

PERI-REGIONAL ADVOCACY

Report Author: Advocacy & Government Relationship Advisor
Responsible Officer: Chief Executive Officer
Ward(s) affected: (All Wards);

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

CONFIDENTIALITY

This item is to be considered at a Council meeting that is open to the public.

SUMMARY

Yarra Ranges Council and Mornington Peninsula have partnered to commission a report that outlines the case for a new status: 'peri-regional', which would add to the metropolitan classification of our Local Government Areas (LGAs).

Peri-regional status would allow us to better service and support both our urban and rural areas, by:

- Acknowledging the unique mix of metropolitan and regional characteristics of Yarra Ranges and Mornington Peninsula
- Granting consistent access to relevant Victorian and Commonwealth Government funding to realise local, state and national economic potential
- Creating greater opportunities for our high-value tourism, agricultural and cultural sectors.

RECOMMENDATION

That Council endorses Council's advocacy to the Victorian Government for a new status, 'peri-regional', that retains our metropolitan classification and grants consistent access to relevant regional funding programs to better support our regional needs.

RELATED COUNCIL DECISIONS

At the Council Meeting held on 8 September 2021, Council carried a motion that Council would advocate to the Victorian Government to have the Ryrie and O'Shannassy wards, alongside rural communities of the Chandler ward, reclassified

as regional, thereby excluding them from the metropolitan Stage 4 COVID-19 Restrictions.

It is noted that this decision was made in the specific context of the Public Health Orders that were in place at that time and preceded the development of the report that now underpins our advocacy for peri-regional status.

DISCUSSION

Purpose and Background

Yarra Ranges and Mornington Peninsula are like no other parts of Victoria, with a mix of urban and rural characteristics, high-value agricultural and conservation land, and iconic tourism destinations.

This mix creates distinct economic advantages and disadvantages, and there are State-significant economic opportunities in both Local Government Areas (LGAs) that are currently unsupported by any consistent funding streams.

Acknowledging this, and opening up regional funding streams to these municipalities, will benefit the regions, their residents and the State of Victoria.

Yarra Ranges has partnered with Mornington Peninsula Shire Council to commission a report on the impacts and constraints of our metropolitan classification, which is provided in the attachments to this report.

The report defines a new status, 'peri-regional', and proposes it be established to complete the spatial composition of Victoria, which now includes metropolitan, interface, peri-urban, regional cities and rural councils. It identifies peri-regional areas by mapping the concentration of high-value agribusiness land, tourism destinations and conservation land.

This new status, 'peri-regional', would retain our metropolitan classification, whilst recognising our unique challenges and opportunities, and unlock the significant economic potential of our regions.

This approach follows the precedent set by the Peri-Urban Councils Victoria (PUCV), which were established by the Victorian Government in 2020 and granted access to additional funding programs such as the Growing Suburbs Fund, in recognition of growth areas within these regional LGAs.

Options considered

The report considers four options for recognising the uniqueness of peri-regional Victoria:

1. 'Business as usual': policies and programs remain as is, with the occasional ad-hoc inclusion of Mornington Peninsula and Yarra Ranges into regional funding programs.

2. 'Reclassify as regional': removal of metropolitan classification, and application of regional reclassification. Note, Mornington Peninsula Shire Council have developed advice from a planning perspective that suggests this would likely result in inconsistencies across legislation and the planning scheme, and potentially jeopardise Green Wedge Zones.
3. 'Create new Region Type': formalise a peri-regional LGA status, that creates an efficient mechanism for determining eligibility for regional LGA programs that support state-significant, metropolitan based regional industries (particularly programs related to agribusiness and tourism).
4. 'Expand program eligibility': expand existing regional funding programs to include Mornington Peninsula and Yarra Ranges. This is a 'fine-tuning' approach on current funding opportunities, that would not guarantee access to funding programs that may be developed in the future.

Recommended option and justification

While the report notes that Option 4 is considered the most balanced approach, in that it requires 'the least administrative effort [by the Victorian Government] to implement', Council officers recommend pursuing Option 3: 'Create new region type'.

Option 3 goes slightly further than Option 4, to ensure that Yarra Ranges and other peri-regional areas are consistently granted access to suitable regional funding programs. It is also noted that there is a precedent for Option 3, with the establishment of the PUCV, which we believe would minimise effort on the part of the Victorian Government to implement this option.

FINANCIAL ANALYSIS

There are no direct cost implications associated with undertaking advocacy for peri-regional status. This advocacy is considered part of Council's core business.

If successful, Council's advocacy for peri-regional status would grant Council access to the broadest range of suitable regional and metropolitan funding programs and increase opportunities to deliver projects and initiatives that support strong economic outcomes at a local, state and national level.

APPLICABLE PLANS AND POLICIES

This report contributes to all five strategic objectives in the Council Plan.

If successful in our advocacy for peri-regional status, we will be better able to:

- secure the appropriate level of government funding required to deliver quality, value for money services to our community (High Performing Organisation), and, subsequently,
- strengthen delivery of services and programs in regional areas, that support: Connected and Healthy Communities; Quality Infrastructure and Liveable

Places; Protected and Enhanced Natural Environment; Vibrant Economy, Agriculture and Tourism.

RELEVANT LAW

Not applicable.

SUSTAINABILITY IMPLICATIONS

If our advocacy for peri-regional status is successful, Yarra Ranges Council, residents and businesses will have broader and more consistent access to regional funding programs to deliver on our regional objectives, particularly in the areas of tourism, agriculture and arts and cultural attractions. By broadening these opportunities, the economic sustainability of our organisation and community at large will be better supported.

Further, peri-regional status would maximise access to regional funding for programs and services, including those that support the social sustainability of our communities and the sustainability of our natural environment.

In considering the options presented in the report, and noted under 'Options considered', it has been determined that the creation of a new 'peri-regional' status that retains our metropolitan classification would provide for the strongest protection of our Green Wedge Zone (GWZ), whilst ensuring the broadest possible access to appropriate metropolitan and regional funding programs. Protection of Council's GWZ would not be so easily guaranteed if Council were to be entirely reclassified as regional.

COMMUNITY ENGAGEMENT

Council's advocacy for peri-regional status has been guided by the Community Vision and Values articulated in the Council Plan, including:

- 'We value our "best of both worlds" location where we can access nearby services while living in a peaceful and natural environment.' This speaks to the way in which our municipality interfaces urban and rural areas, which peri-regional status would more strongly recognise and support.
- 'We value the diverse and unique natural environment we live in, the many native plants and animals that inhabit it and the opportunities we have to "go bush" in our backyard.' The recommended option above considers how we can best protect the natural assets that our community values so highly, by ensuring Green Wedges Zones are not threatened by any change of status.
- Vision: 'The municipality's natural beauty, stunning landscapes and reputation for exceptional local produce is enhanced, and have a significant influence on decisions made regarding sustainable growth and development in the region'. Peri-regional status would better allow us to support and grow key industries,

including agriculture, whilst protecting Green Wedge Zones and ensuring development is managed sustainably.

Council's advocacy in 2020 and 2021 to have the regional parts of our municipality formally recognised by the Victorian Government were well-supported by our community members, businesses, and local services.

More recent engagement with business leaders through the Business Leaders Roundtable has indicated support for Council's advocacy for peri-regional status.

Local health services have also indicated that their metropolitan classification has also been a barrier to attracting staff, due to the lower incentives offered for metro areas, and has challenged the sustainability of their clinics.

Moving forward, the community will be kept informed of Council's advocacy approach and will have the ability to access the evidence underpinning it, as contained in the report, via Council's website.

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

Council has collaborated with Mornington Peninsula Shire Council to commission the report that underpins our advocacy for a 'peri-regional' status.

This collaboration was initiated in recognition of municipalities' shared characteristics, challenges and advantages.

The report presents an innovative yet precedented approach to recognising our unique characteristics through the creation of a new peri-regional status, that will complete the geospatial make-up of the state of Victoria and enable both LGAs to maximise economic and social impact at a local, state and national level.

Our advocacy for peri-regional status will continue to be undertaken in partnership with Mornington Peninsula Shire Council.

RISK ASSESSMENT

There are views held by some political stakeholders that Mornington Peninsula Council should pursue Option 2 and be formally reclassified as 'regional', as has been public voiced in the media by some Members of Parliament and state candidates on the Mornington Peninsula. This is of low relevance to Yarra Ranges Council as our relationships indicate that no such views are held strongly by political stakeholders with direct relationships to Yarra Ranges Council.

Yarra Ranges Council has offered briefings on the report and our recommended option (a new status of peri-regional that adds to our metropolitan classification) to our local Members of Parliament, Ministers and Shadow Ministers, to advocate openly and in a bipartisan manner for the outcomes we seek. By doing so, we have provided fair opportunity for constructive discussion with all relevant political stakeholders and are confident Option 3 is an agreeable approach for Yarra Ranges Council and our key stakeholders.

There is a financial risk with Option 2, in that removing Yarra Ranges' metropolitan classification would change our eligibility for grants and funding available to metropolitan Councils, businesses and community groups, which is currently a moderate source of income for Council. Options 1, 3 and 4 have no increase in financial risk to Yarra Ranges Council and remove barriers to create greater income opportunity.

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

ATTACHMENTS TO THE REPORT

1. Report – A Peri-Regional Approach
2. Peri-Regional Advocacy – Overview