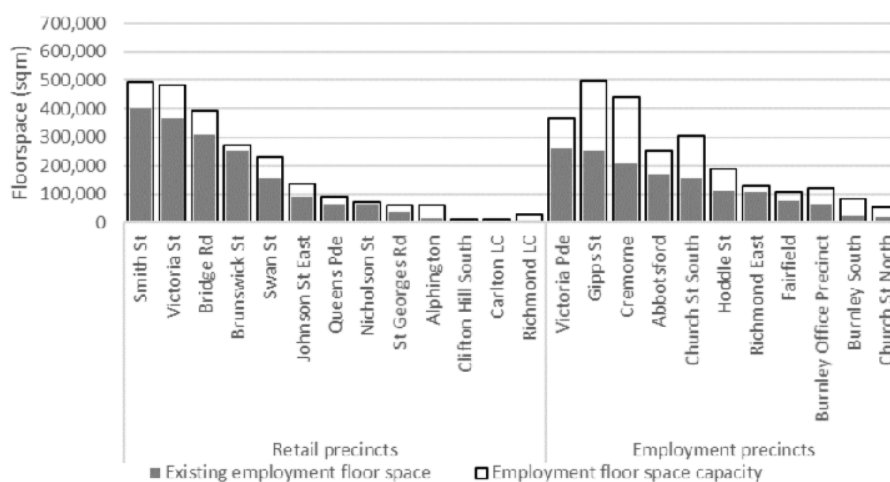
The current employment floor space across all Yarra's employment precincts has been estimated at around 3.59 million square metres¹⁵. Using a series of broad assumptions (Table 3) about the likely scale and intensity of employment development in the various precincts, the total employment floor space capacity of the existing employment zones within Yarra is estimated at 4.9 million square metres. The difference between these figures – around 1.31 million square metres – provides an indication of the net additional capacity for employment floor space in Yarra.

It should be noted that the capacity estimates presented here assume all sites are redeveloped to the average parameters described in Table 3. Not all sites will be redeveloped within the timeframe of this Strategy. Moreover, those sites that are developed might achieve higher or lower densities than the averages assumed. The exercise of estimate floor space capacity should therefore be treated as indicative only, however it is a logical process for assessing capacity. In the charts that follow the estimated floor space capacity is shown as a range from 10% below the theoretical capacity estimate to 10% above the theoretical capacity estimate. This range is intended to suggest the capacity estimates should be thought of as being accurate within a range, rather than a definitive value.

If the theoretical capacity in a precinct exceeds demand this does not suggest there is excess capacity. For land markets to work efficiently it is preferable to have some latent or reserve capacity to prevent a situation where land owners have a quasi-monopoly on a limited supply of potential development opportunities relative to projected demand.

The quantum of existing employment floor space and estimated capacity for additional floor space, by employment precinct, are shown in Figure 24. The capacity for additional employment floor space is the difference between the existing floor space and the floor space capacity, represented by the white area at the top of each bar.

FIGURE 24. EMPLOYMENT FLOOR SPACE ESTIMATES: EXISTING VS CAPACITY



Source: SGS Economics & Planning.

¹⁵ Existing floorspace is based on analysis of the Council Rates, Council Retail Centre Audit and Expanded Urban Development Program Data. Additional spot checks and refinements have also been completed at a precinct level.

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TABLE 3. EMPLOYMENT FLOOR SPACE CAPACITY ASSESSMENT ASSUMPTIONS

Zone	Location	Site cover	Average floors of employment floor space	Notes
C1Z	All	70%	2	
C1Z	Botannica Office Park	70%	4	This office precinct supports a higher density of employment compared to Yarra's tradition retail centres.
C2Z	Gipps and Cremorne precincts	70%	3	A higher density of development has been assumed in these key employment precincts.
C2Z	All other C2Z land	70%	2	
MUZ	All	70%	Min. 0.5; Max. 1.0	Assumes some mixed uses zoned areas will lose employment floor space; but will hosts <i>not less than</i> half of one storey.
IN1	All	70%	1.2	Current average is 1.0. Assumes some opportunity for intensification.
IN3	All	70%	1.2	Current average is 0.9. Assumes some opportunity for intensification.
PUZ2	Public Housing, (Collingwood); University of Melbourne (Burley)	No capacity	No capacity	Assumed no capacity.
PUZ2	Kanga TAFE	70%	2.0	
PUZ2	Carpark, Gym and Police Station (Bridge Road); Fitzroy Public School; Neighbourhood Justice Centre; Melbourne Polytechnic (Collingwood Campus); Collingwood English Language School.	No capacity	No capacity	Assumed no capacity across this range of facilities. Melbourne Polytechnic already quite dense.
PUZ3	St Vincents Hospital	70%	9	Currently supports an estimated average of 6.3 employment floors. Capacity assessment assumes capacity for another 50% growth in floor space.
PUZ3	Aged Care Facility; Riverside House Nursing Home; Thomas Embling Hospital	No capacity	No capacity	Assumed no capacity across this range of facilities.
PUZ4	Queens Pde (com uses on Transport Zone)	70%	0.5	
PUZ6	Yarra City Council (Bridge Road); Collingwood Town Hall; Richmond Rec Centre; Fitzroy Swimming Pool	No capacity	No capacity	Assumed no capacity across this range of facilities.
PUZ7	Fire Station (Church Street)	No capacity	No capacity	Assumed no capacity.
PDZ1	Green Square Development	70%	0.5	Lower employment capacity as mostly residential development
CDZ1	Ikea and Bus. Park	70%	3.3	Currently supports average of 53% and 3.3 employment floors.
CDZ3	Nylex Site	70%	1.0	Assumed one level of employment.
SUZ5	Epworth Hospital	70%	7.0	Currently supports average of 4.8 employment floors
SUZ4	Abbotsford Convent	No capacity	No capacity	Assumed no capacity.

Source: SGS Economics & Planning.¹⁶¹⁶ See Appendix A for a more information on this capacity analysis.

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The data presented in Figure 24 suggests that of the retail precincts, Smith Street, Victoria Street, Bridge Road and Swan Street have the most potential for growth. Brunswick Street appears to have limited capacity, which suggests there might be constraints to realising additional floor space. The Fairfield precinct on the other hand has significant capacity which will be realised through the redevelopment of the former AMCOR Papermill site.

Several of the employment precincts have significant capacity for additional floor space, assuming they transition from industrial or other lower-density employment uses to higher-density employment uses. The Cremorne/Church Street South and Gipps Street precincts have been identified as having significant floor space capacity if existing lower scale development is replaced by multi-storey development. Other employment precincts identified as having capacity for additional employment floor space include Victoria Parade, Hoddle Street and Abbotsford. Recent analysis of the spatial distribution of planning permits for office floorspace suggests that recent office approvals and permits pending a decision are in these precincts.¹⁷

4.4 Alignment of employment floor space demand with capacity

Having established the notional capacity for additional employment floor space, the next step is to compare this capacity with forecast employment growth and the associated demand for floor space. Aligning employment demand and employment floor space capacity provides an understanding of the opportunities and constraints for employment growth. This analysis considers both the overall Yarra-wide demand and capacity (the 'overall alignment') and the capacity of selected precincts (a 'precinct alignment'). This analysis will inform the understanding of the potential role for each precinct to accommodate future employment.

Overall alignment

The following chart compares aggregate floor space capacity for employment uses to floor space demand by sector. Current floor space represents 70% of theoretical employment floor space capacity. By 2031, it is estimated that this proportion will have grown to 79% with just under 3.9 million square metres of employment floor space. Moderate projected growth in aggregate demand for employment floor space obscures significant changes in the make-up of demand, with demand for commercial, retail and institutional floor space growing at the expense of industrial.

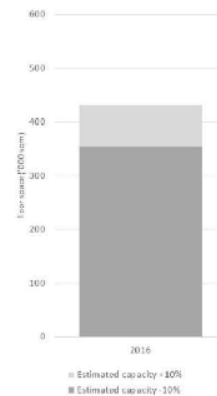
This high-level capacity analysis suggests that Yarra will not require additional land zoned for employment to accommodate the projected growth to 2031. However, changes in the mix of employment floor spaces will be required to accommodate shifts in demand.

Presentation of overall and precinct capacity figures

In order to understand demand for floor space across Yarra's precincts, SGS utilised employment forecasts, applying worker/ floorspace ratios across each of the land uses to identify the quantity of floor space likely to be required.

In establishing the relationship of this floorspace demand to precinct capacity, it is acknowledged that capacity is a somewhat fluid concept, and that ultimate precinct capacity may be slightly higher or lower than the modelled amount, subject to tightening or relaxation of constraints relating to a range of planning and market-related issues.

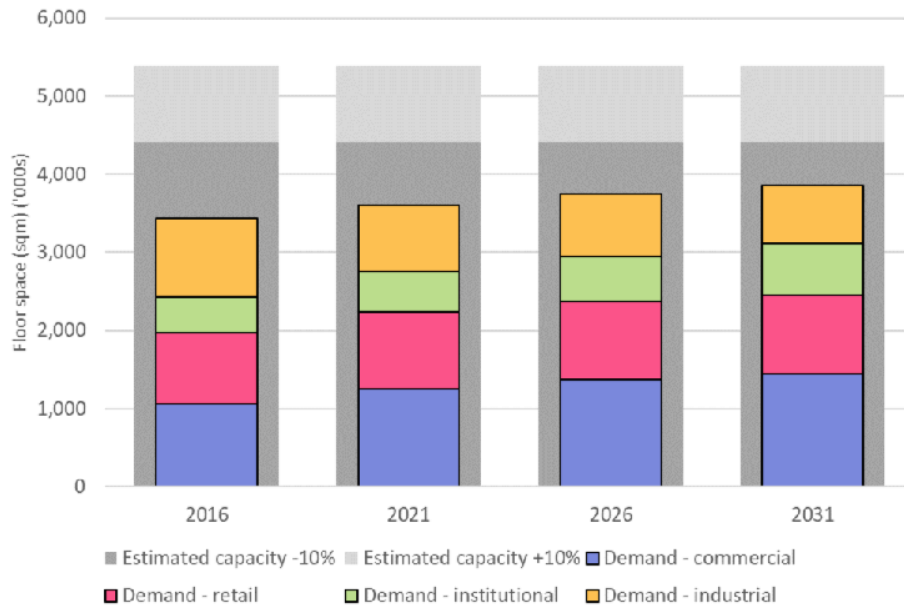
In the charts comparing capacity to demand below, the dark grey bars show a lower threshold of capacity, being the capacity estimate minus 10%. The light gray bar shows an upper capacity threshold, being the capacity estimate plus 10%. The difference between these upper and lower thresholds (+/-10% of the capacity estimate) provides a representation of the concept of floor space capacity as a range rather than a definitive number.



¹⁷ Urban Enterprise (2018) Yarra Office Demand Study

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FIGURE 25. FLOOR SPACE CAPACITY AND DEMAND TO 2031 FOR ALL PRECINCTS



Source: SGS Economics and Planning

TABLE 4. FLOOR SPACE DEMAND AND JOB/FLOOR SPACE RATIOS: 2016 TO 2031

	2016		2021		2026		2031		Change 2016-31	
	Floor space (sqm)	Sqm per job	Floor space (sqm)	Sqm per job	Floor space (sqm)	Sqm per job	Floor space (sqm)	Sqm per job	Floor space (sqm)	Sqm per job
Commercial	1,060,000	30	1,255,000	28	1,372,000	26	1,449,000	24	389,000	-6
Retail	913,000	36	983,000	34	993,000	32	1,003,000	30	89,000	-6
Institutional	456,000	19	510,000	18	579,000	17	662,000	16	206,000	-3
Industrial	1,011,000	70	860,000	66	807,000	62	745,000	58	-267,000	-12
Total	3,440,000		3,608,000		3,751,000		3,859,000		417,000	

Precinct alignment

From these broader municipal-scale projections, employment and floor space demand was allocated to Yarra's larger employment precincts to better understand the potential constraints or opportunities within specific locations. This precinct specific alignment was limited to those larger employment precincts where the majority of employment growth and change will be accommodated.

Smith Street and Brunswick Street Activity Centres

Smith Street and Brunswick Street (and the intervening sections of Gertrude and Johnston Streets) form a networked retail core in the suburbs of Fitzroy and Collingwood. Smaller employment areas behind these strip centres also provide a mix of retail, commercial and residential uses.

Retail activity on Brunswick Street is concentrated between Gertrude Street and Alexandra Parade with a focal point of activity around the Johnston Street intersection, the location of the precinct's only full line supermarket. In addition to its extensive hospitality offer, the strip also hosts a significant amount of retail floor space. There is limited opportunity to increase floor space beyond what is already available. With capacity significantly constrained, new opportunities here will be reliant upon lower order uses transitioning out of the precinct.

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Smith Street has undergone rapid gentrification in recent years. It has a well-regarded hospitality offer, and is increasingly considered a destination for people seeking a high quality, diverse food and drink experience. It also accommodates the area's largest supermarket, with a second full line supermarket also opening in recent times, creating two focal points for local retail activity. The northern end of the street lacks the fine-grained characteristics of the southern end, with a significant concentration of homeware stores and factory outlets. The precinct still has capacity to develop, particularly at the precinct's northern end. With strong demand for residential development across the precinct, there is some risk that residential developments could reduce the precinct's employment floor space capacity.

FIGURE 26. BRUNSWICK STREET - FLOOR SPACE CAPACITY AND DEMAND TO 2031

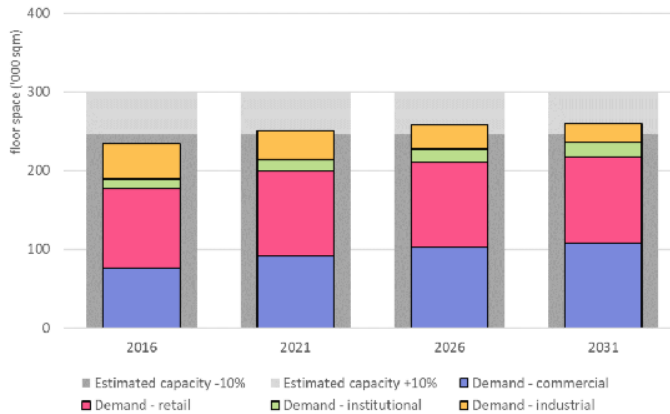
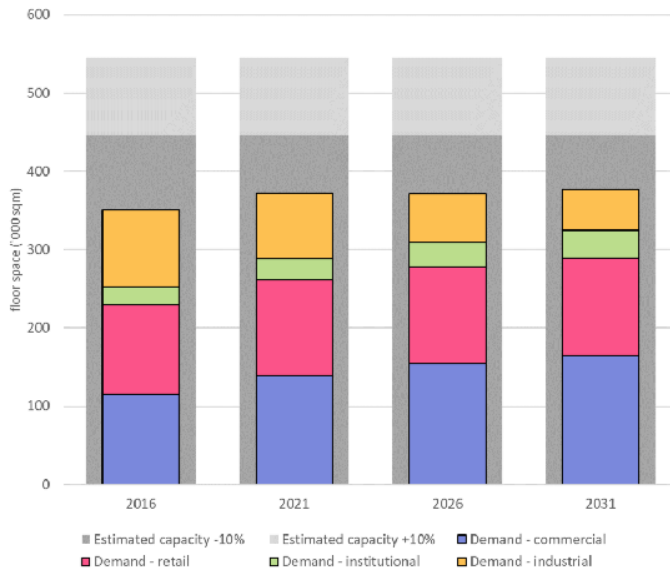


FIGURE 27. SMITH STREET - FLOOR SPACE CAPACITY AND DEMAND TO 2031

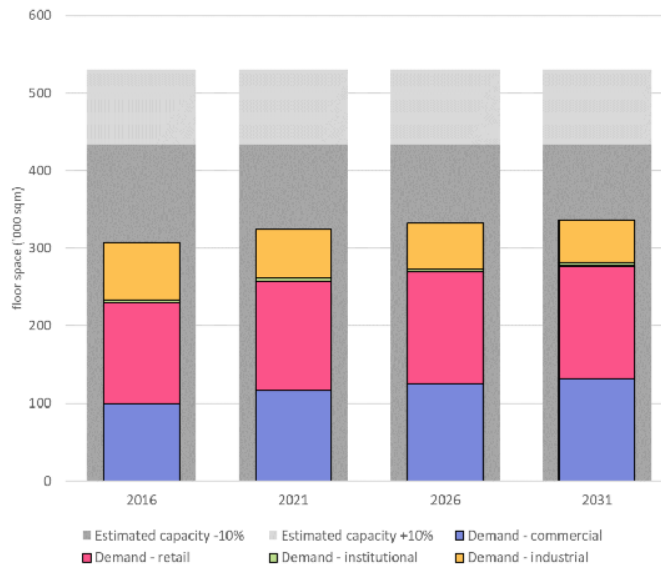


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Victoria Street Activity Centre

A large proportion of floor space in this precinct is accounted for within the Victoria Gardens and Hive shopping centres, which accommodate 52,000 and 8,000 square metres of floor space respectively. Victoria Gardens is more like a traditional suburban shopping centre with a large car park and minimal activation at ground level. Conversely, the Hive, which was developed more recently, provides opportunities for centre retailers to engage at the street level, providing a focus for local retail activity on this part of Victoria Street. The remainder of the precinct hosts a mix of retail types with a focus on food and hospitality, and is home to one of Melbourne's most renowned Vietnamese food precincts. There is significant capacity for the precinct to further develop and provide additional employment opportunities.

FIGURE 28. VICTORIA STREET - FLOOR SPACE CAPACITY AND DEMAND TO 2031



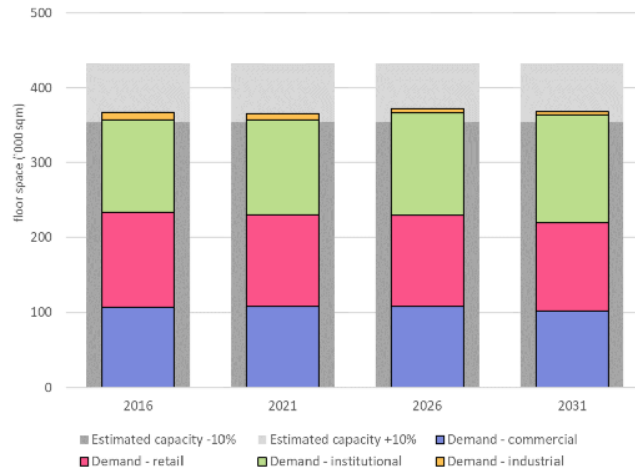
Bridge Road Activity Centre

The Epworth Hospital and associated health sector businesses are a dominant feature of the Bridge Road employment market. Recently, the eastern end of the strip between Church and Burnley Streets, has begun to develop into a vibrant hospitality precinct. There is a full line supermarket (4,570 sqm) on the corner of Church Street and Bridge Road which acts as something of a precinct anchor and provides a focus for local grocery retail. There is also pressure for increased residential development across the precinct. The eastern end has developed largely as a restricted retail shopping strip with a mix of discount furniture, homewares and some clothing. This part of Bridge Road has been in a state of transition for some time. Having formerly been an important high-end shopping destination, retailers that would once have located here are increasingly locating elsewhere. As a result, the retail offer at Bridge Road's western end is lacking a coherent identity.

Epworth Hospital is designated as a health precinct in Plan Melbourne. Future expansion of the hospital and related health uses is constrained by a lack of capacity, and it is unclear how expansion of medical activities at the site can be accommodated. One option may be to identify opportunities to provide capacity at the western end of Bridge Road as part of broader work to define the health precinct. Expansion of health-related activities on Bridge Road would also generate demand for associated commercial services and support the local retail sector.

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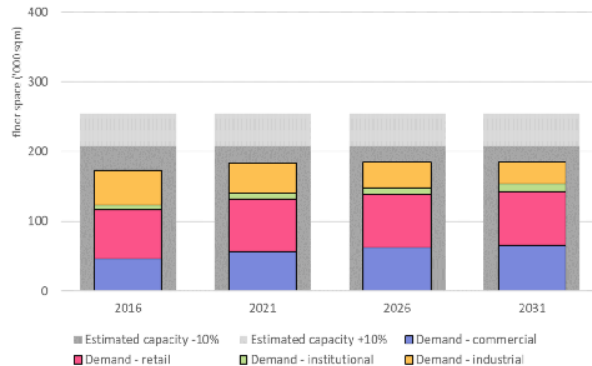
FIGURE 29. BRIDGE ROAD - FLOOR SPACE CAPACITY AND DEMAND TO 2031



Swan Street Activity Centre

The western end of Swan Street is home to a vibrant mix of retail activities including hospitality, entertainment, and a new full line supermarket (comprising 4,030 square metres). Redevelopment of the former Dimmey's site, which includes an expanded Coles supermarket, has helped to revitalise the street's convenience retail offer. The eastern end of the strip is partly zoned C2Z and supports restricted retail and commercial functions. Based on capacity analysis, it seems that Swan Street still has latent capacity under the current zoning provisions. The Swan Street Structure Plan proposes zone changes and intensification of development around Burnley Station, potentially leading to further growth in capacity at the street's eastern end.

FIGURE 30. SWAN STREET - FLOOR SPACE CAPACITY AND DEMAND TO 2031



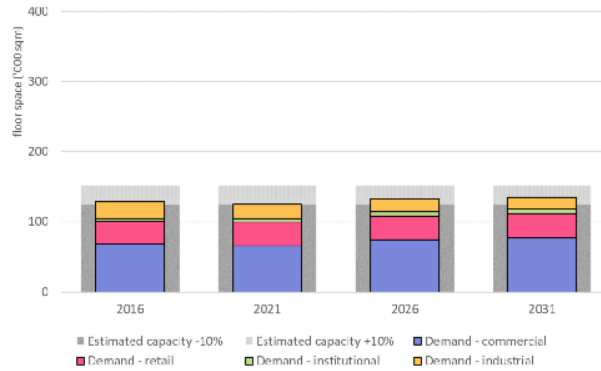
Johnston Street East Emerging Activity Centre

Council has recently prepared and adopted the Johnston Street Local Area Plan (JLAP) for the section of the Johnston Street east of Smith Street, and adjoining areas to the north and south of Johnston Street. The plan sets out a land use framework that separates the centre into eight distinct precincts. Among these, two community-based arts and education precincts are identified: The Abbotsford Convent and the Collingwood Arts Precinct. Rezoning of C2-zoned land in most other precincts has been recommended to encourage investment and to permit limited residential development away from ground levels. Land adjacent to Hoddle Street and the rail line is identified as an opportunity for substantial change, whereas moderate or minimal change is suggested for the other precincts. C2 zoning is to be retained in the Easey Street precinct to support the retention and intensification of existing employment uses.

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The figure below suggests that the Johnston Street East Precinct is already somewhat constrained, with increasing demand for commercial floor space in particular. The Gipps Street precinct is likely to emerge as an obvious candidate for forecast demand that cannot be easily accommodated in the Johnston East precinct.

FIGURE 31. JOHNSTON STREET - FLOOR SPACE CAPACITY AND DEMAND TO 2031

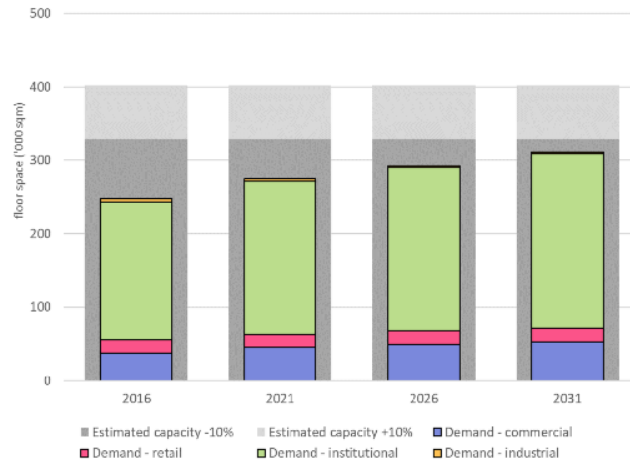


Victoria Parade Activity Centre

The northern side of Victoria Parade falls within the City of Yarra. This road is a key route into the city for both private vehicles and trams and also accommodates important institutional assets within a Plan Melbourne-designated health and education cluster. These include the St Vincent's Hospital, the Australian Catholic University, and associated research facilities and health care providers. This precinct has seen some of the strongest employment growth in Yarra, with increased employment linked to the health sector in particular. The Australian Catholic University has plans in place to expand its campus by some 20,000 square metres.

The health component of the precinct will capture a significant proportion of future health care sector employment. Capacity analysis suggests projected demand for additional floor space to 2031 will approach estimated floor space capacity. The amount of institutional floor space in the Victoria Parade precinct is projected to grow by around 49,000 square metres. The precinct will also generate demand for other employment floor space. This limited floor space capacity relative to projected demand suggests the precinct could come under development pressure in the medium term. Gipps Street (to the north) has substantial capacity, with potential to absorb demand from the Victoria Parade precinct. Additionally, expansion of related activities on the southern side of Victoria Parade (in the adjoining City of Melbourne) has the potential to meet some of this demand.

FIGURE 32. VICTORIA PARADE - FLOOR SPACE CAPACITY AND DEMAND TO 2031



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Gipps Street Major Employment precinct

Located between Smith, Johnston and Hoddle Streets, and Victoria Parade, the Gipps Street precinct is an evolving former industrial precinct. The data and site visits highlight that employment across the precinct is changing, with the evolution of a more diverse commercial employment base focused around the creative sector, service industries, and hybrid office/industrial businesses.

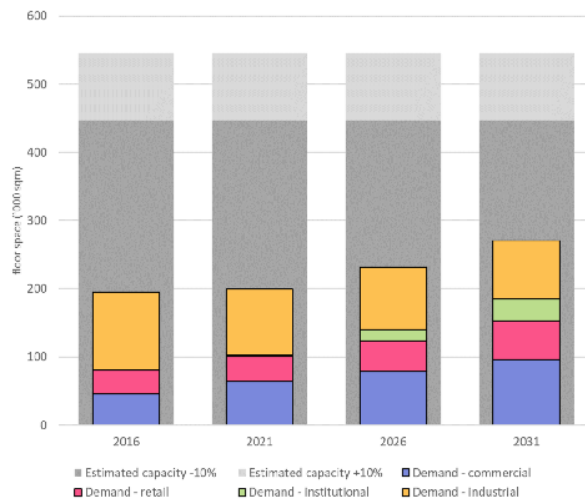
The precinct hosts a diversity of built form including repurposed warehousing, newer office buildings, and a range of industrial premises of various ages. The variety of lot sizes and built form contributes to a unique urban environment that offers diversity of character, with a coherent and robust public domain, underpinned by buildings built to lot boundaries and a regular gridded street network.

With relatively good accessibility, the Gipps Street precinct is a desirable location for employment, as well as for housing where it not prohibited by C2 zoning. Assuming the retention of this precinct for employment uses, the capacity analysis has identified capacity for up to 500,000 square metres of floor space. The precinct currently contains in the order of 200,000 sqm of floor space and demand for an additional 75,000 sqm is projected to by 2031.

Although the notional capacity exceeds demand in the medium term, the Gipps Street precinct represents an important source of employment capacity into the future that could be realised beyond the 15-year time frame considered by this strategy.

Given the potential for residential development to bid up land prices and disrupt the employment role of the precinct, retention of zoning that prohibits non-employment-related uses would appear the most sensible course of action for this precinct.

FIGURE 33. GIPPS STREET - FLOOR SPACE CAPACITY AND DEMAND TO 2031



Cremorne and Church Street South Major Employment precinct

The adjacent Cremorne and Church Street South precincts complement each other in many ways to a unique mix of retail and commercial uses. This uniqueness forms a core competitive advantage.

The Cremorne Major Employment precinct has transitioned from a former industrial precinct to become a significant commercial node with small innovative manufacturers (e.g. vW Maps who convert spatial data into 2/3D maps) to corporate head offices (e.g. CarSales and realestate.com). The precinct is supported by its position relative to key private vehicle and public transport corridors, and is ideally situated to access the educated labour pool of Melbourne's eastern and southern suburbs. The precinct is also conveniently located in relation to other businesses in the CBD. Cremorne also has a significant institutional asset in the Kangan Institute (9,000 square metres). With a

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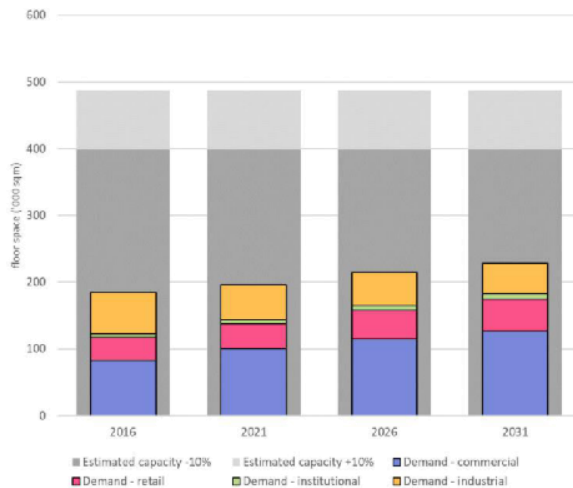
unique and diverse employment base and a national reputation as a base for tech and creative sector firms, Cremorne is well placed to attract future employment growth.

The precinct is estimated to have a total floor space capacity of around 440,000 square metres of which approximately 180,000 square metres is currently utilised. Demand for floor space will grow to 2031 although there is likely to be capacity for further growth beyond the medium term. This modest demand for additional floor space masks a significant increase in employment, with low density industrial uses giving way to commercial sector employers, who typically occupy floorspaces at much higher densities.

The Church Street South Major Employment precinct sits either side of a north-south tram corridor and connects into the rapidly developing Chapel Street. The strip has a focus on restricted retail, however, unlike other homemaker-oriented shopping centres, it provides a unique offer including high end retail. It is also home to a number of high quality cafes, restaurants and bars. The Swan Street Structure Plan identifies a number of Strategic Redevelopment Sites and Further Investigation Areas within the Church Street precinct.

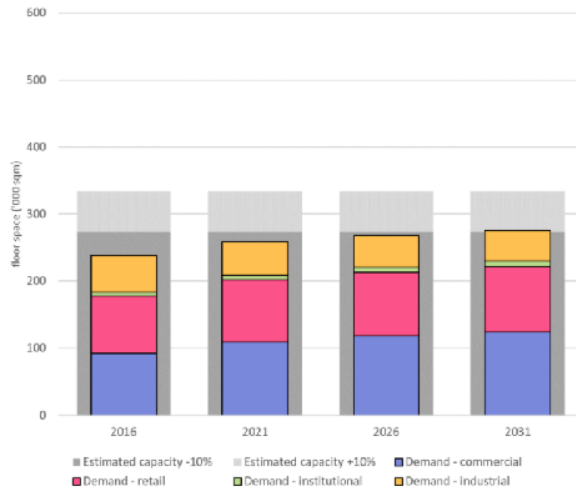
There is a small amount of capacity for this precinct to evolve and grow into the future. Of a total estimated capacity of around 300,000 square metres, approximately 240,000 square metres are currently utilised. In the years to 2031, transition from industrial to commercial uses is expected to occur. Growth in the utilisation of floorspace is likely to be minimal, though this moderate trend masks strong growth in the number of people employed within the precinct. As in Cremorne, low density industrial employment is expected to give way to commercial uses meaning precinct floorspaces are capable of supporting larger workforces.

FIGURE 34. CREMORNE - FLOOR SPACE CAPACITY AND DEMAND TO 2031



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FIGURE 35. CHURCH STREET SOUTH - FLOOR SPACE CAPACITY AND DEMAND TO 2031

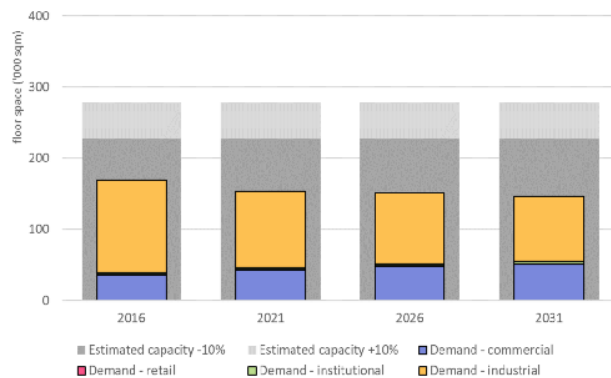


Abbotsford Major Employment precinct

The Abbotsford precinct contains the largest remaining manufacturer, Carlton United Brewery (CUB), along with a number of other more traditional manufacturing employment.

There is no change envisaged for this precinct in the short term given the CUB operation appears to be viable and is likely to remain in the precinct in the foreseeable future. That said, demand for floorspace in this precinct may decline as the number of Yarra-based industrial workers falls, and as mechanisation and new technologies results in a declining need for industrial workers in the precinct. The Abbotsford precinct is capable of providing opportunities for employment, retail, community uses and/or housing in the longer term, beyond the 15-year planning horizon of this strategy, however major land use changes are unlikely while the CUB remains operational.

FIGURE 36. ABBOTSFORD - FLOOR SPACE CAPACITY AND DEMAND TO 2031



Hoddle Street Minor Employment precinct

The land along the Hoddle Street corridor (both north and south of the Johnston Street Activity Centre) presents an opportunity to accommodate additional employment and residential development. The precinct was identified as a candidate for urban renewal in earlier iterations of Plan Melbourne.

Sites between Hoddle Street and the rail line could potentially be developed to higher densities with minimal impact on existing lower scale development to the west of the rail line. For sites immediately adjacent to Hoddle Street the amenity issues associated with traffic volumes and noise will need to be taken into consideration in planning future

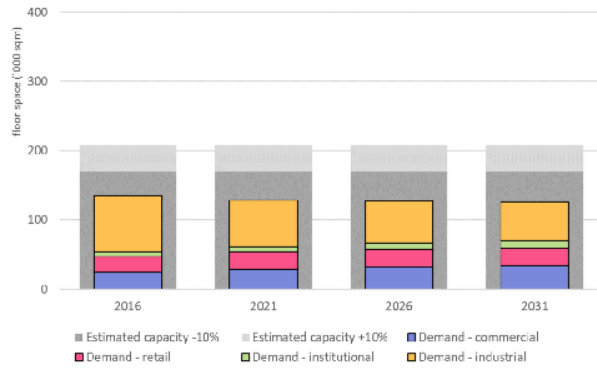
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development. Retail and commercial uses that benefit from the exposure provided by a busy arterial route are likely to be more appropriate than residential uses.

Capacity analysis suggest there is potential for growth in the Hoddle Street precinct. Projected declines in industrial employment (located on C2 zoned land) are the key factor in declining demand for employment land in the precinct. As this is a variable precinct in terms of built form, lot sizes, and interfaces, a more detailed review of opportunities and constraints is necessary to confirm the validity of these capacity findings.

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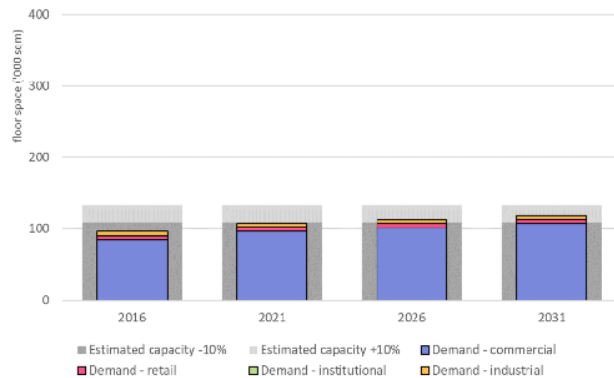
FIGURE 37. HODDLE STREET - FLOOR SPACE CAPACITY AND DEMAND TO 2031



Burnley Office Minor Employment precinct

The Burnley Office precinct is unique in Yarra in that it hosts mostly commercial floor space. The precinct contains the Botanica Business Park and the Burnley campus of Melbourne University. Demand for employment floor space in the precinct is projected to increase, driven by good access to the Monash Freeway and educated worker pools in Melbourne's eastern suburbs. High-level capacity analysis suggests there is a sufficient capacity to accommodate this growth (see Figure 38), though constraints may emerge toward the end of the 15-year analysis period.

FIGURE 38. BURNLEY OFFICE - FLOOR SPACE CAPACITY AND DEMAND TO 2031



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4.5 Summary

The preceding section indicates that, across most of Yarra's employment precincts, there is floor space capacity to accommodate future growth in economic activity and associated employment. Total demand for employment floorspace by broad land use across each of Yarra's employment precincts is summarised in Table 5 and Table 6 (which can be found at the conclusion of this chapter).

The analysis of capacity and demand has found that there are sufficient opportunities for retailers in Yarra's Commercial and Mixed Use zoned areas to accommodate projected growth. There is also significant capacity within Yarra to accommodate growth in commercial employment. This is particularly the case in the Gipps Street and Cremorne/Church Street South precincts and, to a lesser extent, in the established shopping streets, where the first floors of mixed buildings can support office-based employment, in theory at least, entire office buildings can be developed.

Significant demand for institutional floor space is projected as a result of growth in health-related employment. Given pressures to accommodate a large proportion of this floor space in and around existing major medical institutions, floor space demand in the identified health precincts is likely to be significant. Although at an aggregate level there is sufficient floor space across Yarra, the extent to which projected demand for employment in health care and related sectors can be accommodated in close proximity to the major hospitals is unclear. Existing institutions may accommodate growth through redevelopment of existing facilities to accommodate more floor space – through upward rather than outward expansion. The Gipps Street precinct may be close enough to the Victoria Parade health precinct to accommodate some such growth.

Given demand for the expansion of health and medical services has metropolitan in scale, it is also conceivable that projected growth will be accommodated elsewhere in the inner metropolitan region if opportunities in Yarra are limited.

Demand for industrial floor space is decreasing in Yarra and therefore it is unlikely that the current planning framework is a constraint on these employment activities.

Although in aggregate terms the capacity for additional employment floor space exceeds demand in the medium and term, this does not necessarily suggest employment zoned land should be rezoned, unless there is a clear case that the land is required for alternative uses.

4.6 Implications

To sum up the following considerations are relevant to decisions about the future of employment land in Yarra:

- Ensuring an adequate supply of employment land will support Yarra's contribution to the metropolitan economy and provide a local supply of jobs and services for a growing inner-city population. Yarra is host to a diverse range of businesses that contribute to Melbourne's creative economy and provides a unique physical setting for designers, manufacturers, marketers and customers to interact in more dense industry clusters.
- Retaining employment zoning (e.g. the Commercial 2 and Industrial zones) provides the greatest flexibility for future land uses. These zones allow for a range of employment activities – particularly following the 2013 zones reforms – and are less likely to encourage developments that result in land fragmentation or strata-titled developments.
- The transition and intensification of existing employment land will occur over an extended period of time. In this context reserve capacity in excess of medium term demand is required to ensure efficient and competitive markets to supply additional employment floor space. Beyond the 2031 planning horizon considered in this Strategy, further demand for employment floor space that will draw on the additional capacity identified.
- The retention of the Gipps Street and Cremorne/Church Street South Major Employment precincts for employment uses only will protect their potential for employment growth, acknowledging their unique character and emerging role as head office and creative industry hubs in inner Melbourne.
- The Abbottsford and Burnley industrial precincts host existing major industrial uses that are unlikely to change in the near future. If they were to change they are of sufficient scale that they would form major redevelopment sites in themselves, requiring precinct plans and masterplans.
- Applications to rezone employment land should generally be discouraged unless there is a compelling case that the land is no longer viable for employment uses. In considering such proposals, Council should consider applying appropriate 'tests' such as requiring applicants to demonstrate the re-zoning will generate a net community benefit. These could include maintaining a similar level of employment or economic activity on the site.

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TABLE 5. SUMMARY OF FLOORSPACE DEMAND AND CAPACITY BY CATEGORY AND PRECINCT,
RETAIL PRECINCTS

		2016	2021	2026	2031
Smith Street	Commercial demand	115,500	139,160	154,960	164,880
	Retail demand	113,400	122,060	123,200	124,500
	Institutional demand	23,940	27,360	31,280	35,680
	Industrial demand	98,000	83,160	62,000	52,200
	Total demand	350,840	371,740	371,440	377,260
	Capacity	496,000	496,000	496,000	496,000
	Demand as % of capacity	71%	75%	75%	76%
Victoria Street	Commercial demand	99,600	116,480	125,840	131,520
	Retail demand	130,680	141,780	143,680	145,800
	Institutional demand	2,850	3,240	3,740	4,320
	Industrial demand	74,900	63,360	59,520	55,100
	Total demand	308,030	324,860	332,780	336,740
	Capacity	482,000	482,000	482,000	482,000
	Demand as % of capacity	64%	67%	69%	70%
Bridge Road	Commercial demand	107,100	108,360	108,420	102,480
	Retail demand	127,440	122,400	121,600	117,000
	Institutional demand	121,980	126,000	136,000	144,000
	Industrial demand	10,500	8,250	6,200	4,350
	Total demand	367,020	365,010	372,220	367,830
	Capacity	393,000	393,000	393,000	393,000
	Demand as % of capacity	93%	93%	95%	94%
Brunswick Street	Commercial demand	76,200	91,560	101,920	108,480
	Retail demand	100,800	108,120	108,800	109,200
	Institutional demand	12,730	14,400	16,320	18,560
	Industrial demand	44,800	36,960	31,000	23,200
	Total demand	234,530	251,040	258,040	259,440
	Capacity	273,000	273,000	273,000	273,000
	Demand as % of capacity	86%	92%	95%	95%
Swan Street	Commercial demand	46,200	56,280	62,400	66,000
	Retail demand	70,200	75,820	76,480	77,100
	Institutional demand	6,840	7,920	9,010	10,400
	Industrial demand	49,700	43,560	37,200	31,900
	Total demand	172,940	183,580	185,090	185,400
	Capacity	231,000	231,000	231,000	231,000
	Demand as % of capacity	75%	79%	80%	80%
Johnston Street East	Commercial demand	68,700	65,800	74,100	76,800
	Retail demand	32,040	34,000	34,240	34,500
	Institutional demand	4,370	5,220	5,950	6,720
	Industrial demand	23,100	19,800	17,980	16,820
	Total demand	128,210	124,820	132,270	134,840
	Capacity	138,000	138,000	138,000	138,000
	Demand as % of capacity	93%	90%	96%	98%

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TABLE 6. SUMMARY OF FLOORSPACE DEMAND AND CAPACITY BY CATEGORY AND PRECINCT,
EMPLOYMENT PRECINCTS

		2016	2021	2026	2031
Victoria Parade	Commercial demand	38,100	45,360	50,180	53,280
	Retail demand	17,280	18,360	18,560	18,600
	Institutional demand	188,480	207,900	221,000	236,800
	Industrial demand	4,200	3,300	3,100	2,900
	Total demand	248,060	274,920	292,840	311,580
	Capacity	366,000	366,000	366,000	366,000
	Demand as % of capacity	68%	75%	80%	85%
Gipps Street	Commercial demand	45,900	63,840	78,780	96,720
	Retail demand	34,560	37,060	44,480	56,700
	Institutional demand	950	1,080	17,000	32,000
	Industrial demand	114,100	97,680	91,760	85,260
	Total demand	195,510	199,660	232,020	270,680
	Capacity	496,000	496,000	496,000	496,000
	Demand as % of capacity	39%	40%	47%	55%
Cremorne	Commercial demand	83,100	100,240	115,180	126,720
	Retail demand	34,200	37,060	42,880	47,700
	Institutional demand	4,940	6,120	6,970	8,000
	Industrial demand	61,600	52,800	49,600	45,820
	Total demand	183,840	196,220	214,630	228,240
	Capacity	443,000	443,000	443,000	443,000
	Demand as % of capacity	41%	44%	48%	52%
Abbotsford	Commercial demand	36,300	43,120	47,840	50,640
	Retail demand	720	1,020	960	900
	Institutional demand	2,280	2,520	2,890	3,200
	Industrial demand	129,500	106,920	99,820	91,060
	Total demand	168,800	153,580	151,510	145,800
	Capacity	253,000	253,000	253,000	253,000
	Demand as % of capacity	67%	61%	60%	58%
Church Street South	Commercial demand	92,400	108,920	118,040	124,080
	Retail demand	85,320	93,160	94,720	97,200
	Institutional demand	5,890	6,840	7,820	8,800
	Industrial demand	54,600	50,160	47,740	45,240
	Total demand	238,210	259,080	268,320	275,320
	Capacity	304,000	304,000	304,000	304,000
	Demand as % of capacity	78%	85%	88%	91%
Burnley Office Precinct	Commercial demand	84,300	96,320	101,660	107,520
	Retail demand	5,400	5,440	5,440	5,400
	Institutional demand	380	360	510	480
	Industrial demand	6,300	5,280	4,960	4,640
	Total demand	96,380	107,400	112,570	118,040
	Capacity	121,000	121,000	121,000	121,000
	Demand as % of capacity	80%	89%	93%	98%
Hoddle Street	Commercial demand	24,300	28,840	31,980	34,080
	Retail demand	23,040	24,820	24,960	25,200
	Institutional demand	6,840	8,100	9,350	10,720
	Industrial demand	81,200	66,660	61,380	55,680
	Total demand	135,380	128,420	127,670	125,680
	Capacity	189,000	189,000	189,000	189,000
	Demand as % of capacity	72%	68%	68%	66%

5 SPATIAL STRATEGY

This chapter sets out the spatial strategy for accommodating growth and change in employment in Yarra for the next 15 years.

5.1 Vision and objectives for Yarra's employment lands

As the economy continues to evolve governments are challenged with the task of ensuring planning for employment provides sufficient land, appropriately zoned, that can facilitate the growth and change. This following vision has been developed by drawing on a review of existing policy, data analysis and community consultation from the 'Liveable Yarra' process. The vision focuses on leveraging the existing structure and diversity of Yarra's employment land, but also recognises a constantly evolving economic landscape and requires careful planning.

The vision for Yarra's employment lands:

Yarra's employment lands play a vital role in the economy of Metropolitan Melbourne. They support a diversified and modern economy across a variety of retail, mixed employment, industrial, and health and education precincts. Yarra provides employment and services that are local, metropolitan and global in their reach; and vital to the Melbourne's brand as a creative urban economy.

Despite successive waves of economic change, Yarra's economy has continually adapted and evolved. Yarra's employment lands support both emerging and established businesses alike. By virtue of its central location, accessibility and amenity, Yarra's employment lands will increasingly attract high value adding economic activities. They are drawn to its established inner city employment precincts for their agglomeration benefits, their unique character, and the diversity of built form.

The objectives for Council to achieve this vision for Yarra's employment lands are to:

- Provide sufficient employment land and capacity to support projected growth
- Minimise pressures for residential conversion of employment precincts
- Promote Yarra's Activity Centres as the preferred locations for retail, services and facilities, and entertainment opportunities for Yarra's residents and visitors alike.
- Promote Yarra's major employment precincts as locations for a wide variety of businesses and services that are a vital part of Melbourne's inner city economy.
- Support the growth of Yarra's two health and education precincts.
- Manage the transition of larger industrial uses, if and when these transitions occur.

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5.2 Strategies

The main employment precincts that are the structural foundation for economic activity in Yarra are shown (conceptually) on the economic structure map on the following page (Figure 39). Six strategies are proposed to achieve the vision and objectives outlined above. These are summarised below and explored in more detail in the following sections.

Strategy 1: Support employment growth in Activity Centres

Yarra's major and neighbourhood activity centres already host a vibrant and constantly evolving range of retail, entertainment, hospitality and commercial services meeting the needs of visitors and the local population. They are also generally well served by public transport. Building on these existing strengths, growth in employment should be encouraged. Yarra's local centres are also appropriate locations for intensification of employment activities.

Strategy 2: Retain and grow Yarra's Major Employment Precincts

To accommodate projected demand for commercial floor space Yarra's two large consolidated employment precincts at Gipps Street, Collingwood and Cremorne/Church Street South, Richmond should be retained for employment activities. These areas have made a gradual transition from predominantly industrial uses to a wider mix of activities that include professional services, creative industries, medical-related activities and small-scale manufacture. Zoning should continue to exclude residential development to retain the core employment function of these precincts.

Strategy 3: Identify preferred locations for housing growth

Strong demand for housing in accessible location can have negative impacts for employment outcomes. To reduce pressures for ad hoc conversion of employment lands to residential Council is preparing a Housing Strategy that identifies preferred locations for housing that compliment (rather than disrupt) employment activity (e.g. Activity Centres, Mixed Use Areas and dispersed infill in residential areas). Demonstrating sufficient capacity to accommodate housing demand in these locations will support the strategy to retaining Yarra's larger consolidated employment precincts.

Strategy 4: Support the expansion of health-related employment and services in Yarra's health precincts

The health sector is projected to experience significant growth in Melbourne and Yarra is host to two significant health precincts in the metropolitan area. Additional space around the two hospitals would be beneficial for this sector and could involve the conversion of existing commercial or residential land for health sector uses. Furthermore, the health precincts would benefit from land use diversification that supports their primary function, for example with health-related businesses, education, short-term accommodation and convenience retailing. The St Vincent's health precinct includes the Australian Catholic University (ACU) Melbourne Campus.

Strategy 5: Retain other C2 zoned precincts (unless strategic planning support change)

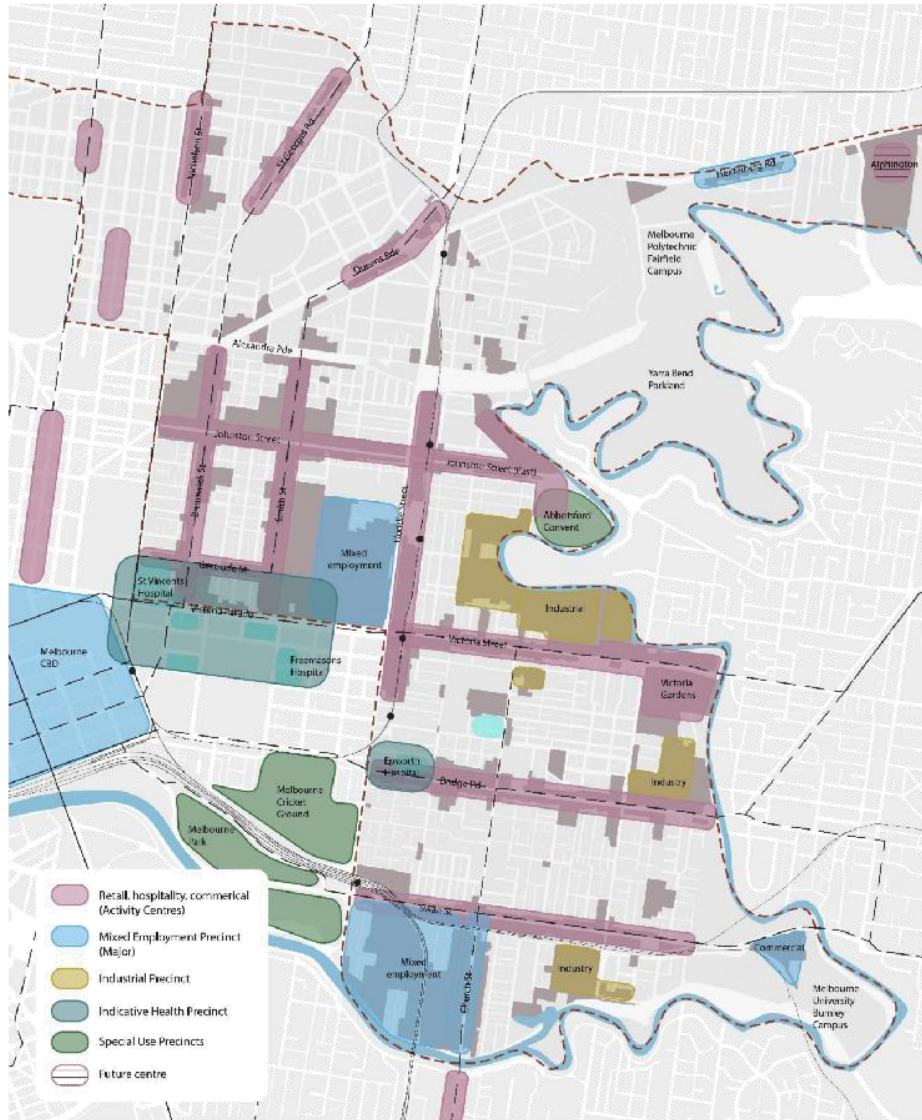
Yarra's C2 zoned land forms part of larger employment precincts, supports a diversity of businesses and economic activity and, in general, is not required to support housing. Unless strategic planning work supports a change of zone, existing C2 precincts and sites should be retain for employment uses. Future strategic planning work may identify opportunities for change, however this are not a priority for Council for at least the medium term (5 – 10 years).

Strategy 6: Retain Yarra's existing industrial precincts for manufacturing and urban services

The projected demand for employment and housing for the next 15 years can be accommodated in existing centres and employment precincts. There is no need to reconsider the role of industrial precincts at this time. While the need for such a transition is not imminent, it will be prudent for Council to consider how alternative uses for these precincts might be determined, infrastructure requirements, and flag the potential for the inclusion of social and/or affordable housing.

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FIGURE 39. YARRA'S ECONOMIC STRUCTURE – MAJOR EMPLOYMENT PRECINCTS



Source: SGS, 2015.

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5.3 Strategy 1: Support employment growth in Activity Centres

Yarra features a series of established activity centres that host retail, hospitality, entertainment uses, and other services, for residents and visitors. They are a signature element in Yarra's economic and social landscapes. They are highly accessible and rich in established physical and social infrastructure. Future planning should support and encourage employment growth in these centres.

Yarra's Major Activity Centres included in Plan Melbourne are:

- Bridge Road
- Brunswick Street
- Smith Street
- Swan Street
- Victoria Street

Yarra's Neighbourhood Activity Centres are:

Johnston Street East (which includes Trenerry Crescent area and the Abbotsford Covent). Council has undertaken recent planning work including the preparation and adopting of a Johnston Street Local Area Plan to support the emergence of this centre.

- Queens Parade, Clifton Hill
- Gertrude Street, Fitzroy
- Nicholson Street, North Fitzroy
- St Georges Road, North Fitzroy
- Heidelberg Road, Alphington
- Rathdowne Street, Carlton

Yarra's Activity Centres are also appropriate locations for new housing. Housing growth supports economic activity by increasing the local population and, when provided in a mixed use building can be developed with an increase in the quantum of employment floor space. Residential developments can impact existing business if the new residents are affected by noise or other perceived nuisance. These potential conflicts should be managed, particularly in vibrant service and entertainment precincts, ensuring established businesses can continue to operate.

Yarra's local Activity Centres include the Rathdowne Street north, Nicholson Street south and Lygon Street villages in Carlton North, and the Berry Street/Ramsden Street and Spensely Street villages in Clifton Hill.

Yarra's smaller retail centres are largely oriented towards the retail, entertainment and service needs of a local population. Future planning should support and encourage employment growth in these locations that also serves these functions.

Role in accommodating projected growth

Yarra's Activity Centres are likely to accommodate significant growth in retail, commercial and institutional floor space. It is anticipated that an estimated 134,000 sqm of additional floor space will be added to Yarra's larger Activity Centres between 2016 and 2031 for commercial, retail and institutional uses (an increase of around 10%). Based on the capacity assessment set out earlier, the extent of Yarra's Activity Centres currently zoned for employment is likely to be sufficient to accommodate this growth. A diverse cross section of employment uses should be supported in centres, including health related businesses that might seek to locate in centres that overlap with and adjoin the designated health precincts.

Yarra's local centres are likely to accommodate modest growth in retail and commercial floor space largely linked to local population growth. The land currently zoned for employment within these smaller centres is considered sufficient to accommodate projected growth to 2031.

Strategic directions

- Support growth in retail and other employment uses in Yarra's Activity Centres in a way that encourages existing trends, supports major employment sectors and provides opportunities for innovative businesses to flourish in Yarra, building on the unique, creative local character.

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- Designate Johnston Street East as an activity centre that includes Johnston Street between Hoddle Street and the Yarra, Trenerry Crescent and the Abbotsford Covent. Encourage the evolution of this centre by rezoning C2 land to allow a wider range of retail uses and residential development on Johnston Street and nearby precincts.
- Implement recommendations of the Swan Street Structure Plan to rezone areas of C2 land to support mixed use outcomes.
- Support the provision of housing in Activity Centre in mixed-use developments. The scale and form of new development should seek to enhance the amenity of the centre and avoid introducing potential land use conflicts between residential development and employment activity.
- Undertake built form analysis and structure planning for the remaining Activity Centres to guide future development.

Precinct specific directions

Victoria Street, Richmond

Victoria Street provides vibrant street-based retail and hospitality businesses. Expansion of these activities to the east towards a growing residential precinct is a logical extension of this centre.

Victoria Gardens is an attraction for a sub-regional population and serves a large and growing local community. The centre provides a different retail format and experience to the street-based offer of the western end of Victoria Street. The eastern end of Victoria Street would benefit from a cohesive and pedestrian friendly public realm.

Land to the south of the Victoria Gardens presents opportunities for higher density employment and housing, in the medium to longer term.

Bridge Road, Richmond

Changes in fashion retailing and retail conditions generally have resulted in high vacancies at the western end of Bridge Street in contrast to Yarra's other Activity Centres. The expansion of medical related activities could revive the area. Likely alternative land uses could include medical consulting rooms and ancillary uses like short term accommodation. Residential intensification would increase demand for local services.

The central and western portion of Bridge Road have been more successful in making the transition to local population service retail and hospitality. The new secondary school in this area will bring more activity, reinforcing the civic character of this central Bridge Road precinct. Local population growth will further enhance the viability of this part of the centre with opportunities for mixed use development on C1 zoned land. The isolated parcels of C2 zoned land to the south of Bridge Road might also be considered for transition to mixed use development in the future given the capacity for employment growth in Yarra's large consolidated mixed employment precincts.

Swan Street, Richmond and Burnley

Swan Street primarily serves a local resident and worker population and benefits from its proximity to Melbourne's premier sporting precinct. Demand for additional retail floor space and residential development can be accommodated by expansion of the C1 zone to those areas zoned C2Z towards the east of the precinct. This change has been recommended in the adopted Swan Street Structure Plan.

Richmond Station has been identified as a potential development site although the high costs associated with redeveloping an operating station are a significant challenge. The C1 zoned land to the south of the station appears to be a more likely development opportunity in the near term and is identified in the Swan Street Structure Plan as having the potential for 3-4 storey development.

Brunswick Street, Fitzroy and Smith Street, Fitzroy/Collingwood

Brunswick Street and Smith Street offer a consolidated core of retail and hospitality for the suburbs of Fitzroy and Collingwood and a wider catchment beyond. The C1 zoning throughout this area allows a range of employment and housing in mixed use developments. The development of the Community Arts Precinct (on Johnston Street) is an emerging trend, supported by state. Council values its arts and culture sector.

Johnston Street East, Collingwood and Abbotsford

Johnston Street East benefits from heavy rail, retail, open space assets and the Abbotsford Covent. It is well suited to accommodating growth in both employment and housing.

Council has recently prepared the Johnston Street Local Area Plan which, with the exception of the Easey Street Precinct, recommends changes to C2 zoned land (on Johnston Street and between Hoddle Street and the rail line) to

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allow for mixed use redevelopment with residential on the upper levels.

The Abbotsford Convent is a unique community asset and visitor destination. It has the potential to be better integrated with the emerging Activity Centres as it evolves following the proposed zone changes.

Yarra's local Activity Centres

Expansion of retail and other employment uses should be supported in Yarra's local centres. Given the diversity of these centres in size, proposals that could impact on the character, amenity or function of centres will need to be assessed on their individual merits. For example, developments that generate significant traffic movements or significant amenity impacts in adjoining residential areas might not be suitable (and are more appropriately located in Yarra's Activity Centres). Structure planning studies for local activity centre could identify preferred built form outcomes and provide local plans and policies for inclusion in the Planning Scheme.

5.4 Strategy 2: Retain and grow Yarra's Major Employment Precincts

The Cremorne/Church Street, Richmond and Gipps Street, Collingwood, Major Employment precincts are unique mixed employment areas that host a diverse range of activities including traditional industrial uses, commercial offices and creative industries. As demand for industrial land in the inner city has declined in recent decades these areas have transitioned from predominantly industrial uses to precincts that host a mix of alternative and diverse economic functions.

The precincts are characterised by a variety of lot sizes, a diversity of building stock and building condition, and variable public realm quality. This physical diversity and urban character are important elements in attracting and supporting a diversity of economic activities. This older morphology – which includes many buildings that might be described as 'life-long-loose-fit' – is conducive to attracting innovative businesses, a deeper mix of businesses, and a degree of informality that is lacking from other existing and emerging (and potential) employment precincts in inner Melbourne.

Although the C2 zoning in these precincts prevents residential development, these areas will be subject to pressure for residential conversion. This may have been exacerbated by their designation in earlier iterations of Plan Melbourne as 'Other Renewal Areas' with little guidance on the nature or type of renewal envisaged (see Figure 2).

Precincts such as Cremorne/Church Street South are attracting major businesses and investment, which is evident by the recent surge in planning applications and approvals for office developments that has occurred.

Compared to other Councils within the inner city region, Yarra has a large amount of C2 zoned land (around 100 hectares) dispersed across most of the municipality which is being used for a variety of commercial and business purposes. The C2 zoning provide opportunities for a different range of uses and businesses than occurs in Yarra's activity centres which are predominantly based around retailing and services.

Existing land use and development examples in Yarra suggest that once areas or sites are zoned to permit residential uses and development – through the C1 or Mixed Use zones – the economic function and capacity of these areas is limited as residential development is the 'highest and best use'. In the case of areas zoned C1, ground floor commercial and retail uses is usually accommodated but the dominant use is residential unless circumstance allow Council to negotiate the inclusion of additional commercial activities through the process of zone change or planning permit assessment. For MUZ land, new developers typically included very little or no employment floor space. Given a stated purpose of the MUZ is to support higher density residential development, the zone is a de facto a high density residential zone.

While zone changes can be considered and may be supported as part of Council's overall strategic land use planning, once the land is rezoned to C1 or MUZ its potential to provide for economic purposes and business is typically lost.

Retaining C2 zoned land has supported change within the local economy with C2 zoned areas evolving and consolidating their economics role and providing further opportunities for development and intensification of Yarra's economic and businesses growth.

Major employment areas, such as the Cremorne/Church Street South and the Gipps Street precinct, are highly sought after and highly valued as business locations due to their location and proximity to central Melbourne, access

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to transport, business synergies and the vibrancy of Yarra. They have proven particularly attractive to creative- and technology-oriented business that a non-but-near-CBD location.

While it could be argued these precincts are suited to both employment and residential land uses it is recommended that they are retained for employment uses for the following reasons:

- The precincts have evolved into a unique mix of employment and economic activity; the result of decades of continuous employment use.
- Given strong demand for commercial floor space in Yarra there is insufficient capacity to accommodate all such projected growth in Yarra's Activity Centres.
- The diversity of lot size and building stock in these precincts provides a unique environment for established and emerging business that are unlike the majority of existing (and potential) employment lands in Inner Metropolitan Melbourne.
- The precincts are already transitioning from lower-value to higher-value employment uses. This transition is likely be interrupted by allowing residential uses and detrimental to Melbourne's inner city economy.

Retaining an employment zoning for these precincts for the foreseeable future provides for longer term flexibility if conditions for employment change. Providing clarity and certainty for land owners and businesses about the future employment role of these precincts is key to attractive investment and growth.

Future planning for these precincts might follow approaches commonly applied to Activity Centre structure planning that includes consideration of preferred built form outcomes, open space and public domain structure, movement and access, and the need for infrastructure upgrade and investments.

The smaller Burnley Office Employment precinct also support a cluster of well-located commercial office floor space that should be retained and grown where possible.

Role in accommodating projected growth

Strong growth in demand for commercial and retail floor space is projected for Yarra. The quantum of growth is likely to approach the capacity of many of Yarra's Activity Centres. Yarra's mixed employment precincts are well suited to host office-based employment, creative industries and support services (e.g. catering, printing, small-scale specialised manufacture, and so on). The continued shift in economic activity in these precincts from lower density industrial uses towards alternative employment would provide this required additional capacity.

Based on the distribution of employment floor space demand described in Chapter 4, demand for approximately 75,000 sqm of additional floor space has been forecast for both the Gipps Street and Cremorne and Church Street precincts.

Alternative locations for accommodating projected residential growth in Yarra should be identified to further support the retention of these established employment precincts for employment uses (see Strategy 3).

Precinct specific directions

Gipps Street precinct

Gipps Street precinct is strategically located with respect to public transport, arterial roads and Melbourne's CBD. Given projected demand for employment floor space, and office floor space in particular, the precinct should retain its employment focus. Recent zoning changes have already provided greater flexibility in the range of permissible employment land uses.

Although there are many retail and hospitality business beyond the immediate Gipps Street precinct, the lack of retail within the precinct could be a barrier to attracting new businesses. The collection of smaller business on Glasshouse Road at the western edge of the precinct might be interpreted as evidence of the attractiveness of the more vibrant quarters of the precinct.

More detailed built form guidance would provide greater clarity about opportunities for additional development and the scale and form envisaged.

This precinct could accommodate future demand for floor space generated by both the Victoria Parade health precinct and the Johnston Street Activity Centre, where capacity for growth is more constrained.

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Cremorne/Church St south precinct

The Cremorne precinct is also strategically located with respect to public transport, the arterial road network and CBD. Given its current employment focus and the projected demand for employment floor space, retention and intensification of employment should be the focus of renewal efforts. Growth of the Kangan Institute, which specialises in fashion and retail training, should be supported for adding to the diversity of employment but also to underpin a competitive strength for creative firms in this precinct.

Church Street South hosts complementary land uses with a focus on restricted retail. The retention of the employment focus of this precinct is also warranted given its unique role. There are currently opportunities for residential development within the local area on Swan Street and, further potential housing opportunities in the vicinity of Burnley Station are identified in the Swan Street Structure Plan.

Circumstances when residential developments might be considered

The Swan Street Structure Plan identifies strategic redevelopment sites in the 'Cremorne Mixed Commercial Precinct' and 'Cremorne South Precinct' where opportunities for mixed use development might be contemplated. Two 'investigation areas' have been identified in the 'Cremorne South' precinct where the structure plan suggests the zoning required further investigation.

In general, the interest of providing clear direction to the market about the intended role of these precincts, residential developments should not be contemplated. An exception might be made for interfaces with residential areas, where rezoning to allow mixed employment and residential uses would help address an existing or potential land use conflicts (e.g. by providing an appropriate and enduring buffer between residential and non-residential uses).

5.5 Strategy 3: Identify preferred locations for housing growth

Although this study is primarily concerned with employment and economic activity, the impacts of strong demand for housing on employment lands is an important consideration. Land speculation and opportunistic efforts to rezone employment can create uncertainty and disruption to the orderly and efficient use of employment lands.

Yarra is an attractive location for residential development. Under current market conditions residential developments typically generate higher returns than employment related development, resulting in significant incentives for land owners and developers to seek zoning changes that will to allow residential. This does not necessarily mean there are insufficient opportunities for housing on land already zoned for that purpose.

Some potential zone changes to allow residential development on employment land have been identified in structure plans and local area plans.

To reduce pressures for conversion of employment land for housing, Council has undertaken work to ensure sufficient capacity to accommodate housing demand in appropriate locations (e.g. Activity Centres, Mixed Use Areas and dispersed infill in residential areas). Council is currently preparing a housing strategy that will provide directions on how future housing demand will be met. The Urban Development Program (UDP) currently indicates that there is sufficient supply 'in the pipeline' to accommodate demand for the next 15 years. This potential supply is mostly located known strategic redevelopment sites and projects being considered, likely to occur, or under construction.

Current structure planning and built form framework projects being undertaken by Council for activity centres and mixed use zoned land around activity centres will enable Council to develop estimates of the potential capacity for additional housing in of these areas, in addition to the forecasts in the UDP. It is therefore assumed that Yarra can rely upon this existing capacity and does not need to undertake any significant changes to rezone employment land (apart from the zoning proposals already approved or proposed by Council) to provide for additional housing supply.

5.6 Strategy 4: Support the expansion of health related employment and services in Yarra's health precincts

The economic structure map for Yarra strategy highlights two health precincts, both of which are identified in Plan Melbourne. The first precinct includes the hospitals and health related activities located near Victoria Parade: a precinct which spans the City of Yarra and the City of Melbourne and includes the St Vincents Public, the Royal Victorian Ear and Eye Hospital, the Epworth Maternity and Epworth Clarendon Street and St Vincent Private

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Hospitals and the Australian Catholic University Melbourne Campus. The second precinct is located at the western end of Bridge Road and includes the Epworth Hospital.

The services provided by the hospitals and others in these precincts reach a wide catchment that extends well beyond Yarra. Growth in demand for these services is the result of population growth across the broader metropolitan area and a general trend towards the increasing consolidation of medical services.

Hospitals generate demand for a range of other services including consulting rooms, laboratories and short term accommodation. These activities are attracted to locations in close proximity to the hospitals creating considerable demand in a small area.

Within this precinct the Australian Catholic University is planning an extension to accommodate 3000 additional students and 400 new staff to 2020, with new buildings proposed at 115B Victoria Parade (on the corner of Napier Street) and 81-89 Victoria Parade (on the corner of Brunswick Street). A vision and supporting precinct and site planning has been undertaken (see Australian Catholic University, 2015).

The high level capacity analysis carried out for this Strategy suggested that the projected demand for the Victoria Parade Precinct to 2031 will almost reach the estimated floor space capacity. Demand for a further 78,000 sqm of institutional floor space is projected and total demand across all sectors is for an additional 91,000 sqm. The estimated spare capacity in the precinct is 104,000 sqm. (It should be noted that is making the capacity estimate the site-specific opportunities for expansion, redevelopment and intensification on the existing hospital sites was not known.) Adjoining areas in the City of Melbourne might meet some of this demand. Further analysis is suggested to determine an appropriate policy response. Synergistic uses in the precincts and surrounds should be supported, such as education, short-term accommodation or medical consulting suites.

Role in accommodating projected growth

Health related employment is projected to grow substantially, and proximity to established hospitals is an important factor for the location of a large proportion of these jobs. Yarra's health precincts will be under pressure to accommodate considerable growth to 2031. An additional 70,000 sqm of additional floor space would be required across Victoria Parade and Bridge Road to accommodate projected growth (a 45% increase). A total of 206,000 sqm of additional institutional floor space is projected to 2031.

Both precincts will require a coordinated strategic planning response to the significant demand for growth. This should involve the council, the institutions within the precincts, the City of Melbourne (in the case of St.Vincent's/ACU) and the state government. This planning response should include masterplans to guide land use and development decisions, as well as access to the precincts.

Precinct Specific Directions

Victoria Parade

Growth in demand for health related floor space is significant but there appears to be limited land in the City of Yarra to accommodate a significant expansion. Given the major medical facilities in close proximity in both Yarra and the City of Melbourne, a coordinated approach to the management of this health precinct is recommended that involves State Government, both Councils and the relevant institutions.

Further analysis could be undertaken to identify opportunities to enhance the capacity for health precincts to accommodate projected growth. This work will help identify options to accommodate growth (e.g. expansion and intensification of existing hospitals; expansion to adjoining land; new facilities in alternate locations that will reduce pressures for growth). This work could involve the multiple stakeholders (City of Yarra, City of Melbourne, VPA and the Department of Health and Human Services).

An integrated precinct plan could be developed that addressed development capacity, access and movement, and land use planning issues specific to the needs of a large cluster of health, medical, education and supporting services. This might include strategies that support the conversion of existing residential and commercial land uses.

The eastern end of Victoria Parade and the Gipps Street precinct could provide opportunities for the expansion of health related activities.

Bridge Road

Epworth hospital is currently undergoing expansion however the site is constrained for further expansion and has sensitive interfaces with residential areas and heritage. There are high vacancies of retail properties at the western end of Bridge Street and expansion of health and medical services and associated activities to this area could be a

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potential solution to both problems. Further investigation is required to determine if this form of expansion of the health precinct would be viable. The extent of an expanded health precinct might be more clearly defined to provide greater clarity and certainty.

5.7 Strategy 5: Retain other C2 zoned precincts

In addition to the major employment precincts of Gipps Street and Cremorne/Church Street South identified in Strategy 2, Yarra contains a variety of other precincts and sites which are zoned C2. Planning directions for these precincts and sites should be guided by consideration of the role of C2 zoned land to support the diversity of business and employment opportunities.

C2 land in BILS

The adopted Business Industrial Land Strategy (BILS) contains Council's existing strategic directions for C2 zoned areas. BILS largely stipulated that what is now C2 zoned land be retained for employment, noting that, at the time of BILS adoption, the previous VPP business zones were in use. In some instances, BILS recommend zone changes that would permit residential uses.

Some employment zoned land included in the BILS was effectively rezoned to C1 due to the state government's introduction of new commercial zones in 2013 (specifically, land that was zoned B1, B2 and B5 was migrated to the new C1 zone). In addition to this change, Council has proposed changes to some precincts based on strategic planning work.

Since the adoption of the BILS Melbourne's planning and economic development circumstances have changed. Metropolitan Melbourne is undergoing significant and sustained population and employment growth. Plan Melbourne has identified the important role inner city municipalities play in the metropolitan economy, supporting the economic role of central Melbourne. Furthermore, Yarra is experiencing significant overall economic and employment growth driven by the key C2 zoned areas, retail activity centres and industrial precincts. Sustained growth in demand for housing in Yarra is another key consideration in planning for the municipality. These changes warrant a reassessment of the strategic direction for Yarra's C2 zoned land.

As noted in Strategy 3 above, Council is currently preparing a housing strategy and is satisfied that there is sufficient housing supply in the development pipeline to meet demand for the next 15 years. Proposed changes to C2 land have been flowed from strategic planning work for the Swan Street and Johnston Street activities centres and these changes will provide further capacity for housing and retail/commercial development in these centres.

Planning strategy for C2 zoned areas

As discussed above, once land is zoned to permit residential uses and development, its employment role is limited as residential development is the 'highest and best use'. For this reason, a precautionary approach is recommended used when considering the future role of C2 zoned sites and precincts outside Yarra's major employment precincts.

Council can expect requests by property owners to change the zoning of properties to enable residential development. It will therefore be important to set clear strategic direction for C2 zoned areas to avoid speculation and provide certainty to the market that existing C2 zones areas will be retained for commercial activities.

Strategic directions

Directions for C2 zones areas are described below and are summarised in Table 7.

Retain strategic C2 zoned land in larger employment precincts

It is recommended that the majority of C2 zoned land in Yarra, which generally forms part of broader employment precincts, is retained. This strategically located C2 zoned land provides the following functions:

- Supports established business areas and serve a useful economic and employment function
- Contributes to the economic diversity of the Yarra economy, and
- Offers locations for different land uses and businesses.

C2 zoned precincts that fall into this category includes areas adjacent to Yarra's three industrial precincts at Abottsford (Victoria Crescent/CUB), Richmond East (Palmer Street) and Burnley South, and C2 zoned land at Church Street North.

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These areas are part of broader employment precincts of sufficient size and importance that further strategic planning investigations are required to determine if alternative land uses, economic activities and built form outcomes are appropriate. These strategic planning investigations would be required before any change of zone would be contemplated. A possible trigger for undertaking these investigations would be a decision by CUB or CityPower to vacate their respective locations, or, in the case of the Richmond East and Church Street North precincts, the loss of suitable economic activity due to reduced demand and evidenced by vacancies and/or lack of investment in these precincts.

Other C2 zoned land

Consistent with adopting a precautionary approach to the zoning of Yarra's employment land, it is recommended that all other C2 zoned land retains this zoning unless and until future strategic planning work supports change. These sites and precincts include:

- Two areas of C2 zoned land on Nicholson Street, Fitzroy
- Site at Queens Parade West, North Fitzroy
- Site on the north and south sides of Alexandra Parade, North Fitzroy and Fitzroy
- A block on St Georges Road, North Fitzroy
- A precinct at Victoria Street West, Richmond
- A precinct at Heidelberg Road, Fairfield
- The C2 zoned land that run the length of Hoddle Street (which includes north, central and south sections).

Any future changes to C2 zoned sites and precincts should be based on strategic considerations for the broader municipality, rather than on an individual sites basis. While some areas may appear to be suitable for residential, Council should consider the impact of the loss of C2 zoned land on the existing economy and businesses, and the potential for this land to provide for future economic and business growth. Given adequate supply of land for employment and housing in Yarra till 2031, consideration of the need for zoning changes at these location is not viewed as a priority in the short term (the next 5 year) at least.

Rezoning C2 land that is subject zoning changes arising from current strategic planning work

Some C2 zoned land has been identified for zone changes in current strategic planning work and planning scheme amendments. These locations are typically C2 land in activity centres that have been deemed suited for residential development, based on policy and physical characteristics, and would still achieve an employment outcome though the requirement for active ground floor uses. These precincts and sites include:

- Queens Parade East (currently being considered as part of a built form framework and proposed DDO)
- Johnston Street East (part of Amendment C220), with the exception of the very eastern end of this precinct
- Johnston Street Central (part of Amendment C220), with the exception of the Easy Street precinct
- Two sites in Trenerry Crescent (subject to Amendments C218 and C219)
- Swan Street East and Swan Street West (part of Amendment C191).

The Johnston Street Structure plan recommends that the Easey Street precinct and the eastern end of the Johnston Street East are retained as employment land with a C2 zoning.

Rezoning C2 land to allow residential development will create a land value uplift and Council might consider negotiated value capture arrangements (via 173 agreements) to help fund local infrastructure or affordable housing. Inclusionary housing requirements (e.g. a proportion of affordable housing) could also be considered for larger sites where dwellings can be provided on the site.

Hoddle Street

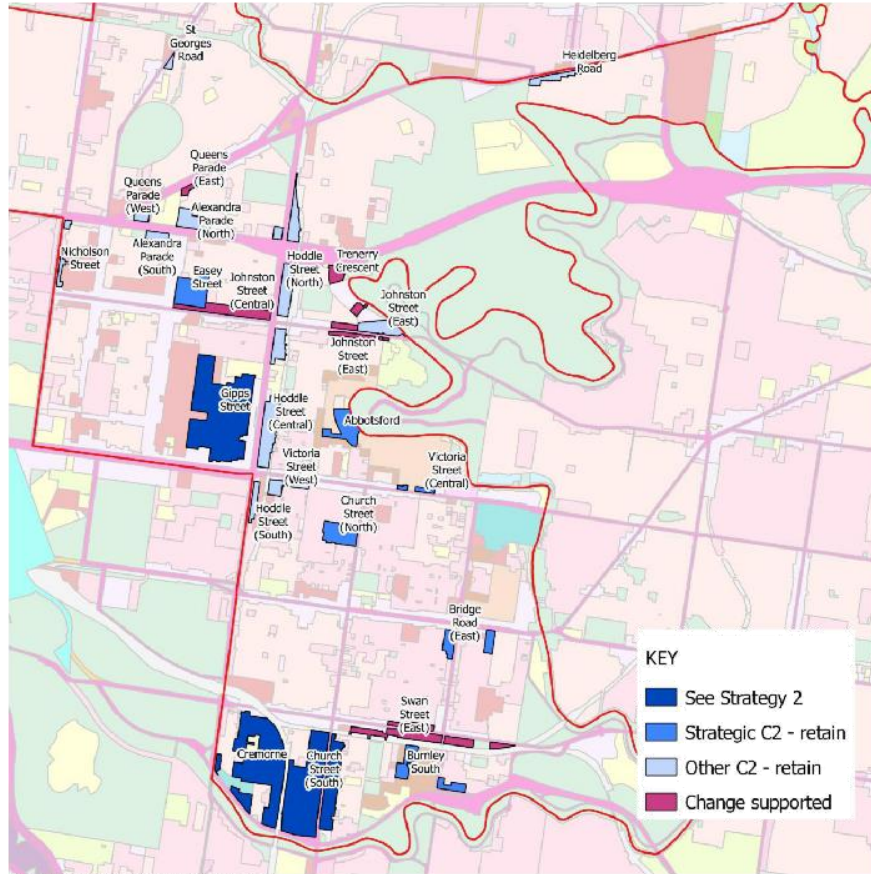
Land in the Hoddle Street corridor presents an opportunity to accommodate additional employment and residential development with minimal impact on existing lower scale development to the east of the rail line. For sites immediately adjacent to Hoddle Street the amenity issues associated with traffic volumes and noise will need to be taken into consideration. Retail and commercial uses that benefit from the exposure provided by a busy arterial route are likely to be more appropriate than residential uses. (Annual average daily traffic volumes on Hoddle Street were in the order to 35,000 vehicles per day southbound and 40,000 per day northbound in 2015¹⁸.) Under these circumstances commercial uses are more appropriate than residential for street facing frontages. Given the significance of Hoddle Street as a major arterial road and through route, the future of the existing C2 land along the

¹⁸ VicRoads (2016) Traffic Volume Data for Victoria.

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corridor should be considered only once further strategic planning is undertaken to examine future opportunities and zoning options to achieve both employment and potential some housing outcomes.

FIGURE 40. STRATEGIES FOR C2 ZONED LAND



Source: SGS Economics and Planning

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TABLE 7. GUIDANCE FOR C2 ZONED LAND

Precinct	Recommendation	Justification
St Georges Road	Other C2 – retain	Supports employment diversity; not needed for housing.
Fairfield	Other C2 – retain	Supports employment diversity; not needed for housing.
Queens Parade (East)	Zone change may be contemplated in future	Currently considered as part of the Queens Parade Built form analysis study. The Strategic Development Site (former Gas and Fuel Site) is being consider by the State Government as a mixed use precinct. Future of the C2 zoned land considered as part of the broader strategic study and after the development framework for the G&F site is approved.
Queens Parade (West)	Other C2 – retain	Potential to support employment diversity; not needed for housing.
Alexander Parade (North)	Other C2 – retain	Supports employment diversity; not needed for housing.
Alexander Parade (South)	Other C2 – retain	Supports employment diversity; not needed for housing.
Nicholson Street	Other C2 – retain	Supports employment diversity; not needed for housing.
Easy Street	Strategic C2 - retain	Johnston Street Local Area Plan recommends retaining as C2. Part of Amendment C220.
Johnston Street (Central)	Rezone to C1	Johnston Street Local Area Plan recommends rezoning to accommodate housing on upper levels. Part of Amendment C220.
Trenerry Crescent	Rezone	Johnston Street Local Area Plan recommends rezoning the remaining C22 properties along Trenerry Crescent facilitate Mixed Use opportunities. Current planning scheme amendments C218 & C219.
Johnson Street (East)	Rezone to C1	Johnston Street Local Area Plan recommends rezoning to accommodate housing on upper levels. Part of Amendment C220.
Gipps Street	Retain (see Strategy 2)	Major employment precinct.
Abbotsford	Strategic C2 - retain	Part of a broader employment precinct and generally surrounded by industrial zoned land. Retain for employment uses.
Victoria Street Central	Strategic C2 - retain	Part of a broader employment precinct and generally surrounded by industrial zoned land. Retain for employment uses.
Victoria Street West	Other C2 – retain	Supports employment diversity; not needed for housing.
Church Street North	Strategic C2 - retain	Larger modern employment precinct; not needed for housing.
Bridge Road East	Strategic C2 - retain	Strategic location near industrial land in Richmond East industrial precinct. Retain for employment uses.
Cremome	Retain (see Strategy 2)	Major employment precinct.
Church Street South	Retain (see Strategy 2)	Major employment precinct.
Swan Street West	Rezone to C1	Part of Amendment C191. Proposed rezoning to C1 zone and development controls for the activity centre.
Swan Street East	Rezone to C1	Part of Amendment C191. Proposed rezoning to C1 zone and development controls for the activity centre.
Burnley South	Strategic C2 - retain	Part of a broader employment precinct and generally surrounded by industrial zoned land. Retain for employment uses.
Hoddle Street	Other C2 – retain	Corridor should be considered only once further strategic planning is undertaken to examine future opportunities and zoning options to achieve both employment and potential some housing outcomes. See commentary above for Hoddle Street.

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5.8 Strategy 6: Retain Yarra's existing industrial precincts for manufacturing and urban services

As industrial employment continues to decline demand for industrial zoned land is likely to contract. Yarra currently hosts three larger precincts of industrial land, the largest being at Abbotsford which includes the Carton United Brewery, and two smaller consolidated industrial areas at Richmond East and Burnley South (see Figure 41).

Each industrial precinct is different. In the case of the Abbotsford and Burnley precincts, decisions by the major land use will determine their future. A decision by CUB or Citipower to vacate the either precinct would open up a new redevelopment opportunity. Richmond East is somewhat different in that it is made up of many smaller businesses. The precinct is also likely to be subject to pressure for residential conversion by virtue of its proximity to the Bridge Street and the Yarra, good public transport and existing adjacent residential areas.

The capacity analysis presented above suggests there is no immediate need for industrial zoned land to be converted to accommodate demand for alternative employment uses provided Yarra's two larger mixed employment precincts are retained. Therefore, there is no need to reconsider the role of industrial precincts at this time.

The trigger to consider a change in the role of these areas would be the departure of the major industrial land user (in the case of the Abbotsford and Burnley industrial areas) and evidence of a genuine lack of demand for industrial employment land (in the case of the Richmond East precinct).

Although the transition of these industrial areas to alternative uses is not imminent it would be prudent for Council to be pro-active in planning for this changes by considering:

- The processes that will determine how appropriate alternative uses for these precincts might be determined
- Likely demand for shared infrastructure that might be funded via DCPs
- The potential for a proportion of social and affordable housing to be provided via value capture or inclusionary zoning mechanisms
- The need for education or other social infrastructure to serve the redeveloped precinct or the wider Yarra and regional community
- Opportunities to provide public infrastructure such as open space and community facilities.

Ultimately, if and when these precincts transition they will be renewal areas that should make a major contribution to the objectives of sustainability, liveability and productivity. Though much larger, the Fishermans Bend experience is instructive in this regard. Originally rezoned for residential and mixed use without regard to wider objectives or considerations about the infrastructure, services, housing mix and employment which would make the area an integrated community the area is now being re-planned and retrofitted having regard to such considerations. The headline targets have been identified (see Jewell, 2016) as:

- Open space within 200 metres walking distance for all residents and workers
- 80% of transport movements to be made by public transport, walking or cycling
- an integrated transport strategy including cycle paths, tram lines and an underground rail line
- diverse and affordable housing opportunities

A more detailed list of targets is to be developed.

Similar outcomes, adapted for the smaller scale and different context, should be expected of these Yarra precincts if they transition. Council could work up an early statement of objectives and outcomes which would apply to these precincts for their future development in anticipation of a joint planning exercise with state government given its critical role in the planning and infrastructure provision process. Employment outcomes would be expected, consistent with and contributing to the complex and diverse emerging character of the Yarra economy.

Role in accommodating projected growth

Given there is sufficient capacity for employment growth for the next 10 to 15 years (and assuming this is also the case for housing), there is no need to establish definitive alternate plans for Yarra's industrial areas in the short term. These locations could support a range of alternative uses including higher intensity employment, retail, housing and social and community infrastructure, or an appropriate combination of such uses. It is conceivable that mixed-use outcomes for these precincts could provide for a net increase in total employment as lower density

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employment is replaced by more intensive employment activities: office, retail or other mixed employment activities. Expectations for the precincts should be established early via statements of objectives and intended outcomes.

Precinct specific directions

Abbotsford

The Abbotsford industrial precinct extends from Marine Parade in the north to Flockhart Street in the east. The current zones within the precinct provides buffers between the adjoining residential land uses and the brewery. In the near term the introduction of office or other employment uses might be contemplated to increase employment activity or complement existing facilities (e.g. the Convent), without causing conflicts with the existing employment uses.

The future of this precinct is largely dependent on the presence of the Carlton United Brewery which occupies around half its area. Were the brewery to relocate and the site developed for alternative uses, it would require the introduction of a more permeable street structure. The precinct is large enough to accommodate employment and housing, and community uses and education facilities should they be required. Integration with the Victoria Street Activity Centre and appropriate interfaces with existing residential areas are further considerations. Open space connections including enhancing the accessibility to and along the river should be included. A significant contribution to sustainability targets should be expected. Given the significant land value uplift that would be associated with a change in zone to allow housing and higher order employment activity, opportunities for value capture arrangements and/or inclusionary housing requirements could be explored.

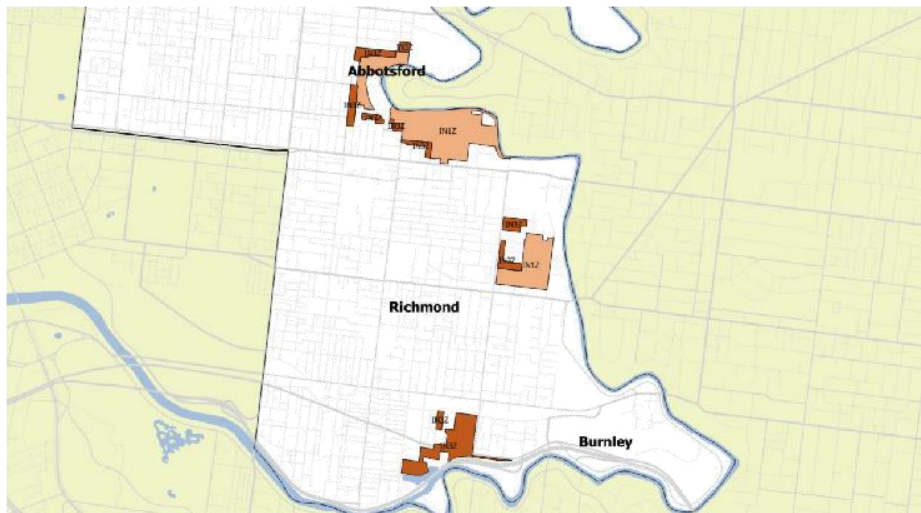
Burnley South

The Burnley South industrial precinct is an area of 6 hectares between Madden Grove and the Burnley Tunnel entrance in Burnley. This area is currently zoned IN3. Given its proximity to both Burnley Station, Swan Street and Citylink, it is the potential candidate for transition to a higher intensity of use, should CityPower vacate the precinct. This precinct would also require the introduction of a more permeable street network. Opportunities for value capture arrangements and/or inclusionary housing requirements should also be explored for this precinct.

Richmond East

The Richmond East industrial precinct is an area of almost 10 hectares generally between Palmer and Appleton Streets and adjacent to land zoned Residential, Mixed Use and Commercial 1. The precinct enjoys access to Bridge Street, Victoria Gardens and the Yarra River. Compared to the Burnley South precinct the existing industrial uses are more local population serving in their orientation. The precinct should be retained as it is one of the few locations that provides opportunities in Yarra for local urban services

FIGURE 41. YARRA'S INDUSTRIAL PRECINCTS



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APPENDIX A: CAPACITY ANALYSIS

This appendix outlines the approach used for the capacity analysis used to inform the Strategy.

Purpose

The purpose of the capacity analysis is to determine the likely capacity for employment growth on the employment zoned land in Yarra based on the current land use zones.

Approach

The City of Yarra was divided into 200 sub-precincts covering all employment zoned land, that is, land with the zoning C1Z, C2Z, MUZ, IN1, IN3, PUZ, SUZ or CDZ. These sub-precincts are shown in the map below.

Existing floor space estimates

The quantum of existing floor space in each sub-precinct was estimated using Council rates data and information from the Urban Development Program Data. The mix of floor space in terms of broad land use type – retail, commercial, industrial and institutional – was estimated using Council rates data.

Capacity estimates

Employment floor space capacity estimates for each sub-precinct used a combination of data about the existing floor space and assumption about the average intensity of development that might be expected in the future. Key assumptions used to estimate capacity are listed in the table below. In the case of areas zoned C1Z it is assumed that there is *additional capacity* for residential development above and beyond that assumed for non-residential development.

These capacity estimates assume all sites are redeveloped to the limits described in the table below Table 3.

The first and second columns identify the zone and particular precinct to which the assumptions have been applied.

The third column is the average site coverage assumption. A value of 70% suggests that, on average, a building on a site in this zone/precinct will cover 70% of the site.

The fourth column is the average number of levels assumptions. A value of 3 suggest that, on average, there will be two level of employment floor space on buildings in this zone/precinct.

Caveats

The capacity estimates assume all sites are redeveloped to the average parameters described in the table below. Not all sites will be redeveloped within the timeframe of this Strategy. Moreover, those sites that are developed might achieve higher or lower densities than the averages assumed. The exercise of estimate floor space capacity should therefore be treated as indicative only, however it is the most logical process for assessment total capacity.

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TABLE 8. EMPLOYMENT FLOOR SPACE CAPACITY ASSESSMENT ASSUMPTIONS

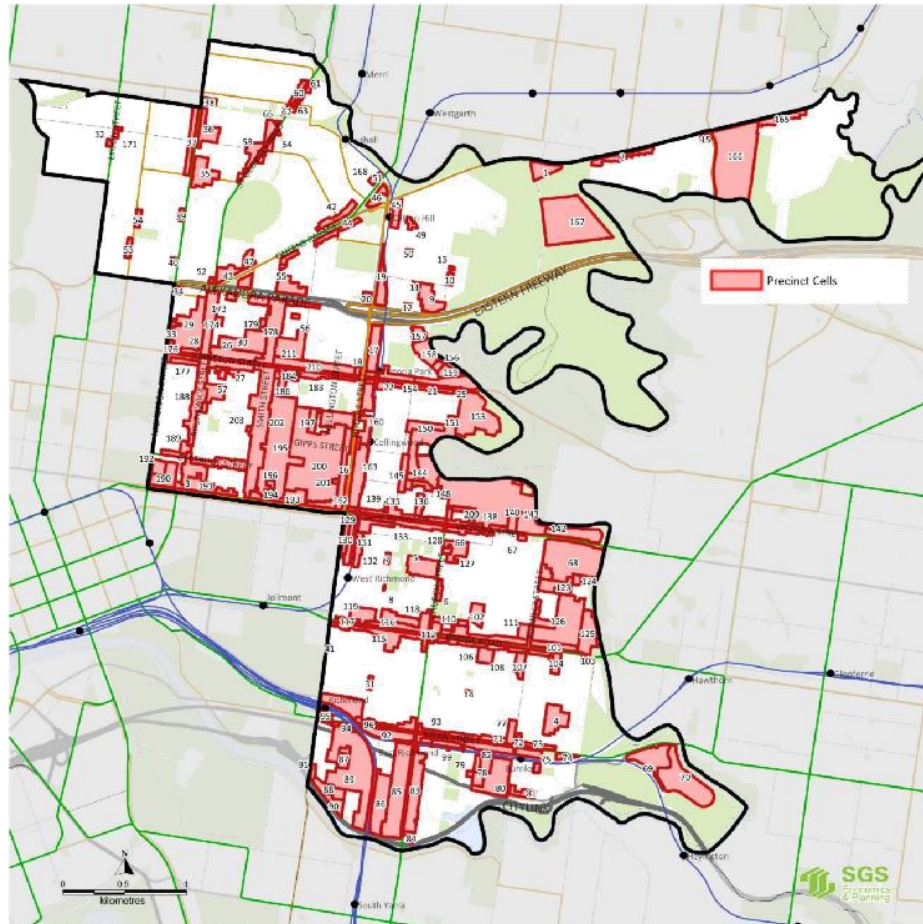
Zone	Location	Site cover	Floors of employment floor space	Notes
C1Z	All	70%	2	
C1Z	Botannica Office Park	70%	4	This office precinct supports a higher density of employment compared to Yarra's tradition retail centres.
C2Z	Gipps and Cremorne precincts	70%	3	A higher density of development has been assumed in these key employment precincts
C2Z	All other C2Z land	70%	2	
MUZ	All	70%	Min. 0.5; Max. 1.0	Assumes some mixed uses zoned areas will lose employment floor space; but will hosts <i>not less than</i> half of one storey.
IN1	All	70%	1.2	Current average is 1.0. Assumes some opportunity for intensification.
IN3	All	70%	1.2	Current average is 0.9. Assumes some opportunity for intensification.
PUZ2	Public Housing, (Collingwood); University of Melbourne (Burley)	No capacity	No capacity	Assumed no capacity.
PUZ2	Kanga TAFE	70%	2.0	
PUZ2	Carpark, Gym and Police Station (Bridge Road); Fitzroy Public School; Neighbourhood Justice Centre; Melbourne Polytechnic (Collingwood Campus); Collingwood English Language School.	No capacity	No capacity	Assumed no capacity across this range of facilities. Melbourne Polytechnic already quite dense.
PUZ3	St Vincents Hospital	70%	9	Currently supports average of 6.3 employment floors.
PUZ3	Aged Care Facility; Riverside House Nursing Home; Thomas Embling Hospital	No capacity	No capacity	Assumed no capacity across this range of facilities.
PUZ4	Queens Pde (com uses on Transport Zone)	70%	0.5	
PUZ6	Yarra City Council (Bridge Road); Collingwood Town Hall; Richmond Rec Centre; Fitzroy Swimming Pool	No capacity	No capacity	Assumed no capacity across this range of facilities.
PUZ7	Fire Station (Church Street)	No capacity	No capacity	Assumed no capacity.
PDZ1	Green Square Development	70%	0.5	Lower employment capacity as mostly residential development
CDZ1	Ikea and Bus. Park	70%	3.3	Currently supports average of 5.3 and 3.3 employment floors.
CDZ3	Nylex Site	70%	1.0	Assumed one level of employment.
SUZ5	Epworth Hospital	70%	7.0	Currently supports average of 4.8 employment floors
SUZ4	Abbotsford Convent	No capacity	No capacity	Assumed no capacity.

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Base precincts

For the capacity analysis, Yarra's employment lands were classified into precincts.

FIGURE 42. BASE PRECINCTS FOR CAPACITY ANALYSIS



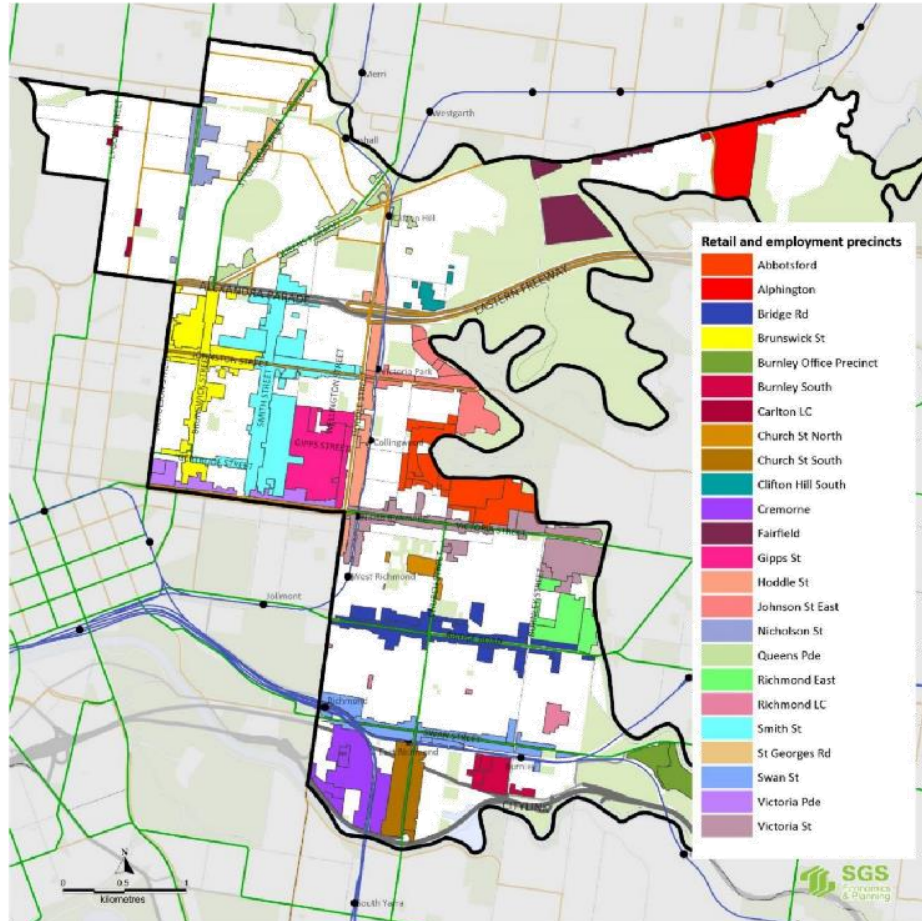
Source: SGS Economics and Planning

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Aggregation to employment precincts

The precincts were grouped into their larger precinct areas that correspond to City of Yarra's Activity Centre and other employment precincts.

FIGURE 43. YARRA'S EMPLOYMENT PRECINCTS



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Precinct classification

Aggregated precincts have been classified as AC of other employment based on retail versus commercial/industrial dominance (using employment floor space data):

- Centres with over 30% retail floor space were defined as retail precincts.
- Major retail precincts (ACs) are those with over 50,000 square metres of employment floor space
- Major employment precincts are those with over 50,000 square metres of employment floor space
- Other precincts defined as ‘minor’ small/local.
-
- Commercial and industrial uses have been grouped as they are difficult to separate in the Yarra context.

Each centre sits on a continuum rather than having a clearly defined category and several centres could arguably be categorised differently.

TABLE 9. YARRA’S ACTIVITY CENTRES AND EMPLOYMENT PRECINCTS

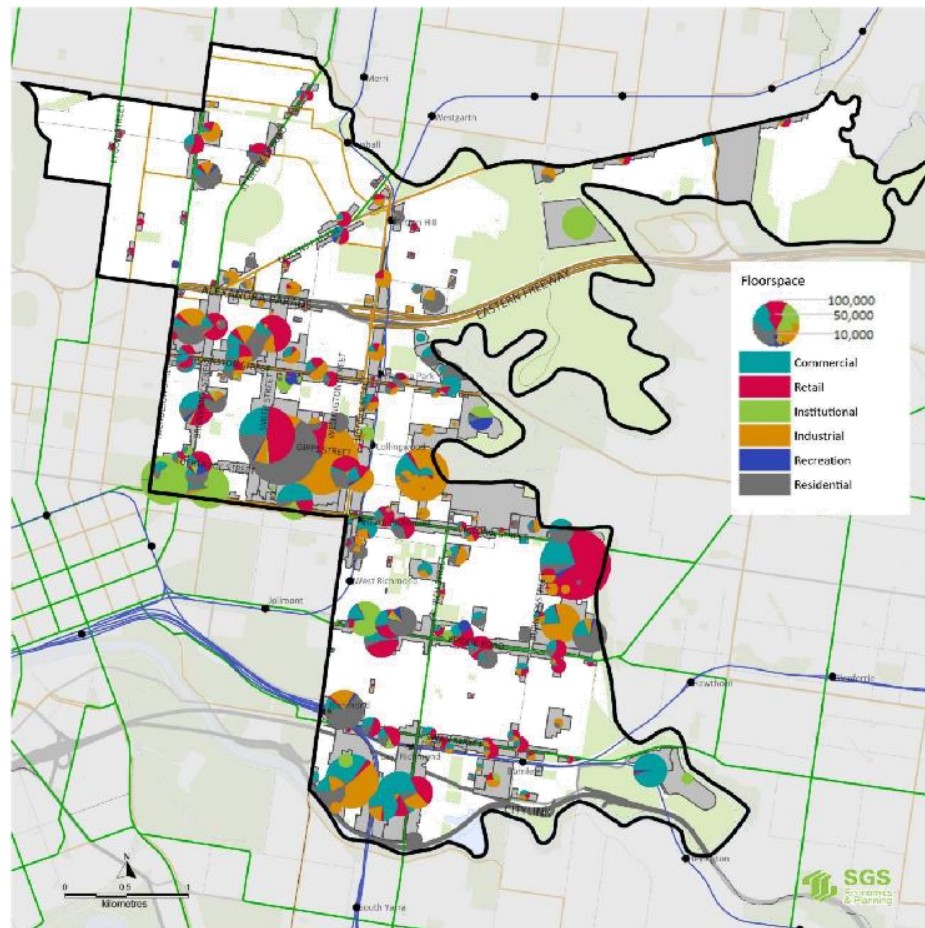
	Precinct name	Precinct type	Designation*	Notes
	Bridge Road	Retail	Activity Centre (PM)	
	Brunswick Street	Retail	Activity Centre (PM)	Incl. Johnston west of Smith St
	Smith Street	Retail	Activity Centre (PM)	Includes Gertrude Street
	Swan Street	Retail	Activity Centre (PM)	
	Victoria Street	Retail	Activity Centre (PM)	Includes Victoria Gardens
	Johnston Street East	Retail	Neighbourhood AC	
	Queens Parade	Retail	Neighbourhood AC	Clifton Hill and North Fitzroy
	Nicholson Street	Retail	Neighbourhood AC	Carlton North/North Fitzroy
	St Georges Road	Retail	Neighbourhood AC	North Fitzroy
	Alphington	Retail	Neighbourhood AC	Will incl. AMCOR retail/comm.
	Carlton	Retail	Local Activity Centre	Rathdowne Village and Lygon St.
	Richmond	Retail	Local Activity Centre	Three small centres in Richmond
	Abbotsford	Employment	Major	Predominantly industrial
	Church St South	Employment	Major	Mixed employment
	Cremorne	Employment	Major	Mixed employment
	Gipps Street	Employment	Major	Mixed employment
	Victoria Parade	Employment	Major (HEP)	Predominantly institutional
	Fairfield	Employment	Minor	Predominantly institutional
	Burnley Office	Employment	Minor	Predominantly commercial
	Burnley South	Employment	Minor	Mixed employment
	Church Street North	Employment	Minor	Mixed employment
	Richmond East	Employment	Minor	Predominantly industrial
	Clifton Hill South	Employment	Minor	Predominantly industrial
	Hoddle Street	Employment	Minor	Predominantly industrial

Source: SGS, 2015. * Plan Melbourne designations: PM = Activity Centre; HEP = Health/Education precinct.

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Existing floor space

FIGURE 44. EXISTING FLOOR SPACE BY BROAD TYPE



Source: SGS, 2015.

APPENDIX B: ZONING

FIGURE 45. CARLTON NORTH, FITZROY NORTH AND CLIFTON HILL ZONING

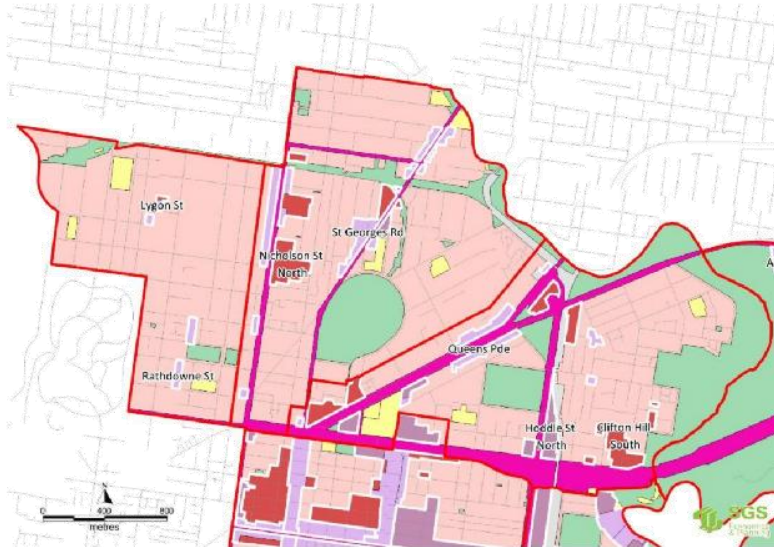


FIGURE 46. FAIRFIELD-ALPHINGTON ZONES

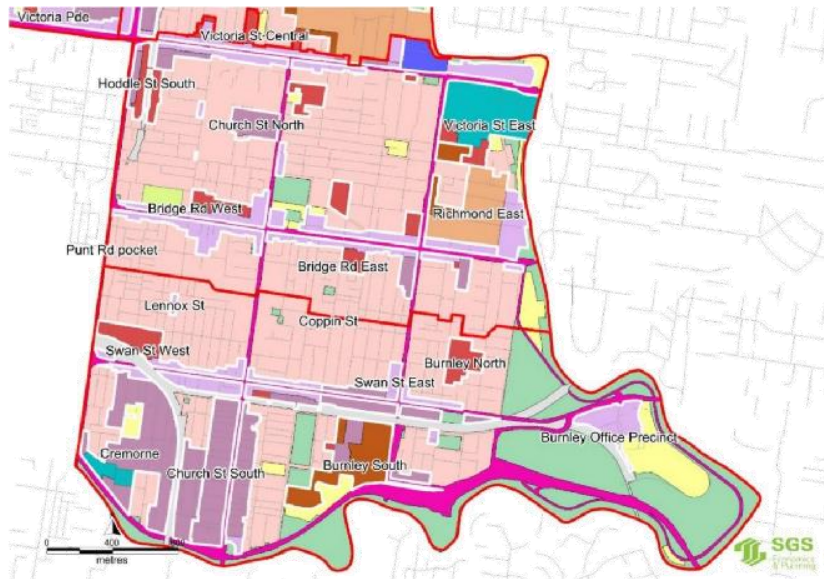


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FIGURE 47. FITZROY, COLLINGWOOD AND ABBOTSFORD ZONES



FIGURE 48. RICHMOND AND BURNLEY-CREMORNE ZONES



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Spatial, Economic & Employment Strategy (SEES)

August
2018

Consultation Outcome Report



Attachment 2 - SEES Consultation Outcomes Report _FINAL (Appendices)

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Attachment 2 - SEES Consultation Outcomes Report _FINAL (Appendices)

Spatial, Economic and Employment Strategy Consultation Report

1.0 Introduction

1.1 Purpose

The purpose of this report is to provide summary of the consultation activities that were conducted to inform the development of the draft Spatial, Economic & Employment Strategy (SEES).

1.2 Background

The purpose of the draft Spatial, Economic & Employment Strategy (SEES) is to provide guidance on managing growth and change in employment and economic activity.

Yarra City Council is planning ahead for our changing city. Once a strong hold of traditional manufacturing industry, there is now growth in health care and education, professional service, bespoke manufacturing, creative industries and retail and hospitality.

The draft SEES was prepared to ensure Yarra makes the most out of these changes. The draft SEES is our plan for how Council can best support our changing economy and ensure there is land available to support our economic strengths and future employment growth.

The SEES outlines six key Strategic Directions for planning Yarra's economic future:

1. Support employment growth in Activity Centre
2. Retain and grow Yarra's Major Employment Precincts
3. Identify preferred locations for housing growth
4. Support the expansion of health-related employment and service in Yarra's health precincts
5. Retain other C2 zoned precincts (unless future strategic planning processes support their change)
6. Retain Yarra's existing industrial precinct

The strategy has been developed following the Liveable Yarra project, which brought together people representing Yarra's diverse community to consider the complex challenges and opportunities of managing growth and change in our city.

2.0 Summary of Activities

A number of consultation activities were conducted by Yarra City Council to provide the community of Yarra with key information involving the SEES and give opportunity for stakeholders and the community to provide valuable feedback on the draft document.

Council consultation activities included:

- Targeted consultation;
- Social media promotion; and
- Surveys conducted through Your Say Yarra.

An outline of each consultation activity and the engagement and response is outlined below in this report.

2.1 Targeted Consultation

Targeted consultation was undertaken to inform the preparation of an issues and options paper and the draft document.

2.1.1 Local stakeholders

Preparation of an *Issues and Opportunities* paper in 2015 included: consultation with a variety of businesses, hospitals, landowners and industry stakeholders. This consultation provided qualitative analysis of the key issues impacting on the future success of Yarra's retail and employment precincts.

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2.1.2 Liveable Yarra

Discussion with the Yarra community on business and employment occurred in 2015 through *Liveable Yarra Project*. This project provided an opportunity to have an in-depth conversation with the community on how Yarra can adapt to the challenges and opportunities brought by growth and change. The deliberative engagement process included the 'peoples' panel', which consisted of residents selected to represent the broader community.

The draft SEES responds to the *Liveable Yarra Panel's* vision for business and employment in Yarra, which is for a "...diverse and growing business community". The Panel's recommendations included, amongst others:

- Encourage mixed use in development including small spaces for business; and
- Retain land for non-residential uses to support arts, culture and other employment and economic uses.

Further detailed finding of this engagement is in the *Liveable Yarra Engagement Summary report* (Capire and City of Yarra, October 2015).

The *Liveable Yarra Reference Group*, which was drawn from the broader 'peoples' panel', has been meeting throughout 2017 to discuss various topics that are informing the planning scheme re-write. A presentation on the drafting SEES was made to the Group on 22 August 2017, which outlined the trends and drivers for Yarra's economy, the planning context, demand and capacity, and special strategies.

2.1.3 Business Advisory Group

On 6 July 2017, SGS attended Council's *Business Advisory Group (BAG)*, to present the strategic directions recommended for the management of Yarra's employment land over the next 10-15 years. Many of the matters raised by BAG members were beyond the scope of the SEES as they related to parking and transport; housing affordability; and directing growth around train stations. Relevant matters included the:

- Need for the management of amenity expectation in the mixed use zone; and
- Potential for changes to the Commercial 2 Zone would create uncertainty in terms of business activities.

In response the SEES will include a clear expression of intent for any potential changes to C2 land.

A subsequent presentation was made to the BAG in April 2018, outlining how the strategies are proposed to be incorporated into Local Planning Policy in the draft Yarra Planning Scheme.

2.1.4 Local Businesses in our Major Employment Precincts

Two workshops were held in late November and early December 2017, with business from two major employment precincts in Yarra: Collingwood (around Gipps Street and Easey Street) and Cremorne. These areas are predominantly Commercial 2 Zone (C2Z).

The purpose of these workshops was to:

- Inform the business community of the preparation of the SEES, its role in the Planning Scheme re-write, and the extent to which it can manage, guide and promote employment in the city; and
- Obtain feedback from business representatives on their experiences in Yarra's major employment precincts.

Each workshop included time for recording individual comments and open discussion. Key findings common to both workshops included:

- Passionate about their local area;
- Location is important;
- The look, feel and industrial history is an attractor;
- Rents are increasing;
- Parking and transport;
- Local open space and pocket parks;
- Poor internet;

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- Changing nature of working environments;
- Balancing the needs of business and residential uses; and
- Social issues.

A summary of the workshops are included in **Appendix 1**.

2.2 Exhibition of Draft SEES

Exhibition of the draft SEES occurred from 26 March to 30 April 2018. It was co-ordinated with the process for the draft housing strategy, to allow the community to understand the pattern of economic and residential land across the municipality. This section describes the exhibition process and feedback.

2.2.1 Information Sessions

The draft SEES document was made available on line and in key Council locations, such as; Council town halls.

The community was invited to information sessions to speak with a council planner on:

Monday 16 April
5pm to 7pm
Richmond Town Hall
333 Bridge Road, Richmond; and

Friday 20 April
12 midday to 2pm
43 Derby Street, Collingwood.

Promotion of the draft document and information sessions was done through the Council's webpage; social media (Facebook, Instagram and Twitter); Yarra's ENews; postcards and direct emails.

2.2.2 Social Media

The communications team at Yarra City Council uploaded 8 posts on the social media network of Facebook over a 4 week period (6 April 2018 – 27 April 2018). In addition, several 'tweets' were posted on the social media website of Twitter. This consultation activity reached more than 17,000 Facebook users and amassed a total of 127 likes, comments and shares.

This engagement activity shared information about:

- Local traders opinions on trade;
- Rising number of knowledge workers;
- How Yarra is planning the places and spaces in Yarra;
- Yarra's biggest employment sector being health care;
- The changing economy in Yarra;
- Trends in shopping and eating in Yarra;
- Fastest growing employment sector being knowledge, health care, retail and hospitality; and
- Predictions for Yarra's future.

Through these social media posts and promotion of the SEES there was 104 click throughs to the Your Say Yarra survey.

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2.2.3 Your Say Yarra

The website (<https://www.yoursayyarra.com.au/SEES>) included information about the draft SEES document, outlining that 'Yarra's draft Spatial, Economic and Employment Strategy aims to ensure key precincts and land are available to support our economic strengths'. The directions in the strategy will inform local policy through our planning scheme supporting ongoing job opportunities and a future ready Yarra'. The webpage included the following:

- The six Strategic Directions;
- Frequently Asked Questions (FAQs);
- Document Library (including the draft strategy);
- The Spatial Structure Plan Map;
- Glossary of planning terms;
- The project life cycle; and
- Contact information.

Additionally, a survey tool was available for community contributions and further engagement. The survey gathered basic demographic data (age, location, and status in Yarra) and asked contributors to rank their opinion on how effective each strategic direction is for planning Yarra's economic future.

• Website Usage Data

In total there have been 426 total visits to the Your Say Yarra website - Guiding Yarra's Growth – draft Spatial, Economic and Employment Strategy.

Aware Participants		426	Engaged Participants				20
Aware Actions Performed	Participants		Engaged Actions Performed	Registered	Unverified	Anonymous	
Visited a Project or Tool Page	426		Contributed to Forums	0	0	0	
Informed Participants	200		Participated in Surveys	2	0	18	
Informed Actions Performed	Participants		Contributed to Newsfeeds	0	0	0	
Viewed a video	0		Participated in Quick Polls	0	0	0	
Viewed a photo	54		Posted on Guestbooks	0	0	0	
Downloaded a document	99		Contributed to Stories	0	0	0	
Visited the Key Dates page	0		Asked Questions	0	0	0	
Visited an FAQ list page	15		Placed pins on Maps	0	0	0	
Visited Instagram page	0		Contributed to ideas	0	0	0	
Visited Multiple Project Pages	143						
Contributed to a tool (engaged)	20						

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Survey Respondents

The Your Say Yarra Survey (now closed) attracted 20 contributors submitting 22 contributions. The survey, located in the Appendices of this report, asked the following questions:

- What is your relationship to the City of Yarra (Please tick the boxes that apply to you).
- Please select the age range that applies to you.
- For each Strategic Direction - On a scale of 1 to 5 how effective is this strategic direction in planning for Yarra's economic future?

Respondents were primarily from Richmond aged between 36-65 years of age, see below.

Suburb in City of Yarra		Age Range		Relationship with City of Yarra	
Richmond	5	25 and Younger	0	Rent in Yarra	5
Fitzroy	2	26-35	2 (10%)	Owned in Yarra	9
Richmond North	2	36-45	6 (30%)	Property Developer/Investor in Yarra	4
Carlton North	1	46-55	6 (30%)	Work in Yarra	8
Richmond East	1	56-65	5 (25%)	Business Owner or Operator in Yarra	4
Clifton Hill	1	65+	1 (5%)	Looking for Work in Yarra	2
Fitzroy North	1	Skipped	2	Other	4
Outside Yarra	3				
Skipped	5				

3.0 Summary of Feedback from the Exhibition of the draft SEES

The draft SEES document received feedback from all consultation activities. Outlined below is a summary of the feedback to the strategy. Feedback includes, general comments, concerns, identified issues and suggested improvements. Whilst not all issues have planning solutions or solutions through the SEES, all feedback has been included within this report.

3.1 Key Issues

Consultation with the stakeholders gave the community opportunity to identified strengths and key issues whilst suggested areas for improvement within the draft SEES document, see **Appendix 1** and **Appendix 2**.

The final aspect of the Your Say Yarra Survey asked for any gaps contributors saw in the draft SEES and Strategic Direction. Responses included:

- Green space;
- More consultation on what the future city will look like;
- Parklands retained; and
- Public space and public housing.

3.2 Six Strategic Directions in the draft SEES

Your Say Yarra encouraged visitors to participate in a short survey and rate, on a scale of 1 to 5, how effective the six strategic directions were in planning for Yarra's economic future. With 5 being the 'most effective' and one being 'least effective'.

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	<i>Effectiveness</i>					<i>Average Score</i>
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	
<i>1 Support employment growth in Activity Centre</i>	1	2	4	6	5	3.67
<i>2 Retain and grow Yarra's Major Employment Precincts</i>	2	1	3	9	3	3.56
<i>3 Identify preferred locations for housing growth</i>	2	1	3	9	3	3.56
<i>4 Support the expansion of health-related employment and service in Yarra's health precincts</i>	0	0	4	10	4	4
<i>5 Retain other C2 zoned precincts (unless future strategic planning processes support their change)</i>	0	1	7	9	1	3.56
<i>6 Retain Yarra's existing industrial precinct</i>	1	3	3	7	1	2.72

The survey also questioned the strengths and areas for improvement for each strategic direction.

Common response themes, in no order of importance, included:

- Accessibility between precincts;
- Built form;
- More consideration for higher education services, specifically ACU;
- Public space;
- Traffic management;
- More parking options;
- Retain the mixed use of areas;
- Population management;
- Increase employment land;
- Public and affordable housing;
- Parkland/green space expansion and retention;
- Manage pressures and impacts;
- Clarity of building permits in C2Z;
- Structured plan for empty buildings;
- Consideration to key large, important landholdings;
- Respect for the heritage and history;
- Acknowledge change in jobs;
- Manage vacancy rates;
- Identify opportunity for businesses;
- More consideration for the type of employment/businesses; and
- Future of the city (what it will look like).

Refer to **Appendix 2** for all survey comments on strengths and suggested improvements.

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4.0 Additional Submissions

Three written submissions were received.

Submission 1

Was from a community group in Yarra, Streets Alive Yarra, which generally supported the draft SEES. It included a number issues and recommendations to improve the document:

1. Highlighting the interdependencies between land use, economic development, employment, transport and congestion
2. Increasing the emphasis on protecting the amenity of residents where residential zones adjoin commercial zones.

In summary, the community group supports the proposed vision for Yarra's employment land and proposed objectives, however, notes that SEES is missing an acknowledgment that economic development will suffer if congestion is not managed; and that economic development can be managed in a way that minimises the negative externalities imposed upon adjoining residence.

Additionally, the submission recommended the following:

1. Adding a new section (e.g. as section 3.7) highlighting the interdependency between economic development and effective, safe transport (that mitigates the economic burden of congestion) and referencing reports from Infrastructure Victoria
2. Amending Section 5.1 (the vision) to include a reference to support for new employment being balanced with support for the amenity of existing residential uses
3. Amending Section 5.1 (the objectives) to include a reference to minimising the negative externalities on adjoining residential land uses
4. Amending Figure 39 so that residential zones in Cremorne are not included within the blue-shaded "Mixed Employment Precinct"
5. Adding a new strategy (e.g. Strategy 7) of maintaining amenity for residents located on the boundary between residential and commercial zones by requiring commercial developments to "transition down" to 3-4 storey structures on the boundary
6. Adding a new strategy (e.g. Strategy 8) of investing in safe, active transport by:
 - a. Upgrading quiet residential streets into 20-30 km/h shared zones
 - b. Constructing protected bicycle lanes on shopping streets and access streets
 - c. Constructing protected intersections where shopping or access streets intersect

Submission 2

This submission raised the following concerns:

- Underestimation of the capacity of existing employment land. The submission applied the capacity assumptions to 2 sites: 32-68 Mollison Street & 10 Victoria Crescent, Abbotsford; and 198-242 Burnley Street, Richmond. Using these specific sites as examples, the submission asserts that the potential for the employment plot ratio could be higher.
- Failure to establish a framework to realise the strategic potential of underutilised employment land. It asserted that despite there being adequate land for residential development and employment, considerations for sites to evolve can be driven by more contextual considerations, such as: Location relative to activity centres, major employment centres, high capacity transport and dwellings; Physical characteristics such as size, land constraints, and surrounding built form; and Specific needs within an area, such as public open space, and other community services and facilities.

The submission acknowledged the constraint of the Victorian Planning Provisions (VPPs) in creating an economic strategy and achieving a true mixed use site. Yet suggests Council consider alternate routes to achieve the mix use of sites – eg Comprehensive Development Zone.

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It suggested a more proactive role is needed to ensure that strategic opportunity is not lost.

Submission 3

This submission relates to 182-184 Stawell St and 173 – 177 Barkly St Burnley.

It discussed the potential of rezoning the land) to a Mixed Use Zone (MUZ), in order to utilise the full potential of the amalgamated land.

The land owners recognise that applicable planning strateies for the site currently promote the retention of commercial, business and / or light industrial related uses. That said it then requested the change be considered to allow the amalgamated site to be developed for residential and commercial use..

5.0 Conclusion

Through all the aforementioned consultation activities conducted by Yarra City Council to develop the draft SEES documents, themes of feedback. It is important to note that all issues raise do not have planning solutions. Additionally, not all issues raised are related to the SEES document specifically and are instead general comments and submissions of the municipality. The feedback has been presented in themes and the order does not reflect a preference of importance. All issues and submissions have been considered.

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6.0 Appendices:

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Appendix 1 - Business Workshops in Collingwood and Cremorne



Yarra Spatial Economic and Employment Strategy

Business Workshops in Collingwood and Cremorne
Friday 5th January 2018

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We would like to acknowledge the Wurundjeri People, the Traditional Owners of this land, and offer our respect to the past and present Elders.

We acknowledge and thank participants who took the time to participate in these workshops and have their say about their local neighbourhoods of Collingwood and Cremorne

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EXECUTIVE SUMMARY

Background

The City of Yarra (Council) together with SGS Economics and Planning is preparing a Spatial Economic and Employment Strategy (SEES). Council commissioned Social Fabric Planning to undertake two targeted workshops with a selection of business stakeholders, to gain feedback on the strategic directions emerging within the SEES.

There are areas within the Municipality identified in the SEES as significant employment areas outside of the city's activity centres and health and education precincts. These areas are predominately Commercial 2 Zone (C2Z): one major precinct is located in Cremorne, and in Collingwood there are precincts around the Gipps Street area and Easey Street area. The permitted commercial uses and activities in the C2 zone seek to protect and support employment activities.

Two workshops (one in Collingwood and one in Cremorne) were held in late November and early December 2017. Each workshop included time for recording individual comments and open discussions.

At each session, stakeholders were given an update on the city's economy and findings from the emerging SEES report. Participants were asked for specific feedback regarding:

- Why did they decide to locate or work within the City of Yarra?
- What is keeping them in these C2Z areas?
- What is making it difficult to stay?
- Expectations and opportunities regarding Council's role in supporting their activities in the future.

Recruitment

It was important to understand the different needs and wants of a range of business groups, including for their different activities and different pressure points with the residential interface including operating/trade hours. An invitation was sent to key businesses across a range of business types and locations in each area. The response rate was tracked, and follow-up phone calls were undertaken to encourage participation. For those interested in the session but unable to attend, a short online survey was developed to support their interest in the project.

Collingwood:

- Number who attended the workshop: 15 representatives from 10 businesses
- Did not attend but completed survey online: 2 representatives from 2 businesses

Cremorne:

- Number who attended the workshop: 15 representatives from 12 businesses
- Did not attend but completed survey online: 2 representatives from 2 businesses

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KEY FINDINGS

Consistent feedback from both groups

The following section provides a summary of the issues and ideas consistent across both groups. The feedback is based on the workshop notes and individual feedback provided by participants. The areas of Collingwood and Cremorne are also referred to as precincts in this section. The feedback is presented under themes and the order should not be considered as a preference of importance. All issues have been considered equally.

Passionate about their local area

Participants took part in passionate and respectful conversations, and all cared deeply about where they worked, seeing significant local opportunities for making the areas even better places to work in the future.

Both groups saw themselves as part of their local areas, less so about being part of the City of Yarra and more about the Collingwood/Fitzroy and Cremorne local areas.

Location is important

The location, being close to but not within the central business area of Melbourne, was a strength of both precincts. Being close to other like-minded people and the clustering of like businesses was also seen as a contributing factor as to why businesses choose to operate in the areas. Others liked being close to home and the convenience of public transport and proximity to freeways and major roads. Some participants talked about the location of bars and eateries and social activities and how this results in a great working lifestyle.

The look, feel, and industrial history is an attractor

The heritage buildings, urban feel, built form, scale, vibrancy and community connections were identified assets of both areas. The ability to know local retailers, the diversity of people, having lots of choices, being bespoke and not like everywhere else was a positive reason for being and staying in the precincts. Some participants suggested the vibrant environment also played a role in attracting employees. Some identified that older heritage buildings had poor environmental properties and requested more support from Council for architectural and environmental outcomes in their neighbourhoods. Some participants in the Cremorne group talked about the important social history of the area, including the Pleasure Park and connections to the Yarra River Corridor.

Rents are increasing

Both groups identified that lower rents in the precincts were an initial attractor to the area, but that rising rents and finding suitable office space were making it difficult to stay. Some participants suggested there was not enough diversity of rental spaces regarding size and scale of floorspace and that sometimes this limited opportunities for businesses with more than 40-50 employees. A number of participants suggested the increase in rent is driving away the creative industry and resulting in a more homogenous business type. Other participants suggested they had made significant investments in their properties (for example fit-outs, studio recording spaces) but that increasing rents were making it very difficult to stay.

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Parking and transport

Some areas of the precincts were identified as having very few parking options. Some participants thought it was difficult for clients to find a carpark and that this was impacting their business. Others said employees also found it hard to manage daily parking needs, with people leaving the office to “move their car”, which has an impact on productivity. One participant, at the Cremorne workshop, promoted that they pay client uber travel costs to remove this barrier.

Local open space and pocket parks

Both groups identified their inner urban city locations and the importance and need for improved access to nature (trees, grassed areas and open spaces). This was considered important: to provide an outdoor space for lunchtime, somewhere to sit and eat outdoors, for children to play and somewhere to meet after-hours. The urban feel and “urban heat island” effects associated with global warming were also identified as issues that needed to be managed by Council.

Internet service

Both groups identified very poor internet services and said that it is simply not good enough for inner-city locations. Most participants thought this was a priority if Council wanted to increase business growth in the future.

Changing nature of working environments

Many participants identified the need for the SEES to reflect the changing nature of working styles and habits. Many organisations encouraged working from home, hot desks and working hours outside of the 9-5 format. Some participants suggested this played out in a range of ways, for example, parking restrictions incorrectly assume residential use for one part of the day, whilst business use it for the remainder of the day. In practice, many businesses can be operating in international time zones or encouraging and supporting employees to work more flexibly to achieve work/life balance.

Balancing the needs of business and residential uses

There was a strong desire for the precincts to be thriving environments where individuals can live, work and play locally. The Cremorne group saw the need for more people on the streets (particularly a dusk or at night) to make the place safer and more vibrant at all hours. The Collingwood Group saw the need to better balance business and residential needs with many suggesting that too much focus is being placed on residential needs.

Social issues

Both groups touched on the need and want for businesses to support various social issues facing their neighbourhoods. This included some discussion about the importance of supporting social enterprises, providing more affordable housing, outreach services and public outdoor spaces to support a greater mix of socio-demographic groups. There was some discussion about homelessness issues too, and a desire to support and “know what to do” when they saw someone experiencing homelessness or other life challenges.

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Specific comments relating to the Collingwood precinct

Built form

Built form, the urban design of streets and the retention of heritage facades were themes strongly discussed by this group. They want to see improvements to the way housing growth is managed as an interface between businesses and residential uses. For example, many saw the demolition of facades and tower developments as having a negative impact on the business opportunities in the area. Some participants requested Built Form controls to be introduced to the CZ2.

Safety

Petty crime, safety of goods within cars and buildings and improvements to street lighting were strong themes for this group. This translated to some people feeling unsafe in some areas of the precinct. Some participants acknowledged that public safety had improved in recent years, but that there was a continued need to make the area safer through better management of graffiti, a street lighting strategy and increased opportunities for passive surveillance.

Conflict between urban uses and residential needs

The conflict between residential uses, car parking, access and land uses was a strong theme for the Collingwood group. They want to ensure the vibrancy and activities that have made Collingwood an interesting place are balanced with the expectation of new residents moving into the area; for example, management of noise relating to live music venues, night-time activities, loading zones, regular rubbish removal and other business or entertainment activities were seen as important activities to preserve and protect. There was some discussion about the impact that construction is having on their businesses - specifically the impact of closed roads, access points, noise and dust.

Rubbish and composting

The group had some discussion about the need for more Council support for sustainable business practices. This group had strong representation from the food and beverage sector, and many participants thought Council could be doing more to support composting, recycling and greener waste management.

Transport corridors

There was some discussion about public transport access to the precinct and that the recent changes to Victoria Parade (including the elimination of parking) had made it more difficult to get to and from offices/studio spaces. Some ideas included Council taking a stronger advocacy role with Public Transport Victoria and VicRoads to improve public transport outcomes for workers - not just residents. Other ideas included having a centralised carpark and green walking paths/connections across the precinct to help support the greening of the areas while also responding to limited parking options.

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SPECIFIC COMMENTS RELATING TO CREMORNE PRECINCT

The need for the SEES to take a technology and place-based approach were strong themes raised by this group. A key message for this group was to consider the Cremorne precinct differently to other business areas of the City of Yarra. This group feels Cremorne is unique and connected as a local community but also as a global community too.

Support for being a technology innovative hub.

Overwhelmingly there was a strong message to Council that Cremorne was the technology hub of Melbourne (if not Australia) and Council needed to do more to maintain this status. The biggest issue was the quality of the infrastructure. They felt Cremorne plays an important and unique role for the municipality and prioritising the roll-out of the National Broadband Network (NBN) in Cremorne needs urgent attention. One participant suggested it was “embarrassing” and completely contradicted the role of Cremorne as a global innovation hub.

Lighting and weather protection

Many participants talked about the vibrancy and feel of Cremorne during the day, but acknowledged its lack of safety and vibrancy at night. The area’s heritage value-added character to the streets, but sympathetic improvements to buildings (and streets) were required to improve lighting and provide cover from the sun or rain, particularly when moving through the area. Some participants identified the need for safe pick-up points for transport - possibly three key areas of the precinct for uber/taxi drop-off and pick-up points that were safe, with good passive surveillance and with weather protection.

Consolidating employment uses into one precinct

The principle of the CZ2, which presume employment uses, was challenged by some, with a number of participants seeing the assumptions of the SEES about land uses being autonomous difficult to comprehend. Many participants thought the creative and unique nature of the area needs a more fluid land use typology that allows a range of uses and activities.

Fairer access to council services

There are limited residential uses within Cremorne. Some participants thought the area was not as well serviced as other areas of the municipality. Requests were made for more frequent street cleaning, improved lighting and an enhanced public realm. This included access to more public open space, seating, public rubbish bins and bicycle parking.

Improved pedestrian amenity to and from the precincts

Some participants requested improved walking and cycling connections into and around Cremorne. This included better footpaths, seating and pedestrian linkages and management of the car and pedestrian interface, with many feeling that cars were dominating some streets. The area around Cremorne Street and Swan Street and the connections across Punt Road, to the Yarra River and Grosch’s Paddock, were identified as areas needing improved pedestrianisation.

Need for better traffic management.

Some participants recognised that there was no easy solution to managing car parking stress in an around the precinct. They noted that an increase in supply often leads to more demand for car parking and that locations comparable to Cremorne overseas were not car oriented. Some identified that one problem was that many

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businesses expected onsite/nearby access to carparking and that better pedestrian/cycling consideration and active transport urban design improvements, might help reduce this dependence.

Allowing more residential uses in the area

Many businesses within Cremorne are technology start-ups or creative businesses. Some participants highlighted the intense working hours required at the initial stages of these types of businesses and suggested that the area should support some level of accommodation: anything from on-site caretakers' units to allowing one or two-level developments above their businesses. There was some appetite for moving toward a Mixed-Use Zone (MUZ) over maintaining the Commercial 2 Zone that doesn't permit any residential use. It was noted that the positives of this change in land use would help provide night-time activity, improve passive surveillance and create an urban environment that supports living, working and recreating in the one location. Some thought this would bring more socio-economic diversity, more families and more activity. The 'City at Eye Level' planning concept was raised as a concept to be explored for Cremorne to promote active building frontages (i.e. windows, plants, colour) as opposed to blank walls of provision for cars.

Stronger support for the innovation district

Supporting Cremorne to be an innovation district was highlighted as a key opportunity for the precinct. It was suggested that Cremorne meets the criteria and elements of an innovative district by being a 1km x 1 km precinct, including industrial, education and mixed uses. Many saw the need for the SEES to identify this opportunity.

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CONSULTANT OBSERVATIONS

Success in achieving an interesting mix of ideas

This process has provided Council with an understanding of different insights and opinions about being a business operating in the Gipps and Easey Street areas of Collingwood and Cremorne. The sessions had representatives from a range of commercial operations, however, the engagement design and reported analysis takes a qualitative approach and it's important to note that each session had participants from twelve businesses, so the findings should be considered as insights and not treated as a comprehensive view of the issues by all businesses in the area. The sessions were welcomed, and a positive, constructive and respectful exchange of ideas was achieved. I encourage Council to undertake more work with this stakeholder group in the future as they seemed generally appreciative of being engaged and asked their opinion on local planning matters.

The concept of heritage

Throughout this report, the importance of retaining and embracing the heritage and stories of the areas came through in different ways. This term should be read as Local, European and Indigenous Heritage. There is a strong commentary about heritage buildings but the reference to land and open space and opportunities to also embrace the indigenous heritage of the site and area should not be missed, particularly considering the interesting history of Cremorne and the connection to the Yarra River.

Neither groups identified themselves as the City of Yarra and had different scales of connection to place

Both groups had strong connections with place. The Collingwood group saw themselves as part of the Collingwood/Fitzroy area, and had a strong sense of pride about being in the inner-north of Melbourne. The Cremorne group had a strong connection to Cremorne but also saw themselves as part of a global community, with many references to Silicon Valley (USA), Europe and Asia.

Council role and focus

In both conversations, there was an underlying feeling that Council has focused on residential growth in recent years, and that business needed more attention. The Collingwood group had a strong conversation about the impacts of residential uses on their businesses - this is mainly due to the nearby mixed-use land zoning and the increase in residential uses around the nearby activity areas of Smith and Brunswick Streets, whereas the Cremorne group raised issues regarding access to better local services and support for their unique business offering around innovation.

Learnings from this piece of work need to be informed/shared with other areas of Council

As with any community engagement processes, the group's feedback was not siloed to just inform the SEES strategy. There is some constructive feedback regarding transport and car parking, arts and culture, residential uses and economic development, and this information should be shared with other areas of Council.

Parking issues

There was some contradiction between the parking wants and needs of workers and the inner-city location. Many participants thought the precincts were well-located with good access to public transport, but also identified parking as a key issue. Participants in the Cremorne group identified the complexity of the issue, but both groups could benefit from a detailed transport strategy and improved opportunities for active transport. Both precincts would benefit from green corridors and strategies that reduced car dependence. After the workshop, one

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participant provided a copy of a Brookings report and highlighted this tension in car parking policy and location

"Reducing zoning-related parking minimums to encourage multimodal transportation. If the innovation district location is sufficiently well served by various transportation modes, then the zoning regulations that require a certain minimum amount of parking can be reduced within a designated area. The reduction or elimination of parking can enhance both pedestrian vitality (few facades are more deadening) to the pedestrian experience than a multilevel parking structure or a surface parking lot) and improve the potential for interaction by reducing the isolation of individual developments in the district."

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USEFUL RESOURCES:

The following resources are relevant for the issues raised throughout this report and provide Council with some additional useful resources.

Connect Respect

<http://www.melbourne.vic.gov.au/community/health-support-services/social-support/Pages/connect-respect.aspx>

The program is described as follows:

The City of Melbourne and Council to Homeless Persons are working collaboratively with businesses located in the City of Melbourne to build their understanding of, and support their response to, homelessness in the city.

The Connect Respect program was developed to address an increase in reported concerns by local businesses about the growing impact of rough sleeping and street begging on their operations and the safety of their staff and customers

The program provides training to businesses on how to connect with people experiencing homelessness so that they have the confidence and knowledge to respond in an inclusive and respectful way.

The pilot project commenced in 2015 in the busy area bordered by Elizabeth Street, Swanston Street, Flinders Street and Flinders Lane. Through consultation and engagement, it was found that many businesses – large and small – were interested in becoming involved in developing local solutions for people experiencing homelessness, and for those who are marginalised, transient, vulnerable or unwell.

Businesses, and people whose work brings them into contact with people experiencing homelessness are encouraged to participate in the Connect Respect training, which is tailored specifically to their business and staff needs.

Other information provided by participants

The following information was forwarded by a participant following the workshops:

- 'City at Eye Level' information cards developed by the cremorne.co initiative (see Appendix 3).
- Brookings report "Advancing a new wave of urban competitiveness: The role of mayors in the rise of innovation districts" by Julie Wagner, Jennifer S. Vey, Steve Davies, and Nathan Storrington, June 2017. Available at: <https://www.brookings.edu/research/advancing-a-new-wave-of-urban-competitiveness/>
- Brookings report "The Rise of Innovation Districts: A New Geography of Innovation in America Bruce Katz and Julie Wagner", May 2014. Available at: <https://www.brookings.edu/essay/rise-of-innovation-districts/>

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APPENDIX 1: NOTES FROM COLLINGWOOD WORKSHOP

Notes from the whiteboards

Why did you choose Yarra?

- Close to home/lived.
- Not much opposition.
- Not so much Yarra - Fitzroy / Collingwood.
- Urban area / vibrancy / heritage / feel of area.
- Affordable.
- Allows you to grow / spatial floorspace.
- Easy to get to CBD - without parking issues.
- Onsite parking was available.
- Build on food/wine environment.
- Strong sense of community - NFP - connection to local disengaged youth.
- Proximity to the freeway.
- Access to Public Transport.
- Getting safer.

What's keeping you here?

- Opportunities to expand/grow.
- Cluster / like minded people.
- Creative industry / peer.
- Connection to community.
- More street life / activity / roller doors up.
- Lots of pubs / entertainment.
- Get to know local retailer/cafes.
- Draw diversity of people.
- Lots of choice / personality / bespoke not chains.
- Attracts employees - young team.

Issues making it difficult to stay?

- 50+ employees and it's difficult to find options.
- Commute from some areas - as residential rent increases.
- Parking - staff - customers - huge loss.

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- Meeting - don't want to come to the office.
- 2 hour parks impacts productivity business / team concentration moving cars, disruptive clients.
- Congestion back streets.
- Residential zones - timing, availability.
- Safety / lighting.
- Bin management / dumping - customer presentations.
- Limited access to paid parking.
- Can't keep coins in car.
- Bike lanes helped - increase in employees riding.
- Pedestrian linkage - public transport - train / tram.
- Internet is terrible.
- Loss of culture - focus on residents.

What have been the impacts of new development or uses in or near your locations?

What has had a positive impact?

- Creation of an entertainment hub.
- Improving street tree planting.
- Vibrancy is a great staff attractor.
- Change in demographic.
- Increased density creates greater vibrancy.
- Bike lanes and enforcement of separation.
- A better quality of diversity.
- Increasing diversity in businesses makes the area attractive for new businesses.
- Increase of creative industry in the area.
- Increase coffee, restaurants, pubs - attractive selling point (for team and clients)
- Increase sales due to increase the population.
- Staff are excited to be working in this neighbourhood.
- Getting new customers and few tradies.
- Coffee.
- Weekend trade is increasing.
- New developments have to park.
- Event spaces more hire opportunities more businesses.
- New places for employees to live.

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- New cafes.

What has had a negative impact?

- Construction activity and lack of respect for business.
- Drunks are littering and making noise late in the evening (for residents).
- Density increase bad for traffic during business hours.
- Less diversity of businesses / retail on Smith St.
- High turnover of retail / restaurant businesses means less of a connection to the community.
- Higher pricing affects types of businesses and residents that can live in the area.
- Competition and productivity has stifled creativity and diversity.
- Competition for office space - hard to grow within the Collingwood / Fitzroy area.
- Parking is very challenging for visitors, employees.
- Becoming more mono-cultural - hipsters pushing out older businesses.
- Pressure on infrastructure - IT / Services.
- Increasing business operations on create some conflict with housing commission occupants.
- Less artists able to afford to live in or near area reducing attractiveness and creating traffic issues as cannot use public transport or bikes.
- Parking for employees and clients/customers.
- Multistorey residential developments in COM1 zones like Johnston St creating tensions with live music venues.
- Lack of open spaces.
- Traffic.
- Lack of parking.
- Graffiti.
- Light industry decline or increase.

Q & A

- Do forecasts consider more towards flexible working condition - work from home, hot desks.
- What is the demand for residential? I.d. - 20% Collingwood 2011-2016 (est).
- Balance residential vs commercial.
- How much impact assessment are COY doing on long-term impacts changes to zone - MUZ.
- Balance residential vs commercial.
- Built form controls in C2Z?
- Are some creative industries being displaced by residential?

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Top ideas

1. Green Space - lunch
2. Street / traffic management - two ways
3. Vertical zoning
4. Establish approach - planning incentive facades / built form - built form protect Heritage form.
5. Information about carparking, tenancy
6. Visitors business parking permit.
7. Managing resident / business car parking demand.
8. How to create small spaces / bigger as required?
9. Build car parking building / consolidate.
10. Go get company - good idea - towing business management silos.
11. VicRoads Johnson Street - train - towing business.
12. Safe city - active presence COM model - activate streets.
13. Food waste rubbish - Com degrades.

Collingwood: Individual comments.

#	Why did you choose Yarra for your business?	What is keeping you here?	Are there any issues that are making it difficult to stay?
1	The key target area for youth homelessness/disengaged youth. Close to city where other key businesses (owned) are located. Key area for Community service engagement e.g. Collingwood/Richmond Police Stations - greater effort in collaboration.	Only been 12 months of opening - vibrancy of area. A safe place for our young people to belong.	Parking
2	Prime location. Businesses around come for food and coffee. Rent is affordable.	Business is growing. The growth and development of Yarra region.	Not at the moment. Just upset if there was two way instead of one way.
3	I chose Collingwood to develop and build my office and warehouse space as I saw it as an opportunity in terms of growth. Collingwood is close to home. I enjoy the diversity and interest in the back streets of Collingwood.	Its become much safer. Street life is welcomed.	Parking is very difficult. Open spaces - perhaps to consider? Congestion - busy small streets and built up traffic. Shopping and metres.

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#	Why did you choose Yarra for your business?	What is keeping you here?	Are there any issues that are making it difficult to stay?
4	Distance to the CBD and key business centres. Parking available with office environment for up to 25 staff. Appropriate amenities around office in terms of transport. Ability to expand office as required (luxury of floor space).	Property owned by business employees. Office still capable of meeting needs in terms of size and location.	Parking for clients is a key issue. Concern over encroachment of residential areas, as infrastructure does not seem to be keeping up with needs (i.e.. IT/NBN etc).
5	Proximity to home. Not a lot of other business's the same.	Cost of setting up. Business doing ok. See future growth in commercial population.	No.
6	30 years experience - operation. Growth potential. Creative hub - embroidery 'art'. Close to CBD = access easy.	As above plus vibrancy, unique - outlast, diversity.	Customer parking facility - 'catch 22'. Increase rate / expenses, outgoing.
7	Population. Traffic. Hire the employee.	Rent. Source of customer. What kind of customer. Office. Casual.	All development of the future. Rental increase.
8	Located close to freeway, close enough to CBD, good area. Space (converted warehouse), blank canvas, create fit for purpose. Grow with business. Cost of rent.	Rent. Building suits our business. Enjoy the location.	Parking. Public transport.
9	Lived here, nearby (still live in Yarra!). It was emerging and vibrant Street. Was unchartered territory 10 years ago.	We have invested in the building we partly occupy. Other Collaborators and new clients.	The internet is so poor I have considered leaving.
10	Vibrant place to work. Out of the CBD. Like minded businesses around.	Vibrant place to work. Out of the CBD. Like minded businesses around.	Limited supply of office space if we grow any further. Parking growing tight.
11	Community culture and support for NFP's and social enterprises. Strong concentration of NFP and social enterprise networks. Great cultural location for food and drinks. High needs area for disadvantaged youth. Business viability for hospitality as the main revenue generator and training establishment for youth programs.	Lovely location and community. Beautiful venue and donated renovations and lots of referral networks. Large site for events, meetings and production departments for wholesale.	Travel access for employees living in other suburbs (North Melbourne, Brunswick, Coburg etc). High competition in the area.

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#	Why did you choose Yarra for your business?	What is keeping you here?	Are there any issues that are making it difficult to stay?
12	The Collingwood Arts precinct and the opportunity to have a purpose built home. The interactions and possibilities with local diverse communities and other artists and creatives. We all live northside!	Our home base and affordability. Our connections to community. The vibrancy of the place. The Johnson Street commercial precinct so we have limited interplay with residents. Commitment to Arts in Yarra.	Encroach residential development, especially for a site designated as a SUZ including live music. Currently time consuming VCAT and other planning processes to ensure that existing activities do not adversely impact future residents.
13	Historical family decision. Outstanding location for access to CBD/other manufacturing businesses.	Location - central. Access for clients, for us to our suppliers. Invested in property / own it.	Challenge for clients to park.
14	Vibrant area / urban character / creative. Affordable rents. Specifically chose Fitzroy / Collingwood - don't rate all of Yarra the same way. Access to public transport. Proximity to employees homes / central location. Not CBD.	Vibrant area / urban character / creative. Affordable rents. Specifically chose Fitzroy / Collingwood. Access to public transport. Proximity to employees homes / central location. Not CBD.	As we grow we are concerned we won't be able to stay in the area because there aren't many larger office spaces available. Currently managing across two landlords. Being able to provide parking for employees without good access to public transport. Concern because more of a mono-culture - hipster culture taking over!

What are your top 3 ideas?	Why is this idea needed?
Green space, vertical gardens.	Team gathering. Space.
Public transport, parking. Source customer and staff.	No comment.
Sustainability practices.	No comment.
New MDA's for zoning. Community green spaces.	No comment.
Let the market have a stronger push on growth. Clean up graffiti.	More housing needed? Demand will drive that. More knowledge of council services.
Green spaces, compost bins. Rooftop garden. Community events. Support diverse employment.	Minimise waste, smell, utilise something for community gardens. Grow more food for helping homeless services and to cater for community events. Create more cohesion between residents. Supported pathways for groups who potentially can't access Yarra so easily etc, West, Coburg, Brunswick.
Affordable housing for low paid workers, e.g.. Artists (plus social housing). Keep COM2 zones to keep businesses and stop those areas having residents preventing additional issues. 'Encourage'/ force developers to take into account real business needs and amenities e.g. access, activation on multiple floors, proper sound proofing etc.	No comment.

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What are your top 3 ideas?	Why is this idea needed?
Council to provide information to businesses about parking options, tenancy options - assist growing business to stay in the area. Visitor parking permits. Maintaining sufficient commercially zoned land. Keeping Fitzroy and Smith St commercial precincts.	No comment.
Green Space. Buildings that are not just a block/rectangle. Impose creative designs in future residential and office/commercial buildings.	Innovative and vibrant construction, planning incentives, vibrancy in building.
Build a carpark. Collaborative workspace office share. Community / business connection.	Parking is at a premium in the precinct. Less residential more business focus. Be great to enhance business opportunities in the precinct.

Online Responses

Q1: Why did you choose Collingwood for your business/activity?

I am an employee so I didn't choose the area for the business. That's where it is based but it's a cool and vibrant area.

Q2: What is keeping you in the area?

Work but I often come here on weekends. There are a good number of IT businesses in the area and it has a good blend of commercial and residential.

Q3: Are there any issues that are making it difficult to stay in the area?

There are constant works which can be disruptive (but that's progression) and there are a lot of plane trees. This seems like a small issue but there are a number of people in the office that suffer every year through this and it could lead to abandonment down the track.

Q1 :Why did you choose Collingwood for your business/activity?

My business is an art gallery. This area is well known for the arts. There are a number of artists studios and creative hubs and other galleries too. This all contributes to a vibrant arts sector which benefits my business.

Q2: What is keeping you in the area?

The further strengthening of the arts. This is through Council support as well as more and more creatives realizing the importance of grouping in this area for economies of scale

Q3: Are there any issues that are making it difficult to stay in the area?

Absolutely! Parking has severely affected our business. Patrons/buyers constantly walk in complaining of this. The reason for parking issues in this area is, I believe Council is easily giving business permits allowing them to waiver the parking clause. This is causing a real burden.

Q4: How can the council best manage development and land use to support your business/activity, and grow the employment area?

More consideration needs to be given when permits are issued. If a permit is issued to a restaurant, REALLY consider if the area/space is suitable, so a restaurant in a congested section with NO proper area for their commercial bins is clearly an erroneous permit provision. I have that in this area, and restaurants are using car parking spaces to park their bins! Council needs to be strict on the business on parking waiver. If a business attracts large groups of clients or will be having lots of staff, surely they need to include a provision for parking, and build underground parking or alternative solution. Just relying on their words that their guests and staff will cycle or use public transport is fraught with danger. I often drive

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because I'm transporting art. 10.5 years ago I wavered the car parking clause because at that time, one got to pick where they parked. Johnston St was empty of cars in parking spots.

APPENDIX 2: NOTES FROM CREMORNE WORKSHOP

Why Cremorne?

- Be close to other creative.
- Near advertising.
- Vibe
- It was affordable - factory size / shape e.g. music studio (square)
- Can do attitude
- Make it work even when its hard e.g. parking.
- Boutique / cool - community due to size.
- Cool crowd.
- Best place that's not the CBD.
- Everyone but lawyers and accountants.
- Retained its soul - grunge, edge.
- Connections - CBD, other areas - freeway, public transport, bike path.
- Hard to get North.

What's keeping you here?

- [Access / drop off points taxis / uber - Need new thinking of moving around]
- Too expensive to move.
- Investment in property / fit out.
- Tafe - relates to industry / business in the area.
- Engaging street facades / scale encouraging interactions.
- Sense of community.
- Working with their roller doors up - insights into activities.
- Rows of MAC computers looking out.
- Well known as a creative destination.
- Promote Cremorne as a unique place.
- Richmond / Cremorne split address.
- Last studio after sing-sing - monopoly.
- History - Pleasure Park - Council to play with history.
- Lots to do - activities - Swan / food.

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Issues making it hard to stay?

- Internet - 'look stupid to rest of the world'.
- Client parking.
- Balance parking / walking / deliveries.
- Car transport.
- Support 'silicon valley' idea.
- Building infrastructure - standard / quality of building.
- Quality of building stock.
- Security lighting in the area - street lighting.
- Late night activities.
- Street cleaners.
- Darkness / activity can be scary.
- Not enough people around / activity.
- Balance of residential and commercial.
- Weather protection.

Top ideas?

- Parklets - outdoor spaces.
- Bars opening onto parks - plaza (European model)
- Improved lighting.
- Safe spaces / zone - pick up by taxi / uber.
- Tree planting.
- DCP for landscaping / trees. Dogs / children.
- Increased access to the Yarra River - ideal Monash freeway.
- Underground access to Monash on ramp.
- Street cleaners - once a week.
- Clarity of zoning - residential permits 2/4 hours - assumption 9-5 not right.
- Genuine care taker for Commercial uses times zones.
- Support urban innovation.
- What makes 'innovation district'? - mixed use, industrial façade, education façade, 1km x 1km.
- Internet.

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Other ideas/observations?

- Construction noise.
- Trucks - delivery. Construction - new development.
- Parked across driveways.
- Lack of public space - sections of parks.
- High density - Nylex - public realm.
- Lunch time seating areas / kids play area.
- Lack of space for walking / dog friendly - poo bags.
- Access to the parkland - Groshos Paddock.
- Pedestrian crossing at Swan Street / Cremorne * Elizabeth Street.

Social issues?

- Homelessness.
- Connect and respect.
- Drug administration area.
- Public toilets - none in Cremorne.

Cremorne: Individual comments

#	Why did you choose Cremorne for your business?	What is keeping you here?	Are there any issues that are making it difficult to stay?
1	Tafe so ex Tech school. Government decision.	Location. Creative hub.	Viability? Industry support. Government funding.
2	Surprisingly cheap rent - we got very lucky.	Cheap rent also good public transport, lots of places within walking distance, peaceful.	Our office isn't entirely fit for purpose. Other spaces in the area haven't been within budget.
3	Needed something close to CBD - but on cusp and close to East Melbourne. Were on Bridge St previously but needed more space.	Can't find anywhere else that is suitable! It's close to the CBD and very well connected to other areas. Getting known as a 'Design/Creative' hub.	Traffic, internet services.
4	Central location out of CBD.	Vibrant area with continued growth.	No comment.
5	Close to clients and CBD. Culture of Cremorne and surrounding areas.	Creative, space, land ownership.	Council infrastructure /access requirements. Parking. Lighting. Drug problems.
6	Proximity to excellent amenities, very good public transport, vibrant community, co-locating with other creative businesses and close to CBD.	Area keeps improving with more and better businesses / operators. More activity on streets.	No comment.
7	It had the right shape and size land for my business, I need large 'land', not just building area - preferably as a square.	Massive outlay that is very expensive to relocate.	Slow internet, rising rates.

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#	Why did you choose Cremorne for your business?	What is keeping you here?	Are there any issues that are making it difficult to stay?
8	Reach to our clients - who are Advertising Agencies. Relatively central location - not in the city. It's the 'creative' hub of Melbourne.	Proximity to our clients, element of cool.	Traffic management, parking, rent increases and poor lighting in streets.
9	Location, demographic, social or entertainment precinct, transport and work/lifestyle balance.	As per question A) in saying this: we are hoping the area improves by activating areas such as rooftops being used for hospitality and being creative to bring people to the area over the weekend and after hours when the area is quiet.	No comment.
10	I bought a cheap warehouse in Cremorne 10 years ago, it was affordable then.	Ownership and inner city convenience. Close to clients.	Poor security / lighting in Jessie St, Cremorne. Unsafe late at night.
11	Provides a central 'meeting place' for clients to meet that is accessible from various areas around Melbourne. Amidst creative, marketing and sporting business/precincts - our base set of clients.	No comment.	No comment.
12	Lifestyle, proximity to CBD.	Work, lifestyle.	Excessive council rates.

What are your top 3 ideas?	Why is this idea needed?
Creative use of spaces.	Having a mix of businesses i.e. hospitality, creative, digital, manufacturing, health and fitness, accommodation - short and long term.
Better lighting, more greenery, more parking options for our clients.	Safety and security.
Lobby NBN Company to have fibre to property, not FTTC installed.	As Cremorne is the silicon valley of Melbourne.
Scramble crossing at Swan and Cremorne. Yarra engage with Vocus or TPG to install non-NBN fibre to compete with NBN copper and Telstra fibre.	Telstra fibre - \$850/mo - 100/100 Mbit. Vocus - \$500/mo 500/500 Mbit. Telstra is only fibre in Cremorne St. Vocus can't justify the build cost along due to volcanic rock. NBN is a waste of time for business.

Online comments

Q1: Why did you choose Cremorne for your business/activity?

- near the freeway (the director lived down the peninsula) near train station and packed of nice cafes

Q2 :What is keeping you in the area?

- we love it. and we got a second office in Cremorne. convenient, close to the city but much calmer and the vibe is amazing

Q3: Are there any issues that are making it difficult to stay in the area?

- PARKING!!! parking has become a nightmare! the council should give away permits for the business.

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Q4: How can the council best manage development and land use to support your business/activity, and grow the employment area?

- easier parking for clients to come in. keep its as it is, nice quiet and cool

Q1: Why did you choose Cremorne for your business/activity?

- We moved into Cremorne in 2010 having operated in Richmond since 1989 so staying within Richmond was important to us. The premises we moved came with good facilities including on-site car parking.

Q2: What is keeping you in the area?

- We live in Richmond so the location is close to home and close to the CBD which is important for some aspects of our business. It is convenient for staff as is access to the freeway.

Q3: Are there any issues that are making it difficult to stay in the area?

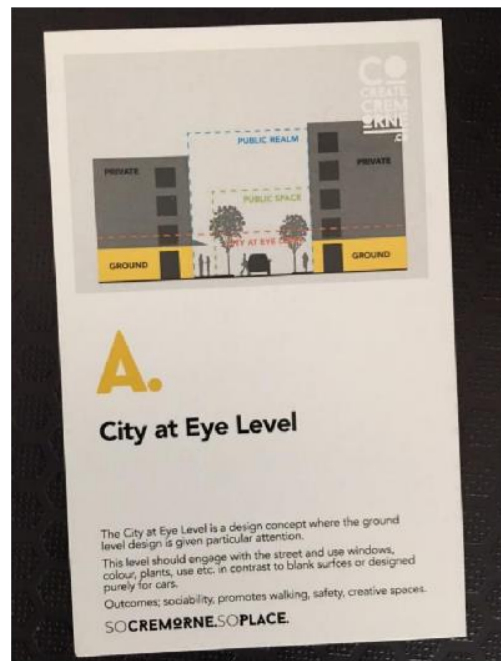
- Congestion in getting out the area late in the afternoon - particularly getting to Punt Road. Parking for visitors is an issue.

Q4: How can the council best manage development and land use to support your business/activity, and grow the employment area?

- Comprehensive traffic management plan which may include acquisitions or incentives for car parking. In relation to public transport consider a shuttle running north south (peak times) to assist people to get to Richmond Station - perhaps along Cremorne St or a street running parallel.

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APPENDIX 3: CO-CREATE CREMORNE CARDS



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Spatial, Economic and Employment Strategy Consultation Report

Appendix 2 - Strategic Directions (Survey Comments)

	<i>Strengths</i>	<i>Suggested Improvements</i>
<i>Direction 1</i>	<ul style="list-style-type: none"> • Great focus • Important for businesses to survive • Keep employment central (connectivity) • Acknowledgment of the change in employment • Identified major areas of growth • Plans ahead • Great precincts 	<ul style="list-style-type: none"> • Consider green spaces • More attention to Victoria Parade (St. Vincent's Hospital and ACU) • Improve facilities on Victoria Parade as area expands • More approaches to reduce the high vacancy rates in activity centres • Encouragement of new industries • Support health and university precinct • Separate health and university precinct from residential areas • Improve condition of activity centre streets • Encourage smaller business opportunities in less major streets and enclaves
<i>Direction 2</i>	<ul style="list-style-type: none"> • Buildings are already there • Proximity to other services and public transport • Good place to work • Good public transport • Retention of C2Z provides clear direction about preferred land uses • Proximity of the CBD and Free Tram Zone • Proximity to 'cool cafes' • Great to encourage a diversity of employment and housing • Consistency to previous strategies (provides certainty) • Acknowledges importance of retaining and growing workforce 	<ul style="list-style-type: none"> • More attention to key large, important landholdings – particular consideration • Consider impact of more apartments and offices in the area • Height limits of 8 storeys • Car and bike access limited to major roads • More attention to height, structure, and materials that are used • Parking consideration – Visitors and deliveries • Parking considerations – longer time lengths for employees (not just attention to public transport accessibility) • Maintain existing commercial zones • Encourage more residential development • Promote Yarra as Australian/Victorian Silicon Valley
<i>Direction 3</i>	<ul style="list-style-type: none"> • Important direction due to the difficulty • Important to intensify residential development in activity centres • Land kept for employment • Increasing housing density • Changing spaces for housing • Approach of both housing and employment together • Sustainability/environment 	<ul style="list-style-type: none"> • More green spaces • Reduce building height • More parking • Consider retail and offices – Non-office types of employment (studio spaces) • More attainable housing • Need for public housing • Consider reduction of traffic and PT congestion • Restrict increase of population in the area • More consideration for current constituents • More accommodation for parking in new developments
<i>Direction 4</i>	<ul style="list-style-type: none"> • Link with allied health and associated organisations • St. Vincent's is a key business • Viable option – Bridge Road • Considering both St. Vincent's and Epworth • Important to plan strategically • Expansion in areas is sensible • Will improve patient care in the long term 	<ul style="list-style-type: none"> • Use of empty retail buildings • Consider ACU • Need for more parking (long term – 1 hour too short for hospitals) • Green spaces • Accessibility between the health related services • Need incentives to bring specialist to the area • Build higher given the area • Continuance and expansion of social service related sector in addition to health/hospital services • Easier parking
<i>Direction 5</i>	<ul style="list-style-type: none"> • Allows for mixed industrial development • Continuing to support employment land • Important issue to be addressed 	<ul style="list-style-type: none"> • Pressures to rezone for housing • Don't allow for residential development • Must encourage businesses via modern buildings and services • Impact on existing use rites • Managing impacts • Need more clarity on building permits

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Spatial, Economic and Employment Strategy Consultation Report

<i>Direction 6</i>	<ul style="list-style-type: none"> • Retaining history • Consideration for the future (15-20 years) • Need for future affordable housing • Sounds wise • Recognition of previous industrial areas 	<ul style="list-style-type: none"> • Consideration to stop rezoning result in a windfall for land owners • Consider the community • Consider impact of conversion of the factories that ignores the heritage • Consider the future of changing industry • Keep area as a mix instead of just residential • Development around historic and heritage sites should be respectful of history • More parking • Keep noisy and unclean industries out (textile distributors) • More opportunity for high-tech, media, film, animation and other creative industries • More architects, building design and renewable energies entities
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11.3 Draft Waste Minimisation and Resource Recovery Strategy 2018– 2022 (WMRRS)

Trim Record Number: D18/144068

Responsible Officer: Director City Works and Assets

Purpose

1. To consider the adoption of the Waste Minimisation and Resource Recovery Strategy (WMRRS) 2018 – 2022.

Background

2. The Draft WMRRS has been developed over the past 6 months following a review of the National, State and Local Government policy and plans. There has also been a significant consultation process with many sectors of our community, including external and internal stakeholders.
3. The Draft WMRRS will provide Council with the framework to work in partnership with the community, to engage and empower them around the importance of minimising the creation of waste and viewing waste as a resource rather than rubbish.
4. To inform the development of the draft strategy, a range of consultation activities were completed during the consultation process:
 - (a) an online survey asking two simple questions;
 - (i) What are the most important things for council to do in terms of minimising waste reusing material and recycling?
 - (ii) What are the best things you personally can do to minimise waste?
 - (b) three 'pop up' activities at local parks (Gahan Reserve and Edinburgh Gardens) and a neighbourhood house (Holden St);
 - (c) an online survey sent to local businesses;
 - (d) engagement with key local councils to understand their issues and priorities; and
 - (e) workshop with Council's Environment Advisory Committee - Waste Minimisation Meeting.
5. The number of responses to the online questions was far greater than expected. A total of 307 people responded to the online questions with many providing multiple ideas and opinions. In addition 91 comments were received at the pop up consultation and 13 businesses responded to the online business survey.
6. The consultation identified key issues/areas which the community considered could be addressed within the new strategy, in seeking to meet the vision:
 - (a) Recycling – particularly relating to better recycling and concerns about changes to recycling markets;
 - (b) Education – in terms of encouraging people to reduce waste and dispose of it more thoughtfully;
 - (c) education on waste minimisation and recycling;
 - (d) food and compost – in terms of providing a food waste pick up service or encouraging composting;
 - (e) soft plastic recycling and the reduction of soft plastics through legislation;
 - (f) advocacy to minimise waste and reduce the impact of packaging;
 - (g) promote and participate in the circular economy;

- (h) service delivery including hard waste services; comments included both positive and negative reaction to current delivery; and
 - (i) green waste and the need for a third bin or more responsive service.
7. The consultation process has informed the vision and objectives to confirm a new way of thinking throughout the strategy and action plan.
 8. The Vision included in the draft WMRRS is:
 - (a) Yarra is committed to being a sustainable city. We will all become conscious consumers who actively avoid and reduce waste, preserving resources for current and future generations.
 9. Five objectives were established to achieve the vision:
 - (a) Valuing our resource.
 10. We will engage with the Yarra community through targeted and tailored education programs to be mindful of consumption, to rethink and value resources:
 - (a) Delivering high quality, accessible and appropriate services and programs.
 11. Yarra will continue to deliver services/programs in a manner that is sustainable, accessible and innovative. We will monitor these services/programs and respond to new trends, opportunities and community needs:
 - (a) Encouraging community involvement and pride through clean, safe and welcoming public spaces.
 12. Yarra's public spaces including waterways, parks, streets and laneways are valued and loved by our community. We will work in partnership with the community to ensure these spaces provide a clean, welcoming and safer environment for a range of uses:
 - (a) Ensuring Yarra has access to the programs, infrastructure and technology to meet our targets.
 13. Yarra requires access to innovative programs and infrastructure to service the changing needs of our community. We will seek opportunities for technological and infrastructure innovation to improve our services to the community.
 - (a) Collaborate, partner and advocate for better outcomes.
 14. Yarra is part of a broader community. We will collaborate with a range of partners to advocate for improved opportunities to develop new consumption behaviours that seek to gain better value and minimise the creation of waste.
 15. The targets set out in the draft strategy are:

Indicator	Baseline measurement 2014	June 2018 target	June 2022 target
<i>Household * (based on audit of 300 single dwelling properties & 150 MUD Units)</i>			
Single dwelling household organic garbage to landfill	45.4% of kerbside waste collection	43% of kerbside waste collection	35% of kerbside waste collection ***
Single dwelling household recycling contamination	10.4% contamination rate by weight	7.5% contamination rate by weight	5.0% contamination rate by weight
Apartment recycling contamination	24.5% contamination rate by weight	21.6% contamination rate by weight	19.1% contamination rate by weight
Indicator	Baseline measurement 2014	June 2018 target	June 2022 target

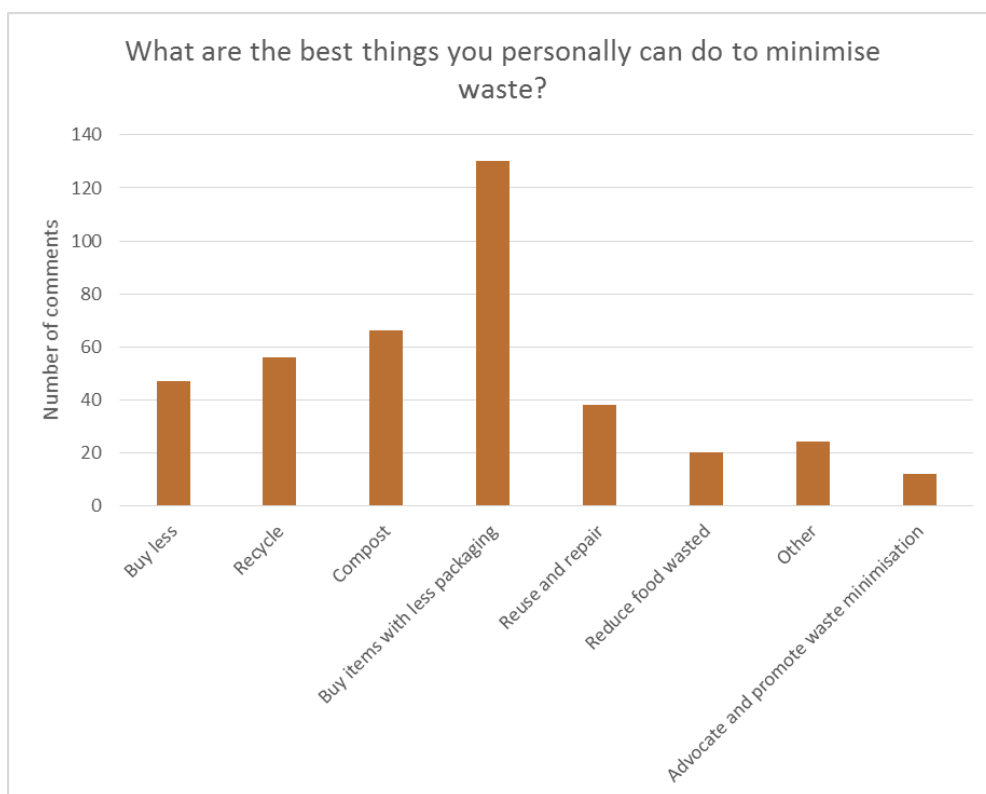
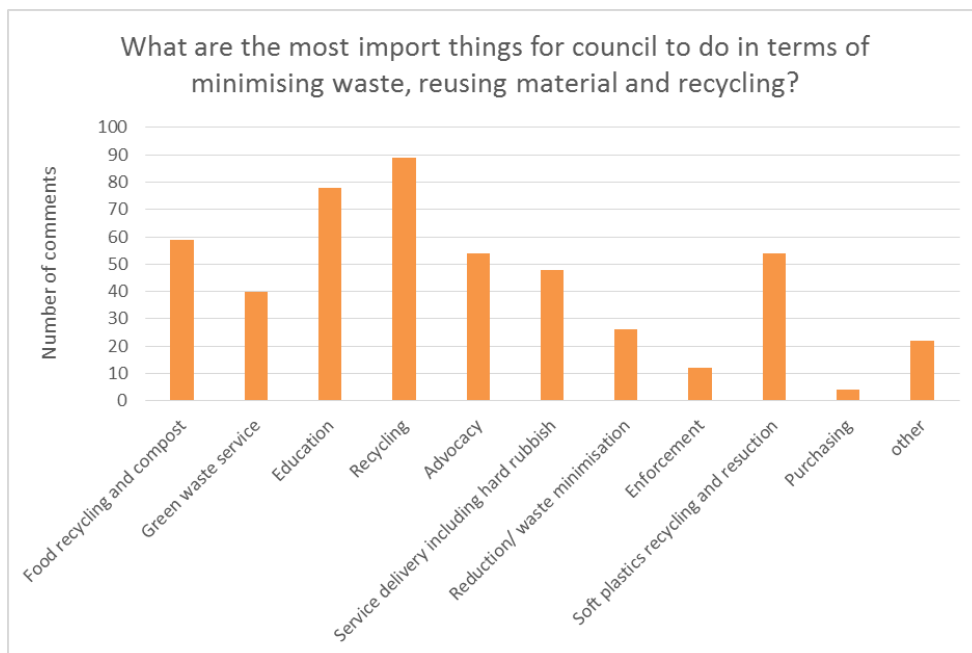
Commercial** (based on audit of 240 properties)			
Reduced recyclables going to landfill from commercial properties	30%	25% increase	20% increase
Commercial recycling contamination	11.6% contamination rate by weight	10% contamination rate by weight	8% contamination rate by weight
Indicator	Baseline measurement 2011	June 2018 target	June 2022 target
Council Staffed Facilities (based on audit of 3 town halls)			
Garbage to landfill from Council staffed properties	0.62kg/EFT/week	5% reduction	10% reduction
Tonnes / EFT / week			

Note: Target for 2020 Single dwelling household organic garbage to landfill may change depending on the outcome of the FOGO trial. The draft Action Plan has been developed to reach these objectives. It consists of 39 Actions, identifying lead/ support units, and possible resourcing requirements (subject to annual budget processes).

16. The waste industry is currently undergoing change, and this is anticipated to continue. If there is significant (fundamental) legislative, market, funding or technological change, during the life of this Strategy, officers may recommend further review of the Strategy and actions to consider whether there is a need to revisit and/or update the Strategy to reflect the changes.

External Consultation

17. In early 2018, considerable community consultation and stakeholder engagement was undertaken, including:
 - (a) an evidence gathering exercise interviewing internal and external stakeholder including other Local Governments, Libraries, Neighbourhood Houses;
 - (b) a strategy and policy review;
 - (c) a presentation to Executive and Council;
 - (d) workshops with internal groups relevant to delivering the plan;
 - (e) workshop with Council's Waste Minimisation working group;
 - (f) online survey with businesses;
 - (g) a community **Have your say** online survey with 307 responses;
 - (h) three pop-up sessions throughout the municipality, where 91 face-to-face surveys were completed; and
 - (i) public exhibition of Draft WMRRS for consultation and community input with 93 comments.
18. The below graphs shows a breakdown of responses to survey Have Your Say.



19. Refer to Appendix 2, 'WMRRS Community Consultation feedback', for further details of feedback during the consultation, and to see how feedback has been used to inform the final Draft Strategy.
20. Since coming to Cr briefing on 6 August an additional action has been added (5.7) to maximise our options for participating in the development of the circular economy.

Internal Consultation (One Yarra)

21. The development of the Draft WMRRS and action plan has gone through consultation with relevant staff across the different units involved in delivering the draft action plan.

Financial Implications

22. The 2018/19 budget includes the delivery of all year 1 actions in the WMRRS 2018-2022. It is proposed that budget submissions for the following years will be developed annually as well as looking for external partnerships and funding opportunities to assist in delivering actions.

Economic Implications

23. The Draft WMRRS has identified many opportunities to reduce Council, resident and business landfilling costs.

Sustainability Implications

24. The implementation of the Draft WMRRS will result in many waste reduction and diversion benefits for both Council and the community.
25. The draft action plan defines the targets, with actions to be delivered by Council over the life of the strategy, to work towards achieving the waste minimisation vision for Yarra.

Social Implications

26. There are no significant social implications.

Human Rights Implications

27. There are no significant human rights implications.

Communications with CALD Communities Implications

28. The initial high-level community engagement and consultation plan for development of a new strategy is detailed above.

Council Plan, Strategy and Policy Implications

29. The 2017-21 Council Plan includes Objective 3 “*City of Yarra; A place where Council leads on sustainability and protects and enhances its natural environment*”. It states that the YWRRS 2014-18 is to be reviewed.

Legal Implications

30. There are no legal implications directly associated with this report.

Other Issues

31. Following the conclusion of the public consultation process for the Draft WMRRS, officers have become aware of opportunities to work with the OECD as part of a collaborative effort (including with neighbouring Councils) to explore the circular economy. This is consistent with the intent of the Strategy and the feedback from community. The Draft WMRRS has been amended to include an action which reflects this.

Options

32. The Options are:
- (a) to endorse of the strategy and targets as outlined in **Attachment 1**; and
 - (b) withhold from endorsement, and seek further refinements / changes, which would mean the timelines for adoption of a strategy would need to be extended.

Conclusion

33. After significant community consultation, officers have completed a Draft WMRRS 2018-22 for consideration by Council. This process has informed the key directions and pathways that make up the Strategy and helped identify emerging issues that need to be addressed through the action plan. The resources required to deliver the strategy in Year 1 have been identified.
34. That the Waste Minimisation and Resource Recovery Strategy 2018-2022 (**Attachment 1**), is presented to Council for consideration in August 2018.

RECOMMENDATION

1. That Council endorses the draft Waste Minimisation and Resource Recovery Strategy 2018-2022 and targets as outlined in **Attachment 1**.

CONTACT OFFICER: Lisa Coffa
TITLE: Waste Minimisation and Agriculture Coordinator
TEL: 9205 5793

Attachments

- 1 [↓](#) Draft Waste Minimisation and Resource Recovery Strategy 2018-22
- 2 [↓](#) Waste Minimisation and Resource Recovery Strategy Community Consultation

Attachment 1 - Draft Waste Minimisation and Resource Recovery Strategy 2018-22



**City of Yarra
Waste Minimisation Strategy
2018 2022**



Version: 8 April 2018

Attachment 1 - Draft Waste Minimisation and Resource Recovery Strategy 2018-22

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Introduction

RETHINKING WASTE

The term “waste” has many definitions, from items that are no longer required to the misuse or squandering of resources. From a local government perspective, waste has traditionally been understood as something to be cleaned up and removed, something to be ‘managed’. In the previous Waste Minimisation and Resource Recovery Strategy 2014 - 2018 Yarra moved to recognise waste in terms of resources. The resource that can be saved from being produced in the first place and the resources that can be reclaimed through reuse and recycling, reducing what we send to landfill.

This Waste Minimisation Strategy builds on the previous strategy with a greater emphasis on how we purchase, consume and use resources. This requires behaviour change and clever design from production to consumption to disposal. Some elements can be addressed by Council; others need state and federal leadership or community action. This strategy outlines how Yarra will reduce its waste through education, advocacy, leadership and services that promote mindful consumption and minimise the loss of resources.

REDEFINING OUR WASTE

The 2014-2018 Yarra Waste and Resource Recovery Strategy (YWRRS) helped redefine how we think about consumption, use our resources and the production of waste. This strategy builds on that work. In 2018 we are in a position of great transformation. We have an interested and supportive community who are looking at Council to lead the change. Our community expects us, not only to recycle and divert materials from landfills, but also advocate for a circular economy, better product design and stewardship. This, will help us to develop new consumption behaviours and prevent waste from being produced in the first place.

It is essential that what is already in existence is used to its maximum potential. This avoids the unnecessary exploitation of resources, while also providing economic and environmental efficiencies throughout the chain of production. Achieving this requires a significant behavioural shift within the community. Our current ‘disposable’ mindset will need to embrace the notion of waste minimisation, beneficial reuse, and resource recovery. Without these changes this generation will leave a terrible legacy for future generations and an increasing portion of Yarra’s rates would be required to address waste management issues.

Redefining our waste requires a significant change in mindset and attitude and is a journey we will undertake with our community over a period of time. Our community will need to consider waste in its purchasing decisions. Industries will have to look at the full cycle of a product to design and manufacture more sustainably. Where waste generation cannot be avoided, it will need to be recovered as a resource for reuse or recycling.

The recycling industry is currently in a state of flux with China reducing the quantity of lower quality recycling material it will accept. Replacing imported materials with recycled material collected in its own domestic market, from its growing middle-class and Western-influenced consumers. The National Swards Policy will have a significant impact for Australia as China historically has been the dominant market for recycled plastic. There are concerns that much of the material that was previously recycled in China, especially the lower grade materials, will no

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longer have a market. Australia will need to find new options to avoid materials that are captured for recycling going to landfill.

ENGAGING OUR COMMUNITY IN POSITIVE CHANGE

Yarra has been piloting programs to reduce food waste going to landfill. The Food Know How program educates residents to waste less food through meal planning, correct storage and using rather than discarding leftover food. The food scraps trial has been collecting and composting food scraps from households. These programs are having a profound effect on the residents involved and provide an opportunity for council to engage with residents to rethink how they produce and discard waste materials. A recent audit of rubbish bins showed that participants went from having 3.3kg of food scraps to only 1.2kg, diverting majority of food from landfill.

To redefine our waste we will need to engage with our community as well as continue to work closely and collaboratively with the Metropolitan Waste and Resource Recovery Group, Environment Protection Authority, Sustainability Victoria, the State Government and others to help develop the best methods for reducing and processing our resources.

By taking these steps, our reliance on landfill will progressively lessen, and we will become a 'sustainable' city.

Where the Strategy came from

This strategy has been developed to build on previous strategies while taking into account international, national, state and local policies and directions along with community expectations. The following section provides an overview of the evidence reviewed in developing this strategy.

FOUNDATIONS OF THIS STRATEGY

Yarra Waste and Resource Recovery Strategy 2014 - 2018

In 2013 Yarra undertook an extensive process of community consultation, stakeholder engagement, policy and strategy review and analysis. This provided the foundation for the Yarra Waste Minimisation and Resource Recovery Strategy 2014 – 2018. This current strategy builds on the achievements of the previous strategy and is designed to continue the work that was begun in 2014. The Vision and Objectives of the previous strategy were reviewed and only minor amendments made to clarify their purpose. This provides Yarra an opportunity to focus on the projects and services that have been working well and achieving good results. The action plan has been entirely renewed, and provides clear actions to help Yarra achieve its objectives and vision.

Key Principles of a Circular Economy

Over recent years the waste hierarchy has been adapted to better articulate the need for a circular economy how to reduce resource loss rather than manage waste. The diagram below shows that it is possible to minimise, and virtually eliminate resources being wasted, and going to landfill, by considering alternative options for how we consume and use materials. This is the guiding principle behind this strategy.

Circular Economy



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Figure 1 adapted from Gaia Foundation Short Circuit Report

Note: Input of energy and water is required to recover and recycle resources.

Policy Context

This strategy has been developed within the context of Federal and State legislation, policies and strategies. Aligning the new Yarra Waste Minimisation Strategy with these policies and strategies, ensures Yarra is part of an integrated approach to waste within the Australian and Victorian context.

National

The National Waste Policy: Less Waste More Resources has a strong focus on waste avoidance and managing waste as a resource. This is backed up by the National Food Waste strategy which was launched in November 2017 and aims to halve food waste by 2030.

State

In Victoria there are a number of strategies and frameworks that underpin how waste is managed. These plans have a strong waste minimisation and resource recovery theme. They set out how Victoria will manage its waste to ensure the health and wellbeing of the community, reduce the loss of resources to landfill and minimise waste production. The key strategies and frameworks are:

- The Statewide Waste and Resource Recovery Infrastructure Plan (SWRRIP).
- The Metropolitan Waste and Resource Recovery Implementation Plan (Metropolitan Implementation Plan).
- The Victorian Waste and Resource Recovery Framework.
- The Victorian Organics Resource Recovery Strategy.
- The Victorian Market Development Strategy for Recovered Resources.
- The Victorian Waste Education Strategy.

Local

The City of Yarra Council Plan 2017-21 sets out the vision for how Council will respond to its opportunities and challenges over the next four years. It has a strong focus on sustainability, health, safety and wellbeing and working with the local community. The Municipal Public Health and Wellbeing Plan, which is incorporated into the Council Plan, further promote the importance of health and wellbeing.

Greenhouse Emissions

Yarra's greenhouse gas emissions from waste can be minimised by preventing any recyclable materials entering the landfill system, taking full advantage of recycling facilities, and also by minimising the amount of waste that is generated.

Greenhouse gas emissions within a waste management context stem from two main factors:

1. **Plant based materials-** When organic materials like food scraps enter a landfill they breakdown and decompose within anaerobic (absence of oxygen) conditions, resulting in methane production.
2. **Embodied energy in man-made/ non-plant based materials** - Looking at how and what we consume, and the materials product lifecycle, along with how we discard of an item. This will play a significant role in helping our community to divert items from landfill and lower our overall greenhouse gas emissions.

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A review of all of these strategies can be found as appendix one.

EMERGING ISSUES

Recycling Markets

In July 2017, China announced its National Sword Policy decision effectively banning imports of 24 types of scrap including materials such as plastic and mixed paper by the end of the 2017.

The new policy is taking considerably less lower quality material as it replaces imported materials with recycled material collected in its own domestic market, from its growing middle-class and Western-influenced consumers. This will have a significant impact for Australia as China historically has been the dominant market for some recycled materials. There are concerns that much of the recycling that China previously imported, will have nowhere else to go and Australia will need to find new export markets or alternative end markets, including local industry opportunities, to avoid these resources going to landfill.

This will include the kerbside commingled recycling materials currently being collected by Yarra and other Victorian Councils. VISY Recycling currently receives Yarra's recyclables and are currently locally processing approximately 30 percent of all materials received locally. At this stage, it is difficult to predict the short and long term impacts of the China policy, however given that the local market cannot consume the volume of material collected in the Australian kerbside recycling collection system the implications include:

- Little to no value for the commingled kerbside recycling material.
- Companies such as VISY Recycling, SKM and Polytrade who receive commingled recycling for sorting have started charging a gate fee per tonne rather than paying for material.
- It will be necessary for the recycling processors to improve the quality of the commingled material in order to enter the China market.
- It is necessary for Australia to invest in local processing of these material to avoid landfill
- It will be necessary to educate the community to sort recyclable material correctly
- It may be necessary to find other uses for the material to avoid landfill.

In response to China's decision, Victorian councils and industry will be provided a \$12 million package to support the ongoing collection of household waste and \$1 million for industry to improve processing. The assistance will go towards helping councils and industries develop longer-term solutions. This assistance will be provided until 30 June 2018, after which Councils will be required to meet any increase in recycling costs. The Victorian Government has also moved to establish a recycling industry taskforce to develop a plan for industry transition.

Advanced Waste and Resource Recovery Technologies (AWRRT)

Advancements in technology plays an important role in providing better solutions for residual waste, particularly for improved sorting and treatment processes.

This Strategy provides Council with an opportunity to make informed decisions that will make significant impacts on the amount of waste sent to landfill. The City of Yarra will take advantage of new advances in resource recovery and waste management as they emerge to ensure that best fit solutions are operating and providing benefits to its community.

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The Metropolitan Implementation Plan outlines new ways to send less material to landfill, use our valuable resources again, and grow jobs and investment in the waste and recycling sector. MWRRG has prepared an Advanced Waste and Resource Recovery Technologies (AWRRT) business case and procurement strategy for providing infrastructure and services to process residual waste currently going to landfill.

Although AWRRT's provide Council's an opportunity to significantly decrease the amount of waste sent to landfill, Yarra will need to establish how the technology fits with its Waste Minimisation Strategy. Other issues to be considered include:

- How the technology will deal with resource recovery prior to processing.
- How the location of the facility will impact on transport and nearby communities.
- The AWRRT gate fee per tonne versus the landfill gate fee per tonne.
- How the EPA levy would be treated for the AWRRT's.
- The social, cultural, environmental and financial impacts.
- Alternatives technologies coming on line in future

The Yarra Community

Understanding the Yarra community is fundamental to developing an effective Waste Minimisation Strategy that will meet the needs of the community as well as it's aspirations for a more sustainable city.

The City of Yarra has experienced sustained population growth since the 1980s and currently has a population of over 90,000. This growth is predicted to continue with a population forecast to be in excess of 106,000 by 2028. Many of these new residents will live in medium and high-density housing; currently 85.2% of the Yarra community lives in medium or high-density housing. Yarra residents are also more transient than the Melbourne average, with over 46% of residents moving between 2006 and 2011 (migration profile from 2016 Census not yet available). The sustained population growth, propensity of medium and high density housing provide particular challenges and opportunities for service delivery in Yarra. The transient population means it is important to provide sustained education and engagement with community members.

A demographic profile of the Yarra community and an overview of can be found in appendix two.

Community Engagement

Over 300 members of the Yarra community responded to a brief online survey, their comments were themed and have been and collated and are outlined below.

Key Themes - Community

The most important things for council to do in terms of minimising waste, reusing material and recycling were:

1. Recycling – particularly relating to better recycling and concerns about changes to recycling markets.
2. Education – in terms of encouraging people to reduce waste and dispose of it more thoughtfully.
3. Food and compost – in terms of providing a food waste pick up service or encouraging composting.
4. Soft plastic recycling and the reduction soft plastics through legislation.

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5. Advocacy to minimise waste and reduce the impact of packaging.
6. Service deliver including hard waste services, comments included both positive and negative reaction to current delivery.
7. Green waste and the need for a third bin or more responsive service.

The most commonly identified things for people to individually do were:

1. Buy items with less packaging and particularly not using single use plastics.
2. Compost food and other organic waste.
3. Recycle.
4. Buy less 'stuff', purchase carefully, repair and reuse.
5. Reduce food wasted in the household
6. Advocate and promote waste reduction to friends and neighbours.

Key Themes – Other Councils

Consultation with neighbouring councils indicated that the key themes were:

1. Food waste projects including FOGO.
2. Waste minimization approaches
3. The impact of Multi Unit Developments and how to best manage waste from these
4. Innovation
5. Dumped rubbish and litter.

More detail of consultation reports can be found in appendix two.

Service Delivery

Yarra provides its community with a comprehensive range of waste services as outlined below:

- Domestic garbage collection (weekly)
- Domestic recycling collections (weekly)
- Domestic Food Scraps Collection (Trial Program) (weekly, option, no cost)
- Commercial garbage collection, only to service lunchroom (no commercial waste)
- Commercial recycling collection, only to service lunchroom (no commercial waste)
- Hard Waste collection (at call, 2 times a year)
- Green Waste collection (at call)
- Dumped rubbish pickup
- Street Cleaning
- Litter pick up
- Ministry of Housing High Rise Buildings Garbage and Recycling Collection
- Recycling Drop off points.

In the year 2017/18 these services cost approximately \$10,800,000.

Service Delivery Model

The City of Yarra service delivery model aligns with an inner metropolitan “procurement cluster” approach. Unfortunately the state wide approach of a blank three bin collection system (usually 240L) is not a practical solution for Yarra. Due to our housing stock, Yarra community require a variety of receptacle sizes. A trial of a different approach, using a small receptacle for food scraps occurred during 2017-18. The outcome of the trial will allow Council

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to make an informed decision as to whether this is a viable approach to removing food scraps from the municipal wide garbage stream.

The current waste services provided by Yarra are highly regarded by the community. However there are a number of challenges to maintaining and improving these services, particularly given the constraints on budgets as a result of the State Governments rate cap. These include:

- the closure of municipal landfills
- expected increases in waste as a result of population growth
- the National Sward Policy being put in place by China
- localised tailored approach to processing food organics
- improving recycling opportunities in multi-unit developments
- the banning of e-waste from landfill.

This strategy provides a framework to engage with other service providers, levels of government and local councils to find solutions to these issues

A full outline of service delivery, including more detailed waste generation data, can be found in appendix four.

HOW THE STRATEGY WILL BE USED

The Yarra Waste Minimisation Strategy provides Council with the framework to engage the community on the importance of minimising the creation of waste and realising the financial and environmental value of materials. This will be achieved by providing tailored services and programs.

The Yarra Waste Minimisation Strategy 2018-22 will be used by Council and community to help shape the design and delivery of Council waste services, programs and operations. This includes the nature and direction of our partnerships and engagement with our stakeholders and the community, our advocacy agenda and how we operate internally.

More specifically, the Waste and Resource Recovery Strategy provides:

- A central vision that describes a unifying aspiration of *Revaluing or Redefining our Waste*.
- The waste context (as identified by stakeholders) that are considered relevant to Yarra.
- A context for the development of new waste management contracts.
- Objectives that outline the core outcomes we aim to deliver.
- Measures to inform us whether or not we are on track.

The Yarra Waste Minimisation Strategy is also supported by an Action Plan that details desired vision, outcomes, targets, indicators, plans, programs and resources required to implement the Yarra Waste Minimisation Strategy.

Budget for implementation of the Strategy and Action Plan is subject to annual Council approval. On an annual basis Council Officers will develop a budget submission for resourcing the implementation of the Yarra Waste Minimisation Strategy to be reviewed as part of the overall Council budget process.

Vision and Objectives

VISION

Yarra is committed to being a sustainable city. We will all become conscious consumers who actively avoid and reduce waste, preserving resources for current and future generations.

OBJECTIVES

1. Valuing our resource.

We will engage the Yarra community through targeted and tailored education programs to be mindful of consumption, to rethink and value resources..

2. Delivering high quality, accessible services and programs

Yarra will continue to deliver services/programs in a manner that is sustainable, accessible and innovative. We will monitor these services/programs and respond to new trends, opportunities and community needs.

3. Encouraging community pride through clean public spaces

Yarra's public spaces including waterways, parks, streets and laneways are valued and loved by our community. We will work in partnership with the community to ensure these spaces provide a clean, welcoming and safer environment for a range of uses.

4. Ensuring Yarra has access to the programs, infrastructure and technology to meet its targets

Yarra requires access to **innovative programs and** infrastructure to service the changing needs of our community. We will seek opportunities for technological and infrastructure innovation to improve our services to the community.

5. Collaborate, partner and advocate for better outcomes

Yarra is part of a broader community. We will collaborate with a range of partners to advocate for improved opportunities to develop new consumption behaviours that seek to gain better value and minimise the creation of waste.

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Targets and Measures

As part of the development of the Waste and Resource Recovery Strategy 2014-2018 (YWRRS) a number of minimisation and recovery targets were established and endorsed by Council in 2014. These targets have been considered in developing the Yarra Waste Minimisation Strategy 2018-22.

Indicator	Baseline measurement 2014	June 2018 target	June 2022 target
Household * (based on audit of 300 single dwelling properties & 150 MUD Units)			
Single dwelling household organic garbage to landfill	45.4% of kerbside waste collection	43% of kerbside waste collection	35% of kerbside waste collection ***
Single dwelling household recycling contamination	10.4% contamination rate by weight	7.5% contamination rate by weight	5.0% contamination rate by weight
Apartment recycling contamination	24.5% contamination rate by weight	21.6% contamination rate by weight	19.1% contamination rate by weight
Indicator	Baseline measurement 2014	June 2017 target	June 2022 target
Commercial** (based on audit of 240 properties)			
Reduced recyclables going to landfill from commercial properties	30%	25% increase	20% increase
Commercial recycling contamination	11.6% contamination rate by weight	10% contamination rate by weight	8% contamination rate by weight
Indicator	Baseline measurement 2011	June 2017 target	June 2022 target
Council Staffed Facilities (based on audit of 3 town halls)			
Garbage to landfill from Council staffed properties	0.62kg/EFT/week	5% reduction	10% reduction
Tonnes / EFT / week			

* Household includes waste collected from single dwellings, and multi-unit dwellings. A growing number of Yarra residents now live in developments that utilise a private waste collection service.

**It is noted that the number of commercial properties serviced by Yarra has been steadily increasing.

***Target for 2022 Single dwelling household organic garbage to landfill may change depending on the outcome of the FOGO trial

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Waste and Resource Recovery Action Plan 2018-2022

OBJECTIVE 1: VALUING OUR RESOURCES

We will engage the Yarra community through targeted and tailored education programs to be mindful of consumption, to rethink and value resources.

Key:	
WM	Waste Minimisation
WO	Waste Operations
COM	Communication
CP	Compliance
OP	Open Space
EH	Environmental Health
DA	Drainage Unit
EN	Traffic Engineers
CM	Construction Management

ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
1.1	Deliver communication campaign	2018-19	Develop and deliver effective and innovative ways of communicating messages about waste minimisation, resource recovery and recycling to the Yarra Community. For example a graphic that tracks progress of Yarra's waste production periodic in Yarra News	All community (including single dwelling, apartments, schools & commercial)	Lead - WM Support – WO & COM	Existing Budget require +\$10,000
		2019-20	Review and update based on what was learned, deliver expanded program		Lead - WM Support – WO & COM	
		2020-21	Continue to deliver Campaign		Lead - WM Support – WO & COM	
		2021-22	Continue to deliver Campaign		Lead - WM Support – WO & COM	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
1.2	Delivery of Education & Engagement Program to 500 households	2018-19	Further promote, deliver and expand education/engagement programs about food waste avoidance • (NOTE – this could include Food Know How and green waste service)	All community (including single dwelling, apartments, schools & commercial)	Lead – WM Support - COM	Existing
		2019-20	Review and update based on what was learned, deliver expanded program		Lead – WM Support - COM	
		2020-21	Continue to deliver Program		Lead – WM Support - COM	
		2021-22	Continue to deliver Program		Lead – WM Support - COM	
1.3	Delivery of Education & Engagement Program to 1 neighbourhood	2018-19	Develop a trial education/engagement campaign about waste reduction and avoidance. (e.g. Avoiding packaging, encourage sharing, repairing, reuse etc).	All community (including single dwelling, apartments, schools & commercial)	Lead – WM Support – COM & WO	No Existing Budget require \$15,000 + 0.4 EFT
		2019-20	Based on what was learned in the trial, deliver expanded program		Lead – WM Support – COM & WO	
		2020-21	Continue to deliver Program		Lead – WM Support – COM & WO	
		2021-22	Continue to deliver Program		Lead – WM Support – COM & WO	
1.4	Delivery of Education & Engagement Program to 1 neighbourhood	2018-19	Develop a trial an education/engagement program about the 4Rs (Refuse, Reduce, Recycle, Recover)	All community (including single dwelling, apartments, schools & commercial)	Lead – WM Support – COM & WO	Existing Budget require + \$7,000
		2019-20	Based on what was learned in the trial, deliver expanded program		Lead – WM Support – COM & WO	
		2020-21	Continue to deliver Program		Lead – WM Support – COM & WO	
		2021-22	Continue to deliver Program		Lead – WM Support – COM &	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
					WO	
1.5	Delivery of Education & Engagement Program 2000 households	2018-19	Develop and deliver a clear and concise education/engagement program to reinforce the correct usage of the recycling bin	All community (including single dwelling, apartments, schools & commercial)	Lead – WM Support – COM & WO	Existing
		2019-20	Continue to deliver Program		Lead – WM Support – COM & WO	
		2020-21	Continue to deliver Program		Lead – WM Support – COM & WO	
		2021-22	Continue to deliver Program		Lead – WM Support – COM & WO	
1.6	Remove and Replace Stickers on Recycling Bins	2018-19	Replace redundant underlid information stickers on recycling bins and replace with the relevant updated stickers	All community (including single dwelling, MUDs & commercial that Council service)	Lead - WO	No Existing Budget require \$120,000

OBJECTIVE 2: DELIVERING HIGH QUALITY AND ACCESSIBLE SERVICES/PROGRAMS

Yarra will continue to deliver services/programs in a manner that is sustainable, accessible and innovative. We will monitor these services/programs and respond to new trends, opportunities and community needs.

ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
2.1	Complete Trial and Analysis and deliver recommendation	2018-19	Assess the viability of an organics collection service	Residential Community	Lead – WO Support – WM	Existing
		2019-20	Deliver Approved recommendations		Lead – WO Support – WM &	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
	ns				COM	
		2020-21	Review and Deliver Approved recommendations		Lead – WO Support –WM & COM	
		2021-22	Deliver Approved recommendations		Lead – WO Support – WM & COM	
2.2	Deliver program	2018-19	Determine how best to engage apartments not serviced by Council around waste avoidance, reuse and recycling.	Apartment with a private waste collection service	Lead - WM Support – WO	Existing
		2019-20	Develop and delivery best practice avoidance, reuse and recycling program to MUDs not serviced by Council		Lead - WM Support – WO	
		2020-21	Provide access to Program		Lead - WM Support – WO	
		2021-22	Provide access to Program		Lead - WM Support – WO	
2.3	Deliver program	2018-19	Review the approach to Green Waste collection and communication provided to residents in the view to increase green waste recycling	Residential Green Waste	Lead – WO Support – WM, COM	Existing
		2019-20	Based on outcome of review, propose the best approach for increasing green waste recycling and reduce Green waste going to landfill		Lead – WO Support – WM, COM	
		2020-21	Deliver best practice service		Lead – WO Support – WM, COM	
		2021-22	Deliver best practice service		Lead – WO Support – WM, COM	
2.4	Deliver program	2018-19	Review the at call Hard Waste service and communication provided to residents in the view to meet service level agreements, reuse, repair, increase resource recovery and reduce dumping	Residential Hard Waste	Lead – WO Support – CP, WM & COM	Existing
		2019-20	Based on outcome of review, propose the best approach for increase reuse, repair, recycling , reduce dumping and meet service level agreements		Lead – WO Support – CP, WM & COM	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
		2020-21	Deliver best practice service		Lead – WO Support – CP, WM & COM	
		2021-22	Deliver best practice service		Lead – WO Support – CP, WM & COM	

OBJECTIVE 3: ENCOURAGE COMMUNITY PRIDE THROUGH CLEAN PUBLIC SPACES

Yarra's public spaces including waterways, parks, streets and laneways are valued and loved by our community. We will work in partnership with the community to ensure these spaces provide a clean, welcoming and safe environment for a range of uses.

ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
3.1.1	Update service levels/technology	2018-19	Assess the allocation, signage and servicing of street litter bins & park litter bins to identify the most effective/efficient way of servicing and recycling	Streets & Parks Litterbins	Lead – WO&OS Support – WM	Existing
		2019-20	Based on findings update service levels/technology to deliver this objective		Lead – WO&OS Support – WM	
		2020-21	Deliver best practice services		Lead – WO&OS Support – WM	
		2021-22	Deliver best practice services		Lead – WO&OS Support – WM	
3.1.2	Recommendation implemented	2018-19	Assess the viability of implementing new technology/system for problem items e.g. Butt Bins, chewing gum	Streets & Parks Litterbins	Lead – WO, OS Support – WM, CP	Existing

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
		2019-20	Based on findings implement recommendations		Lead – WO, OS Support – WM, CP	
		2020-21	Based on findings implement recommendations		Lead – WO, OS Support – WM, CP	
		2021-22	Based on findings implement recommendations		Lead – WO, OS Support – WM, CP	
3.2	Deliver Program	2018-19	Design and implement education/enforcement program to identify continuous overflowing garbage & recycling bins	Garbage & Recycling Kerbside Bins (including single dwelling, apartments & commercial)	Lead – WO Support – WM, CP & COM	Existing
		2019-20	Deliver Program		Lead – WO Support – WM, CP & COM	
		2020-21	Review and deliver Program		Lead – WO Support – WM, CP & COM	
		2021-22	Deliver Program		Lead – WO Support – WM, CP & COM	
3.3	Deliver Program to minimise littering	2018-19	Review the dumped waste process to assess the most appropriate prevention process	Dumped Waste	Lead - CP Support – WO & WM	Existing Budget require + \$8,000
		2019-20	Develop and delivery best practice dumped rubbish reduction program integrating education, infrastructure and enforcement		Lead - WO & WM Support – CP	
		2020-21	Deliver Program		Lead - WO & WM Support – CP	
		2021-22	Deliver Program		Lead - WO & WM Support – CP	
3.4	Deliver Program to minimise littering Resolve 2	2018-19	Review the continuous littering issues in identified hotspots e.g. takeaway food hotspots, parks etc	Litter Hotspots	Lead – WM & EH Support - WO	Existing
		2019-20	Implement a focused campaign to reduce street litter around litter hotspots		Lead – WM & EH	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
	Hotspots		integrating education, infrastructure and enforcement		Support - WO	
		2020-21	Deliver Program		Lead – WM & EH Support - WO	
		2021-22	Deliver Program		Lead – WM & EH Support - WO	
3.5	Deliver Campaign Engage 2 Groups	2018-19	Work with Yarra Community to generate Civic Pride and take responsibility for their local area.	Community Groups	Lead – WM Support - WO	Existing
		2019-20	Develop a civic pride campaign that can be driven by local Community in their area		Lead – WM Support - WO	
		2020-21	Deliver and deliver program		Lead – WM Support - WO	
		2021-22	Deliver and deliver program		Lead – WM Support - WO	
3.6	Improved process to improve Storm Water Quality Resolve Post Office Lane	2018-19	Review the key locations where traders consistently dispose of cooking fats and oils into the storm water drains	Drains in Retail Areas	Lead – WM & EH Support – WO, DA	No existing resource require \$10,000 + 0.4 EFT
		2019-20	Develop and implement best practice stormwater pollution reduction program integrating education, infrastructure and enforcement		Lead – WM & EH Support – WO, DA	
		2020-21	Deliver Program		Lead – WM & EH Support – WO, DA	
		2021-22	Deliver Program		Lead – WM & EH Support – WO, DA	
3.7	Improved Workflows	2018-19	Review the feedback process for Water Sensitive Urban Design structures to ensure that litter prevention is included in design:	Water Sensitive Urban Design (WSUD)	Lead – DA & WO & OS	Existing
		2019-20	Implement work flows that achieve the required outcomes		Lead – DA & WO	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
		2020-21	Follow the appropriate workflows		Lead – DA & WO	
		2021-22	Follow the appropriate workflows		Lead – DA & WO	
3.8	Improved Workflows	2018-19	Review the feedback process for the design of traffic treatment structures, garden beds, and tree squares to ensure that the design takes into account cleaning methodology, cost and litter prevention	Street Cleaning	Lead – EN Support – OS, WO, DA	Existing
		2019-20	Implement work flows that achieve the required outcomes		Lead – EN Support – OS, WO, DA	
		2020-21	Follow the appropriate workflows		Lead – EN Support – OS, WO, DA	
		2021-22	Follow the appropriate workflows		Lead – EN Support – OS, WO, DA	
3.9	Following the appropriate Workflow	2018-19	Review the construction management plan process to make sure it eliminates the generation of litter and encourage recycling	Construction Sites	Lead – CM Support –WO & WM	Existing
		2019-20	Develop and deliver effective litter reduction program on construction sites		Lead – CM Support –WO & WM	
		2020-21	Follow the appropriate workflows		Lead – CM Support –WO & WM	
		2021-22	Follow the appropriate workflows		Lead – CM Support –WO & WM	
3.10	Updated Service Levels and Technology	2018-19	Review Council's street cleaning operations to assess Cleaning methodology	Council Street Cleaning Operations	Lead - WO	Existing

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
		2019-20	Based on findings, update service levels/technology to deliver this objective		Lead - WO	
		2020-21	Deliver required service levels		Lead - WO	
		2021-22	Deliver required service levels		Lead - WO	

OBJECTIVE 4: ENSURING YARRA HAS ACCESS TO THE PROGRAMS, INFRASTRUCTURE AND TECHNOLOGY REQUIRED TO MEET ITS TARGETS

Yarra requires accesses to innovative programs and infrastructure to service the changing needs of our community. We will seek opportunities for technological and infrastructure to improve our services to the community.

ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
4.1	Deliver Program Complete 10 MUD Sites per annum	2018-19	Audit apartments serviced by Council and ensure they have the most appropriate education and bin infrastructure to encourage resource recovery and no contamination in recycling bin.	Apartments	Lead – WO Support - WM	Existing Budget require + \$5,000
		2019-20	Based on outcomes of audit, develop guidelines and implement a staged program to bring all bin stock and education to standard, making sure apartments have equal access to recycling service. For example at sites with incorrect bin ratios and low recycling participation rates.		Lead – WO Support - WM	
		2020-21	Continue to deliver Program		Lead – WO Support - WM	
		2021-22	Continue to deliver Program		Lead – WO Support - WM	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
4.2	Deliver Program Complete 1 shopping strip per year	2018-19	Audit Commercial properties serviced by Council and ensure they have the most appropriate education and bin infrastructure to encourage resource recovery and no contamination in recycling bin.	Commercial	Lead – WO Support - WM	Existing
		2019-20	Based on outcomes of audit, deliver an education and engagement program based on reducing waste to landfill, improving resource recovery, increasing recycling yields and participation.		Lead – WO Support - WM	
		2020-21	Deliver Program		Lead – WO Support - WM	
		2021-22	Deliver Program		Lead – WO Support - WM	
4.3	Deliver Program	2018-19	Audit Sporting Clubs serviced by Council and ensure the most appropriate education program and bin infrastructure to encourage resource recovery and no contamination in recycling bin.	Sporting Clubs	Lead – WO Support – WM & OS	Existing
		2019-20	Based on outcomes of audit, develop and implement a staged program to bring all bin infrastructure, in parks and sporting clubs, to standard. Continue education and engagement with these groups.		Lead – WO Support - WM	
		2020-21	Deliver Program & continue education and engagement		Lead – WO Support - WM	
		2021-22	Deliver Program & continue education and engagement		Lead – WO Support - WM	
4.4	Deliver Program	2018-19	Review the existing waste reduction program at major festivals and events and include steps to ensure continuous improvement as well as promotion of Yarra's leadership role.	Festival/Events	Lead – WO Support – WM & CP	Existing
		2019-20	Implement waste management systems based on maximum diversion from landfill and resource recovery		Lead – WO Support – WM & CP	
		2020-21	Deliver waste management services based on maximum diversion from landfill and resource recovery		Lead – WO Support – WM & CP	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
		2021-22	Deliver waste management services based on maximum diversion from landfill and resource recovery		Lead – WO Support – WM & CP	
4.5	Implement infrastructure to the optimal level	2018-19	Review the Recycling Centre at Clifton Hill Depot to ensure the optimum infrastructure, equipment and education to encourage reuse, repair and maximum resource recovery for the Yarra Community	Recycling Centre Clifton Hill	Lead – WO Support - WM	Existing
		2019-20	Based on outcomes of audit, develop and implement a staged program to bring all program and infrastructure to optimal level		Lead – WO Support - WM	
		2020-21	Continue to develop the site to provide best practice recycling services to the community		Lead – WO Support - WM	
		2021-22	Continue to develop the site to provide best practice recycling services to the community		Lead – WO Support - WM	
4.6		2018-19	Review the municipal wide Recycling Drop off Points to ensure the optimum infrastructure and education to encourage maximum reuse, repair and resource recovery for the Yarra Community	Recycling Drop off points	Lead – WO Support - WM	Existing
		2019-20	Based on outcomes of audit, develop and implement a staged program to bring all infrastructure to optimal level to maximum reuse, repair and resource recovery		Lead – WO Support - WM	
		2020-21	Continue to develop the site to provide best practice to maximum reuse, repair and resource recovery		Lead – WO Support - WM	
		2021-22	Continue to develop the site to provide best practice to maximum reuse, repair and resource recovery		Lead – WO Support - WM	
4.7	Establish Circular Economy, Closed Loop Model	2018-19	Establish a Council Policy to support a circular economy model for Council's procurement through purchasing products made of recyclable materials such as plastics, mulch and compost	Circular Economy (Closed Loop) Model for Waste	Lead – WO Support - WM	No Existing Budget require \$8,000

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
4.8		2019-20	Implement Council Policy on a circular economy/closed loop model		Lead – WO Support - WM	
		2020-21	Increase the implementation of circular economy/closed loop model		Lead – WO Support - WM	
		2021-22	Increase the implementation of circular economy/closed loop model		Lead – WO Support - WM	
	Trial and Report to Exec	2018-19	Explore suitable smaller scale food scraps processing technology that can be established locally in a Council Depot, large MUD sites and commercial premises to process food onsite	Technology for Food Scraps Processing	Lead - WM Support – WO & COM	Sustainability Victoria Grant
		2019-20	Identify a suitable technology for a trial		Lead - WM Support – WO & COM	
		2020-21	Trial the technology		Lead - WM Support – WO & COM	
		2021-22	Complete an analysis and report to Exec		Lead - WM Support – WO & COM	

OBJECTIVE 5 COLLABORATE AND ADVOCATE FOR BETTER OUTCOMES

Yarra is part of a broader community. We will collaborate with a range of partners to advocate for improved opportunities to rethink consumption behaviour that seek to gain better value and minimise the creation of waste.

ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
5.1	Explored opportunities	2018-19	Explore opportunities to deliver collaborative projects with other councils on topics such as MUD recycling campaigns, food avoidance and litter prevention.	Collaboration	Lead – WM Support – WO, COM	Existing
		2019-20	Explore opportunities to deliver collaborative projects with other councils on topics such as MUD recycling campaigns, food avoidance and litter		Lead - WM Support – WO, COM	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
			prevention.			
		2020-21	Explore opportunities to deliver collaborative projects with other councils on topics such as MUD recycling campaigns, food avoidance and litter prevention.		Lead - WM Support – WO, COM	
		2021-22	Explore opportunities to deliver collaborative projects with other councils on topics such as MUD recycling campaigns, food avoidance and litter prevention.		Lead - WM Support – WO, COM	
5.2	Assessed global trends	2018-19	Maintain best practices by assessing global trends with partners to benchmark and respond to emerging trends and evaluate how they impact.	Partnerships	Lead - WM Support - WO	Existing
		2019-20	Maintain best practices by assessing global trends with partners to benchmark and respond to emerging trends and evaluate how they impact.		Lead - WM Support - WO	
		2020-21	Maintain best practices by assessing global trends with partners to benchmark and respond to emerging trends and evaluate how they impact.		Lead - WM Support - WO	
		2021-22	Maintain best practices by assessing global trends with partners to benchmark and respond to emerging trends and evaluate how they impact.		Lead - WM Support - WO	
5.3	Lobbied	2018-19	Work with the MAV to jointly lobby State and Federal Government to legislate Product Stewardship schemes for all viable resources to guarantee resource recovery and recycling, for example, models such as Mobile Muster and PaintBack.	Product Stewardship	Lead - WM Support - WO	Existing
		2019-20			Lead - WM Support - WO	
		2020-21	Continue to lobby State and Federal Government legislate Product Stewardship schemes for all viable resources to guarantee resource recovery and recycling.		Lead - WM Support - WO	
		2021-22	Continue to lobby State and Federal Government legislate Product Stewardship schemes for all viable resources to guarantee resource recovery and recycling.		Lead - WM Support - WO	
5.4	Deliver Program	2018-19	Work with Sustainability Victoria to establish State wide education Programs to change consumption behaviour that will reduce waste generation.	Sustainability Victoria	Lead - WM Support – WO & COM	Existing
		2019-20	Work with Sustainability Victoria to establish State wide education Programs to change consumption behaviour that will reduce waste generation.		Lead - WM Support – WO &	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
					COM	
		2020-21	Work with Sustainability Victoria to establish State wide education Programs to change consumption behaviour that will reduce waste generation.		Lead - WM Support – WO & COM	
		2021-22	Work with Sustainability Victoria to establish State wide education Programs to change consumption behaviour that will reduce waste generation.		Lead - WM Support – WO & COM	
5.5	Maximum benefit for Yarra	2018-19	Evaluate the MWRRG Business case to establish AWRRT's for the Metro Region to identify opportunities for Yarra's residual waste	MWRRG	Lead – WO Support - WM	Existing
		2019-20	Ensure Yarra is in a position to gain maximum benefits from emerging technologies		Lead – WO Support - WM	
		2020-21	Ensure Yarra is in a position to gain maximum benefits from emerging technologies		Lead – WO Support - WM	
		2021-22	Ensure Yarra is in a position to gain maximum benefits from emerging technologies		Lead – WO Support - WM	
5.6	Lobbied	2018-19	Work with the MAV to jointly lobby State Government about more productive uses of the EPA Landfill Levy to achieve waste minimisation and resource recovery outcomes	State Government	Lead - WM Support - WO	Existing
		2019-20				
		2020-21	Continue to lobby State Government about more productive uses for the EPA Landfill Levy to achieve waste minimisation and resource recovery outcomes		Lead - WM Support - WO	
		2021-22	Continue to lobby State Government about more productive uses for the EPA Landfill Levy to achieve waste minimisation and resource recovery outcomes		Lead - WM Support - WO	
5.7	Implemented program	2018-19	Work with the MAV and other organisations such as Councils and OECD to explore a circular economy model for waste materials such as plastic to REPLAS and the purchase back of products made from recycled plastic waste.	MAV and other organisations - Circular Economy	Lead – WO Support - WM	Existing
		2019-20	Work with the MAV and other organisations such as Councils and OECD to explore a circular economy model for waste materials such as plastic to REPLAS and the purchase back of products made from recycled plastic waste.		Lead – WO Support - WM	
		2020-21	Work with the MAV and other organisations such as Councils and OECD to explore a circular economy model for waste materials such as plastic to REPLAS and the purchase back of products made from recycled plastic waste.		Lead – WO Support - WM	

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ACTION NUMBER	DELIVERABLE	YEAR	ACTIONS	TARGET	RESPONSIBLE	BUDGET
		2021-22	Work with the MAV and other organisations such as Councils and OECD to explore a circular economy model for waste materials such as plastic to REPLAS and the purchase back of products made from recycled plastic waste.		Lead – WO Support - WM	
5.8	Reported to Council	2018-19	Investigate the current outcomes of the CDL in NSW and provide a report to Council.	Container Deposit Legislation (CDL)	Lead – WO Support - WM	Existing
		2019-20	Explore the relevance for Yarra		Lead – WO Support - WM	
		2020-21	Monitor to ensure Yarra is able to take advantage of any relevant CDL opportunities		Lead – WO Support - WM	
		2021-22	Monitor to ensure Yarra is able to take advantage of any relevant CDL opportunities		Lead – WO Support - WM	
5.9	Delivered program in partnership with community	2018-19	Encourage/partner with local community to develop initiatives about avoiding and reusing materials through Council's community grants	Community	Lead - WM Support - WO	Existing
		2019-20	Encourage/partner with local community to develop initiatives about avoiding and reusing materials through Council's community grants		Lead - WM Support - WO	
		2020-21	Encourage/partner with local community to develop initiatives about avoiding and reusing materials through Council's community grants		Lead - WM Support - WO	
		2021-22	Encourage/partner with local community to develop initiatives about avoiding and reusing materials through Council's community grants		Lead - WM Support - WO	
5.10	Delivered program in partnership with community	2018-19	In partnership with the community develop a Proudly Plastic Free Campaign to encourage food outlets to reduce the use of disposable plastics	Community and Commercial	Lead - WM Support - WO	No Existing Budget require \$10,000 + 0.2 EFT
		2019-20	Review and update based on what was learned, deliver campaign		Lead - WM Support - WO	
		2020-21	Continue to deliver campaign		Lead - WM Support - WO	
		2021-22	Continue to deliver campaign		Lead - WM Support - WO	
5.11	Lobbied	2018-20	Work with the MAV to jointly lobby State governments to ban the use of single use plastics	State Government	Lead - WM Support - WO	Existing
		2020-21	Continue to lobby State Government about banning single use plastics		Lead - WM Support - WO	
		2021-22	Continue to lobby State Government about banning single use plastics		Lead - WM Support - WO	

Appendix one – Policy Context

National

National Waste Policy: Less Waste More Resources

The National Waste Policy agreed by all Australian environment ministers in November 2009, and endorsed by the Council of Australian Governments, sets Australia's waste management and resource recovery direction to 2020. The aims of the National Waste Policy are to:

- avoid the generation of waste, reduce the amount of waste for disposal
- manage waste as a resource
- ensure that waste treatment, disposal, recovery and re-use is undertaken in a safe, scientific and environmentally sound manner,
- contribute to the reduction in greenhouse gas emissions, energy conservation and production, water efficiency and the productivity of the land.

National Food Waste Strategy

The *National Food Waste Strategy* was launched in November 2017 and provides a framework to support collective action towards halving Australia's food waste by 2030.

State

Legislation

In 2014 legislative amendments to the Environment Protection Act 1970 (the EP Act) established the Victorian Waste and Resource Recovery Infrastructure Planning Framework (the Framework). As amended, the EP Act provides the legislative underpinning for Regional Implementation Plans. The legislative objectives are:

- to ensure long term strategic planning for waste and resource recovery infrastructure at state and regional levels
- to facilitate the integration of statewide directions for the management of waste and resource recovery infrastructure and regional infrastructure needs
- to enable waste and resource recovery infrastructure planning to be:
 - i. effectively integrated with land use and development planning and policy
 - ii. effectively integrated with transport planning and policy
- to ensure Sustainability Victoria and Waste and Resource and Recovery Groups work together to integrate the State Infrastructure Plan and Regional Implementation Plans to enable waste and resource recovery infrastructure planning decisions to be made at the appropriate level of the Framework.

Statewide Waste and Resource Recovery Infrastructure Plan

Released in June 2015, and amended in 2017, the Statewide Waste and Resource Recovery Infrastructure Plan (SWRRIP) provides Victoria with a 30 year vision and roadmap to guide future waste and resource recovery infrastructure planning and supporting programs to achieve an integrated system that:

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- effectively manages the expected mix and amounts of waste
- reflects the principles of environmental justice to ensure that impacts on the community, environment and public health are not disproportionately felt across communities
- supports a viable resource recovery industry
- reduces the amount of valuable materials going to landfill.

The SWRRIP is supported by seven Regional Implementation Plans, which set out the local priorities and infrastructure across the seven regions in Victoria.

In 2016, SV identified the need to amend the SWRIPP. It now includes a more comprehensive picture of Victoria's waste flows, capacity gaps and regional infrastructure priorities, and is used to inform a summary of overall opportunities to increase recovery in Victoria.

The Metropolitan Waste and Resource Recovery Implementation Plan

The Metropolitan Waste and Resource Recovery Implementation Plan (Metropolitan Implementation Plan) outlines the vision and strategy for managing Melbourne's waste. The plan focuses on identifying Melbourne's infrastructure needs and how these will be met over the next 10 years.

The strategic objectives for the Metropolitan Implementation Plan are to:

- reduce waste sent to landfill
- increase organic waste recovered
- deliver community, environmental and economic benefits
- plan for Melbourne's growing population

The Victorian Waste and Resource Recovery Framework

This Metropolitan Implementation Plan, together with the State Infrastructure Plan and the six Regional Implementation Plans forms the Victorian Waste and Resource Recovery Infrastructure Planning Framework. This framework enables Victoria to establish a waste and resource recovery system that:

- effectively manages the expected mix and volumes of waste
- reflects the principles of environmental justice to ensure the impacts on the environment and public health are not disproportionately felt across communities
- supports a viable resource recovery industry
- reduces the amount of valuable materials going to landfill.

Victorian Organics Resource Recovery Strategy

The Victorian Organics Resource Recovery Strategy sets out the government's vision for organic resources, and the steps needed to achieve this vision. The strategy's goals are:

- to reduce the impact of climate change
- to protect the environment, human and animal health and amenity
- risk based and proportionate approach
- strong and sustainable markets.

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Victorian Market Development Strategy for Recovered Resources

The Victorian Market Development Strategy for Recovered Resources is a key element in the delivery of the Statewide Waste and Resource Recovery Infrastructure Plan. It has been developed to support Victoria to:

- meet community expectations for resource recovery activities that improve the environment, community amenity and public health, while stimulating markets for the use of recovered materials for positive economic return
- support conditions for the resource recovery and manufacturing sectors to grow and create jobs, by maximising the value of recovered materials and developing quality products for end markets
- increase investment in and the purchase of products made from recovered materials by promoting their qualities and functionality
- provide a 30 year vision, 10 year strategic outlook, and five year action plan.

Victorian Waste Education Strategy

The strategy provides a consistent and coordinated approach to waste and resource recovery education. It supports best practice programs so that Victorians:

- are well informed and taking practical action to reduce waste, minimise its environmental impact and maximise its value
- understand the importance of effective waste management and recovery of valuable resources.

Local

Council Plan

The Council Plan 2017-21 is a strategic document that puts forward a medium to long-term vision for how Council will respond to the opportunities and challenges facing Yarra over the next four years.

It provides guidance on how Council will work to improve the amenity of residents, manage the challenges presented by population growth, provide support to vulnerable community members, protect and enhance Yarra's heritage and culture and continue to reduce the city's environmental footprint.

The key objectives of the Council Plan are:

1. Community health, safety and wellbeing are a focus in everything we do.
2. Inclusion, diversity and uniqueness are welcomed, respected and celebrated.
3. Council leads on sustainability and protects and enhances its natural environment. Development and growth are managed to maintain and enhance the character and heritage of the city.
4. Local businesses prosper and creative and knowledge industries thrive.
5. Connectivity and travel options are environmentally sustainable, integrated and well-designed.
6. Transparency, performance and community participation drive the way we operate.

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Municipal Public Health and Wellbeing Plan 2017-2021

The Municipal Public Health and Wellbeing Plan 2017- 2021 is incorporated in the Council Plan 2017-2021, under the key objective of Community health, safety and wellbeing are a focus in everything we do.

The following strategies are included under this key objective:

1. Maintain and enhance Yarra's open space network to meet the diverse range of community uses. Promote a community that is inclusive, resilient, connected and enjoys strong mental and physical health and wellbeing.
2. Provide health promoting environments that encourage healthy eating and active living.
3. Assist to reduce the harms from alcohol and drugs on individuals and the community in partnership with State Agencies and key service providers.
4. Promote environments that support safe and respectful sexual practices, reproductive choices.
5. Promote a gender equitable, safe and respectful community.
6. Promote an effective and compassionate approach to rough sleeping and advocate for affordable, appropriate housing.
7. Provide opportunities for people to be involved in and connect with their community.

Yarra's health and wellbeing initiatives are based on a framework called the Social Model Of Health, where (in tandem with biological and medical factors) improvements in health and wellbeing are achieved by addressing the social and environmental determinants of health including:

- natural environment (air, water, vegetation and climate)
- built environment (parks, street lighting, footpaths, cycling lanes and trails, recreation and community facilities)
- economic environment (access to employment)
- social environment (community participation and connectedness).

Yarra Waste and Resource Recovery Strategy 2014-2018

The previous Waste and Resource Recovery Strategy was developed through an extensive process of community consultation, stakeholder engagement, policy and strategy review and analysis. It built on the achievements of the previous Waste Management Strategy 2009 – 2013 which was successful in increasing diversion rates to landfill and ensuring an excellent service to the Yarra Community. The 2014 – 18 strategy had a stronger focus on waste minimization and education while maintaining an emphasis on providing excellent services to the Yarra Community.

Policy Context – Greenhouse Emissions

Greenhouse gas emissions within a waste management context stem from two main factors:

1. **Plant based materials-** When organic materials like food scraps enter a landfill they breakdown and decompose within anaerobic (absence of oxygen) conditions, resulting in methane production (a greenhouse gas over 20 times more potent than carbon dioxide). Compare this to more natural decomposing processes such as

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composting (aerobic), where the material breaks down in the presence of oxygen, and reduces emissions considerably.



However, the management of methane in modern, compliant landfills is far better than past practices. Landfills in metropolitan Melbourne are managed in accordance with strict EPA regulations and operators utilise latest technologies to maximise the operational lifetime of the landfill and limit the environmental and social impacts of landfilling. All Victorian landfills have strict management requirements (for instance, the Environmental Management System (EMS) requirements overseen by the Metro Waste Management Group (MWMG)) and many landfills capture a large proportion of the methane produced and use this for onsite energy purposes, thus reducing greenhouse impacts. Nevertheless, better greenhouse outcomes can be achieved through avoidance, diversion and other practices.

2. **Embodied energy in man-made/ non-plant based materials** - Looking at how and what we consume, and the materials product lifecycle, along with how we discard of an item once we are done with it, will play a significant role in helping our community to divert items from landfill and lower our overall greenhouse gas emissions. Product lifecycles typically include on five stages which can impact emissions:
 - (a) Materials extraction- taking into account whether its sourced from virgin, recycled or raw materials;
 - (b) Manufacturing- this step needs to consider the energy required to create the product;
 - (c) Distribution and transport - where products could to be shipped overseas, moved to warehouses, delivered to retailers and transported to the location of use;
 - (d) Usage- some products may require energy just to actually use them;
 - (e) End of life management – where energy may be required to safely store or dispose of the product.

When a product is made from recycled material it takes less energy to produce than it takes to make that same item from brand new raw materials. Making new cans from used aluminium requires only 5% of the energy needed to make a new can from scratch.

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Therefore, Yarra's greenhouse gas emissions from waste can be minimised by preventing any recyclable materials entering the landfill system, taking full advantage of recycling facilities, and also by minimising the amount of waste that is generated.

The Yarra Waste Minimisation Strategy 2018-22 provides Council and residents with strategic directions to reduce the amount of waste that we generate and the associated greenhouse emissions in managing waste.

Recycling Markets

In July 2017, China announced its National Sword Policy decision effectively banning imports of 24 types of scrap including materials such as plastic and mixed paper by the end of the 2017.

The new policy is taking considerably less lower quality material as it replaces imported materials with recycled material collected in its own domestic market, from its growing middle-class and Western-influenced consumers. This will have a significant impact for Australia as China historically has been the dominant market for some recycled materials. There are concerns that much of the recycling that China previously imported, will have nowhere else to go and Australia will need to find new export markets or alternative end markets, including local industry opportunities, to avoid these resources going to landfill.

This will include the kerbside commingled recycling materials currently being collected by Yarra and other Victorian Councils. VISY Recycling currently receives Yarra's recyclables and are currently processing approximately 30 percent of all materials received locally. At this stage, it is difficult to predict the short and long term impacts of the China policy, however given that the local market cannot consume the volume of material collected in the Australian kerbside recycling collection system the potential implications may include:

- Little to no value for the commingled kerbside recycling material.
- In the future companies such as VISY Recycling, SKM and Polytrade who receive commingled recycling for sorting may start charging a gate fee per tonne rather than paying for material.
- It will be necessary for the recycling processors to improve the quality of the commingled material in order to enter the China market.
- The sorting process for the commingled kerbside recycling material may need to be intensified to meet the new Chinese standards.
- It is necessary for Australia to invest in local processing of these material to avoid landfill
- It will be necessary to educate the community to sort recyclable material correctly. It may be necessary to find other uses for the material to avoid landfill.

In response to China's decision, Victorian councils and industry will be provided a \$12 million package to support the ongoing collection of household waste and \$1 million for industry to improve processing. The assistance will go towards helping councils and industries develop longer-term solutions. This assistance will be provided until 30 June 2018, after which Councils will be required to meet any increase in recycling costs. The Victorian Government has also moved to establish a recycling industry taskforce to develop a plan for industry transition.

Yarra is committed to lobbying State government to explore circular economy opportunities and establishing a local recycling processing industry.

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Advanced Waste and Resource Recovery Technologies

Advancements in technology plays an important role in providing better waste management solutions, particularly for improved sorting and treatment processes.

The Yarra Waste Minimisation Strategy 2018-22 provides Council with an opportunity to make informed decisions and take a course of action today that will make significant impacts on the amount of waste sent to landfill. The City of Yarra will take advantage of new advances in resource recovery and waste management as they emerge to ensure that best fit solutions are operating and providing benefits to its community.

The Metropolitan Implementation Plan outlines new ways to send less material to landfill, use our valuable resources again, and grow jobs and investment in the waste and recycling sector. MWRRG has prepared an Advanced Waste and Resource Recovery Technologies (AWRRT) business case and procurement strategy for providing infrastructure and services to process residual waste currently going to landfill.

Although AWRRT's provide Council's an opportunity to significantly decrease the amount of waste sent to landfill Yarra will need to establish how the technology fits with Yarras's Waste and Resource Recovery Strategy. Other issues to be considered include:

- How the technology will deal with resource recovery prior to processing
- The location of the facility is important from a transport perspective and from the perspective of proximity to sensitive uses and NIMBY (Not in my back yard)
- The AWRRT gate fee per tonne versus the landfill gate fee per tonne
- How the EPA levy would be treated for the AWRRT's
- Social, cultural, environmental and financial impacts

Appendix Two: Community and Stakeholder Engagement

An overview of Yarra Community

The City of Yarra is an inner metropolitan Council, 3 kilometres north-east of the central business district of Melbourne.

Yarra includes the suburbs of Abbotsford, Burnley, Clifton Hill, Collingwood, Fitzroy, North Carlton, North Fitzroy, Richmond and the southern portions of Alphington and Fairfield. In June 2016 the Estimated Residential Population of the City of Yarra was 93,380.

The city now known as Yarra was mostly settled from around the 1840s, with the population growing quickly due to economic growth associated with the 1850s gold rush. Yarra suburbs were developed as a mix of industry and housing. Much of the original housing was in the form of small terraced 'workers cottages' built directly onto the streets with small back yards. As industry moved away from the inner city many of the old industrial areas were redeveloped into medium and high-density housing. Yarra is also home to three high-rise public housing estates as well as a number of low-rise public housing developments.

This mix of housing makes Yarra residents far more likely to live in high or medium density housing than in other parts of metropolitan Melbourne. Over 48% of the Yarra population lives in medium density housing and over 37% live in high density with only 13.4% living in separate houses.

The Yarra community has experienced sustained growth since the 1980's. The population is forecast to continue to grow to 88,188 in 2016 and around 96,000 in 2021.

2011		2016		2021		2031	
Residents	Dwellings	Residents	Dwellings	Residents	Dwellings	Residents	Dwellings
79,013	37,182	88,120	41,921	95,911	46,103	110,512	53,757

Population and Dwelling Estimates

Table 2 -

Yarra is particularly popular with young people with a greater percentage of people aged 18 years to 24 years living in Yarra than the Greater Melbourne average. The Yarra community is also particularly transient with 46.6% of the population moving between 2006 and 2011 (data from the 2016 Census is not yet available).

People in Yarra are far more likely to be renting (50%) than in Greater Melbourne (29%). In addition 9.5% of the Yarra population lives in social housing which is almost four times the Greater Melbourne average of 2.6%.

Yarra has slightly fewer residents who were born overseas (29%) than greater Melbourne (34%) although almost a fifth of Yarra residents come from countries where English is not the first language, and almost a quarter speak a language other than English at home.

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The top five ancestries nominated by residents in Yarra were English, Australian, Irish, Scottish and Chinese. There is a large community of people with Vietnamese ancestry in Yarra.

Data in this section has been sourced from to 2011 and 2016 Australian Bureau of Statistic Census 2011 as provided on the id consulting website <http://profile.id.com.au/yarra>. Additional forecasting was sourced from <http://forecast.id.com.au/yarra>.

Consultation and Engagement

Consultation Activities

A range of consultation activities were completed during the consultation process:

1. An online survey asking two simple questions
 - i) What are the most important things for council to do in terms of minimising waste, reusing material and recycling?
 - ii) What are the best things you personally can do to minimise waste?
2. Three 'pop up' activities at local parks and a neighbourhood house.
3. An online survey sent to local businesses.
4. Engagement with key local councils to understand their issues and priorities.

Consultation Response

The number of responses to the online questions were far greater than expected. A total of 307 people responded to the online questions with many providing multiple ideas and opinions. In addition responses were received from 91 comments were received at the pop up consultation and 13 businesses responded to the online business survey.

Collating the responses

All responses to the online engagement were grouped into themes. Where multiple responses were received from one respondent up to four themes were allocated so if a respondent had written 'we should reduce food waste, recycle soft plastics and educate residents on what to recycle' that answer was themed into food waste, recycle and education. The responses were then quantified to understand the most common issues. The results are provided in the next section.

What are the most important things for council to do in terms of minimizing waste, reusing material and recycling?

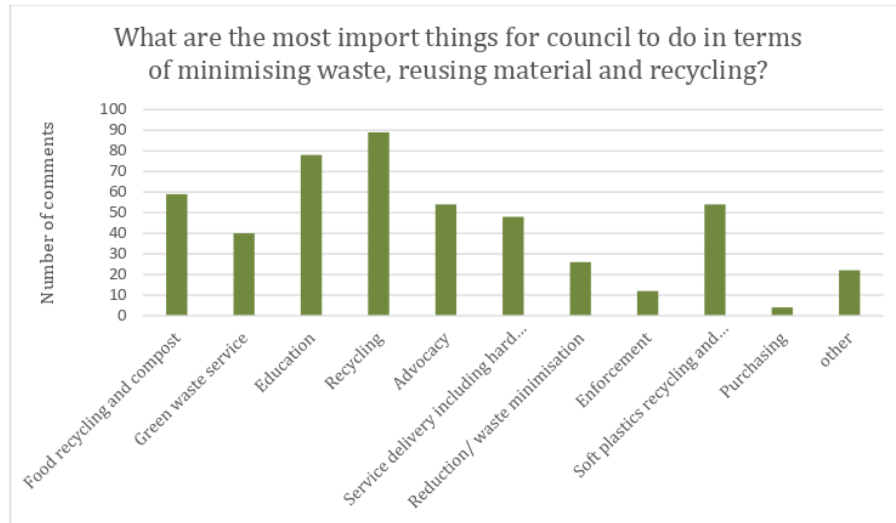
The most commonly cited response relating to recycling particularly understanding what could be recycled, encouraging people to recycle correctly, concern over the China National Swards Policy. The need to recycle soft plastics and reduce the amount of soft plastics created was also considered important. Many responses indicated a desire for council to advocate for the reduction of single use items such as plastic bags and take away coffee cups.

Education was also considered important particularly in terms of how to minimise waste.

Food recycling particularly relating to a food recycling service for residents was a common response. There were also a number of responses relating to a green waste or organics bin or a better green waste service.

There were mixed responses relating to service delivery with some respondents indicating a need for greater service delivery (larger bins etc) while others felt it should be reduced.

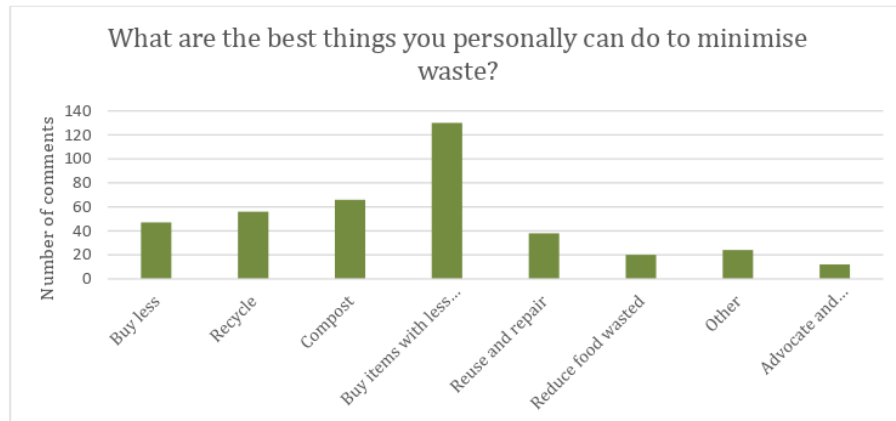
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What are the best things you personally can do to minimize waste?

The most common response related to purchasing items with less packaging, this included shopping in places with less packaging, taking shopping bags when shopping and choosing items with less packaging.

Other common answers were buying less, composting, reusing and repairing items and reducing food waste.



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Other Local Government Consultation

COUNCIL / Org.	SCOPE & STATUS	PRIORITIES	NEEDS
City of Melbourne	<ul style="list-style-type: none"> Draft to be approved by Councillors in May for community consultation Scope: CoM operations, Residential, Public place bins, Business/C&I, C&D Elements: Policy/strategic context, data, challenges, goals, outcomes, targets and indicators, priorities and actions 	<ul style="list-style-type: none"> Innovation AWRRT 3Rs for organics, plastics etc Amenity impacts 	<ul style="list-style-type: none"> Collaboration and co-ordination role from MWRRG
Fisherman's Bend	<ul style="list-style-type: none"> Draft completed Includes targets Feasibility study for alternatives to traditional waste management (broader than just apartments). 	<ul style="list-style-type: none"> Influence C&D, C&I Building specifications Sustainability hub AWRRT 	<ul style="list-style-type: none"> Redraft by midyear Liaison with Melbourne and Port Phillip Councils
City Greater Dandenong	<ul style="list-style-type: none"> Finalised 2015 Focus on operational matters, user friendly Link to Sustainability strategy Action Plans for each priority area 	<ul style="list-style-type: none"> Waste minimisation Waste management Waste education Litter Close the Loop 	<ul style="list-style-type: none"> Dialog with councillors
Port Phillip City Council	<ul style="list-style-type: none"> Early draft Includes targets Consultation and collaboration 	<ul style="list-style-type: none"> Transformation Fishermans Bend Innovation & avoidance Reduce landfill Smart solutions Clean streets and beaches Waste treatment 	<ul style="list-style-type: none"> Endorsement by September Have received good useful data from Sustainability Victoria
City of Hobsons Bay	<ul style="list-style-type: none"> Lapsed. New draft under development 	<ul style="list-style-type: none"> FOGO AWRRT Respond to high level policy 	<ul style="list-style-type: none"> Share resources Strategy background paper re waste
City Brimbank & City of Moreland (Peter Allan)	<ul style="list-style-type: none"> Brimbank: out for community consultation. Expect strategy to be finalised soon Moreland: internal draft completed 	<ul style="list-style-type: none"> 3Rs , Waste Minimisation Hierarchy Regional approaches Beyond kerbside 	<ul style="list-style-type: none"> Embed and own 3Rs with targets, KPIs etc Go beyond kerbside services

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COUNCIL / Org.	SCOPE & STATUS	PRIORITIES	NEEDS
	<ul style="list-style-type: none"> Both want to tackle big issues and be progressive Short and longer term actions 	<ul style="list-style-type: none"> 	
City of Darebin	<ul style="list-style-type: none"> 2015-2015 completed Progress / review scheduled this year Includes Education, Infrastructure, Policy and Advocacy perspectives Action Plans 	<ul style="list-style-type: none"> Food Economic equity Litter MUDs 	<ul style="list-style-type: none"> Respond to China Sword Policy issue External input if a rewrite is indicated
Manningham City Council	<ul style="list-style-type: none"> Previous lapsed 2017. New draft under development 	<ul style="list-style-type: none"> FOGO Eastern organics AWRRT Transfer Station development on quarry site 	<ul style="list-style-type: none"> Updated data/stats, policies and template would be useful
Cardinia City Council	<ul style="list-style-type: none"> New strategy released December 2017 5-year action plan includes 39 Actions 	<ul style="list-style-type: none"> Joint procurement Bookable hard waste services Not burning off Dumped rubbish and litter Food waste service 	<ul style="list-style-type: none"> Regional collaboration and advocacy

Potential areas for cross-collaboration:

- innovation
- working up the waste hierarchy
- different recycling methods
- advocacy
- regional collaboration
- leading the way – own facilities, more ambitious targets
- consistent messaging.

Opportunities and challenges:

- Circular economy – up-skilling topic for an education network session or for SV to include at the waste education conference
- keeping up with change – in consumption patterns, packaging types, household profiles – strategies need to be flexible enough to adjust
- extended producer responsibility – packaging, bottles etc

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- engaging businesses – empower to do food waste composting, looking at localised solutions

Appendix Three - The Waste Context

THE EVOLUTION OF WASTE

The evolution and definition of the word 'waste' has come a long way since the early 1850s; with the influx of settlers during the gold rushes, garbage disposal started to become a major problem. Residents and traders often 'disposed of' their garbage by dumping it in their backyards, on streets, on any vacant area of land, or buried it in cesspits.

It soon became apparent that a more organised system for disposing of the city's garbage was required. In 1864 Fitzroy became the first municipality in Melbourne (and one of the first in Australia) to establish regular, although optional, collections for domestic garbage.

By the mid-20th century council garbage collections were taken for granted, but many items were too valuable to be simply discarded. Empty bottles were taken to local shops or bottle depots to be washed and refilled. The Salvation Army and Boy Scouts collected newspapers for recycling, while fish and chip shops and greengrocers would buy old newspapers to use for wrapping and packaging. Other garbage could be burned off in backyard incinerators.

In the late 20th century, the focus for council services moved increasingly to reducing and recycling. Encouraged by the Environment Protection Authority, most councils introduced kerbside recycling programs in the late 1980s. By 2002 only a quarter of what was ending up in landfill collected from Melbourne households was recyclable.

While recycling rates are increasing, the amount of garbage being created is also increasing. It is clear our lifestyles and the way we run our economy is turning natural resources into waste at a rate faster than nature can replenish. Our proportional ecological footprint is currently four times that which would enable all humans to live sustainably on the planet.

The next transformation in the evolution of waste is to look at the materials we consume as having a value that must be used more efficiently and sustainably over the long-term. The Yarra community has embraced the changes to date. Recycling has now become commonplace with strong community support. The use of reusable cups, the rejection of extra packaging and the popularity of farmers' markets are all indications of an appetite for change. The challenge and opportunity for the twenty-first century will be to build on this, establishing a culture of reducing our waste footprint using pre and post consumption measures.

Appendix Four – Waste services

Service delivery

Yarra City Council provides a range of services for its community. These include kerbside collections of garbage and recycling, hard rubbish and green (garden) waste collections, trialling a Food Scraps Collection and managing waste and litter removal from public open spaces. Yarra also provides a number of drop off facilities for items that are not currently recyclable through the kerbside collections. Further details of these services are provided below. Currently, due to contract arrangements it is not possible to access data of tonne per sector. This data is important for understanding the waste stream and responding accordingly. Ensuring accurate and useful data will be an action in the new strategy.

Kerbside Collection

Bins for kerbside collection are provided by Council, at a one off fee to new residential developments. Replacements for lost or stolen bins are supplied at no charge.

Multi-Unit Development (MUD) properties such as flats and apartments, may be provided with multiple garbage (landfill) and recycling bins, based on an assessment of accessibility and needs of the property.

Domestic (Residential) Garbage Waste Collection

Domestic garbage is collected from the kerbside of residential properties weekly.

An 80-litre bin is provided to single dwellings for storage and presentation of garbage. The collection encompasses only residual garbage.

Domestic Recyclables Collection

Domestic recyclable materials are collected from the kerbside of residential properties weekly.

A 120-litre bin is provided to single dwellings for storage and presentation of co-mingled recycling. The collection encompasses a standard range of paper, cardboard, glass, plastics, aluminium, milk and juice cartons, and steel products that are viable as re-use materials.

Domestic Food Scraps Collection (Trial Program)

In November 2017 Council commenced a food scraps collection trial that will run for approximately 8 months. The trial catchment area is made up of approximately 200 single dwellings in Abbotsford and approximately 200 residents in a Multi-Unit Development at Acacia Place Abbotsford. Initial trends and outcomes of the food scraps trial should be available in the near future.

The aim of the food scraps trial is to collect data that will allow Council to make an informed decision about a municipal wide approach to removing food scraps from garbage stream.

Commercial

The City of Yarra does not undertake the collection of business specific trade and commercial waste. This is due to significant variations in type and quantity of waste generated from the variety of businesses operations which requires specialist, flexible and more frequent services best provided by the many private waste collection companies.

Commercial Garbage Collection

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The City of Yarra provides each commercial tenement, on request, a maximum of 80 litre garbage bins for a weekly garbage service, as an extension to the residential kerbside collection service.

The service is for domestic-type garbage materials but does not accommodate materials generated from core business activities.

Commercial Recyclable Collection

The City of Yarra provides each commercial tenement, on request, a maximum of 120 litre recycling bins for a weekly recycling service, as an extension to the residential kerbside collection service.

The service is for domestic-type recyclable materials but does not accommodate materials generated from core business activities.

Office of Housing High Rise Buildings Garbage and Recycling Collection

Council provides a regular clearance of domestic waste from the twelve Office of Housing high rise towers in Yarra.

The developments have a unique garbage waste disposal chute and hopper system. The hopper is cleared from the ground level, by use of an open truck.

Recycling services are available at the bottom of each tower on Collingwood, Fitzroy and Richmond estates.

Council has worked closely with Department of Health and Human Services to conduct education programs for residents at the estates, with an aim to increase resource recovery rates and reduce the level of contamination recycling stream.

Dumped Waste

Illegal dumping is the deliberate or unauthorised dumping, tipping or burying of waste on land that is not licensed or fit to accept that waste. Waste dumped near residential properties or in parks and other open spaces can contribute to human impact on the ecology as well as an unsightly environment that looks and feels unsafe.

A considerable amount of dumped waste is frequently reported across the City of Yarra but rarely is any regulatory action taken. Dumped waste is quickly removed by Yarra's well-established Litter Response Team.

Litter

Council uses a variety of methods to keep local roads and streets clean including an extensive street sweeping program.

Yarra's in-house Litter Response Team has scheduled litter collection areas, which are cleaned daily. They also respond to any dumped rubbish call outs in their designated areas.

Council's street cleaning services empty street litter bins, and clean the main shopping strips daily. Material deposited in street litter bins is collected and taken to the Visy MRF at Laverton for recycling. An opportunity exists for Council to better promote that waste from its street litter bins is recycled.

Hard and Green Waste Collections

In 2008 Council moved to an "at-call" booking system for hard and green waste collection to all residential properties throughout the City.

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The system allows for unlimited collections of green waste and two hard waste collections annually per dwelling.

Yarra has also introduced an option of purchasing a 240 litre bin to put Green Waste for collection.

Green waste is transported to a Green Waste Recycling Facility. The Green Waste Recycling Facility currently only processes garden waste. In the near future an in-vessel composting technology facility will become available to process food waste in addition to garden waste. This would require Yarra to provide the solution for our residents as a third 240L bin would not work.

Hard waste collected from properties is then sorted with the recoverable items saved or recycled. The non-recoverable or non-recyclable items are disposed of at landfill.

Recycling Drop off Point

A recycling drop off point was established at Clifton Hill to receive a range of goods that cannot be recycled through the current domestic recycling service.

An extensive range of items are accepted at the Clifton Hill drop off point including cardboard, electrical equipment, fluorescent tubes and light bulbs, household batteries, mobile phones and accessories, polystyrene, clothing, soft plastics, scrap metals.

Additional drop off points are provided at libraries, neighbourhood houses and other community facilities as required for collection of items including electrical equipment, household batteries, mobile phones and accessories and clothing,

Appendix Five - Emerging Issues

Multi-unit developments

Managing waste from apartments provides particular challenges. Inadequate infrastructure reduces a resident's ability to recycle.

Consultations with residents have indicated a desire to reduce food waste going to landfill, but the inability to use systems like composting or worm farms due to lack of suitable space.

Programs are now in place to improve the waste minimisation rates through conscious consumption habits, resource recovery and reduce contamination through targeted education and a review of bin infrastructure in a small number of apartment/units.

These initiatives are working well to improve resource recovery rates and the quality of recycling. Although we have an effective strategy for working with the older multi-unit developments which may not have the correct bin stock to meet the recycling needs, this is resource intensive and will take many years to deliver.

Procedures are also in place to improve the decision making processes associated with bin infrastructure at the planning stages of new multi-unit developments.

Public Housing - High Rise /Low Rise

The City of Yarra is home to a high proportion of residents living with socio-economic disadvantage, in what is an otherwise relatively affluent municipality. These pockets of disadvantage tend to be clustered around the three high-rise public housing estates as well as some smaller low-rise estates.

Despite previous programs to increase recycling in the sector, there have been no real improvements. Advocacy to the State Government will be part of the development of the new action plan.

Business Sector

The kerbside service to a commercial property will be a residential service provided to a commercial site. The bins are only to be used for kitchen and bathroom waste as per a residential property.

Rateable commercial properties will be eligible to receive an equivalent waste service that is provided to residential properties:

- 80 litre garbage bin collected weekly
- 120 litre recycling bin collected weekly

A targeted business garbage and recycling program conducted has identified certain issues. These include:

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- high resource loss in the garbage stream;
- high contamination in the recycling stream;
- low participation rates in recycling;
- large number of stolen bins being used by businesses
- little behavioral change was achieved despite provision of targeted education and new bin infrastructure.

We will continue to work with the Yarra's business sector to improve resource recovery outcomes.

Food Organics

Food organics is a major contributor to the Yarra waste stream (45.6%), and one where additional effort is believed to make a large difference. As well as reducing waste to landfill and associated costs to Council, this will significantly reduce greenhouse gas emissions, and has the potential to create a valuable resource (compost) at a household, neighbourhood, or regional scale.

In response to this issue the City of Yarra has delivered the '*Food Know How**, which aims to reduce the amount of food waste in the garbage bins of the average Yarra household, café, and business and influence long-term food waste behaviour change.

*Food Know How** aims to help households, cafes and offices in the City of Yarra to avoid and recycle food waste through strategies such as menu and meal planning, using leftovers, and tips about smart shopping and food storage, as well as composting and worm farming.

In November 2017 Council commenced a food scraps collection trial that will run for approximately 8 months. The trial catchment area is made up of approximately 200 single dwellings in Abbotsford and approximately 200 residents in a Multi-Unit Development at Acacia Place Abbotsford. Initial trends and outcomes of the food scraps trial should be available in the near future.

The aim of the food scraps trial is to collect data that will allow Council to make an informed decision about a municipal wide approach to removing food scraps from garbage stream.

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Appendix six - Yarra's recent performance

This section has been developed using the best data available at the time. It is recognised that there are a number of issues in relation to these data. Collecting and understanding useful data is recognised as key to good service planning and delivery and projects are currently underway to improve the quality and relevance of data collected.

Garbage, recycling and total waste per person have all decreased. This suggests that everyone is reducing their consumption, which is a fantastic outcome.

The recycling collected has decreased. This anomaly is occurring in most councils in Melbourne. Analysis suggests this is due to the changing composition of the recycling stream including a reduction of newspapers and the light weighting of packaging.

Yarra's waste statistics for 2013-17

Yarra's Waste Stream	Unit	2013/14	2014/15	2015/16	2016/17
Garbage	kg/pp/year	201	194	193	185
Total Garbage	tonnes/yr	16,926	17,004	17,452	17,267
Recyclables	kg/pp/year	104	100	99	95
Total Recycled	tonnes/yr	8760	8777	8923	8886
Green Garden	kg/pp/year	4	4	4	5
Total Green Garden Waste	tonnes/yr	363	347	332	442
Hard Waste	kg/pp/year	28	26	27	28
Total Hard Waste	tonnes/yr	2,324	2,239	2,404	2,617
Waste	kg/pp/year	337	324	322	313
Total Waste	tonnes/yr	28373	28367	29111	29212
Total population**		84171	87571	90401	93380

* In this table kerbside include waste collected from single dwellings, multi-unit developments, commercial properties, sporting clubs and Council Buildings

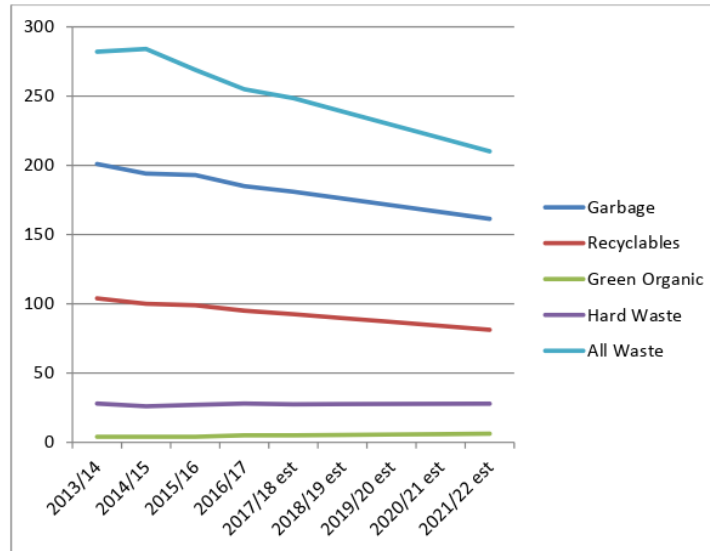
* kg/pp/year– kilograms per person per year

* At this point, due to the way the contract is set up, and therefore waste is collected, we are unable to provide data of tonne per sector. This will be an action delivered in this strategy.

Attachment 1 - Draft Waste Minimisation and Resource Recovery Strategy 2018-22

Estimated Waste Trends to 2022

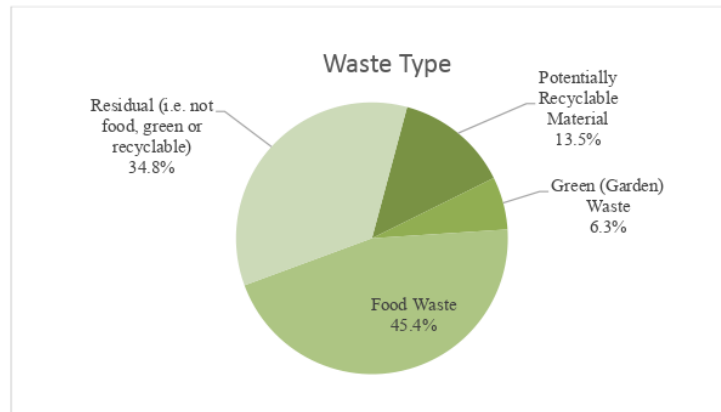
The estimated waste trend shows all waste tonnes decreasing.



Note: the waste category is kilograms per person per year

Breakdown of Household Garbage

The domestic kerbside waste stream audit conducted during 2014 provided the following snapshot of Yarra's garbage waste stream. Approximately 13.5% of the garbage stream was potentially recyclable through the kerbside recycling collection and a further 59% is potentially recoverable through food and green waste processing.



Attachment 1 - Draft Waste Minimisation and Resource Recovery Strategy 2018-22

Glossary

This is a list of the main items and concepts discussed in the Yarra Waste Minimisation Strategy 2018-22. For a more comprehensive listing of terms and acronyms please refer to 'A Taste of Waste – Things to Know About Waste and Resource Recovery' produced by the Victorian State Government:

<http://www.mwmg.vic.gov.au/images/documents/atow%20webinteractive2.pdf>

Term	Definition
Advanced resource recovery technology (ARRT)	These are a facility which treats a material stream which under normal circumstances would be sent to landfill. They are designed to treat non-source separated, highly contaminated material streams.
Alternative waste technologies (AWTs)	These are a facility which treats a material stream which under normal circumstances would be sent to landfill. They are designed to treat non-source separated, highly contaminated material streams.
CALD communities	Culturally and linguistically diverse residents. Yarra has a high CALD population with 25% of Yarra residents speaking a language other than English at home.
Chain of production	The process required to convert raw materials into usable products.
Contamination	A substance of matter that has adverse impact on recycling, on the ability to process one type of material into another product.
EED Planning Policy	Environmentally efficient design requirements
Garbage	Garbage is any substance which is discarded after use, or is worthless, defective and of no use.
Hard waste	Is the term applied to household garbage that is not usually accepted into mobile garbage bins by Council, e.g. fridges, mattresses, couches, appliances.
Kerbside collection	This is a service provided by Council to collect waste and commingled recyclable materials from residential properties (excludes hard waste). An at-call green waste kerbside collection service is provided to residents in the City of Yarra.
Landfill	A site for disposal of waste.
Litter	Is a form of pollution, considered the most visible; is anything left where it is not meant to be.
Material recovery facilities (MRFs)	Is a specialised plant that receives, separates and prepares recyclable materials for sale to end-user manufacturers.
Multi-unit development	Is the use of land for residential developments with more than one dwelling. These usually consist of flats, units or apartments. Often referred to as MUDs.
Organics	Is a generic term for a range of products manufactured

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Term	Definition
	from compostable organic materials (garden organics, food organics, residual wood and timber, biosolids, and agricultural organics).
Product stewardship	A policy approach that ensures all those involved in the life cycle of a product share responsibility for reducing its health, economic and/or environmental impacts.
Public housing	An affordable housing managed and operated by the Housing Commission of Victoria.
Recycling	Is a term that may be used to cover a wide range of activities, including collection, sorting, reprocessing and manufacturing into new products.
Resource recovery	Is the process of retaining matter or energy from discarded materials.
Soft plastics	Any plastics that can be easily scrunched into a ball or broken when crushed by hand and includes bread, pasta, chip and lollie packets, biscuit packs and trays and old 'green bags' ¹
Sustainable consumption	The use of goods and services that respond to basic needs and bring a better quality of life, while minimising the use of natural resources, toxic materials and emissions of waste and pollutants over the life cycle, so as not to jeopardise the needs of future generations. ²
Waste	Anything that is no longer valued by its owner for use or sale and which is, or will be, discarded.
Waste collection service	Council provides a weekly recycling and waste collection service for local residents. For a one-off fee, businesses can also receive this collection service
Waste hierarchy	A concept promoting waste avoidance ahead of recycling and disposal, often referred to in community education as 'reduce reuse recycle'. The waste hierarchy is recognised in the <i>Environment Protection Act 1970</i> , promoting management of wastes in the order of preference: avoidance, reuse, recycling, recovery of energy, treatment, containment and disposal.
Waste minimisation	The concept of, and strategies for, waste generation to be kept to a minimum level in order to divert materials from landfill and thereby reduce the requirements for waste collection, handling and disposal to landfill.

¹ <http://recyclingweek.planetark.org/recycling-info/softplastics.cfm>

² Symposium: Sustainable Consumption. Oslo, Norway; 19-20 January 1994

Attachment 1 - Draft Waste Minimisation and Resource Recovery Strategy 2018-22**Program Definitions***

Programs	Definition
Food Know How	This is a food waste reduction program helping households, cafes and offices in the City of Yarra to avoid and recycle food waste through strategies such as menu and meal planning, using leftovers, and tips about smart shopping and food storage, as well as composting and worm farming.
Food Scraps Collection Trial	In November 2017 Council commenced a food scraps collection trial that will run for approximately 8 months. The trial catchment area is made up of approximately 200 single dwellings in Abbotsford and approximately 200 residents in a Multi-Unit Development at Acacia Place Abbotsford. Initial trends and outcomes of the food scraps trial should be available in the near future.
Recycle Us	Is a program to educate residents about putting the right things in their recycling/garbage bins, and to celebrate doing that. Residents can win a movie voucher for two, a compost bin or worm farm if our roving guide finds their bins are looking good. The campaign is promoted by twitter, on the website and Facebook.
Improving Resource Recovery at Multi Unit Developments (MUD's) Program	This program aims to overcome the barriers of having communal large bins in a remote bin room, that look like they'll take anything; and residents that continually move in and out. The campaign includes getting the right number of recycling bins in each MUD, and robust education and engagement so the residents own the recycling- right culture. The campaign is seeing major turnarounds in recycling - the engagement needs to be refreshed continually to capture new residents moving in.
Business Clean Up Australia Day	Is a day of targeted campaigning to encourage and support businesses to get their bins in order, adopt a recycling right culture, and be part of what is seen as the norm in the business area, so increasing recycling, and reducing waste.
Improving Resource Recovery and litter prevention at Commercial Properties	This program covers both educating businesses about recycling right and minimising waste.

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Attachment 2 - Waste Minimisation and Resource Recovery Strategy Community Consultation

Community Feedback - Waste Minimisation Strategy

No	Community Member	Comment	Officer Feedback
1	1	I think it is looking good. I really like the introduction and the concept of the waste hierarchy.	Noted
2	1	The Action Plan seems to be filled with too many feel good & general statements. The writer(s) know what they mean but the new reader finds it a bit banal.	Will review
3	1	The weakest actions are in Objective 3. Seems to me there are more creative ways to bring community pride in public spaces then just focussing on litter, bins and signage and illegal dumping. Seems reactive to a problem rather than preventive. Engage more with the community on a creative (rather than punitive) solution to dumping, graffiti, littering. Engage more with shops/supermarkets on the trolley dump scourge.	Will be incorporated into action 3.6
4	2	While there is a lot in your draft document about education and on-going activities, I think the council has missed a brilliant opportunity here to change the system by adopting a more European style of collection system with centralised neighbourhood points and many more categories of waste. This would both save the council many dollars in the long term as well as minimise large garbage trucks spending hours on our streets.	Noted. Not appropriate system in Australia
5	3	The lack of recycling of decent hard waste products such as couches, tables and chairs etc. is a concern.	Will be incorporated into action 1.3, 1.4, 2.4, 4.5

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6	4	There appears to be inaccuracies e.g. China Sword program you've used the standard media untruth line they have banned acceptance of plastic for recycling. They have not they have simply enforced the rule that it must be the plastics and not the contamination we send. The rule has been 0.3% since 2013 we simply flouted it and lax inspection their end meant it carried on. The new enforced rule is 0.5-1% contamination so in actual fact is more than we should have been sending in the past. Australia averages something like 6-10% contamination so the fault purely lies with us trying to send our waste mixed in with our recyclables.	Will review and update
7	4	Omitted several the Victorian Waste Management Policies, Waste Management Policy (Used Packaging Materials), EPA publication 383 Guidelines for preparation of waste management plans	Will review
8	4	Co mingle collection is outdated look to Europe where the multi box system is prevalent and results in higher quality recycle and by default a higher value product.	Noted. Not appropriate system in Australia
9	4	How about fining people for contamination?	Will be explored as part of Action 3.2
10	4	If we wish to help reducing potential costs for acceptance of recycling there needs to be a circular economy i.e a market for the recycled product. Yarra must include purchasing decision in this policy to but recycled product where possible.	Will be incorporated into action 4.7 & 5.7
11	4	Education, education, education get it out there that contamination is not acceptable.	Actions 1.5, 1.6 & 3.2, is expected to address this issue
12	5	The five objectives are wishy washy political speak. Please fix them up.	Will review
13	5	If you try to paint a rosy picture of how fantastic our recycling has been going so far what's the motivation for change or review	Will review
14	6	Set up a booth at the farmers market talking about the hungry bin worm farm program	Where possible and appropriate, this approach will be taken

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15	6	Where possible do face to face marketing and use electronic devices. Mail drops are wasteful.	Where possible and appropriate, this approach will be taken
16	6	Encourage no alcohol events in the community. The impact of intoxicated people, they get drunk, throw there bottles and cans in the bushes, buy takeaway products made of plastic and litter the streets.	Not the role of Local Government
17	6	Encourage more businesses that sell bulk foods at a reasonable price	Actions 1.3 & 5.9 is expected to address this issue
18	6	Discourage big business like Coles. Everything is packaged, even the fruit. Ban Coles from packaging their fruit and veg in plastic. Ban coles from using plastic bags for fruit and veg collection, switch to paper.	Add another to address this - Actions 5.11
19	6	Encourage more people to shop at the farmers market, it is actually cheaper than coles and better quality.	Actions 1.5, 1.6 is expected to address this issue
20	6	I love the Yarra Council and I know you guys do an amazing job.	Noted
21	7	It was great to be sent the draft summary. It was fantastic to see that a larger number that expected responses occurred.	Noted
22	7	It is hard to know how realistic the set targets are with the uncertainty that is present in the recycling market. There doesn't seem to be a strategy around the potential impact of this and how City of Yarra will be managing this in the future.	Will be incorporated into action 5.2, 5.3 & 5.4
23	7	Given the lack of Australian options for recycling and the likelihood that these stockpiles will end up in landfill increased focus on education strategies for waste minimisation and creative options for repair and reuse in the City of Yarra to complement the Clifton Hill recycling drop off centre could be options. Additionally should there be more than one drop off centre in the whole of City of Yarra?	Will be incorporated into action 1.3, 1.4, 2.4, 4.6
24	8	I would like Yarra to consider banning all single-use plastics (e.g. straws, take-away containers, plastic bags, etc.) I think we could be the first council in Victoria to do it!	Add another action to address this - Actions 5.11

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25	9	Excellent report, seems to cover all the issues. Thanks for getting community input, and kudos to whoever put in the hard work to draw this up.	Noted
26	10	Leave things as they are.	Noted
27	11	I have read the draft Waste Minimisation Strategy and question what strong actions are being taken by Council to reduce waste in Yarra. I would have liked to see an outline of steps will be taken to address this issue, particularly in the wake of China's decision not to continue accepting waste from Australia.	Will be incorporated into action 5.2, 5.3 & 5.4
28	11	Council's like Bass Coast have already implemented significant changes, for example organic waste collection for all households. I have observed the sheer volume of rubbish that is put out by my neighbours and I am angered by this.	Actions 1.2, 2.1, 4.8 & 5.1 is expected to address this issue
29	12	I am pleased with the outcomes of the Council's strategy as reported	Noted
30	13	I think people need more education on why they should sort their rubbish properly and send as little as possible to landfill.	Actions 1.5, 1.6 & 3.2, is expected to address this issue
31	13	I would like to see Yarra adopt a no plastic bags policy.	Add another action to address this - Actions 5.11
32	13	Could Yarra be doing more to encourage Op Shops, recycling of furniture, something like a special shopping precinct for pre-loved clothes and furniture like they have in Scandinavia.	Will be incorporated into action 1.3 & 1.4
33	13	Yarra supply smaller rubbish bins	Will be explored as part of action 2.1
34	13	We all need to be re-thinking our lives but cultural change is hard.	Noted
35	14	Can you consider providing each household a "kitchen caddy" and roll of compostable bags to collect all their food scraps in- this can then either go in the green waste bin, or in their own compost bin?	Actions 1.2, 2.1, 4.8 & 5.1 is expected to address this issue

Attachment 2 - Waste Minimisation and Resource Recovery Strategy Community Consultation

36	15	The Waste Minimisation Strategy seems to be more about the "Recycle" end of the waste reduction spectrum and with little innovation on the pointy end of waste reduction. It is good to see "Refuse" being added to the waste reduction spectrum, but more innovative education and modelling strategies are urgently needed.	Will be incorporated into Actions 1.3, 1.4, 2.4, 4.5, 4.6 & 5.1 -
37	15	Reducing Plastic bags: with the state government banning plastic bags and campaigns to reduce and ban single use and other plastic bags, there is strong potential for City of Yarra to take a lead role in reducing plastic bag consumption.	Add another action to address this - Actions 5.11
38	15	As home to one of the largest IKEA stores in Victoria, Yarra could work with IKEA (with possible financial support from them) and Victoria Gardens to raise awareness of waste minimisation. The streets of Yarra are often littered with discarded items from IKEA.	Will review
39	15	The development of Men's Sheds could be ramped up in Yarra, meeting a range of community policy aims.	Actions 1.3, 1.4 & 2.4 is expected to address this issue
40	15	With a strong creative community, strategies could be put in place to reward and foster a culture of creative responses to waste reduction, including delivery of iconic shopping solutions as alternatives to plastic bags such as promoting shopping with bicycles, funky local shopping bags, shopping jeeps, etc.	Will be incorporated into action 1.3, 1.4 & 5.11
41	16	First and most importantly employ enough people to ensure the streets, waterways & household bins are cleared. Good on u keep surveying, there's always change & need.	Noted
42	16	I'm thrilled Yarra considering waste electricity & local powerhouses, keep up the necessary work, thanks	Noted

Attachment 2 - Waste Minimisation and Resource Recovery Strategy Community Consultation

43	17	Yarra, You guys are great, wonderful and I love you... but "making series of small, ethical purchasing decisions while ignoring the structural incentives for companies' unsustainable business models won't change the world. If we had directed even a third of that pot of money (the typical markup on green cleaning products) toward lobbying our governments to ban the toxic chemicals we're so afraid of, we might have made a lot more progress by now.	Add another action to address this - Actions 5.11
44	18	no single use plastics in any City of Yarra workplaces (or events) - so that you're modelling best practices in more ways than you already do.	Add another action to address this - Actions 5.11
45	18	businesses encouraged to support City of Yarra moratorium on single use plastics (ie. ban all single use plastics from being used in retailers for food storage/take-away/delivery/retail	Add another action to address this - Actions 5.11
46	18	City of Yarra's support for adoption (or adoption process overhaul) as a way to give us sustainable population growth (we're currently adopting from overseas because it's so much harder within Australia)	Not the role of Local Government
47	18	All City of Yarra food events, offices, employees' lunches, sponsors, etc have a 'no meat', 'no meat and dairy', 'no meat, dairy and eggs' or 'no animal products' policy as part of sustainable food practices.	Not the role of Local Government
48	19	City of Yarra does a great job leading the way for Victoria with refugees, it would be great if sustainability wasn't just tokenism or the mythical green consumerism... but I did find some other myths that might help support great policies. Many thanks!	Noted
49	20	This submission is a very positive step forward. We need to manage our own waste and improve the recycling, reusing opportunities.	Noted
50	21	First of all well done on a thorough research job on the policy.	Noted

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51	21	I would like to see concrete plans to encourage waste free commerce in the area, such as a direct program that retail and hospitality businesses can sign up to that will help them go zero waste.	Actions 1.3 & 5.9 is expected to address this issue
52	21	Using the combined market size of City of Yarra retailers, bulk orders could be made for recycled packaging that could bring the costs down, and branding the program in store could be a positive way of spreading the message.	Actions 4.7 & 5.7 is expected to address this issue
53	22	I am not sure why we are all waiting for assessment of the NSW CDL impact when we have so much good evidence from South Australia. It is a much cleaner state! So much less litter.	Will review
54	22	There doesn't seem to be anything about industrial composting which is needed if we are going to use compostable plastics instead of fossil fuel plastics.	Actions 1.2, 2.1, 4.8 & 5.1 is expected to address this issue
55	22	Love the proudly plastic free campaign idea! it would be great if Yarra led the way and banned cafes from using throwaway cups and plastic straws. How good would that be! Very happy to contribute to that campaign however I can!	Noted
56	22	How about a litter collection kit. Reusable rubber glove and reusable bag and tongs - to promote everyone to keep their streets clean. I always pick up what I can.	Will be incorporated into action 3.5
57	22	Really support food scrap collection as we only have a balcony garden and struggle to use all our scraps in the garden beds.	Noted
58	22	What about a tiffin service to reduce plastic produced through Uber eats etc.	Actions 5.10 is expected to address this issue
59	23	I would like to look at local responses to waste management. Is there an opportunity to support local employment opportunities by composting and recycling locally.	Actions 4.6, 4.8 & 5.9 is expected to address this issue
60	23	Can we support local business that are recycle waste?	Will be incorporated into action 4.7, 5.7 & 5.9
61	24	The organic waste collection trial sounds great and I hope this is able to continue and expand.	Actions 1.2, 2.1, 4.8 & 5.1 is expected to address this issue

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62	24	I'm interested in seeing how 'Richmond Repair Corner' fits in and needs to be publicised more for people to know and help reduce/reuse.	Will be incorporated into action 1.3, 1.4, 2.4, 4.6
63	24	I'd like to see more support and knowledge offered to cafes/take away restaurants to help them reduce disposable packaging, along with consumers.	Actions 5.4 & 5.10 is expected to address this issue
64	24	I'd like to see more opportunities for Yarra community to know about the garbage chain (how and where it travels) and forums for them to gather and collectively contribute.	Will be incorporated into action 1.1
65	25	With the number of small dwellings / apartments increasing in city of Yarra people do not have spaces to make their own compost bins / areas nor use compost materials however the community would respond to supporting collection of organic waste separate to our current 2 bin sorting collection.	Actions 1.2, 2.1, 4.8 & 5.1 is expected to address this issue
66	25	Our current waste collection is a very poor and outdated system - you would have a strong commitment from the community to separate their household waste in greater divisions for better recycling purposes.	Noted. Not appropriate system in Australia
67	26	I'd like to see more emphasis on how waste is collected from both the physical separation to the mechanism for residential collection. It's disappointing there is no suggestion that are true rethink and opportunity is not being taken in terms of the collection process.	Noted. Not appropriate system in Australia
68	26	There is no reward but self satisfaction. Evidence clearly suggests that without consequences an education campaign will be of some but limited effectiveness. Why are there no incentives or disincentives as part of this strategy.	Action 3.2 is expected to address this issue
69	27	The lack of collection points for recyclables is not addressed. Council should use each of it's town halls, libraries, etc. as collection points for suitable recyclables (Phones, batteries, corks, etc.). Periodic recyclable collection days/week could be established to allow residents who have collected items to deliver them to a local collection point.	Action 4.6 is expected to address this issue

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70	27	The "pollution" caused by O-Bikes have not been discussed	Noted
71	27	There deliverables are weak, ambiguous and insufficient. "Evaluate", "Continue to deliver", "Work with", "Encourage", "Review" all suffer from lack of substance. Fewer but clearer targets with clear measures of success would be preferred to pages and pages of vague "best efforts" type deliverables.	Will review
72	27	Can Council explore having less bins in our open space? By establishing the idea if you bring rubbish you take it away through education and other "Innovative" means. It's not clear to me that this sort of opportunity will be considered?	Will be explored as part of action 3.1.1 & 4.3
73	28	The Clifton Hill depot is an excellent facility and we are lucky to live in the next street. Other parts of the municipality should have access to similar facilities, so that all Yarra residents can be encouraged to take more responsibility for their own recycling.	Action 4.6 is expected to address this issue
74	28	The main focus has to be on educating the community about sustainable purchasing.... reducing packaging and single-use products, and reminders of the high cost of waste disposal.	Noted
75	28	Waste management has to become a community responsibility, not a Council responsibility.	Noted
76	28	And continue the promotion of creative ideas for waste reduction and publicity for local businesses, residents and organisations that demonstrate sustainable practices.	Noted
77	29	Food waste pickup would be great to be a whole council service.	Actions 1.2, 2.1 & 5.1 is expected to address this issue
78	29	Advocating to reduce overpackaging in our products and items being imported.	Actions 4.7 & 5.7 is expected to address this issue
79	29	Advocating for business to be responsible for litter of packaging (i.e. McDonalds rubbish)	Actions 4.7 & 5.7 is expected to address this issue

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80	29	Yarra businesses being required to accept people bringing their own containers to buy products - i.e. butcher/green grocers/take away food shops	Actions 5.10 is expected to address this issue
81	29	Proper ban on plastic bags rather than lip service!	Add another action to address this - Actions 5.11
82	29	Support more food swapping	Will be explored as part of action 1.2
83	29	Give incentive to businesses to have bulk products ie like CERES but at affordable cost	Actions 1.3 & 5.9 is expected to address this issue
84	29	Support neighbourhood food co-ops	Will be explored as part of action 1.2
85	29	Incentives for having less waste and therefore not needing bin service every week or go to fortnightly bin service for everyone	Actions 1.2, 2.1, 4.8 & 5.1 is expected to address this issue
86	30	We support the decision to trial a combined food organics and garden organics (FOGO) system which, as well as food waste, has the capacity to capture the garden waste that residents are currently putting in their general bins	Actions 1.2, 2.1 & 5.1 is expected to address this issue
87	30	We commend this strategy for its strong focus on waste reduction and the fact that waste minimisation is the focus, with a “greater emphasis on how we purchase, consume and use resources”.	Noted
88	30	Council to lobby state government implement a stronger regulatory approach on waste reduction, including the banning of single-use plastics such as shopping bags, drinking straws and plastic take-away food containers	Add another action to address this - Actions 5.11
89	30	Council to lobby state government to utilise the millions of dollars that are currently accumulating in the Sustainability Fund, which is expected to rise to \$531 million this financial year	Actions 5.6 is expected to address this issue
90	30	Council to shift the responsibility onto businesses to deal with the waste they produce	Actions 4.2 is expected to address this issue
91	30	Council to lobby state government to introduce a container deposit scheme	Actions 5.8 is expected to address this issue

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92	30	State to provide funding for local governments to reduce the amount of food waste going to landfill, noting that Yarra residents often do not have the capacity to undertake composting in their households.	Actions 5.6 is expected to address this issue
93	30	We commend officers for this waste strategy and urge council to fully fund the Waste Minimisation Strategy 2018–2022 so that it can deliver these essential actions.	Will be considered as part of budget processes

11.4 2017/18 Annual Financial Statements, Performance Statement, and LGPRF Reports adoption 'in principle'.

Trim Record Number: D18/147112

Responsible Officer: Director Corporate, Business and Finance

Purpose

1. To adopt the 2017/18 Annual Financial Statements and Local Government Performance Reporting Framework (LGPRF) Reports (including the Performance Statement) 'in principle', receive the recommendations of Council's Audit Committee, and nominate two Councillors to certify the statements in their final form.

Background

2. The 2017/18 draft Annual Financial Statements and LGPRF Reports (including the Performance Statement) accompanying this report reflect the financial results and Council Plan outcomes for the 2017/18 financial year.
3. Council's Audit Committee considered the 2017/18 draft Annual Financial Statements and the LGPRF Reports at its meeting on 21 August 2018.
4. Comment and explanation on the draft Annual Financial Statements and Performance Statement was provided by Council officers in relation to a range of presentation and disclosure items raised by the Committee.
5. Following the Audit Committee's detailed consideration of the 2017/18 draft Annual Financial Statements, Performance Statement and related verbal Auditor's report, the Audit Committee resolved as follows:
 - (a) *to recommend to Council the adoption of the annual financial accounts and the performance statement in principle, subject to the Audit Committee being notified of any material adjustments and a full disclosure version of any updates to be available to the members.*
6. There have been no material adjustments and a full disclosure version with updates has been made available to the members.
7. As part of the 2017/18 Local Government Performance Reporting Framework, Local Government Victoria requires Council to sign-off the Performance Statement, Report of Operations and Governance and Management Checklist prior to 18 September 2018. This is the last Council meeting where this can occur.

External Consultation

8. The 2017/18 draft Annual Financial Statements and Performance Statement have been prepared in accordance with Australian Accounting Standards, the *Local Government Act* 1989, and the Local Government (Planning and Reporting) Regulations 2014.
9. Advice has been provided by representatives of HLB Mann Judd - External Auditors, as appointed by the Victorian Auditor-General's Office, during the course of the year-end audit cycle in relation to the presentation of the Annual Financial Statements and Performance Statement.
10. The Audit Committee has also provided feedback in relation to disclosure of information presented in the Annual Financial Statements and Performance Statement.

Internal Consultation (One Yarra)

11. No internal consultation has been required.

Financial Implications

12. The 2017/18 draft Annual Financial Statements reflects an operating surplus of \$20.9 million. This result represents a favourable variance of \$11.98 million to the adopted budgeted result of an \$8.88 million surplus. This is the accrual accounting result, prepared in accordance with the Australian Accounting Standards, it is not a surplus cash result.
13. Operating revenue of \$191.45 million was \$10.03 million favourable compared to the budget of \$181.42 million. The major favourable components were user fees, and statutory fees and fines.
14. Operating expenditure of \$170.58 million was \$1.95 million favourable to the budget of \$172.54 million. This was mainly due to savings on materials and services, offset somewhat by bad and doubtful debts expense which was higher than budget due to additional provision required for parking infringement debtors.
15. Council's equity increased by \$240 million which is the surplus result of \$20.9 million plus a movement of \$211 million in Council's reserves relating in most part to increments from the full asset revaluation that was undertaken during the year. Council land assets accounted for majority of this movement, accounting for a \$170 million increase in asset revaluation reserve.
16. Current assets increased by \$19.22 million mainly due to higher revenue receipts, most of which is committed for future use such as early receipt of the Grants Commission income and carry forward capital works. Non-current assets increased by \$221.84 million due to revaluation increments from the full asset revaluation undertaken by Council during the year. Additions of \$27.58 million are offset in most part by depreciation expense of \$21.07 million. Current liabilities increased slightly due to higher trust funds and deposits than last year. Non-current liabilities decreased slightly due to repayment of borrowings principal.
17. Council's cash flow result reflects a positive cash movement of \$16.93 million. Council's closing cash balance was \$51.09 million. This balance will be utilised to fund carried forward capital projects and unspent grant funds received in 2017/18, as well as covering Council's current liabilities due for payment during the 2018/19 financial year.

Economic Implications

18. There are no economic implications.

Sustainability Implications

19. There are no sustainability implications.

Social Implications

20. There are no social implications.

Human Rights Implications

21. There are no human rights implications.

Communications with CALD Communities Implications

22. There are no CALD community implications and therefore no communication is required.

Council Plan, Strategy and Policy Implications

23. The 2017/18 Performance Statement records Council's performance over a range of performance indicators as required by the *Local Government Act* 1989 and the Local Government (Planning and Reporting) Regulations 2014 as part of the Local Government Performance Reporting Framework. Council Plan targets were determined in the 2017/18 Adopted Budget.

Legal Implications

24. Council is required to certify the draft Annual Financial Statements and Performance Statement 'in principle' each year in order to lodge the statements so they can be formally certified by the Victorian Auditor-General's Office (VAGO). Certified annual accounts are also required to be lodged with the Minister by 30 September 2018.

Other Issues

25. The draft Annual Financial Statements and LGPRF Reports are subject to final audit certification and some changes may be required in consultation with VAGO. It is not anticipated, however, that there will be any material change to the accompanying draft statements.

Options

26. There are no further options.

Conclusion

27. Council is required to adopt 'in principle' the financial statements, and the LGPRF Reports each year, which will be lodged with the Minister after full audit clearance from the Victorian Auditor-General.

RECOMMENDATION

1. That Council:
- (a) notes the accompanying 2017/18 Annual Financial Statements and LGPRF Reports (including the Performance Statement), and receives the endorsement of Council's Audit Committee;
 - (b) adopts the 2017/18 Annual Financial Statements and Local Government Performance Reporting Framework Reports (including the Performance Statement), 'in principle' prior to them being provided to the Victorian Auditor-General's Office for audit sign off;
 - (c) nominates the Mayor and Audit Committee member Councillor Daniel Nguyen, and Audit Committee member Councillor Stephen Jolly, as the two Councillors to certify the Annual Financial Statements and Performance Statement;
 - (d) authorises the nominated Councillors to accept any further recommended changes by the Victorian Auditor-General's Office; and
 - (e) designates Angelica Marshall, Chief Financial Officer, as Principal Accounting Officer to certify the Annual Financial Statements and Performance Statement, as required by the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014.

CONTACT OFFICER: Ange Marshall
TITLE: Chief Financial Officer
TEL: 9205 5544

Attachments

- 1 [Download](#) Draft Annual Financial Statements 2017-18
- 2 [Download](#) LGPRF Draft Performance Statement 2017-18
- 3 [Download](#) Governance and Management Checklist 2017-18
- 4 [Download](#) LGPRF Report of Operations 2017-2018

Attachment 1 - Draft Annual Financial Statements 2017-18

**Yarra City Council
ANNUAL FINANCIAL REPORT
For the Year Ended 30 June 2018**

Attachment 1 - Draft Annual Financial Statements 2017-18

Yarra City Council 2017/2018 Financial Report

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Certification of the Financial Report

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.

Angelica Marshall
CFO and Principal Accounting Officer
5 September 2018
Richmond

In our opinion the accompanying financial statements presents fairly the financial transactions of Yarra City Council for the year ended 30 June 2018 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

On 4 September 2018, we were authorised by the Council to certify the financial report in its final form on behalf of the Council.

Daniel Nguyen
Mayor
5 September 2018
Richmond

Misha Coleman
Deputy Mayor
5 September 2018
Richmond

Vijaya Vaidyanath
Chief Executive Officer
5 September 2018
Richmond

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VAGO Report 2 pages

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Yarra City Council 2017/2018 Financial Report

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Comprehensive Income Statement For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Income			
Rates and charges	2.1	105,008	101,482
Statutory fees and fines	2.2	31,909	26,929
User fees	2.3	30,194	27,582
Grants - operating	2.4	11,489	13,178
Grants - capital	2.4	1,406	3,160
Contributions and reimbursements	2.5	6,950	5,888
Net gain or (loss) on disposal of property, infrastructure, plant and equipment	2.6	2,230	563
Other income	2.7	2,265	1,897
Total Income		191,451	180,679
Expenses			
Employee costs	3.1	80,695	78,003
Materials and services	3.2	61,995	60,218
Depreciation and amortisation	3.3	21,074	20,347
Bad and doubtful debts	3.4	4,200	2,392
Borrowing costs	3.5	2,007	1,605
Other expenses	3.6	611	608
Total Expenses		170,582	163,173
Surplus/(deficit) for the year		20,869	17,506
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	5.2	219,307	44
Total Comprehensive Result		240,176	17,550

The above comprehensive income statement should be read in conjunction with the accompanying notes

Attachment 1 - Draft Annual Financial Statements 2017-18

Yarra City Council 2017/2018 Financial Report

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Balance Sheet As at 30 June 2018

	Note	2018 \$'000	2017 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	4.1	51,086	22,152
Other financial assets	4.1	-	12,000
Trade and other receivables	4.1	15,857	14,197
Inventories	4.2	107	128
Other assets	4.2	1,014	371
Total current assets		68,064	48,848
Non-current assets			
Investments in associates and joint ventures	5.3	235	235
Property, infrastructure, plant and equipment	5.2	1,906,883	1,685,039
Total non-current assets		1,907,118	1,685,274
TOTAL ASSETS		1,975,182	1,734,122
LIABILITIES			
Current liabilities			
Trade and other payables	4.3	9,281	10,149
Trust funds and deposits	4.3	10,906	8,569
Interest-bearing loans and borrowings	4.4	1,176	1,133
Provisions	4.5	13,209	12,582
Total current liabilities		34,572	32,434
Non-current liabilities			
Interest-bearing loans and borrowings	4.4	43,691	44,867
Provisions	4.5	1,398	1,484
Other Liabilities	4.3	230	225
Total non-current liabilities		45,319	46,576
TOTAL LIABILITIES		79,891	79,010
NET ASSETS		1,895,291	1,655,112
EQUITY			
Accumulated surplus		616,607	598,774
Reserves	8.1	1,278,684	1,056,339
TOTAL EQUITY		1,895,291	1,655,112

The above balance sheet should be read in conjunction with the accompanying notes.

Attachment 1 - Draft Annual Financial Statements 2017-18

Statement of Changes in Equity For the Year Ended 30 June 2018

2018		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserves \$'000	Other Reserves \$'000
Balance at beginning of the financial year		1,655,112	598,773	1,035,678	20,661
Surplus/(deficit) for the year		20,869	20,869	-	-
Net asset revaluation increment/(decrement)	8.1	219,307	-	219,307	-
Transfers to other reserves	8.1	-	(4,806)	-	4,806
Transfers from other reserves	8.1	-	1,771	-	(1,771)
Balance at end of the financial year		1,895,291	616,607	1,254,985	23,696

2017		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserves \$'000	Other Reserves \$'000
Balance at beginning of the financial year		1,637,561	581,748	1,035,634	20,179
Surplus/(deficit) for the year		17,506	17,506	-	-
Net asset revaluation increment/(decrement)	8.1	44	-	44	-
Transfers to other reserves	8.1	-	(3,869)	-	3,869
Transfers from other reserves	8.1	-	3,388	-	(3,388)
Balance at end of the financial year		1,655,112	598,773	1,035,678	20,661

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Attachment 1 - Draft Annual Financial Statements 2017-18

Yarra City Council 2017/2018 Financial Report

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Statement of Cash Flows
For the Year Ended 30 June 2018

	Notes	2018 Inflows/ (Outflows) \$'000	2017 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		104,115	100,846
Statutory fees and fines		32,117	27,566
User fees		32,043	29,306
Government grants - operating		11,562	13,377
Government grants - capital		1,406	3,161
Contributions and reimbursements		7,114	6,004
Interest received		866	-
Trust funds and deposits received		14,682	14,200
Other receipts		3,581	1,642
Employee costs		(76,189)	(77,064)
Materials and services		(80,607)	(78,609)
Trust funds and deposits repaid		(14,682)	(14,199)
Net GST refund		5,443	6,759
Net cash provided by/(used in) operating activities		41,453	32,988
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	5.2	(24,096)	(34,187)
Proceeds from sale of property, plant and equipment		2,715	818
Net cash provided by/(used in) investing activities		(21,381)	(33,369)
Cash flows from financing activities			
Finance costs		(2,007)	(1,511)
Proceeds from borrowings		-	13,500
Repayment of borrowings		(1,133)	-
Net cash provided financing activities		(3,140)	11,989
Net increase/(decrease) in cash and cash equivalents		16,934	11,608
Cash and cash equivalents at the beginning of the financial year		34,152	22,544
Cash and cash equivalents at the end of the financial year	4.1	51,086	34,152
Restrictions on cash assets	4.1		

The above statement of cash flows should be read in conjunction with the accompanying notes.

Attachment 1 - Draft Annual Financial Statements 2017-18

Statement of Capital Works For the Year Ended 30 June 2018

	2018 \$'000	2017 \$'000
Property		
Buildings	6,738	15,053
Total buildings	6,738	15,053
Total property	6,738	15,053
Plant and equipment		
Plant, machinery and equipment	1,892	1,440
Fixtures, fittings and furniture	-	145
Computers and telecommunications	1,750	2,231
Library books	596	662
Total plant and equipment	4,238	4,478
Infrastructure		
Roads	6,407	6,639
Footpaths and cycleways	1,282	3,157
Drainage	1,364	1,324
Recreational, leisure and community facilities	6,768	3,389
Waste management	108	115
Parks, open space and streetscapes	214	124
Other infrastructure	12	-
Total infrastructure	16,155	14,747
Total capital works expenditure	27,131	34,279
Represented by:		
New asset expenditure	4,323	10,958
Asset renewal expenditure	21,588	20,096
Asset upgrade expenditure	1,220	3,225
Total capital works expenditure	27,131	34,279

The above statement of capital works should be read with the accompanying notes.

Attachment 1 - Draft Annual Financial Statements 2017-18**Notes to the Financial Report for the Year Ended 30 June 2018****Introduction**

The City of Yarra was established by an Order of the Governor in Council on 22 June 1994 and is a body corporate. The Council's main office is located at 333 Bridge Road Richmond.

Statement of Compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

Significant Accounting Policies**(a) Basis of Accounting**

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Attachment 1 - Draft Annual Financial Statements 2017-18

Notes to the Financial Report for the Year Ended 30 June 2018

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10% or \$250K where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures are those adopted by Council on 1 August 2017. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

1.1 Income and expenditure

	Budget 2017/18 \$'000	Actual 2017/18 \$'000	Variance \$'000 Fav/(Unfav)	Variance % Fav/(Unfav)	Ref
Revenues from ordinary activities					
Rates and charges	105,158	105,008	(150)	(0.14)	1.1
Statutory fees and fines	28,534	31,909	3,375	11.83	1.2
User fees	27,064	30,194	3,130	11.56	1.3
Reimbursements	1,640	1,384	(256)	(15.61)	1.4
Grants - operating	12,023	11,489	(534)	(4.44)	1.5
Grants - capital	1,195	1,406	211	17.66	1.6
Contributions	4,300	5,566	1,266	29.44	1.7
Net gain (loss) on disposal of non current assets	300	2,230	1,930	643.45	1.8
Other income	1,207	2,265	1,058	87.65	1.9
Total revenues	181,421	191,451	10,030	5.53	
Expenses from ordinary activities					
Employee costs	80,639	80,695	(56)	(0.07)	
Materials and services	66,511	61,995	4,516	6.79	1.10
Bad and doubtful debts	2,010	4,200	(2,190)	(108.96)	1.11
Depreciation	20,664	21,074	(410)	(1.98)	1.12
Borrowing costs	2,139	2,007	132	6.17	
Other expenses	574	611	(37)	(6.51)	
Total expenses	172,537	170,582	1,955	1.13	
Surplus/(Deficit) for the year	8,884	20,869	11,985	134.90	

Attachment 1 - Draft Annual Financial Statements 2017-18

Notes to the Financial Report for the Year Ended 30 June 2018

Note 1 Performance against budget

(i) Explanation of material variations

Ref	Item	Explanation
1.1	Rates and charges	Rates and charges are unfavourable to budget by \$0.15M (0.14%) mainly due to lower supplementary rate income raised for the year than expected.
1.2	Statutory fees and fines	Parking Revenue is favourable to budget by \$3.38M (11.83%) mainly due to additional infringements raised for the year and also higher court recovery costs than expected.
1.3	User Fees	User Fees are favourable to budget by \$3.13M (11.56%) due to additional town planning application fees and construction and enforcement activity undertaken during the year. Child care fees were favourable and remained ahead of budget expectation for the year.
1.4	Reimbursements	Reimbursements were unfavourable to budget by \$0.26M (15.61%) which is mainly due to lower than expected construction development reinstatement recovery for the year but expenditure was also lower than expected.
1.5	Grants - operating	Operating Grants were unfavourable to budget by \$0.53M (4.44%) which is mainly due to recognition of expected grant reductions relating to Home Care and Commonwealth program adjustment for the NDIS (National Disability Insurance Scheme). Income is to be reduced for prior year payments received from Government. Additional grant income was also received in 2017/18 as advance payment from the Victorian Grants Commission (VGC) for 50% (\$999k) of the 2018/19 grants program. This funding will need to be carried over into 2018/19.
1.6	Grants - capital	Capital Grants favourable to budget by \$0.21M (17.66%) mainly due to the 50% advance payment of \$193K from VGC for the local roads component funding for 2018/19. This funding will need to be carried over into 2018/19.
1.7	Contributions	Contributions are \$1.27M (29.44%) favourable compared to budget mainly due to higher than expected developer contributions for development projects received for the year. These contributions are transferred to the Open Space Reserve for future use on open space projects.
1.8	Net gain (loss) on disposal of non current assets	Net gain (loss) on disposal of non current assets is \$1.93M (643.45%) favourable compared to budget mainly due to sales of Rights of Way undertaken during the year. There were also motor vehicle sales and trade-ins programmed during the year.
1.9	Other Income	Other Income is favourable to budget by \$1.06M (87.65%) due to additional income received for non-voter penalties following the Council elections. Additional income was also received from interest on investments which is Council's working capital funds invested with banking institutions. Additional income was received for land tax objections but additional expenditure was incurred processing claims.
1.10	Materials and Services	Materials and services costs are favourable to budget by \$4.52M (6.79%) mainly due to lower than anticipated consultant expenditure, as well as a saving for insurance premiums and also contract savings for open space maintenance works following contract renegotiation.
1.11	Bad and doubtful debts	Bad and doubtful debts were unfavourable to budget by \$2.19M (108.96%) due to additional parking infringements being raised for the year, and a focus on debt management during 2017/18. Collection is still pursued through the court system.
1.12	Depreciation	Depreciation was unfavourable to budget by \$0.41M (1.98%) due to higher than anticipated capital works capitalisation of assets from the previous year.

Attachment 1 - Draft Annual Financial Statements 2017-18

Notes to the Financial Report for the Year Ended 30 June 2018

Note 1 Performance against budget

1.2 Capital Works

	Budget 2017/18 \$'000	Actual 2017/18 \$'000	Variance \$'000 Fav/(Unfav)	Variance % Fav/(Unfav)	Note
Property					
Buildings	7,574	6,738	836	11.04	2.1
Total buildings	7,574	6,738	836	11.04	
Total property	7,574	6,738	836	11.04	
Plant and equipment					
Plant, machinery and equipment	1,867	1,892	(25)	(1.34)	2.2
Computers and telecommunications	3,207	1,750	1,457	45.43	
Library projects	590	596	(6)	(1.02)	
Total plant and equipment	5,664	4,238	1,426	25.18	
Infrastructure					
Roads	8,396	7,098	1,298	15.46	2.3
Lanes	842	732	110	13.06	
Transport	872	612	260	29.82	2.4
Waste management	60	108	(48)	(80.00)	
Parks, open space and streetscapes	8,066	6,768	1,298	16.09	2.5
Street Furniture	330	290	40	12.12	
Retail Strips	730	321	409	56.03	2.6
Other infrastructure	506	226	280	55.34	
Total infrastructure	19,802	16,155	3,647	18.42	2.7
Total capital works expenditure	33,040	27,131	5,909	17.88	
Represented by:					
New asset expenditure	6,666	4,323	2,343	35.15	
Asset renewal expenditure	25,835	21,588	4,247	16.44	
Asset upgrade expenditure	539	1,220	(681)	(126.35)	
Total capital works expenditure	33,040	27,131	5,909	17.88	

Attachment 1 - Draft Annual Financial Statements 2017-18

Notes to the Financial Report for the Year Ended 30 June 2018

Note 1 Performance against budget

(i) Explanation of material variations

Material Variance Explanation

Note	Item	Explanation
2.1	Buildings	Buildings are \$0.84M (11.04%) below budget. Whilst completing 97% of budgeted projects, savings were achieved in expenditure at the Fitzroy Town Hall roof works project coupled with some project deferrals to 2018/19.
2.2	Computers and Telecommunications	Computers and telecommunications are \$1.46M (45.43%) below budget due to deferred expenditure for information systems projects and carry over to 2018/19.
2.3	Roads	Roads assets are \$1.3M (15.46%) below budget mainly due to project deferrals and carry over into 2018/19.
2.4	Transport	Transport assets are \$0.26M (29.82%) below budget mainly due to the carry over of the Wellington St Bike Lane project although additional project expenditure was incurred on Black Spot Safety and Safe Speeds projects.
2.5	Parks, open space and streetscapes	Parks, open space and streetscapes assets are \$1.3M (16.09%) below budget mainly due to the deferral of the Rushall Reserve shared path project and other project savings.
2.6	Retail Strips	Retail Strip assets are \$0.41M (56.03%) below budget mainly due to deferred projects and project savings.
2.7	Other Infrastructure	Other Infrastructure assets are \$0.28M (55.34%) below budget which relate to priority projects expenditure allocated elsewhere in the capital program and some project deferrals.

Attachment 1 - Draft Annual Financial Statements 2017-18

Notes to the Financial Report for the Year Ended 30 June 2018

Note 2 Funding for the delivery of our services

Note 2.1 Rates and charges

2018	2017
\$'000	\$'000

Council uses Net Annual Value (NAV) as the basis of valuation of all properties within the municipal district. The NAV of a property is its imputed rental value.

The valuation base used to calculate general rates for 2017/18 was \$2,544 million (2016/17 \$2,509 million) with the increase in the rate base resulting from the return of supplementary valuations for properties constructed and/or building works completed since the return of the previous general revaluation of land for rating purposes as at 1 January 2016.

The 2017/18 rate in the NAV dollar was 4.091118 cents. The 2016/17 rate in the NAV dollar was 4.0109 cents.

Residential	74,953	72,255
Commercial	22,206	20,700
Industrial	6,574	7,098
Supplementary rates and rate adjustments	776	1,028
Garbage bin charge	52	50
Interest on rates	447	351
Total rates and charges	105,008	101,482

A general revaluation of land for rating purposes within the municipal district was undertaken as at 1 January 2016 and was first applied to the rating period commencing 1 July 2016.

The date of the next general revaluation of land for rating purposes within the municipal district is 1 January 2018 and the valuation will be first applied in the rating year commencing 1 July 2018.

Rate income has increased compared to the previous year mainly due to the specified rate cap increase of 2.5% but also due to supplementary rates raised during the year which has seen residential property classification increases and a reduction in commercial properties.

Note 2.2 Statutory fees and fines

Infringements & costs	20,546	15,803
PERIN court recoveries	3,575	2,197
Fees - parking meters/ticket machines	5,902	7,133
Permits	1,886	1,796
Total statutory fees and fines	31,909	26,929

Note 2.3 User fees

Leisure centres and golf course fees	10,218	9,657
Child care/children's program fees	3,063	3,207
Town planning fees	3,496	2,879
Registration fees	1,508	1,344
Pre schools	841	647
Aged services fees	218	209
Road occupation permit fees	3,597	2,566
Library fees and fines	95	102
Footpath advertising & display	739	694
Building services fees	217	224
Valuation fees/supplementary charges	339	522
Kerb market fees	254	232
Land information certificates	143	116
Local laws fines	968	922
Rent*	1,734	1,773
Permits - Bins and Skips	172	152
After School Program	157	153
Vacation Care Program	115	144
Report and Consent Fees	160	135
Road Inspection Fees	891	719
Hall hire	489	471
Asset Protection Permits	215	197
Signs and goods permit fees	300	176
Other fees and charges	265	341
Total user fees	30,194	27,582

* In 2016/17 Rent was reclassified from Other Income to User fees

Attachment 1 - Draft Annual Financial Statements 2017-18

Notes to the Financial Report for the Year Ended 30 June 2018

Note 2.4 Funding from other levels of government	2018	2017
	\$'000	\$'000
Government grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	9,514	11,406
State funded grants	3,381	4,932
Total Grants Received	12,895	16,338
Operating Grants		
Recurrent - Commonwealth Government		
Victoria Grants Commission - general purpose	1,988	2,714
Family Services	4,541	4,529
Aged Services - Home Care Services	1,727	957
Other	67	-
Recurrent - State Government		
Aged Services Assessment and Planning	862	2,920
School crossing supervisors	313	219
Library	696	626
Maternal and child health	611	584
Community safety	92	249
Other	52	66
Total recurrent operating grants	10,949	12,865
Non-recurrent - Commonwealth Government		
Environmental planning/Waste	185	45
Non-recurrent - State Government		
Community health	10	32
Family and children	185	96
Other	160	197
Total non-recurrent operating grants	540	370
Total operating grants	11,489	13,234
Capital grants		
Recurrent - Commonwealth Government		
Victoria Grants Commission - local roads	386	567
Roads to recovery	382	506
Recurrent - State Government		
Road Safety	169	-
Total recurrent capital grants	937	1,073
Non-recurrent - Commonwealth Government		
Buildings	-	170
Plant, machinery and equipment	32	92
Roads - Black Spot funding	77	1,769
Other	130	-
Non-recurrent - State Government		
Roads	230	-
Total non-recurrent capital grants	469	2,031
Total capital grants	1,406	3,104
Total grants	12,895	16,338

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Notes to the Financial Report for the Year Ended 30 June 2018

	2018 \$'000	2017 \$'000
Note 2.5 Monetary contributions and reimbursements		
Resort and recreation fees*	4,806	3,870
Road reinstatements	273	262
Reimbursements Legal Fees	127	358
Recycling	434	557
Road maintenance/works (other)	362	309
Open space planning	237	-
Planning development	275	-
Park rental	222	365
Other reimbursements	214	167
Total monetary contributions and reimbursements	6,950	5,888

* Resort and recreation fees received during the year and not spent are transferred to reserves pursuant to section 18 of the Subdivision Act 1988, (Resort and Recreation Reserve) (Note 8.1).

Note 2.6 Net gain/(loss) on disposal of non-current assets

Plant & Equipment		
Proceeds from sale of assets	300	878
Written down value of assets sold/disposed	(82)	(323)
Profit/(loss) on sale/disposal of property, plant and equipment	218	555
Roads - Right of way		
Proceeds from sale of assets	2,415	34
Written down value of assets sold/disposed	(403)	(26)
Profit/(loss) on sale/disposal of property, plant and equipment	2,012	8
Summary		
Proceeds from sale of assets	2,715	912
Written down value of assets sold/disposed	(485)	(349)
Profit/(loss) on sale/disposal of property, plant and equipment	2,230	563

Note 2.7 Other income

Interest	866	375
Victorian Electoral Commission fines	227	340
Hall Hire	98	95
Waste Management	167	156
Venues and events	57	-
Recreational Services	-	210
Strategic Planning	92	67
Early Years Unit	43	69
Disadvantaged Accessibility	102	96
Leisure Services	84	35
Financial Accounting	95	70
Valuations	193	-
Other	241	384
Total other income	2,265	1,897

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Notes to the Financial Report for the Year Ended 30 June 2018

Note 3 The cost of delivering services

	2018 \$'000	2017 \$'000
Note 3.1(a) Employee Costs		
Wages and salaries	58,732	58,349
WorkCover	700	914
Casual staff	4,489	3,504
Superannuation	5,968	5,749
Fringe benefits tax	230	441
Other	10,576	9,045
Total employee costs	80,695	78,003
Note 3.1(b) Superannuation		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	641	462
Employer contributions - other funds	-	-
	641	462
Employer contributions payable at reporting date.	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	2,417	3,022
Employer contributions - other funds	2,910	2,265
	5,327	5,287
Employer contributions payable at reporting date.	-	-
Refer to note 8.3 for further information relating to Council's superannuation obligations.		
Note 3.2 Materials and services		
Materials and services	22,343	21,879
Contract payments	20,917	20,578
Building maintenance	4,049	4,554
General maintenance	3,937	3,198
Utilities	3,461	3,214
Information technology	3,269	2,721
Insurance	1,605	1,327
Consultants	2,414	2,747
Total materials and services	61,995	60,218

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Notes to the Financial Report for the Year Ended 30 June 2018

	2018 \$'000	2017 \$'000
Note 3.4 Bad and doubtful debts		
Parking infringement debtors	4,107	2,392
Other debtors	93	-
Total bad and doubtful debts	<u>4,200</u>	<u>2,392</u>

Movement in provisions for doubtful debts

Balance at the beginning of the year

New Provisions recognised during the year

Amounts

Amounts

Balance at end of year

Provision for doubtful debt is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.

Note 3.5 Borrowing costs

Interest - on borrowings	2,007	1,605
Total borrowing costs	<u>2,007</u>	<u>1,605</u>

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

Note 3.6 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	78	72
Auditors' remuneration - Internal	229	214
Councillors' allowances	304	295
Other	-	28
Total other expenses	<u>611</u>	<u>608</u>

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Notes to the Financial Report for the Year Ended 30 June 2018

Note 4 Our financial position

	2018 \$'000	2017 \$'000
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Note 4.1 Financial assets

(a) Cash and cash equivalents

Cash at bank	2,075	1,142
Cash on hand	11	10
Term deposit investments*	49,000	21,000
Total cash and cash equivalents	51,086	22,152

*In 2017/18 \$0m (2016/17 \$12m) of term deposit investments were reclassified to other financial assets in accordance with Australian Accounting Standard 139.

Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

Trust funds and deposits (note 4.3)	11,136	8,794
Public open space / parking reserves (note 8.1b)	3,596	561
Total restricted funds	14,732	9,355
Total unrestricted cash and cash equivalents	36,354	12,797

Intended allocations

Although not statutorily restricted the following amounts have been allocated for specific future purposes by Council:

- Cash held to fund carried forward capital works	2,954	3,959
- Trade and other payables	-	335

Total funds subject to intended allocations	2,954	4,294
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Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

(b) Other financial assets

Term deposits	-	12,000
Total financial assets	-	12,000

(c) Trade and other receivables

Current

Rates debtors	5,385	4,492
Parking infringement debtors	31,883	26,869
Provision for doubtful debts - parking infringements	(26,172)	(22,029)
Other debtors	3,615	3,867
Provision for doubtful debts - other debtors	(793)	(973)
Workcover	171	171
GST recoverable from ATO	1,768	1,800
	15,857	14,197

(a) Ageing of Receivables

At balance date trade and other receivables debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:

Current and past due by up to 30 days	3,759	3,172
Past due between 31 and 180 days	1,145	1,153
Past due between 181 and 365 days	1,946	570
Past due by more than 1 year	3,601	4,809
Total trade & other receivables	10,451	9,704

(b) Movement in provisions for doubtful debts

Balance at the beginning of the year	23,002	20,849
New Provisions recognised during the year	4,200	2,392
Amounts already provided for and written off as uncollectible	(237)	(239)
Balance at end of year	26,965	23,002

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	2018 \$'000	2017 \$'000
Note 4.2 Non-financial assets		
(a) Inventories		
Merchandise	104	122
General	3	6
Total inventories	<u>107</u>	<u>128</u>
Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.		
(b) Other assets		
Accrued income - Government grants and interest income	371	169
Prepayments - vehicle registrations and software support	643	202
Total other assets	<u>1,014</u>	<u>371</u>

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Notes to the Financial Report for the Year Ended 30 June 2018

	2018 \$'000	2017 \$'000
Note 4.3 (a) Trade and other payables		
Trade creditors	5,370	7,848
Superannuation	40	40
Accrued expenses	3,871	2,261
Total trade and other payables	9,281	10,149
(b) Trust funds and deposits		
Current		
Drainage works deposits	30	29
Leased Properties	29	29
Refundable deposit	5,126	3,243
Other refundable deposits	205	214
Income in advance	181	147
	5,571	3,662
Fire services levy	5,335	4,907
	10,906	8,569
Non-current		
Other Liabilities	230	225
Total trust funds and deposits	11,136	8,794

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

Fire Service Levy - Council is the collection agent for the fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

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Notes to the Financial Report for the Year Ended 30 June 2018

Note 4.4 Interest-bearing loans and borrowings		
	2018 \$'000	2017 \$'000
Current		
Loans - secured*	1,176	1,133
Non-current		
Loans - secured*	43,691	44,867
Total interest-bearing loans and borrowings	44,867	46,000
The maturity profile for Council's borrowings* and other liabilities is as follows:		
Not later than one year	1,176	1,275
Later than one year and not later than five years	37,674	37,762
Later than five years	6,017	6,963
	44,867	46,000

* Borrowings are secured by way of mortgages over the general rates of Council.

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

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Notes to the Financial Report for the Year Ended 30 June 2018

Note 4.5 Provisions

	Employee \$ '000		
2018			
Balance at beginning of the financial year	14,066		
Additional provisions	1,263		
Amounts used	(721)		
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-		
Balance at the end of the financial year	14,608		
2017			
Balance at beginning of the financial year	14,187		
Additional provisions	305		
Amounts used	(426)		
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-		
Balance at the end of the financial year	14,066		
	2018	2017	
	\$'000	\$'000	
Current			
Current provisions expected to be wholly settled within 12 months			
Annual leave	3,864	4,079	
TOIL	84	58	
Long service leave (Notes 1(g))	526	1,058	
Unfunded Superannuation Liability			
Current provisions expected to be wholly settled after 12 months			
Annual leave	1,222	971	
Long service leave (Notes 1(g))	7,513	6,416	
Total current provisions	13,209	12,582	
Non-current			
Long service leave (Notes 1(g))	1,398	1,484	
	1,398	1,484	
LSL representing less than 7 years of continuous service is measured at present value.			
Aggregate carrying amount of employee entitlements			
Current	13,209	12,582	
Non-current	1,398	1,484	
Total provisions	14,607	14,066	
Sum of full-time equivalent staff numbers	667	666	
<i>The following assumptions were adopted in measuring the present value of long term employee benefits</i>			
Weighted average increase in employee costs	2.0%	4.0%	
Weighted average discount rates	2.45%	1.88%	
Weighted average settlement period	5 years	5.65 years	
Note 4.6 Financing facilities			
Bank overdraft	10,000	10,000	
Purchasing cards	343	500	
Total facilities	10,343	10,500	
Used purchasing card facilities	(154)	(21)	
Unused facilities	10,189	10,479	

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Notes to the Financial Report for the Year Ended 30 June 2018

Note 4.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

2018	Not later than 1 year (\$ '000)	Later than 1 year and not later than 2 years (\$ '000)	Later than 2 years and not later than 5 years (\$ '000)	Later than 5 years (\$ '000)	Total (\$ '000)
Operating					
Street cleaning services	2,884	4,760	7,140	-	14,784
Garbage collection and recycling	6,351	12,703	31,755	-	50,809
Open space management	4,524	9,048	13,572	-	27,144
Information systems & technology	3,106	3,199	3,285	-	9,590
Insurances	1,432	-	-	-	1,432
Cleaning contracts for Council buildings	1,386	1,441	-	-	2,827
Home Care	1,833	1,889	-	-	3,722
Capital					
Construction works	6,850	-	-	-	6,850
Total*	28,366	33,040	55,752	-	117,158

* Contract commitments for 2017/18 onwards include Council contracts for known lump sum contract amounts.

2017	Not later than 1 year (\$ '000)	Later than 1 year and not later than 2 years (\$ '000)	Later than 2 years and not later than 5 years (\$ '000)	Later than 5 years (\$ '000)	Total (\$ '000)
Operating					
Street cleaning services	2,884	2,971	9,458	6,788	22,101
Garbage collection and recycling	8,176	8,421	26,810	19,240	62,647
Open space management	5,660	5,834	18,595	-	30,089
Information systems & technology	3,106	3,199	3,285	-	9,590
Insurances	1,189	-	-	-	1,189
Cleaning contracts for Council buildings	1,476	1,520	1,613	-	4,609
Family Services	1,245	1,283	-	-	2,528
Home Care	1,833	1,889	-	-	3,722
Capital					
Construction works	1,127	-	-	-	1,127
Total	26,696	25,117	59,761	26,028	137,602

Operating lease commitments	2018 \$'000	2017 \$'000
At the reporting date, the Council had the following obligations under non-cancellable operating leases for equipment, land and buildings for use within Council activities (these obligations are not recognised as liabilities):		
Not later than one year	1,226	1,173
Later than one year and not later than five years	231	1,405
Later than five years	-	-
	<u>1,457</u>	<u>2,578</u>

Note 5 Assets we manage

Note 5.1 Non-current assets classified as held for sale

Motor Vehicles held for sale at cost	-	-
Total non-current assets held for resale	<u>-</u>	<u>-</u>

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Notes to the Financial Report for the Year Ended 30 June 2018

Note 5.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2017	Acquisitions	Contributions	Revaluation	Depreciation	Disposal	Transfers	WDV 30 June 2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	828,933	1,289	-	175,113	-	-	-	1,005,335
Buildings	198,775	8,672	-	(3,803)	(2,794)	(474)	-	200,375
Plant and Equipment	26,867	8,247	-	27	(5,512)	(108)	-	29,522
Infrastructure	627,368	9,114	-	47,970	(12,767)	(219)	(70)	671,396
Work in progress	3,096	255	-	-	-	-	(3,096)	255
	1,685,039	27,577	-	219,307	(21,074)	(801)	(3,166)	1,906,883
Summary of Work in Progress	Opening WIP	Additions	Transfers	Write Offs	Closing WIP			
Buildings	2,018	24	(2,018)	-	24			
Plant and Equipment	178	185	(178)	-	185			
Infrastructure	900	46	(900)	-	46			
Total	3,096	255	(3,096)	-	255			

Class of Asset

	2018 Periods	2018 Threshold limit
Land	Nil	Nil
Land under roads acquired after 30 June 2008	Nil	Nil
Buildings	100 years	10,000
Land improvements	Nil	10,000
Heritage assets	100 years	Nil
Plant & machinery	7-10 years	500
Furniture, equipment & computers	3-10 years	500
Library books	6-7 years	Nil
Library audio and visual	4 years	Nil
Roads - substructure	120 years	50,000
- seal	20 years	15,000
Footpaths - substructure	75 years	25,000
- seal	30 years	15,000
Kerb and channel	50 years	25,000
Drains	120 years	25,000
Bridges	120 years	25,000
Lanes - substructure	120 years	50,000
- seal	50 years	15,000
Mobile garbage bins/recycling crates	10 years	500
Irrigation & sprinkler systems	10 years	500
Street furniture	20 years	500
Parks & gardens furniture & equipment	20 years	500
Playground equipment	10 years	500

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Notes to the Financial Report for the Year Ended 30 June 2018

a) Property

	Land - specialised	Land - non specialised	Land improvements	Total Land	Heritage Buildings	Buildings - specialised	Buildings - non specialised	Building Improvements	Leasehold Improvements	Total Buildings	Work In Progress	Total Property
At fair value 1 July 2017	734,166	83,902	10,865	828,933	-	279,407	-	-	-	257,132	2,018	1,088,083
Accumulated depreciation at 1 July 2017	-	-	-	-	-	(80,632)	-	-	-	(78,258)	-	(78,258)
	734,166	83,902	10,865	828,933	-	198,775	-	-	-	198,775	2,018	1,029,726
Movements in fair value												
Acquisition of assets at fair value	-	-	1,289	1,289	-	8,672	-	-	-	8,672	24	9,985
Revaluation increments (decrements)	175,113	-	-	175,113	-	(4,164)	-	-	-	(4,164)	-	170,949
Fair value of assets disposed	-	-	-	-	-	(474)	-	-	-	(474)	-	(474)
Transfers	-	-	-	-	-	-	-	-	-	-	(2,018)	(2,018)
	175,113	-	1,289	176,402	-	4,034	-	-	-	4,034	(1,994)	178,442
Movements in accumulated depreciation												
Depreciation and amortisation	-	-	-	-	-	(2,794)	-	-	-	(2,794)	-	(2,794)
Revaluation increments (decrements)	-	-	-	-	-	361	-	-	-	361	-	361
	-	-	-	-	-	(2,433)	-	-	-	(2,433)	-	(2,433)
At fair value 30 June 2018	909,279	83,902	12,154	1,005,335	-	283,441	-	-	-	283,441	24	1,288,800
Accumulated depreciation at 30 June 2018	-	-	-	-	-	(83,065)	-	-	-	(83,065)	-	(83,065)
	909,279	83,902	12,154	1,005,335	-	200,375	-	-	-	200,375	24	1,205,735

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Notes to the Financial Report for the Year Ended 30 June 2018

(b) Plant and equipment

	Heritage plant and equipment	Motor Vehicles	Plant, machinery and equipment	Irrigation and sprinkler systems	Street furniture	Parks and gardens furniture and equipment	Playground equipment	Fencing	Mobile garbage bins/recycling crates	Computers and Mobile Phones	Office furniture and equipment	Library books	Work in Progress	Total plant and equipment
At fair value 1 July 2017	4,745	7,148	7,497	1,579	15,941	8,535	1,215	2,096	2,855	16,800	11,797	7,489	178	87,875
Accumulated depreciation at 1 July 2017	(241)	(4,677)	(3,908)	(1,546)	(11,926)	(6,343)	(1,021)	(1,796)	(2,350)	(12,281)	(9,477)	(5,263)	-	(60,829)
	4,504	2,471	3,589	33	4,015	2,192	194	300	505	4,518	2,320	2,226	178	27,045
Movements in fair value														
Acquisition of assets at fair value	130	895	257	557	1,096	2,345	395	58	152	1,581	185	596	185	8,432
Revaluation increments (decrements)	-	-	-	-	-	37	-	-	-	-	-	-	-	37
Fair value of assets disposed	-	(725)	-	-	-	-	-	-	-	-	-	-	-	(725)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(178)	(178)
	130	170	257	557	1,096	2,382	395	58	152	1,581	185	596	7	7,566
Movements in accumulated depreciation														
Depreciation and amortisation	(47)	(750)	(695)	(7)	(361)	(229)	(48)	(52)	(72)	(2,218)	(471)	(561)	-	(5,512)
Revaluation increments (decrements)	-	-	-	-	-	(10)	-	-	-	-	-	-	-	(10)
Accumulated depreciation of disposals	-	617	-	-	-	-	-	-	-	-	-	-	-	617
	(47)	(133)	(695)	(7)	(361)	(239)	(48)	(52)	(72)	(2,218)	(471)	(561)	-	(4,905)
At fair value 30 June 2018	4,875	7,318	7,754	2,136	17,037	10,917	1,610	2,154	3,007	18,381	11,982	8,085	185	95,441
Accumulated depreciation at 30 June 2018	(289)	(4,810)	(4,603)	(1,553)	(12,288)	(6,582)	(1,069)	(1,848)	(2,422)	(14,500)	(9,948)	(5,823)	-	(65,734)
	4,587	2,508	3,151	583	4,749	4,335	541	305	585	3,881	2,034	2,261	185	29,706

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(c) Infrastructure

	Roads	Footpaths and cycleways	Drainage	Kerb and channel	Bridges	Lanes	Trees and Tree Infrastructure	Off street car parks	Other Infrastructure	Work in Progress	Total Infrastructure
At fair value 1 July 2017	364,241	123,305	106,335	137,852	5,146	89,151	7,318	-	-	900	834,248
Accumulated depreciation at 1 July 2017	(86,259)	(24,128)	(47,869)	(29,190)	(2,500)	(16,033)	-	-	-	-	(205,980)
	277,982	99,177	58,466	108,662	2,646	73,118	7,318	-	-	900	628,268
Movements in fair value											
Acquisition of assets at fair value	4,532	1,705	1,144	1,733	-	-	-	-	-	46	9,160
Revaluation increments (decrements)	49,880	17,297	-	(3,238)	-	(776)	-	-	-	-	63,163
Fair value of assets disposed	(145)	-	-	-	-	(128)	-	-	-	-	(273)
Transfers	-	-	-	-	-	-	-	-	-	(900)	(900)
	54,267	19,002	1,144	(1,505)	-	(904)	-	-	-	(854)	71,150
Movements in accumulated depreciation											
Depreciation and amortisation	(5,414)	(2,481)	(1,035)	(2,757)	(51)	(1,030)	-	-	-	-	(12,767)
Revaluation increments (decrements)	(12,400)	(3,682)	-	741	-	148	-	-	-	-	(15,193)
Accumulated depreciation of disposals	54	-	-	-	-	-	-	-	-	-	54
Transfers	(70)	-	-	-	-	-	-	-	-	-	(70)
	(17,829)	(6,163)	(1,035)	(2,016)	(51)	(882)	-	-	-	-	(27,976)
At fair value 30 June 2018	418,507	142,307	107,479	136,347	5,146	88,247	7,318	-	-	46	905,398
Accumulated depreciation at 30 June 2018	(104,088)	(30,291)	(48,904)	(31,206)	(2,551)	(16,915)	-	-	-	-	(233,956)
	314,419	112,016	58,575	105,141	2,595	71,332	7,318	-	-	46	671,442

Attachment 1 - Draft Annual Financial Statements 2017-18

Notes to the Financial Report for the Year Ended 30 June 2018

Property, infrastructure, plant and equipment (continued)*Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Valuation of land and buildings

Valuations of land and buildings were undertaken by Westlink Consulting under the supervision of William J Graham, City Valuer, A.V.L.E (Vals), Qualified Valuer. The valuation of buildings was replacement cost less accumulated depreciation and was first applied as at 30 June 2018. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where building use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for undeveloped and/or unserviced characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date of the current valuation is detailed in the following table.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Land - Non specialised	-	178,455	-	June 2018
Land - Specialised	-	-	826,880	June 2018
Buildings - Specialised	-	-	200,375	June 2018
Total	-	178,455	1,027,255	

Definition of Land and Buildings Levels 1,2 and 3 - as per note 1(e) fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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Notes to the Financial Report for the Year Ended 30 June 2018

Property, infrastructure, plant and equipment (continued)

Valuation of infrastructure

Valuation of infrastructure assets - Roads, Footpaths, Lanes, Kerb and Channel - was undertaken by Jim Vokolos, B.Eng (Civil), Qualified Engineer. The valuations are at replacement costs less accumulated depreciation and were first applied as at 30 June 2018.

The date of the current valuation is detailed in the following table.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	314,419	June 2018
Bridges	-	-	2,595	June 2013
Footpaths, Lanes and Kerb and Channel	-	-	288,489	June 2018
Drainage	-	-	58,575	June 2015
Trees	-	-	7,318	June 2004
Total	-	-	671,396	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 15% and 30%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$600 and \$6,000 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$185 to \$25,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and are currently at 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 20 years to 120 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

5.3 Investments in associates, joint arrangements and subsidiaries

Council's carrying value (at cost) of investment in Regional Kitchens P/L, incorporating RFK P/L (Trading as Community Chef)

Municipal Association Purchasing Scheme (Procurement Australia)

Total investments

	2018 \$'000	2017 \$'000
	230	230
	5	5
	<u>235</u>	<u>235</u>

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Notes to the Financial Report for the Year Ended 30 June 2018

Note 6 People and Relationships

6.1 Council and key management remuneration

(a) Related Parties

Parent entity

Yarra City Council is the parent entity

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in note 5.3.

(b) Key Management Personnel

Accounting Standard AASB124 requires the disclosure of related party relationships and transactions in all Councils. Key Management Personnel (KMP) are one type of related parties that Council is required to include in its note disclosure.

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

Councillors	Cr Daniel Nguyen (Mayor)	27 November 2017 - 30 June 2018
	Cr Daniel Nguyen	1 July 2017 - 26 November 2017
	Cr Amanda Stone (Mayor)	1 July 2017 - 26 November 2017
	Cr Amanda Stone	27 November 2017 - 30 June 2018
	Cr Misha Coleman (Deputy Mayor)	27 November 2017 - 30 June 2018
	Cr Misha Coleman	1 July 2017 - 26 November 2017
	Cr Danae Bosler	1 July 2017 - 30 June 2018
	Cr Jackie Fristacky	"
	Cr Stephen Jolly	"
	Cr Mike McEvoy	"
	Cr Mi-Lin Chen Yi Mei	"
	Cr James Searle	"

Chief Executive Officer & other Key Management Personnel

Chief Executive Officer	Vijaya Vaidyanath
Director Corporate Business & Finance	Andrew Day
Director Community Wellbeing	Lucas Gosling
Director City Works & Assets	Chris Leivers
Director Planning & Placemaking	Bruce Phillips
Assistant Director Planning and Place Making	Jane Waldock
Group Manager People Culture & Community	Fred Warner
Group Manager CEO's Office	Ivan Gilbert

	2018	2017
Total number of Councillors*	9	14
Chief Executive Officer and other Key Management Personnel	8	9
Total Key Management Personnel	17	23

(c) Remuneration of Key Management Personnel

	2018	2017
	\$,000	\$,000
Total remuneration* of key management personnel was as follows:		
Short-term benefits	2,483	2,727
Long-term benefits	410	449
Termination benefits	-	-
Total	2,893	3,176

* Short and long term benefits for KMP include any leave liability and fringe benefits tax.

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Notes to the Financial Report for the Year Ended 30 June 2018

6.1 Council and key management remuneration (continued)

The numbers of key management personnel whose total remuneration** from Council and any related entities, fall within the following bands:

	2018 No	2017 No
\$1 - \$9,999	-	4
\$10,000 - \$19,999	-	5
\$20,000 - \$29,999	7	4
\$50,000 - \$59,999	1	-
\$60,000 - \$69,999	1	1
\$180,001 - \$189,999	-	1
\$190,000 - \$199,999	1	2
\$200,000 - \$209,999	3	1
\$230,000 - \$239,999	-	1
\$250,000 - \$259,999	1	1
\$260,000 - \$269,999	2	2
\$350,000 - \$359,999	1	1
	<u>17</u>	<u>23</u>

Key management personnel (KMP) include the current 9 councillors, the CEO and the Executive Management Team.

** Total remuneration includes salary, superannuation and councillor reimbursement allowance but no leave liability.

(d) Senior Officer Remuneration

A Senior Officer is an officer of Council, other than Key Management Personnel, who has management responsibilities and whose total annual remuneration exceeds \$147,000:

Income range:	2018 No.	2017 No.
\$147,000 - \$149,999	-	1
\$150,000 - \$159,999	4	1
\$160,000 - \$169,999	5	5
\$170,000 - \$179,999	6	5
\$180,000 - \$189,999	1	2
\$190,000 - \$199,999	-	-
\$240,000 - \$249,999	1	-
	<u>17</u>	<u>14</u>
	\$'000	\$'000

Total remuneration for the reporting year for Senior Officers included above, amounted to:

2,932 2,546

(e) Other officer remuneration

Other officers whose annual remuneration exceeds \$147,000:

Income range:	2017 No.	2016 No.
\$147,000 - \$149,999	2	10
\$150,000 - \$159,999	5	6
\$160,000 - \$169,999	2	3
\$170,000 - \$179,999	1	-
\$190,000 - \$199,999	1	-
\$200,000 - \$209,999	1	-
	<u>12</u>	<u>19</u>
	\$'000	\$'000

Total remuneration for the reporting year for other officers included above, amounted to:

1,957 2,883

Other officer remuneration may include overtime and/or on-call allowances.

6.2 Related party disclosure

(a) Transactions with related parties

During the period Council did not enter into transactions with related parties.

(b) Outstanding balances with related parties

There were no balances outstanding at the end of the reporting period in relation to transactions with related parties.

(c) Loans to/from related parties

There were no loans in existence at balance date that have been made, guaranteed or secured by the council to a related party.

(d) Commitments to/from related parties

There were no commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party.

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Notes to the Financial Report for the Year Ended 30 June 2018

Note 7 Managing uncertainties

7.1 Contingent liabilities and contingent assets

(a) arising from Public Liability

As a local authority we manage parks, reserves, roads, and other land holdings and, as a result, receive potential claims arising from incidents which occur on land managed by Council. There are a number of outstanding claims against Council in this regard. Council carries \$600 million of public liability insurance and an excess of \$50,000 on this policy in 2017/18. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is LMI Insurance. There are no claims of which Council is aware which would fall outside the terms of Council's policy.

(b) arising from Professional Indemnity

As a local authority with statutory regulatory responsibilities, including the responsibility of issuing permits and approvals, Council receives potential claims for damages arising from actions of Council or its officers. Council carries \$600 million of professional indemnity insurance and an excess of \$50,000 on this policy in 2017/18. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is LMI Insurance. There are no instances or claims of which Council is aware which would fall outside the terms of Council's policy.

(c) arising from Legal Matters

The Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. This includes a legal matter involving the Metropolitan Fire and Emergency Services Board (MFESB) and Council concerning possible soil contamination issues at the Burnley Depot site.

As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies have been made in the final report

7.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2018 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Financial Instruments - Disclosures (AASB 7) (applies 2018/19)

This Standard requires entities to provide disclosures in their financial statements that enable users to evaluate: (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed.

Financial Instruments (AASB 9) (applies 2018/19)

The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.

Revenue from contracts with customers (AASB 15) (applies 2019/20 for LG sector)

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016-7) (applies 2019/20)

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

Leases (AASB 16) (applies 2019/20)

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.

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Notes to the Financial Report for the Year Ended 30 June 2018

7.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. The Council's exposures to market risk is primarily through interest rate risk with only immaterial exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. We manage interest rate risk by adopting an investment policy that ensures:

- diversification of investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit risk.

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 7.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements or we will not have sufficient funds to settle a transaction when required, we will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 7.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 4.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 2% and -1% in market interest rates (AUD) from year-end rate.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

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Notes to the Financial Report for the Year Ended 30 June 2018

7.4 Fair value measurement

Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 3 years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

7.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

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Notes to the Financial Report for the Year Ended 30 June 2018

Note 8 Other matters

8.1 Reserves	Balance at beginning of Year	Increment (decrement)	Balance at end of Year
(a) Asset revaluation reserves	\$'000	\$'000	\$'000
2018			
Property			
Land	620,737	175,113	795,850
Buildings	46,546	(3,804)	42,742
Heritage buildings	2,860	-	2,860
	670,143	171,309	841,452
Infrastructure			
Road Substructure	119,478	37,480	156,958
Road Seal	10,693	-	10,693
Footpaths Substructure	40,701	13,615	54,316
Footpaths Seal	28,770	-	28,770
Drains	3,609	-	3,609
Bridges	1,000	-	1,000
Lane Substructure	16,236	(627)	15,609
Lane Seal	45,636	-	45,636
Kerb and channel	99,355	(2,497)	96,858
Open space	0	27	27
Trees	13	-	13
Art, Heritage and Culture	44	-	44
	365,535	47,998	413,533
Total Asset revaluation reserves	1,035,678	219,307	1,254,985

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

2017

Property			
Land	620,737	-	620,737
Buildings	46,546	-	46,546
Heritage buildings	2,860	-	2,860
	670,143	-	670,143
Infrastructure			
Road Substructure	119,478	-	119,478
Road Seal	10,693	-	10,693
Footpaths Substructure	40,701	-	40,701
Footpaths Seal	28,770	-	28,770
Drains	3,609	-	3,609
Bridges	1,000	-	1,000
Lane Substructure	16,236	-	16,236
Lane Seal	45,636	-	45,636
Kerb and channel	99,355	-	99,355
Trees	13	-	13
Art, Heritage and Culture	0	44	44
	365,491	44	365,535
Total Asset revaluation reserves	1,035,634	44	1,035,678

	Balance at beginning of Year	Transfer to accumulated surplus	Transfer from accumulated surplus	Balance at end of Year
(b) Other reserves	\$'000	\$'000	\$'000	\$'000
2018				
Statutory Reserves				
Resort and recreation (a)	482	(1,771)	4,806	3,517
Parking (b)	79	-	-	79
Total Statutory Reserves	561	(1,771)	4,806	3,596
General Reserves				
General reserve (b)	20,100	-	-	20,100
Total General Reserves	20,100	-	-	20,100
Total Other Reserves	20,661	(1,771)	4,806	23,696
2017				
Statutory Reserves				
Resort and recreation (a)	-	(3,388)	3,870	482
Parking (b)	79	-	-	79
Total Statutory Reserves	79	(3,388)	3,870	561
General Reserves				
General reserve (c)	20,100	-	-	20,100
Total General Reserves	20,100	-	-	20,100
Total Other reserves	20,179	(3,388)	3,870	20,661

(a) Resort and Recreation reserve relates to contributions received as Public Open Space Levies pursuant to the provisions of Section 18 of the *Subdivision Act 1988*. The reserve will be used to fund eligible open space capital works projects. In 2017/18 the following projects and amounts were acquitted from the Public Open Space Reserve:

Construction of a new local park - Charles St	\$724K
George Knott Reserve works	\$578K
Merril Creek Trail - Coulson Reserve Path	\$287K
Darling Gardens - Playground	\$184K
Total	\$1,771M

(b) Parking reserve relates to contributions received in lieu of the provision of parking spaces required for property developments. This reserve will be used in the provision of additional car parking spaces as required.

(c) General reserve relates to unrestricted Council expenditure for a range of possible capital works projects which may include open space projects as assessed with each annual budget process into the future. These are currently not cashed backed.

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Notes to the Financial Report for the Year Ended 30 June 2018

8.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
	2018	2017
	\$'000	\$'000
Surplus/(deficit) for the year	20,869	17,506
Depreciation	21,074	20,347
Finance costs	2,007	1,605
(Profit)/loss on disposal of non current assets (refer to Note 2.6)	(2,230)	(563)
Change in assets and liabilities:		
(Increase)/decrease in receivables	(1,660)	(1,397)
(Increase)/decrease in other assets	(643)	1,072
Increase/(decrease) in payables	(867)	(7,614)
Increase/(decrease) in other liabilities	2,341	2,151
(Increase)/decrease in inventories	20	2
Increase/(decrease) in employee benefits	542	(121)
Net cash provided by/(used in) operating activities	41,452	32,988

8.3 Superannuation

Yarra City Council (the Council) makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in Comprehensive Operating Statement when they are made or due.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2018, this was 9.5% as required under Superannuation Guarantee (SG) legislation).

Defined Benefit

Yarra City Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is pooled multi-employer sponsored plan. There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Yarra City Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

Yarra City Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2017, a full triennial actuarial investigation was completed. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 103.1%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns	6.5% pa
Salary information	3.5% pa
Price inflation (CPI)	2.5% pa.

Vision Super has advised that the estimated VBI at [quarter end] was [insert the latest VBI advised by Vision Super]%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2017 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Attachment 1 - Draft Annual Financial Statements 2017-18

Notes to the Financial Report for the Year Ended 30 June 2018

Employer Contributions

Regular Contributions

On the basis of the results of the 2017 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2018, this rate was 9.5% of members' salaries (9.5% in 2016/2017). This rate will increase in line with any increases in the SG contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall. Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

2017 triennial actuarial investigation surplus amounts

The Fund's triennial investigation as at 30 June 2017 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$69.8 million
- A total service liability surplus of \$193.5 million.
- A discounted accrued benefits surplus of \$228.8 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2017. Council was notified of the 30 June 2017 VBI during August 2017.

2018 interim actuarial investigation

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2018. It is anticipated that this actuarial investigation will be completed in December 2018.

Attachment 2 - LGPRF Draft Performance Statement 2017-18

Yarra City Council

Performance Statement

For the year ended 30 June 2018

Attachment 2 - LGPRF Draft Performance Statement 2017-18

Performance Statement

For the year ended 30 June 2018

REFERENCES

Regulation R

Better Practice BP

R17(1)	<p>Description of municipality</p> <p>The City of Yarra is an inner metropolitan municipality which is home to a diverse community of people. Yarra is one of Australia's smallest inner city municipalities at 19.5 square kilometres, and features lively arts and entertainment precincts, vibrant shopping and café strips, and numerous sports and recreational facilities.</p> <p>Created in June 1994, the City of Yarra merged the former municipalities of: Collingwood; Richmond; Fitzroy; (including the annexed part of Carlton North); Northcote (Alphington & Fairfield: South of Heidelberg Road only).</p> <p>Yarra has a population of 96,368 (at 30 June 2018) and a diverse community profile. Over the previous decade, the City's population had been growing at an average rate of 3.6%, almost double the rate of growth for Victoria. It is estimated that Yarra will continue to grow, with the population predicted to reach 110,512 by 2031.</p>
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Attachment 2 - LGPRF Draft Performance Statement 2017-18

Sustainable Capacity Indicators

For the year ended 30 June 2018

	<i>Indicator/measure</i>	Results				Material Variations
		2015	2016	2017	2018	
R15(3) Sch3 R16(1) R17(2)	Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,786.32	\$1,804.81	\$1,787.22	\$1,770.11	Council's expenses increased by 4.5% in 2017/18 while the municipal population increased by 5.55%, resulting in expenses per head of population decreasing compared to the previous year. Council expense increases are remaining fairly static, whereas population is increasing each year. The indicator is trending down due to consistent population increases over the 4 years greater than the increase in infrastructure spend.
	<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$9,765.52	\$9,461.04	\$9,376.85	\$9,355.26	
	<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	275.94	283.92	292.07	308.41	
	Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,656.50	\$1,683.11	\$1,735.51	\$1,780.74	Council continues to trend positively on this indicator.
	Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$128.25	\$110.72	\$146.45	\$123.35	Council received \$1m of its 2018/19 Grants Commission Allocation in 2017/18, but also received less funding for its Aged Care services due to the National Reforms on Aged Care.
	Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	8.00	8.00	8.00	8.00	No change to this result. The trend remains steady.

Attachment 2 - LGPRF Draft Performance Statement 2017-18

BP

Definitions

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

"infrastructure" means non-current property, plant and equipment excluding land

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"population" means the resident population estimated by council

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

Attachment 2 - LGPRF Draft Performance Statement 2017-18

Service Performance Indicators

For the year ended 30 June 2018

	Service/ <i>indicator/measure</i>	Results				Material Variations
		2015	2016	2017	2018	
R15(1) Sch3 R16(1) R17(2)	Aquatic facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	11.80	11.63	11.96	9.14	A number of pools were closed for maintenance and refurbishment works during 2017/18 reducing the availability to the public and impacting on the total number of visitations in 2017/18. Considering the slight drop in 2017/18 this still continues to be a strong result and reflects significantly higher than average utilisation compared to the all Council's average result in 2016/17.
	Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	4.00	5.00	11.00	13.00	Council has increased its patrol activity since 2016/17 compared to previous years including follow-up of alleged dog attacks where the owner could not originally be identified resulting in an increase in prosecutions.
	Food safety Health and safety <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	99.00%	100.00%	100.00%	99.56%	The trend in follow-up of notifications remains steady against our target of 100%.

Attachment 2 - LGPRF Draft Performance Statement 2017-18

Service/indicator/measure	Results				Material Variations
	2015	2016	2017	2018	
Governance Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	65.80	68.60	67.00	66.80	This continues to be a solid result within acceptable tolerances and is underpinned by Councils ongoing commitment to consultation and engagement. Result from the Annual Customer Satisfaction Survey.
Home and community care Participation <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	16%	13.44%	N/A	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
Participation <i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	13%	10.24%	N/A	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
Libraries Participation <i>Active library members</i> [Number of active library members / Municipal population] x100	18.94%	17.39%	17.82%	20.72%	In April 2017 Council opened its new Library and multipurpose community hub in Fitzroy (Bargoonga Nganjin) since opening overall library visitations have increased compared to previous years. The 2017/18 result reflects the community's steady utilisation of library services and is higher than the 2016/17 average for similar Councils.
Maternal and child health Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the	83%	79.82%	79.38%	80.41%	This continues to be a solid result within acceptable tolerances.

Attachment 2 - LGPRF Draft Performance Statement 2017-18

	Service/indicator/measure	Results				Material Variations
		2015	2016	2017	2018	
	year) / Number of children enrolled in the MCH service] x100					
	Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	74%	59.72%	63.41%	79.37%	The trend shows increasing demand and participation by the Yarra Aboriginal and Torres Strait Islander population and participation rates in the Victorian Aboriginal Health Service.
	Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	72.4%	73.30%	72.30%	72.20%	Result from the Annual Customer Satisfaction Survey. This continues to be a solid result within acceptable tolerances. Council continues to achieve strong community satisfaction results for its local roads.

Attachment 2 - LGPRF Draft Performance Statement 2017-18

	Service/ <i>indicator/measure</i>	Results				Material Variations
		2015	2016	2017	2018	
	Statutory Planning Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	87%	78.69%	74.07%	77.45%	The number of Council decisions upheld by VCAT was higher when compared with the previous year, this variance up or down will continue until Council has embedded clear policy within the planning scheme to direct growth. This work continues to be undertaken but won't be fully incorporated into the planning scheme for another 12 to 18 months. A number of interim built form controls have already been implemented and should provide greater certainty in built form outcomes for some parts of the municipality.
	Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	37.00%	38.52%	37.36%	37.73%	The trend shows a consistent level of waste diversion from landfill, Council continues to promote environmental sustainability and the benefits of recycling. The increase in Multi Unit Developments within Yarra impacts on this number as recycling behaviour in these developments appears to be different to that of single dwellings.
BP	Definitions "Aboriginal child" means a child who is an Aboriginal person "Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006 "active library member" means a member of a library who has borrowed a book from the library "annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act "CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English "class 1 food premises" means food premises, within the meaning of the <i>Food Act 1984</i> , that have been declared as class 1 food premises under section 19C of that Act "class 2 food premises" means food premises, within the meaning of the <i>Food Act 1984</i> , that have been declared as class 2 food premises under section 19C of that Act "Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth "critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious					

Attachment 2 - LGPRF Draft Performance Statement 2017-18

threat to public health

"food premises" has the same meaning as in the *Food Act 1984*

"HACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the Home and Community Care Act 1985 of the Commonwealth

"HACC service" means home help, personal care or community respite provided under the HACC program

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

"MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

"population" means the resident population estimated by council

"target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth

"WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

Attachment 2 - LGPRF Draft Performance Statement 2017-18

Financial Performance Indicators

For the year ended 30 June 2018

	Dimension/ <i>indicator/measure</i>	Results				Forecasts				Material Variations
		2015	2016	2017	2018	2019	2020	2021	2022	
R15(2)	Efficiency									
Sch3	Revenue level									
R16(1)	<i>Average residential rate per</i>									The 2017/18 average residential rates per residential property have increased from 2016/17 due to rates increasing in line with the rate cap, as well as supplementary rate revenue received. The trend reflects that this will continue.
R16(2)	<i>residential property assessment</i>	\$1,479.90	\$1,543.41	\$1,617.29	\$1,674.29	\$1,753.07	\$1,764.22	\$1,776.17	\$1,787.89	
R17(2)	[Residential rate revenue /									
R17(3)	Number of residential property assessments]									
	Expenditure level									
	<i>Expenses per property assessment</i>	\$3,153.61	\$3,128.06	\$3,088.70	\$3,196.76	\$3,310.82	\$3,299.24	\$3,301.68	\$3,305.05	Expenses per property assessment have increased due to the continued rising costs of delivering services to our community, and maintaining Council's significant infrastructure assets. Council anticipates the indicator to remain relatively stable in future years.
	[Total expenses / Number of property assessments]									

Attachment 2 - LGPRF Draft Performance Statement 2017-18

Dimension/indicator/measure	Results				Forecasts				Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Workforce turnover <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	11.16%	15.64%	22.71%	16.05%	16.04%	16.04%	16.04%	16.04%	There were less terminations and resignations in 2017/18 compared to 2016/17. Council expects the trend to remain stable.
Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	105.31%	102.99%	150.61%	196.87%	122.10%	131.39%	140.42%	136.74%	Council's cash holdings have increased due to better than expected revenue receipts, including the Grants Commission 2018/19 allocation received during 2017/18. Some of this cash is restricted, or committed for future use in 2018/19.
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	0.00%	27.46%	63.57%	96.61%	47.60%	55.30%	62.51%	61.89%	Council's unrestricted cash has improved from 2016/17 to 2017/18 due to better than expected revenue receipts. Some of this cash is technically unrestricted, but it is also committed for future use in 2018/19. The future trend is for Council's unrestricted cash to slowly increase.

Attachment 2 - LGPRF Draft Performance Statement 2017-18

	Dimension/ <i>indicator/measure</i>	Results				Forecasts				Material Variations
		2015	2016	2017	2018	2019	2020	2021	2022	
Loans and borrowings	Obligations									
	Asset renewal									
	<i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	83.69%	95.90%	98.77%	102.44%	103.55%	107.18%	106.53%	101.02%	Council's year on year result has improved due to the continued commitment to fund renewal works. The future trend is uneven, as Council continues to find the optimal balance of renewal priorities each year
	Loans and borrowings									
Loans and borrowings	<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	35.60%	33.19%	45.41%	42.80%	40.25%	37.83%	35.49%	31.07%	Council's year on year result has decreased and Council expects this trend to continue, as its debt profile decreases over time.
	Loans and borrowings									
	<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	1.57%	1.54%	1.49%	3.00%	2.86%	2.87%	30.69%	4.82%	Council's year on year result has increased as it borrowed an additional 13.5M during 2016/17. Council is required to repay a \$32.5m interest only loan in 2020/21

Attachment 2 - LGPRF Draft Performance Statement 2017-18

Dimension/indicator/measure	Results				Forecasts				Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	23.99%	22.99%	29.39%	26.41%	26.27%	24.82%	23.41%	19.13%	Council's year on year result has decreased and Council expects this trend to continue, as its debt profile decreases over time.
Operating position Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	2.11%	1.70%	6.31%	8.38%	2.92%	4.40%	5.22%	6.00%	Council's year on year result improved due to greater than budgeted revenue, and less than budgeted expenditure. Most of the additional revenue is restricted or committed for future use.
Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	57.84%	59.82%	58.17%	56.30%	59.52%	59.76%	60.14%	60.50%	Council's year on year result decreased slightly due to the 2018/19 Grants Commission funding being received early during 2017/18. The projected trend is a stable, slowly increasing result.
Rates effort <i>Rates compared to property values</i> Rate revenue / Capital improved value of rateable properties in the municipality] x100	4.53%	4.73%	0.20%	0.21%	0.18%	0.18%	0.19%	0.19%	The City of Yarra continues to experience significant property value growth.

Attachment 2 - LGPRF Draft Performance Statement 2017-18

BP

Definitions

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

"asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"current assets" has the same meaning as in the AAS

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

"non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants

LGV means Local Government Victoria

CIV means Capital Improved Value

NAV means Net Annual Value

"population" means the resident population estimated by council

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

Attachment 2 - LGPRF Draft Performance Statement 2017-18

Other Information

For the year ended 30 June 2018

BP	<p>1. Basis of preparation</p> <p>Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the <i>Local Government Act 1989</i> and the <i>Local Government (Planning and Reporting) Regulations 2014</i>.</p> <p>Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).</p> <p>The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The <i>Local Government (Planning and Reporting) Regulations 2014</i> requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.</p> <p>The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 28 June 2018 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.</p>
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Attachment 2 - LGPRF Draft Performance Statement 2017-18

Certification of the Performance Statement

R18(1)	In my opinion, the accompanying performance statement has been prepared in accordance
R18(2)	with the <i>Local Government Act 1989</i> and the <i>Local Government (Planning and Reporting) Regulations 2014</i> .
	<hr/> <p>Ange Marshall Principal Accounting Officer Dated: 4 September 2018</p>
	In our opinion, the accompanying performance statement of the Yarra City Council for the year ended 30 June 2018 presents fairly the results of council's performance in accordance with the <i>Local Government Act 1989</i> and the <i>Local Government (Planning and Reporting) Regulations 2014</i> .
	The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.
	At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.
	We have been authorised by the council and by the <i>Local Government (Planning and Reporting) Regulations 2014</i> to certify this performance statement in its final form.
	<hr/> <p>Daniel Nguyen Mayor Dated: 4 September 2018</p>
	<hr/> <p>Misha Coleman Councillor Dated: 4 September 2018</p>
	<hr/> <p>Vijaya Vaidyanath Chief Executive Officer Dated: 4 September 2018</p>

Attachment 3 - Governance and Management Checklist 2017-18

Yarra City Council

Governance and Management Checklist

For the year ended 30 June 2018

Attachment 3 - Governance and Management Checklist 2017-18

GOVERNANCE AND MANAGEMENT CHECKLIST	
The following are the results in the prescribed form of council's assessment against the prescribed governance and management checklist.	
Governance and Management Items	Assessment
1 Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Policy 24/06/2014
2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines 30/05/2018
3 Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act 26/06/2018
4 Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act 26/06/2018
5 Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans Asset Management Strategy 03/04/2012; Roads Asset Management Plan 13/09/2013; Buildings Asset Management Plan 08/10/2013; Arts Collection Asset Management Plan 19/08/2008
6 Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Council has incorporated its rating and revenue strategic elements in its Long Term financial Strategy which is then reflected in its annual budget document. 26/06/2018
7 Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy 27/11/2012
8 Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy 18/11/2015
9 Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986 8/12/2014
10 Procurement policy (policy under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the Local Government Act 19/09/2017

Attachment 3 - Governance and Management Checklist 2017-18

GOVERNANCE AND MANAGEMENT CHECKLIST	
LG131(3)	The following are the results in the prescribed form of council's assessment against the prescribed governance and management checklist.
R12	Governance and Management Items
	Assessment
11	Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)
	Plan 28/05/2015
12	Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)
	Plan 28/02/2014
13	Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)
	Framework 27/11/2012
14	Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)
	Established in accordance with section 139 of the Act 9/03/2004
15	Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)
	Engaged 15/01/2015
16	Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)
	Framework 1/08/2017
17	Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)
	No report Council develops Annual Plans which include the initiatives contained in the Council Plan. Progress of these initiatives against targets is reported on a quarterly basis
18	Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)
	Statements presented to Council in accordance with section 138(1) of the Act 2017/18 Quarter 1 report 31/10/2017 2017/18 Quarter 2 report 20/03/2018 2017/18 Quarter 3 report 08/05/2018 2017/18 Quarter 4 report 04/09/2018
19	Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)
	Reports 20/03/2018 08/05/2018

Attachment 3 - Governance and Management Checklist 2017-18

GOVERNANCE AND MANAGEMENT CHECKLIST													
LG131(3)	The following are the results in the prescribed form of council's assessment against the prescribed governance and management checklist.												
R12	<table border="1"> <thead> <tr> <th>Governance and Management Items</th> <th>Assessment</th> </tr> </thead> <tbody> <tr> <td>20 Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)</td> <td> <p>Council develops Annual Plans which include the initiatives contained in the Council Plan. Progress of these initiatives against targets is reported quarterly, this reporting does not include the all Council Plan Strategic Indicators. Financial performance is reported separately on a quarterly basis, refer to indicator GC18.</p> <p>2017/18 Quarter 1 report 19/12/2017 2017/18 Quarter 2 report 20/03/2018 2017/18 Quarter 3 report 08/05/2018 2017/18 Quarter 4 report 07/08/2018</p> </td> </tr> <tr> <td>21 Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)</td> <td> <p>Considered at a meeting of Council in accordance with section 134 of the Act</p> <p>17/10/2017</p> </td> </tr> <tr> <td>22 Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)</td> <td> <p>Reviewed in accordance with section 76C of the Act</p> <p>21/02/2017</p> </td> </tr> <tr> <td>23 Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)</td> <td> <p>Reviewed in accordance with section 98(6) of the Act</p> <p>5/09/2017</p> </td> </tr> <tr> <td>24 Meeting procedures (a local law governing the conduct of meetings of Council and special committees)</td> <td> <p>Meeting procedures local law made in accordance with section 91(1) of the Act</p> <p>20/12/2011</p> </td> </tr> </tbody> </table>	Governance and Management Items	Assessment	20 Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	<p>Council develops Annual Plans which include the initiatives contained in the Council Plan. Progress of these initiatives against targets is reported quarterly, this reporting does not include the all Council Plan Strategic Indicators. Financial performance is reported separately on a quarterly basis, refer to indicator GC18.</p> <p>2017/18 Quarter 1 report 19/12/2017 2017/18 Quarter 2 report 20/03/2018 2017/18 Quarter 3 report 08/05/2018 2017/18 Quarter 4 report 07/08/2018</p>	21 Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	<p>Considered at a meeting of Council in accordance with section 134 of the Act</p> <p>17/10/2017</p>	22 Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	<p>Reviewed in accordance with section 76C of the Act</p> <p>21/02/2017</p>	23 Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	<p>Reviewed in accordance with section 98(6) of the Act</p> <p>5/09/2017</p>	24 Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	<p>Meeting procedures local law made in accordance with section 91(1) of the Act</p> <p>20/12/2011</p>
Governance and Management Items	Assessment												
20 Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	<p>Council develops Annual Plans which include the initiatives contained in the Council Plan. Progress of these initiatives against targets is reported quarterly, this reporting does not include the all Council Plan Strategic Indicators. Financial performance is reported separately on a quarterly basis, refer to indicator GC18.</p> <p>2017/18 Quarter 1 report 19/12/2017 2017/18 Quarter 2 report 20/03/2018 2017/18 Quarter 3 report 08/05/2018 2017/18 Quarter 4 report 07/08/2018</p>												
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24 Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	<p>Meeting procedures local law made in accordance with section 91(1) of the Act</p> <p>20/12/2011</p>												
I certify that this information presents fairly the status of Council's governance and management arrangements.													
_____ Cr Daniel Nguyen Mayor Dated: 4 September 2018	_____ Vijaya Vaidyanath Chief Executive Officer Dated: 4 September 2018												

Attachment 4 - LGPRF Report of Operations 2017-2018

Yarra City Council

Report of Operations

For the year ended 30 June 2018

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					Material Variations and Comments
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	
Aquatic Facilities					
Satisfaction					
<i>User satisfaction with aquatic facilities (optional)</i>	80.70	81.80	84.20	82.10	This continues to be a solid result across the 4 years and within acceptable tolerances. Result from the Annual Customer Satisfaction Survey.
[User satisfaction with how council has performed on provision of aquatic facilities]					
Service standard					
<i>Health inspections of aquatic facilities</i>	2.00	3.00	4.33	4.00	Council has increased its inspection frequency in the last 2 years as part of its pool management program.
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]					
Health and Safety					
<i>Reportable safety incidents at aquatic facilities</i>	0	1.00	0.00	1.00	The low number of reportable safety incidents over the past 4 years is due in part to the services safety accreditation program.
[Number of WorkSafe reportable aquatic facility safety incidents]					
Service cost					
<i>Cost of indoor aquatic facilities</i>	\$1.14	\$1.18	\$0.49	\$1.23	A change in year-end reporting in 2016/17 resulted in some 2016/17 expenditure items being carried over into 2017/18. The impact of this was a reduction in the cost per visit in 2016/17 and inflation of the 2017/18 result.
[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]					
Service Cost					
<i>Cost of outdoor aquatic facilities</i>	\$0.00	\$0.00	\$0.00	\$0.00	All City of Yarra pools are defined as indoor pools under the LGPRF guidelines.
[Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]					
Utilisation					
<i>Utilisation of aquatic facilities</i>	11.80	11.63	11.96	9.14	A number of pools were closed for maintenance and refurbishment works during 2017/18 reducing the availability to the public and impacting on the total number of visitations in 2017/18. Considering the slight drop in 2017/18 this still continues to be a strong result and reflects significantly higher than average utilisation compared to the all Council's average result in 2016/17.
[Number of visits to aquatic facilities / Municipal population]					

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					Material Variations and Comments
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	
Animal Management					
Timeliness					
<i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	0.00	2.06	2.46	1.89	The time to action requests remains under 3 days and is within acceptable parameters.
Service standard					
<i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100	64.00%	72.85%	55.49%	52.25%	The downward trend in animals reclaimed since 2017/18 is in part due to the 2011/17/18 and 2018/19 results including feral and diseased animals captured or surrendered to the pound service, current legislation prohibits these animals from being reclaimed or rehoused. Prior to this feral and diseased animals were excluded from the count.
Service cost					
<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$44.24	\$40.11	\$51.98	\$55.04	The increased cost in 2016/17 and 2017/18 reflect increased patrol and prosecution activity
Health and safety					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	4.00	5.00	11.00	13.00	Council has increased its patrol activity since 2016/17 compared to previous years including follow-up of alleged dog attacks where the owner could not originally be identified resulting in an increase in prosecutions.
Food Safety					
Timeliness					
<i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	0.00	1.42	1.88	1.82	The trend in time taken to action food complaints remains steady with complaints being actioned within 2 days. From 1 July 2016, time taken to action food complaints is reported by calendar year, previously this indicator was reported by financial year.
Service standard					

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					Material Variations and Comments
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	
Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100 Service cost Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	100.00%	98.15%	99.83%	100.43%	This continues to be a solid result within acceptable tolerances. Food safety assessments are undertaken in accordance with relevant legislation. The reduction in cost in 2016/17 and 2017/18 reflect operational efficiencies
Health and safety Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	99.00%	100.00%	100.00%	99.56%	The trend in follow-up of notifications remains steady against our target of 100%.
Governance Transparency Council decisions made at meetings closed to the public [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100 Consultation and engagement Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement Attendance Councillor attendance at council meetings	13.00%	12.67%	11.29%	11.90%	Council has actively sought to increase the transparency of decision making by reducing the number of resolutions made at closed meetings. The trend for this indicator over the past four years shows a reduction in Council decisions made at closed meetings. This continues to be a solid result within acceptable tolerances. The strong result reflects Yarras continued commitment to consult and engage frequently and consistently on statutory and non-statutory matters that affect the community. Result from the Annual Customer Satisfaction Survey.
	69.90	69.90	68.50	68.60	
	88.00%	92.06%	93.00%	92.06%	This continues to be a solid result within acceptable tolerances. Councillors attendance at meetings has been increasing since 2014/15.

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100					
Service cost					
<i>Cost of governance</i>	\$52,164.89	\$51,908.85	\$41,026.22	\$42,312.33	There has been a decrease in Councillor operational expenditure since 2016/17 compared to previous years, attributed in part to reduced expenditure and a change in Councils telecommunications contract in 2016/17 resulting in the reduction in costs.
[Direct cost of the governance service / Number of Councillors elected at the last Council general election]					
Satisfaction					
<i>Satisfaction with council decisions</i>	65.80	68.60	67.00	66.80	This continues to be a solid result within acceptable tolerances and is underpinned by Councils ongoing commitment to consultation and engagement. Result from the Annual Customer Satisfaction Survey.
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					
Home and Community Care (HACC)					
Timeliness					
<i>Time taken to commence the HACC service</i>	0.00	33.72	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
[Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service]					
Service standard					
<i>Compliance with Community Care Common Standards</i>	83.00%	83.33%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
[Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100					
Service cost					
<i>Cost of domestic care service</i>	\$0.00	\$65.34	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
[Cost of the domestic care service / Hours of domestic care service provided]					
Service cost					
<i>Cost of personal care service</i>	\$0.00	\$65.34	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
[Cost of the personal care service / Hours of personal care service provided]					
Service cost					
<i>Cost of respite care service</i>	0.00	65.34	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
[Cost of the respite care service / Hours of respite care service provided]					
Participation					
Participation in HACC service	16.00%	13.44%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
[Number of people that received a HACC service / Municipal target population for HACC services] x100					
Participation					
Participation in HACC service by CALD people	13.00%	10.24%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100					
Libraries					
Utilisation					
Library collection usage	4.00	4.46	4.30	4.96	Temporary closure of Richmond library for refurbishments and closure of North Fitzroy library for the opening of the new Bargoonga Nganjin North Fitzroy Library in April 2017 had an impact on the number of loans which in turn affected the library collection usage compared to the previous year, it remains a positive trend over the four year reporting period.
[Number of library collection item loans / Number of library collection items]					
Resource standard					
Standard of library collection	90.00%	99.14%	67.67%	69.37%	The 2015 and 2016 result recorded the percentage of stock purchased in the last five years that remained in circulation, and did not include existing shelf stock over 5 years old. Since 2017 the calculation refers to the percentage of the total collection that was purchased in the last five years. The trend since this correction is steady and slightly above the all Council average for 2016/17.
[Number of library collection items purchased in the last 5 years / Number of library collection items] x100					

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Service cost					
<i>Cost of library service</i>	\$8.25	\$9.53	\$8.70	\$6.73	Yarra Council operate 5 libraries, the decrease in the cost ratio in 2017/18 is due to a significant increase in visitations attributed to our new library and community hub in North Fitzroy which opened April 2017. Since opening monthly visitations to the new Fitzroy library have increase from an average of 6,500 to 22,500 per month resulting in a 38% increase in total library visitations.
[Direct cost of the library service / Number of visits]					
Participation					
<i>Active library members</i>	18.94%	17.39%	17.82%	20.72%	In April 2017 Council opened its new Library and multipurpose community hub in Fitzroy (Bargoonga Nganjin) since opening overall library visitations have increased compared to previous years. The 2017/18 result reflects the community's steady utilisation of library services and is higher than the 2016/17 average for similar Councils.
[Number of active library members / Municipal population] x100					
Maternal and Child Health (MCH)					
Satisfaction					
<i>Participation in first MCH home visit</i>	102.00%	102.72%	93.20%	98.81%	The trend is an overall increase in service delivery hours offered through the service. Proportional decrease in first time participation due to a number of factors, including population increase, population migration and data management changes.
[Number of first MCH home visits / Number of birth notifications received] x100					
Service standard					
<i>Infant enrolments in the MCH service</i>	100.00%	97.00%	101.85%	109.18%	This continues to be a solid result within acceptable tolerances.
[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100					
Service cost					
<i>Cost of the MCH service</i>	\$0.00	\$90.71	\$84.55	\$97.56	A slight decrease in the number of birth registration and visitations in 2017/18 reduced the number of service hours compared to previous years which resulted in an increase in average cost in 2017/18.
[Cost of the MCH service / Hours worked by MCH nurses]					
Participation					
<i>Participation in the MCH service</i>	83.00%	79.82%	79.38%	80.41%	This continues to be a solid result within acceptable tolerances.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					Material Variations and Comments
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	
Participation					
<i>Participation in the MCH service by Aboriginal children</i>	74.00%	59.72%	63.41%	79.37%	The trend shows increasing demand and participation by the Yarra Aboriginal and Torres Strait Islander population and participation rates in the Victorian Aboriginal Health Service.
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100					
Roads					
Satisfaction of use					
<i>Sealed local road requests</i>	81.02	96.75	107.49	112.01	Council introduced a new customer request system across the organisation mid 2017 which improved the capture and categorising of customer request and allows customers to log their own request on-line. Request numbers have increased slightly across a range of categories since its implementation.
[Number of sealed local road requests / Kilometres of sealed local roads] x100					
Condition					
<i>Sealed local roads maintained to condition standards</i>	98.00%	98.39%	98.75%	99.06%	This continues to be a solid result within acceptable tolerances. Council continues to achieve strong community satisfaction results for its local roads.
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100					
Service cost					
<i>Cost of sealed local road reconstruction</i>	\$216.07	\$265.71	\$247.35	\$294.94	The vast majority of sealed road reconstructions in Yarra involve reconstruction of bluestone laneways. Councils Road Materials Policy stipulates that all laneways in heritage overlay areas are to be constructed in bluestones, which significantly increases costs. Council continues to achieve strong community satisfaction results for its local roads.
[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]					
Service Cost					
<i>Cost of sealed local road resealing</i>	\$36.93	\$36.22	\$30.87	\$33.16	Cost reduction was achieved in 2016/17 through economies of scale on a number of large resealing projects compared to previous years. Council continues to achieve strong community satisfaction results for its local roads.
[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]					

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					Material Variations and Comments
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	
Satisfaction					
<i>Satisfaction with sealed local roads</i>	72.40	73.30	72.30	72.20	Result from the Annual Customer Satisfaction Survey. This continues to be a solid result within acceptable tolerances. Council continues to achieve strong community satisfaction results for its local roads.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					
Statutory Planning					
Timeliness					
<i>Time taken to decide planning applications</i>	106.00	117.00	118.00	117.00	The Yarra Planning Scheme is complex and the level of rigour of analysis required for applications is high. The indicator is measuring all applications (from minor to very major) and is recording a median turnaround time (this statistic is also irrespective of whether or not the statutory clock has stopped because of Further information requests of the applicant).
[The median number of days between receipt of a planning application and a decision on the application]					
Service standard					
<i>Planning applications decided within required time frames</i>	51.00%	43.61%	54.44%	57.67%	From 1 July 2016 this indicator has been updated to include VicSmart planning applications which should be assessed within 10 days. This may result in some variances year on year. The trend shows improvement in the time taken to make decisions on applications over the 4 years, results for 2017/2018 show an improvement in percentage of applications determined with the required timeframes.
[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100					
Service cost					
<i>Cost of statutory planning service</i>	\$2,496.15	\$3,047.50	\$3,332.87	\$3,989.54	The overall cost of delivering planning services in 2017/18 increased. The number of applications received were lower however higher expenditure in external referrals and legal services resulted in a significant number of larger and more complex application which has increased the average cost of an application.
[Direct cost of the statutory planning service / Number of planning applications received]					
Decision making					
<i>Council planning decisions upheld at VCAT</i>	87.00%	78.69%	74.07%	77.45%	The number of Council decisions upheld by VCAT was higher when compared with the previous year, this variance up or down will continue until Council has embedded clear policy within the planning scheme to direct growth. This work continues to be undertaken but won't be fully incorporated into the planning scheme for another 12 to 18 months. A number of interim built form controls have already been implemented and should provide greater certainty in built form outcomes for some parts of the municipality.

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					Material Variations and Comments
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	
[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100					
Waste Collection Satisfaction					
<i>Kerbside bin collection requests</i>	81.70	57.62	62.19	66.26	Council introduced a new customer request system across the organisation mid 2017 which improved the capture and categorising of customer request and allows customers to log their own request on-line. Request numbers have increased slightly across a range of categories since its implementation. Yarra uses a two man crew on each collection truck with one man on the street to manual load bins into the truck. This is due to narrow local roads and extensive on street parking. This practice reduces the incidence of bins on the street being missed. The significant reduction in 2017/18 is due in part to work undertaken with the new contractor to reduce the incidence of missed bins, the introduction of a new Customer request system with more specific categories which filters bin requests to identify missed bins and the increase in the number of bin lifts due to the extrapolation of Multi Unit Development shared bins (1100, 660, 240 litre) previously counted as 1 lift to equivalent residential bin lifts.
[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000 Service standard					
<i>Kerbside collection bins missed</i>	1.27	1.05	3.68	0.18	
[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000					

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					Material Variations and Comments
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	
Service cost					
<i>Cost of kerbside garbage bin collection service</i>	\$98.19	\$98.56	\$115.95	\$85.84	Yarra uses a two man crew on each collection truck and manual bin movements, compared to other services that use a driver and automatic lift system. This impacts on service costs. Yarra has an extensive number of Multi Unit Sites with a shared bin service using 1100, 660 and 240 litre bins. In previous years each of these bins counted as 1 lift. In 2017/18 our bin lifts is based on the extrapolation of the larger bins into the equivalent residential bin sizes for waste or recycling collection. A 1100 litre bin is equivalent to 13 lifts for garbage, this has increased the number of bin lifts compared to previous years which has resulted in a decrease in the cost per lift.
[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins] Service cost					
<i>Cost of kerbside recyclables collection service</i>	\$50.43	\$49.81	\$71.09	\$50.25	Yarra uses a two man crew on each collection truck and manual bin movements, compared to other services that use a driver and automatic lift system. This impacts on service costs. Yarra has an extensive number of Multi Unit Sites with a shared bin service using 1100, 660 and 240 litre bins. In previous years each of these bins counted as 1 lift. In 2017/18 our bin lifts is based on the extrapolation of the larger bins into the equivalent residential bin sizes for waste or recycling collection. A 1100 litre bin is equivalent to 11 lifts for recycling, this has increased the number of bin lifts compared to previous years which has resulted in a decrease in the cost per lift.
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins] Waste diversion					
<i>Kerbside collection waste diverted from landfill</i>	37.00%	38.52%	37.36%	37.73%	The trend shows a consistent level of waste diversion from landfill, Council continues to promote environmental sustainability and the benefits of recycling. The increase in Multi Unit Developments within Yarra impacts on this number as recycling behaviour in these developments appears to be different to that of single dwellings.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Economic Development (optional)					
Participation					Optional indicators not reported on, inclusion under review by DELWP
<i>Participation in business development activities</i> [Number of businesses with an ABN in the municipality that participate in a business development activity / Number of businesses with an ABN in the municipality] x100	11.00%	0.00%	0.00%	0.00%	
Service standard					
<i>Delivery of planned business development activities</i> [Number of business development activities delivered / Number of planned business development activities] x100	98.00%	0.00%	0.00%	0.00%	
Service cost					
<i>Cost of economic development service</i> [Direct cost of delivering the economic development service / Number of businesses with an ABN in the municipality]	\$14.06	\$0.00	\$0.00	\$0.00	
Economic activity					
<i>Percent change in number of businesses</i> [Number of businesses with an ABN in the municipality at the end of the financial year less the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100	-8.00%	0.00%	0.00%	0.00%	
Immunisation (optional)					
Satisfaction					Optional indicators not reported on, inclusion under review by DELWP
<i>User satisfaction with immunisation service</i> [User satisfaction with how council has performed on provision of children immunisation service]	0.00	0.00	0.00	0.00	
Service standard					
<i>Vaccination of children by council</i> [Percentage of children fully vaccinated by council]	0.00%	0.00%	0.00%	0.00%	
<i>Return of consent cards by secondary school children</i> [Number of secondary school consent cards returned / Total number of secondary school children] x100	0.00%	0.00%	0.00%	0.00%	
Service cost					
<i>Cost of immunisation service</i> [Direct cost of immunisation service / Total number of vaccinations]	\$0.00	\$0.00	\$0.00	\$0.00	
Participation					
<i>Vaccination of children</i> [Percentage of children who are fully vaccinated in each age group]	0.00%	0.00%	0.00%	0.00%	
<i>Vaccination of secondary school children</i> [Number of secondary school children fully vaccinated by council / Total number of secondary school children] x100	0.00%	0.00%	0.00%	0.00%	
Sports Grounds (optional)					
Utilisation					Optional indicators not reported on, inclusion under review by DELWP
<i>Structured activities on sports fields</i> [Number of structured activities / Total number of sports fields]	0.00	0.00	0.00	0.00	

Attachment 4 - LGPRF Report of Operations 2017-2018

REPORT OF OPERATIONS					Material Variations and Comments
Service Performance Indicators Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	
Condition					
<i>Condition of sports fields</i> [Number of days sports fields are unavailable for structured activities due to condition excluding maintenance and reconstruction/redevelopment / Total number of sports fields]	0.00	0.00	0.00	0.00	
Service cost					
<i>Cost of sports grounds</i> [Direct cost of sports grounds / Total number of sports fields]	\$0.00	\$0.00	\$0.00	\$0.00	
Availability					
<i>Population per sports field</i> [Municipal population / Total number of sports fields]	0.00	0.00	0.00	0.00	
Street Sweeping (optional)					Optional indicators not reported on, inclusion under review by DELWP
Satisfaction					
<i>Street sweeping requests</i> [Number of street sweeping requests / Total number of sealed local road households subject to a street sweeping service]	0.00	0.00	0.00	0.00	
Service standard					
<i>Frequency of sealed local road sweeping</i> [Number of kilometres of sealed local roads swept / Total kilometres of local sealed local roads required to be swept]	0.00	0.00	0.00	0.00	
Service cost					
<i>Cost of street sweeping service</i> [Direct cost of street sweeping service / Total kilometres of sealed local roads required to be swept]	\$0.00	\$0.00	\$0.00	\$0.00	
Environmental and flooding risk					
<i>Routine cleaning of sealed local road pits</i> [Number of sealed local road pits requiring cleaning following routine inspection / Total number of sealed local road pits inspected] x100	0.00%	0.00%	0.00%	0.00%	

11.5 Report on Assemblies of Councillors

Trim Record Number: D18/143981

Responsible Officer: Group Manager Chief Executive's Office

Purpose

1. To provide a report on Assemblies of Councillors.

Background

2. The *Local Government Act* 1989 (The Act) requires that ... "The Chief Executive Officer must ensure that the written record of an Assembly of Councillors is, as soon as practicable:
 - (a) reported at an ordinary meeting of the Council; and
 - (b) incorporated in the minutes of that Council meeting.....".
3. This report includes all Assemblies of Councillors reported to the Governance Department at the cut-off date that have not already been reported to Council. Assemblies held prior to the cut-off date that are not included here will be included in the next report to Council.

Consultation

4. Not applicable.

Financial Implications

5. Not applicable.

Economic Implications

6. Not applicable.

Sustainability Implications

7. Not applicable.

Social Implications

8. Not applicable.

Human Rights Implications

9. Not applicable.

Communications with CALD Communities Implications

10. Not applicable.

Council Plan, Strategy and Policy Implications

11. Not applicable.

Legal Implications

12. The Act requires the above information be reported to a formal Council Meeting and also be recorded into the Minutes of the Council.

Other Issues

13. Not applicable.

Options

14. Nil.

Conclusion

15. That Council formally note and record the Assemblies of Councillors report as detailed in **Attachment 1** hereto.

RECOMMENDATION

1. That Council formally note and record the Assemblies of Councillors report as detailed in ***Attachment 1*** hereto.

CONTACT OFFICER: Mel Nikou
TITLE: Administration Officer - Governance Support
TEL: 9205 5158

Attachments

- 1 [!\[\]\(e662c6fdc679f154c0e75d901761d894_img.jpg\)](#) Assemblies of Councillors Report - September

Attachment 1 - Assemblies of Councillors Report - September

Record of Assemblies of Councillors

Report cut-off	23 August 2018
Council Meeting	4 September 2018

This report includes all Assemblies reported to the Governance Department at the cut-off date that have not already been reported to Council. Assemblies held prior to the cut-off date that are not included here will be included in the next report to Council.

Assembly	Attendance	Matters considered	Disclosures
Heritage Advisory Committee 26/7/2018 6.00pm	Councillors <ul style="list-style-type: none"> • Cr Jackie Fristacky • Cr Danae Bosler • Cr James Searle Officers <ul style="list-style-type: none"> • Ivan Gilbert • Richa Swarup 	1. Introduction by all new HAC members 2. Discussion on Terms of Reference of the HAC 3. Role of Council in heritage management 4. Current Heritage scenario in Yarra and Council Initiatives 5. Minutes of the previous meeting 6. Meeting Schedule	None
Aboriginal Advisory Committee 2/8/2018 11.00am	Councillors <ul style="list-style-type: none"> • Cr Daniel Nguyen • Cr Amanda Stone Officers <ul style="list-style-type: none"> • Aldo Malavisi • Daniel Ducrou • Colin Hunter • Sarah Ernst • Karra Rees 	1. Acknowledgement of Country 2. Welcome and other acknowledgements 3. Development Yarra's new Aboriginal Partnerships Plan 2019-2022 4. Review of Council's work with the Aboriginal community 5. Discussion based on survey questions	None

Attachment 1 - Assemblies of Councillors Report - September

Assembly	Attendance	Matters considered	Disclosures
Councillor Briefing 6/8/2018 6.30pm	Councillors <ul style="list-style-type: none"> • Cr Daniel Nguyen • Cr Mi-Lin Chen Yi Mei • Cr Misha Coleman • Cr Danae Bosler • Cr Jackie Fristacky • Cr Mike McEvoy • Cr Amanda Stone Officers <ul style="list-style-type: none"> • Vijaya Vaidyanath • Bruce Phillips • Jane Waldock • Andrew Day • Chris Leivers • Rhys Thomas • Adrian Murphy • Cheryl Gray • Colm Connolly • David Walmsley • Evan Burman • Dennis Cheng 	<ol style="list-style-type: none"> 1. Draft Access and Inclusion Strategy and Draft Active and Healthy Ageing Strategy 2. Draft Waste Minimisation and Resource Recovery Strategy 2018-2022 3. Amendment C220 - Johnston Street – Response to submissions 4. 30 km trial update 5. AFL Grand Final Preparations 6. Emergency Response to Crane Incident 7. 433 Smith Street Update 8. Review Forward Report Schedule 9. Agenda Review 10. VCAT Activity Report 	None
Early Years Reference Group 14/8/2018 11.00am	Councillors <ul style="list-style-type: none"> • Cr Amanda Stone Officers <ul style="list-style-type: none"> • Sarah O'Donnell • Nichola Marriott • Fiona Doyle • Lisa Wilkins 	<ol style="list-style-type: none"> 1. Future meeting planning 2. Child Care Subsidy Transition 3. Centre updates and information sharing 4. Information on the Orange Door and Family Support Services 	None

Attachment 1 - Assemblies of Councillors Report - September

Assembly	Attendance	Matters considered	Disclosures
Disability Advisory Committee 14/8/2018 4.30pm	Councillors <ul style="list-style-type: none"> • Cr Daniel Nguyen Officers <ul style="list-style-type: none"> • Adrian Murphy • Cheryle Gray • Laurice Younge • Marta Rokicki 	<ol style="list-style-type: none"> 1. Access and Inclusion Strategy and Action Plan 2. Accessible tram stop on Nicholson Street 3. Volunteers Strategy Consultation 4. DAC Recruitment – selection panel and appointments 5. DAC Information for Yarra's webpage 6. Members individual reports 7. Letter from VDAC 	None
Councillor Briefing 20/8/2018 6.30pm	Councillors <ul style="list-style-type: none"> • Cr Misha Coleman • Cr Danae Bosler • Cr Jackie Fristacky • Cr Mike McEvoy • Cr James Searle • Cr Amanda Stone Officers <ul style="list-style-type: none"> • Vijaya Vaidyanath • Ivan Gilbert • Bruce Phillips • Jane Waldock • Andrew Day • Chris Leivers • Lucas Gosling • Gracie Karabinis • Adrian Murphy • Natalie Thomas • Fiona van der Hoeven 	<ol style="list-style-type: none"> 1. Update on National Aged Care Reform 2. Spatial Economic Employment Strategy 3. Housing Strategy 4. Confidential Matter 5. Confidential Matter 6. Confidential Matter 7. Confidential Matter 8. NELA Project 9. Confidential Matter 10. Confidential Matter 11. Review Forward Report Schedule 12. Agenda Review 13. Safe Travel Strategy 14. Family Violence Organisational Statement 	None

Attachment 1 - Assemblies of Councillors Report - September

Assembly	Attendance	Matters considered	Disclosures
Heritage Advisory Committee 23/7/2018 6.00pm	Councillors <ul style="list-style-type: none"> • Cr Jackie Fristacky • Cr James Searle • Cr Danae Bosler Officers <ul style="list-style-type: none"> • Ivan Gilbert • Richa Swarup 	<ol style="list-style-type: none"> 1. Confirmation of previous minutes 2. Heritage Strategy 2015-18 and its implementation 3. Preparation of a new Heritage Strategy 2019-23 – process and timelines 4. Discussion on the Victorian Heritage Restoration Fund Criteria 5. PastPort and its launch 6. Yarra River Strategic Plan 7. Clause 21 – timelines to provide feedback 8. Role of other units in heritage management 	None