

Road Sealing Program

PRE-BUDGET SUBMISSION
2023-24

Cardinia Shire Council

Yarra Ranges Council



Table of **CONTENTS**

Mayors' Message	03
Executive Summary	05
Introduction	06
Council Profiles	09
Road Network	12
Risks and Resilience	15
Program Overview	18
Partnership Model	21
Process of Implementation	23
Program Benefits	25
Program Outcomes	28
Funding Request	29

Mayors' **MESSAGE**

On behalf of the Cardinia Shire and Yarra Ranges communities we are pleased to make this pre-budget submission to the Australian Government, calling for continued support and funding to deliver better, safer roads.

Cardinia Shire and Yarra Ranges is an area of strategic importance, offering brilliant places to live, work and visit.

Stretching from the densely populated outer suburbs of Melbourne, into the Dandenong Ranges, Yarra Valley, forested areas of the Great Dividing Range and the edge of Westernport Bay we have a unique mix of urban and rural areas, over 280,000 residents, 130 schools and a range of world-class attractions as well as a vibrant business mix.

But the extensive network of unsealed roads impedes evacuation and access in emergencies, creates safety risks for local drivers and visitors, and contributes to problems for our local waterways, flora and fauna. It also imposes significant costs on our Councils and ratepayers.

The accelerated road-sealing program was made possible with the commitment of long-term support of the Australian Government in 2019, which drastically reduced the cost for affected landowners.

Following the Australian Government's decision in 2022 to discontinue funding for this vital program, our Councils maintain that full funding should be restored to the program as per the original commitments to the community, and request that this be accounted for in the forthcoming budget.

To support this call, our joint pre-budget submission provides an overview of the program's design, outcomes delivered to date

and the key opportunities that can be seized by continuing this partnership between our Councils, the Australian Government and the community.

We are confident that this program aligns with the Australian Government's stated priorities to fund disaster-resilient infrastructure and invest in the roads that support communities to prepare, respond to and recover from emergency events, as well as go about their day-to-day activities safely.

We know what success looks like when all levels of government work together and funding is targeted toward things that are important to our community.

We need investment in projects that will get our communities home safely and improve the resilience of our road network.

We need road projects that will future-proof the road network and provide a safe means to evacuate in an emergency, improving safety and liveability for our community.

We'd welcome continued support and investment from the Australian Government to deliver better, safer roads together for our community.



Cr Tammy Radford
Mayor,
Cardinia Shire Council

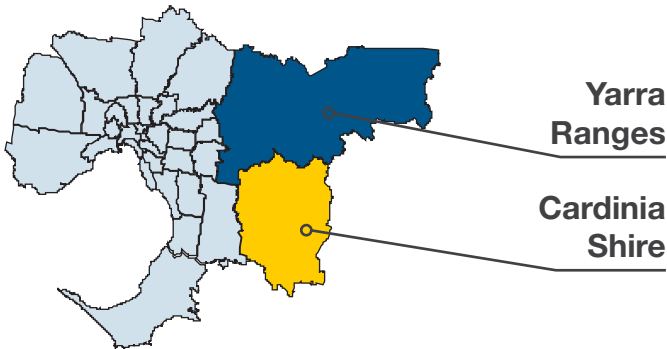


Cr Jim Child
Mayor,
Yarra Ranges Council

Executive SUMMARY

Funding request: An additional \$93.3 million provided to the program from 2023/24 to 2026/27 to fulfil commitments made to the community.

An additional funding allocation will be required thereafter to complete the overall \$300 million program.



Over 700 roads to be sealed over 9 years

51 roads complete

90 roads under construction or commencing soon

Benefits to over 12,000 landowners plus visitors

- ✓ Safer roads for residents and visitors
- ✓ Better emergency preparedness and access
- ✓ Resilient roads supporting resilient communities
- ✓ Protect waterways, vegetation and local wildlife
- ✓ Reduced water usage
- ✓ Minimise cost burden on Councils and landowners
- ✓ Supports local businesses and employment opportunities

\$300 million

Australian
Government
funding

+ \$76 million

Landowner
Contributions

Introduction

Cardinia Shire and Yarra Ranges are local government areas (LGAs) located on Melbourne's eastern fringe.

Home to a combined population of over 280,000 people, the LGAs stretch from the densely populated outer suburbs of Melbourne, into the Dandenong Ranges, Yarra Valley, forested areas of the Great Dividing Range and the edge of Westernport Bay.

Both municipalities interface between dense suburban areas with strong economic hubs, and regional landscapes with extensive agricultural land and conservation areas with high natural disaster risk ratings.

Together, Cardinia Shire and Yarra Ranges play a strategic role in creating liveable townships, fostering economic opportunities and contributing to the state and federal economies, particularly through their unique and renowned tourism offerings.

This is partly due to the regions being established at a time when proper construction of roads was not considered necessary for what was then country Victoria.

But times have changed.

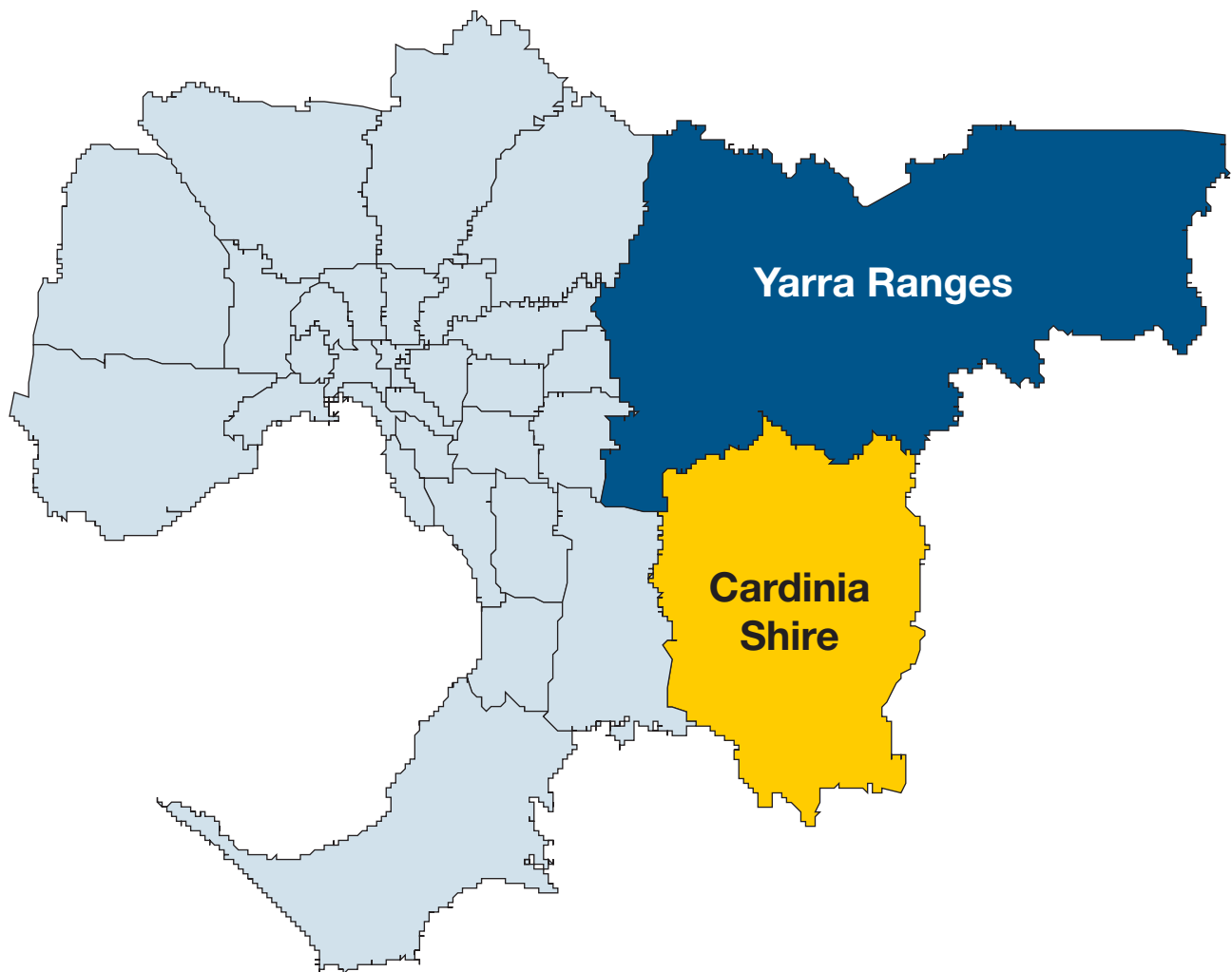
Melbourne's urban growth has expanded to include Cardinia Shire and Yarra Ranges, where many residents live in urbanised settings yet have poor standards of supporting road and associated infrastructure. There are very few areas of Melbourne that have experienced this type of change.

While both metropolitan LGAs are home to long-established communities, there are over 1,500 kms of unsealed roads across the area.

**The extensive network of unsealed roads
in Cardinia Shire and Yarra Ranges:**

- **Creates road safety risks**
- **Impedes emergency preparedness and response**
- **Imposes significant costs on ratepayers**

Investment support from the Australian Government is necessary to seal the roads and deliver the safety, economic and social benefits that our communities need.





Before and after

Yarra Ranges Council - *McGregor Road, Healesville*

Council PROFILES

	Cardinia Shire	Yarra Ranges
Population, current	126,184	162,346
Population by 2041	182,833 <i>45% growth</i>	185,902 <i>14.51% growth</i>
Size	1,283 km sq	2,500 km sq
Own at least one car	92.4%	93.4%
<i>Compared to 87.6% across Victoria</i>		
Travel to work by car	63%	58%
<i>Compared to 53% of Victorians</i>		

Cardinia Shire Council is geographically large, with a current population of 126,184. The municipality is rich in natural assets spanning from the foothills of the Dandenong Ranges to the rich agricultural land of our Southern Rural area neighbouring Westernport Bay.

Well known for its unprecedented growth due to increased housing development providing affordable options for first-home buyers and downsizers alike. This population influx will see the community grow to an estimated 154,741 by 2026.

The urban areas support affordable living. Located close to essential services, including emerging employment areas that deliver a diverse mix of jobs and access to the metropolitan rail service and V-Line services to regional Victoria.

The hills area sits adjacent to the Dandenong Ranges. It is home to country charm villages offering unique lifestyle living, rolling farmland, adventure, beautiful landscape to explore and local cuisine to enjoy.

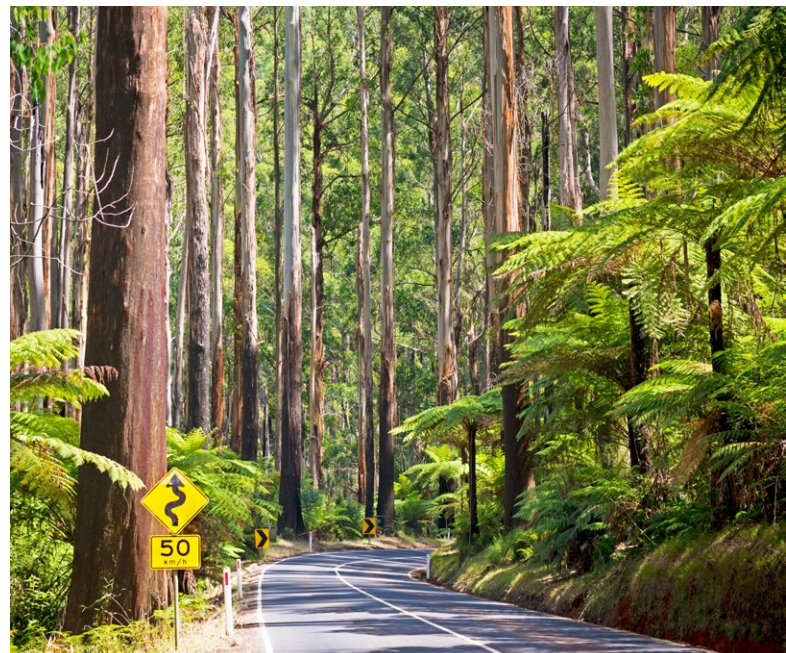
Rail services terminate at Pakenham in Cardinia Shire and Lilydale and Belgrave on the western edge of the Yarra Ranges, respectively, leaving residents, visitors, and other stakeholders heavily reliant on private vehicles and the associated road network for transportation throughout the municipalities.

Access to bus services and well-connected transportation is constrained in both communities creating barriers with access to employment, health care and socialisation significantly impacting smaller towns and communities accessing larger centres.

Yarra Ranges Council is located on metropolitan Melbourne's eastern fringe and is home to a population of more than 162,000. The municipality covers approximately 2,500 square kilometres and stretches from Melbourne's densely populated outer suburbs into the surrounding foothills, agricultural valleys, and forested areas of the Great Dividing Range.

Spanning the largest geographic area of any metropolitan municipality, our community is varied and beautifully scenic. Made up of 55 suburbs, townships, small communities and rural areas, the Yarra Ranges has long been recognised for its natural beauty, diverse habitats and as an iconic tourism destination for domestic and international visitors alike.

The Yarra Ranges is home to some of Victoria's most environmentally important areas. Balanced by a mix of urban and rural communities and a diverse economy, its European heritage dates from the early 1830s. Before that, the municipality was connected with the lives of the Bunurong and Wawurrong people and the traditional Wurundjeri-Balluk territory.





Before and after

Yarra Ranges Council - *Witnish Steet and Victoria Street Yarra Junction*

Road NETWORK

Cardinia Shire has 859 kilometres of unsealed roads, which accounts for 52% of the Council-managed road network. This is nearly the same distance as between Melbourne and Sydney.

Yarra Ranges has more than 700 kilometres of unsealed roads, accounting for 40% of the Council-managed network.

Yarra Ranges and Cardinia Shire's road networks were first established in the late 1800s and early 1900s. The area was classified as country Victoria at the time, and as such, modern road construction standards were not considered necessary.

However, the landscape of these communities has significantly changed since then.

Melbourne's urban growth has since expanded to include both municipalities. The Yarra Ranges now has many residents residing in urbanised settings, and Cardinia Shire is one of Australia's fastest-growing population areas. Very few municipalities have experienced this level of change. However, despite these significant changes, our communities still have very poor supporting roads and associated infrastructure.

As Melbourne's urban boundary and Cardinia Shire's growth corridor continues to expand, it increases the impact on the adjoining townships such as those in the Yarra Ranges and the foothills of Cardinia Shire.

The weather in the Yarra Ranges and the foothills of Cardinia Shire is generally favourable. The temperature is slightly cooler than in Melbourne due to the higher elevation of the Yarra Valley. However, it is also subject to extreme weather conditions, with increasingly high wind speeds and above-average rainfall. Additionally, limitations with drainage infrastructure across our hilly terrain greatly impacts the longevity and integrity of our unsealed road network.

Unsealed road conditions change quickly and significantly, even within a single day.

Excessive water caused by heavy and persistent rain leads to erosion and potholes, significantly impacting drivers' safety and the ability to navigate the road network.

Moreover, it adds to the **increasing cost of unsealed road maintenance**, which burdens both councils and ratepayers financially.

Both our councils and communities, more broadly, have grave concerns about road safety.

Each year Council receives hundreds of enquiries and complaints relating to issues associated with unsealed roads. These include issues of safety, dust, erosion, drainage, maintenance, amenity and access.



Every year Yarra Ranges Council uses **511 megalitres of water** and spends approximately \$4.5 million grading unsealed roads at a cost of \$1250/km for each grade. Roads are typically graded between 3 – 6 times per year and the effects can be very short-term depending on traffic and weather conditions. In addition, approximately 200km of unsealed roads receive dust suppressant at a total cost of \$650,000, to reduce the impact of dust on abutting residents and the environment.

Cardinia Shire had one of the highest rates of fatal traffic accidents in Victoria in 2021, with a total of 15 traffic-related fatalities.

Cardinia Shire's road network consists of 2,077 kms

2,077 kms

Yarra Ranges' road network consists of 2,300 kms

2,300 kms

52% of council-managed roads in Cardinia Shire are unsealed
Approximately 847 kms

52%

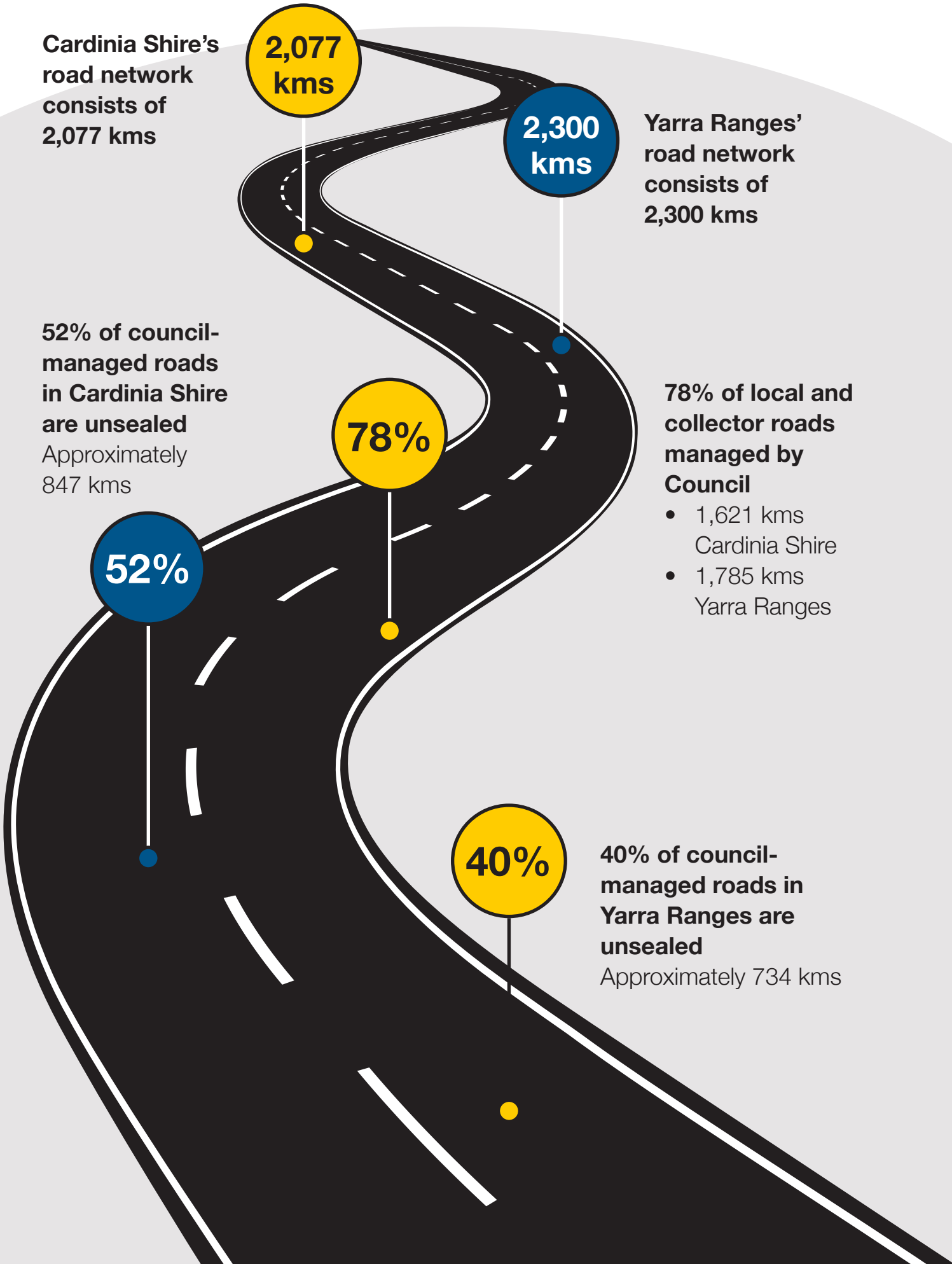
78% of local and collector roads managed by Council

78%

- 1,621 kms Cardinia Shire
- 1,785 kms Yarra Ranges

40% of council-managed roads in Yarra Ranges are unsealed
Approximately 734 kms

40%



Risks and **RESILIENCE**

Disaster Preparedness, Response and Recovery

The risk of natural disasters has always been present in both of our communities, including fire, floods and storms.

But extreme weather events driven by climate change mean we can expect more frequent disasters with greater ferocity and potentially longer-lasting timeframes.

Across the world, the Dandenong Ranges and the surrounding foothills are among the highest fire-risk areas. Fire danger is mostly due to the mountainous topography, flammable vegetation, and climatic patterns that can combine to create hazardous fire conditions.

Traditionally the focus of fire management was on bushfires in remote areas. However, with population growth, continued urbanisation and increasing tourism through the hills, fire management must take on a broader meaning and account for the swift evacuation of both permanent communities and visitors.

Our state emergency services emphasise that leaving early is the safest option in the event of a natural disaster. Therefore, it is imperative that we provide a road network that enables easy evacuation.

Our dangerous network of unsealed and unsafe roads is heavily vegetated with steep and slippery terrain, adding a layer of complexity when trying to evacuate safely.

The storm events of June and November 2021 also highlighted the importance of a resilient road network during and after a disaster event. While any road can be blocked by fallen trees or floods, unsealed roads carry the added risk of washing away, changing form and being impacted by landslips. These impedes the movement of both community members and emergency services navigating the area.

In the broader context of 'community resilience', sealed roads are more likely to allow communities to return safely to their homes, schools and workplaces, and for the tourism economy to be revived post-disaster event. In this regard, resilient sealed roads are a key factor in building and maintaining community resilience throughout disaster recovery.

Safety risks

Yarra Ranges and Cardinia Shire Councils receive regular complaints from drivers concerned about their safety on unsealed roads.

Unsealed roads corrode over time and are subject to washaways and large potholes, creating dangerous surfaces for drivers. This is particularly the case for roads in Cardinia Shire and Yarra Ranges, where increased numbers of residents and tourists contribute to roads degrading faster and becoming unsafe.

Local roads that may be familiar to residents in surrounding properties can change drastically during heavy downpours, becoming difficult and unpredictable to navigate. Additionally, visitors are impacted by unsealed local roads, as tourists in the region often go 'off-track' to find quieter, more isolated areas for activities such as mountain-biking and birdwatching.

Unsealed roads also pose safety risks due to having poor drainage that leads to flooding, often caused by open drains that channel debris into the system.

For Yarra Ranges, the three suburbs with the highest number of drainage requests in 2021 were Kalorama, Mount Dandenong and Olinda – townships that were severely impacted by the June storms, where 50-70% of the roads are unsealed and the majority have open drains. Drainage requests for the sealed network remained steady throughout the year, ranging from as little as 12 per month, while the requests across the unsealed network ranged from 44 to 151 per month.

Environmental impacts

Vehicles travelling along unsealed roads generate dust and particles that can contribute to respiratory issues for humans. This is a significant concern for people in homes and schools accessed by unsealed roads.

Further, the unsealed materials used in roads easily washes away and can enter nearby waterways, contaminating and disrupting local ecosystems. Throughout the hills, this is a serious environmental risk, given the interdependencies of flora and fauna on the local creeks and streams.

Maintaining unsealed roads also uses a significant amount of water through the grading process. In Yarra Ranges, this averages 511 megalitres per year.

A key benefit of long-term funding certainty for these roads initiatives has been the ability to undertake early phase scoping of environmental impacts and develop strategies to minimise and avoid these through design and construction.

For Yarra Ranges, where projects are undertaken in particularly complex environments, specialist ecological and arboriculture roles have been funded and embedded in Council. This allows officers to apply nuanced local knowledge, re-visit sites and problem-solve to deliver water sensitive designs and protect fauna and flora.

As all levels of government seek to deliver infrastructure in a sustainable way, the road sealing program has demonstrated that detailed, long-term planning and integrated environmental expertise ensures capital works are delivered without compromising healthy waterways, vegetation and wildlife.



Storm and flood events of 2021

Yarra Ranges, June 2021:

- More than 1,000 homes and business extensively impacted by storm debris
- Almost 5,000 properties impacted by flood
- More than 3,000 homes without power and internet for more than month
- 34 communities lost NBN/ internet service and were unable to call 000 for assistance.

Cardinia Shire, June and October 2021:

- More than 100 properties damaged
- 13 houses uninhabitable
- Over 7,500 houses and business lost power with 350 properties without power for more than 7 days



Bunyip Complex bushfires, March 2019

- 300 agricultural properties damaged
- 29 homes destroyed



Black Saturday bushfires, 2009

- 10 lives lost in Yarra Ranges
- Almost 1,000 buildings destroyed across 13 townships in Yarra Ranges



Ash Wednesday Bushfires, February 1983

- 21 people lost their lives in Upper Beaconsfield
- 6 people lost their lives in Cockatoo
- 176 of the then 240 homes were lost in Upper Beaconsfield and surrounding areas
- 307 structures were lost in Cockatoo

Program OVERVIEW

In 2019 the Australian Government committed \$300 million to be shared across the Yarra Ranges and Cardinia Shire to seal hundreds of kilometres of unsealed and unsafe roads.

This commitment had bipartisan support during the election, with both the Labor and the Liberal parties recognising at the time the significant benefits this program would deliver.

The **Sealing the Hills project** at Cardinia Shire Council would have delivered the construction of 164 prioritised roads (109 km) throughout the shire. The project is estimated to cost \$176 million, with approximately \$26 million being funded through resident contributions via a Victorian Local Government Act Landowner Special Charge Scheme.

The **Roads for the Community** program at Yarra Ranges Council would have delivered the construction of up to 571 prioritised roads unmade local roads (187 km) through a \$200 million program comprising \$150 million in Australian Government funding and a further \$50 million in funding from abutting property owners for roads primarily across the Dandenongs but also the urban growth areas of 39 suburbs and townships of the municipality.

Both councils coordinated an extensive consultation process involving engagement with landowners and residents. We implemented a comprehensive approach to community engagement where any road construction would not proceed unless a majority vote from benefiting residents is achieved (see page 22 for details).

Additionally, both councils have established a process to support residents experiencing financial hardship who are interested in participating but may not have the financial means available to them.

The prioritised roads are widespread throughout the communities of both municipalities and include the suburbs of:

Cardinia Shire Council

- Avonsleigh
- Cockatoo
- Gembrook
- Menzies Creek
- Beaconsfield
- Dewhurst
- Guys Hill
- Mount Burnett
- Beaconsfield Upper
- Emerald
- Nar Nar Goon North
- Pakenham Upper

Yarra Ranges Council

- Badger Creek
- Belgrave South
- East Warburton
- Healesville
- Launching Place
- Millgrove
- Mooroolbark
- Narre Warre East
- Sassafra
- Seville East
- The Patch
- Wandin North
- Woori Yallock
- Belgrave
- Chum Creek
- Emerald
- Kallista
- Lilydale
- Monbulk
- Mount Dandenong
- Olinda
- Selby
- Silvan
- Upper Ferntree Gully
- Warburton
- Yarra Glen
- Belgrave Heights
- Don Valley
- Ferny Creek
- Kalorama
- Menzies Creek
- Montrose
- Mount Evelyn
- Powelltown
- Seville
- Tecoma
- Upwey
- Wesburn
- Yarra Junction

The roads selected were for various reasons, including:

- linkages to existing sealed networks
- roads abutting schools
- traffic volumes
- convenience
- safety, and
- reduced ongoing maintenance

This funding announcement was welcomed by the local community who had extensively advocated for over 10 years.



Before and after

Yarra Ranges Council - *Hyne Street, Lilydale*

Partnership MODEL

The road sealing initiative has been delivered to date through a partnership between the Australian Government, Yarra Ranges and Cardinia Shire Councils and their respective communities via a Special Charge Scheme (SCS).

A SCS is allowed under the Local Government Act (Vic) 1989, as a means for Councils to charge properties for works that would provide a benefit to that property.

Before the \$300 million funding commitment by the Australian Government, roads were typically sealed across the municipality through developer contributions or SCS only.

Landowner contributions usually range between \$20,000 to \$35,000. This is unaffordable and unattainable for our households, yet there remains a significant need to seal these roads.

The Australian Government's funding allowed owners to get a more achievable contribution price. The funding subsidised about 85% of the works. Therefore, Council could cap landowner contributions at \$7,000 per 'development unit' for the program's life.

Additionally, by leveraging the Australian Government's investment through a co-payment system with landowners, Council can seal significantly more unsealed roads across the shire.

Without this funding, Council and residents will be unable to cover the cost of this alone.



Before and after

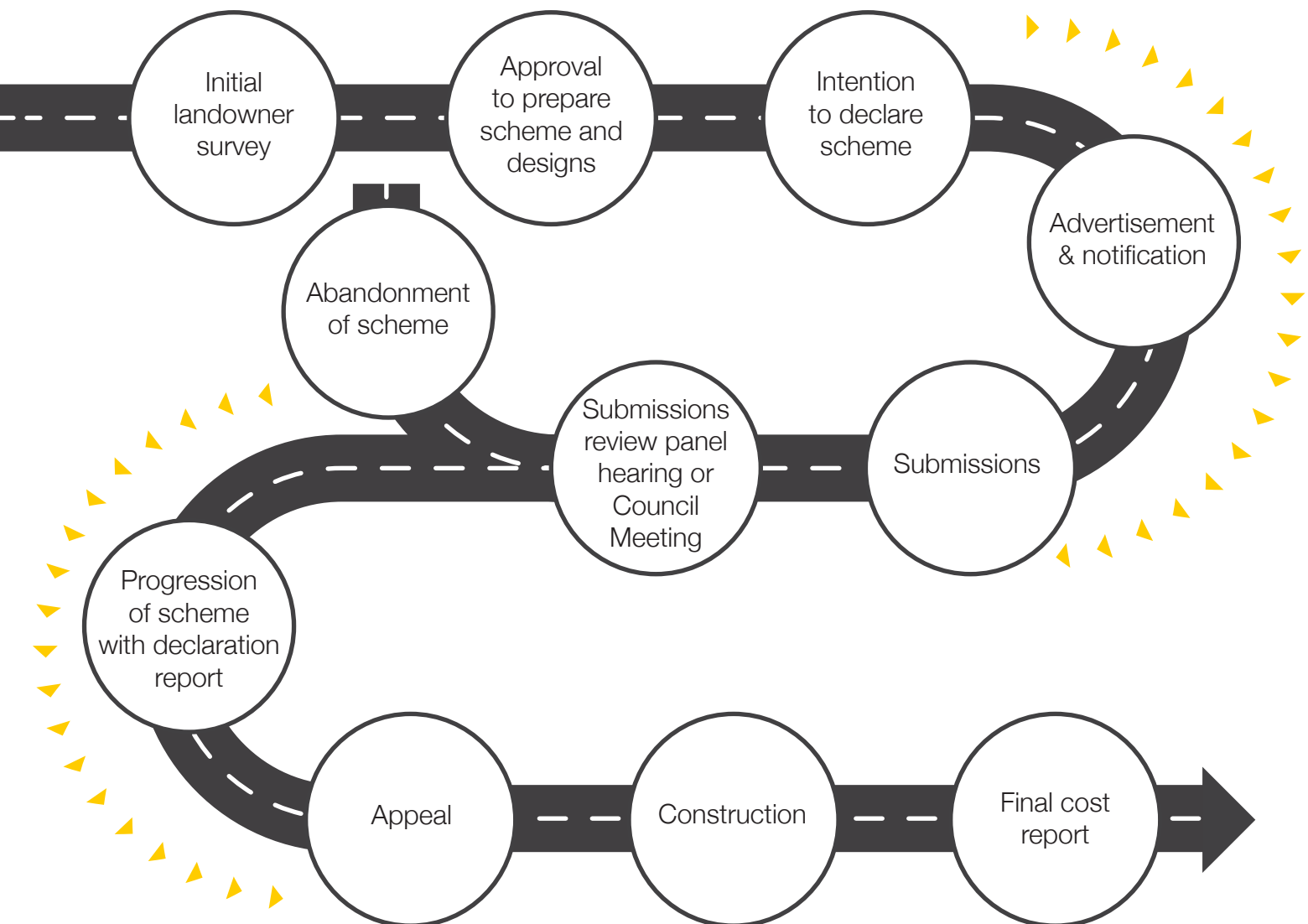
Cardinia Shire Council - *Princess Avenue, Emerald*

Process of IMPLEMENTATION

Engagement with property owners is extensive, and takes place over a 6 to 12-month period for each road

Each property owner is invested in the road construction

Councillors and Council must formally consider, support and endorse each road at multiple Council meetings in a robust legislative process



By landowners contributing to the cost of roads being sealed via a Special Charge Scheme, a funding source is obtained from residents to construct more roads once the Australian Government's \$300 million contribution across the two councils is exhausted.

With the funding provided by the Australian Government in this program, Council can greatly increase the number of roads it seals each year.

The 10-year program was developed to allow for sealing approximately 187 km of road in Yarra Ranges and 109 km in Cardinia, which would otherwise take over 70 years to complete.

Council also contributes funding towards projects, in accordance with its Special Charge Scheme policy, which can vary upwards from 20% of the value of works depending on the broader community benefit that the works would provide.



Yarra Ranges Council - ***Black Street, Lilydale (After)***

Program **BENEFITS**

The road sealing initiative would have wide-reaching safety, economic, social and environmental benefits to both municipalities including:



Safety

- reduced risk of accidents due to loose aggregate, rough surfaces and changes in road condition
- improving road safety by upgrading roads with substandard design
- reduced risk of accidents due to poor visibility caused by dust
- improved vehicle access to areas with a high bushfire risk
- increased road widths to comply with the Country Fire Authority's (CFA) access requirements



Economic

- improved access to 25% of the unsealed road network
- significant reduction in maintenance costs for unsealed roads that get sealed
- employment opportunities for local contractors and consultants
- reduced vehicle maintenance costs and lower risk of damage to local cars
- reduced risk of businesses being cut-off or disrupted through severe weather events and disasters



Social & Environmental

- improved access to community facilities such as schools
- improved local amenity by reducing dust
- improved comfort for road users
- reduced noise
- improved mobility for vehicles
- reduction in water used to maintain unsealed roads (5% per annum in Yarra Ranges)
- minimised run-off into waterways and the surrounding environment

Both councils have invested in finding environmentally focused delivery methods for this initiative, including:



Sourcing more environmentally friendly material such as rubber asphalt.



Reducing the reliance on quarried materials



Every 2 tonnes of crumbed rubber asphalt used saves approximately 1 truck tyre from landfill. Council has diverted more than 90 truck tyres from landfill to date



Utilising drone technology with thermal imaging cameras to identify animals in their hollows for biodiversity studies



Adopted Ground Penetrating Radar (GPR) technology to capture underground tree root systems



Specialist roles funded and embedded in Council to support the protection of waterways, vegetation and wildlife



Custom designed underground roadside crossings to preserve nationally endangered species (Southern Brown Bandicoot) with resounding success



Utilising recycled materials such as crushed glass



Before and after

Yarra Ranges Council - *Dorning Road, Narre Warren East*

Program OUTCOMES

Cardinia Shire Council Yarra Ranges Council

Completed roads	7 roads, 7 km <ul style="list-style-type: none"> • 155 residential properties benefited 	44 roads, 11.4 km <ul style="list-style-type: none"> • 540 residential properties benefited
Under construction, or commencing construction soon	31 roads, 13.5 km <ul style="list-style-type: none"> • 725 residential properties to benefit 	59 roads, 21.3 km <ul style="list-style-type: none"> • 1,006 residential properties to benefit
Special Charge Scheme (SCS) declared	22 packages, comprising 76 local roads (36.5 km) <ul style="list-style-type: none"> • 1,134 properties to benefit 	39 packages, comprising 87 local roads (29.5 km) <ul style="list-style-type: none"> • 1,546 properties to benefit
Initial survey completed, with majority landowner support for project via SCS	Total: 89.5 km (135 roads) 45 km – supported, with design complete or design costs committed 44.5 km – supported, no design commenced	Total: 54.1 km (174 roads) 35 km – supported, with design complete or design costs committed 19 km – supported, no design commenced
Funding spent	\$12.5 million	\$21.5 million
Funding committed to construction, design and project management costs	\$28.5 million	\$26.1 million
Funds raised through SCS	\$5.27 million from projects committed (tender awarded), completed or under construction \$2.7 million from projects commencing soon (SCS declared, awaiting tender of works)	\$8.01 million from projects committed (tender awarded), completed or under construction \$2.9 million from projects commencing soon (SCS declared, awaiting tender of works)

Funding REQUEST

Early in 2023, the Australian Government confirmed it would reduce the amount of funding provided to the road sealing programs in Cardinia Shire and Yarra Ranges from \$150 million each to \$41 million and \$47.7 million respectively.

There remains a strong expectation across the communities in Cardinia Shire and Yarra Ranges that the bipartisan commitments made to the road sealing program in 2019 will be upheld into the future.

The program has presented a unique opportunity to address long-standing problems of roads safety, disaster risk and amenity, and strengthen environmental and community resilience into our communities.

There are significant benefits to be gained from long-term funding security – particularly the ability to plan effectively to mitigate and avoid environmental risks.

Importantly, the social contracts have been established with the community, with 10,206 landowners expecting to benefit from the program through to 2029.

As such, it remains the position of Cardinia Shire Council and Yarra Ranges Council that the full \$300 million funding commitment should be honoured by the Australian Government, to see the program delivered in its entirety over the next six years.

In the immediate term, the Councils request that funding be provided to fulfil the commitments made on projects underway, committed via Special Charge Scheme (SCS) and those on which initial consultation has begun.

This would see an additional \$93.3 million provided to the program, from the year 2023/24 to 2025/26.

With the funding provided in full, Councils can leverage up to an additional 25% via landowner contributions via SCS, and deliver over 700 sealed roads overall, giving benefits to over 10,000 landowners, as well as the broader community and visitors.

Contact

Carol Jeffs

Chief Executive Officer

Cardinia Shire Council

03 5943 4204 | 0427 868 362

Tammi Rose

Chief Executive Officer

Yarra Ranges Council

03 9294 6101 | 0418 844 903

