



Australian Government



**MEMORANDUM OF UNDERSTANDING
TO ESTABLISH AND IMPLEMENT CITY DEALS**

between

The Commonwealth of Australia

and

The State of Victoria

January 2018

Preamble

This Memorandum of Understanding (MoU) provides an undertaking by the Commonwealth and the State of Victoria (Victoria) to work together on City Deals. City Deals will improve the lives of people through better transport, improved housing supply and affordability, better access to jobs and improved environmental outcomes.

Australia's growth as a knowledge based economy, and the prosperity this offers, goes hand in hand with the growth of our cities and the regions surrounding them. To succeed in the 21st century economy our cities, both regional and metropolitan, need to be productive and accessible. They also need to be liveable and sustainable, with a clear focus on serving citizens.

City Deals will formalise the partnership across the three levels of government and define priorities, actions, timeframes and accountabilities for achieving joint goals. City Deals will improve collaboration between all levels of government by coordinating governance, strategic planning, investment and reform. The establishment of City Deals will require all levels of government to bring reforms, planning or asset contributions, and investments to support improved outcomes in our cities.

The Commonwealth will provide support for key transformative infrastructure to implement City Deals, in partnership with the Victorian Government. The Commonwealth and Victorian Governments will work with local governments to bring the full strength of appropriate policy levers to give effect to City Deals.

With Victoria's rapid population growth leading the nation, Melbourne and Victoria's regional cities require continued investment to meet infrastructure needs, provide jobs and improve the lives of residents. Victoria's economic prosperity is dependent on strong regional centres as home to the industries of the future and renowned centres for education, finance, healthcare, natural resources, tourism, and arts and culture. Strong population growth demonstrates the high quality of life that Victoria's regional cities offer. Entering into City Deals with regional cities will help to improve liveability and access to economic opportunities.

The Commonwealth will work with Victoria and local governments to identify opportunities for collaboration in regional centres and to develop a strategy for a future Melbourne City Deal, which will capitalise and build upon Melbourne's reputation as one of the world's most liveable cities.

As a first priority, the Commonwealth and Victoria will work with local governments to deliver a City Deal for Geelong.

Principles for collaboration

The Commonwealth and Victoria commit to the following foundational principles in support of City Deals. City Deals will:

- Provide an ambitious plan to generate economic growth, jobs and housing, reduce travel times and improve environmental outcomes to deliver measurable improvements to people's quality of life and standard of living
- Involve the community in determining regional priorities and how they can contribute to implementation
- Prioritise local needs within a context of nationally significant reform, including actions that drive productivity and competition
- Engage the private sector to create better policy and regulatory settings for investment and to accelerate the delivery of key infrastructure through consideration of alternative infrastructure funding models consistent with policy statements
- Take a long-term approach to achieve transformative change within the period of a City Deal, with clear short and medium term actions that provide certainty to business and the community
- Identify the 'game-changers' and catalyst actions that will deliver a step-change in growth outcomes and then prioritise delivery
- Be flexible to allow for changing needs and emerging priorities
- Deliver actions and reforms that are additional to governments' usual operations
- Establish streamlined governance to enable effective collaboration, coordination within and across governments and strong leadership with clear accountabilities
- Support open access to data for transparent, evidence-based decision making, performance monitoring and smart technology solutions
- Define measurable goals, priorities, actions and implementation timeframes to enable performance to be measured and all parties held to account.

Domains for action

Every City Deal will be different. Each will be tailored to reflect the specific needs and growth opportunities of that region. The focus will be on collaborative actions that will transform the economic, social and environmental outcomes for the area.

City Deals will prioritise the following domains for action. City Deals will identify commitments from parties to deliver these complementary and cross-cutting domains.

Infrastructure and investment – To improve accessibility and productivity in our cities through programmed, co-ordinated and evidence-based commitments to transport and other infrastructure investment across all three levels of government, and support for innovative private and public sector financing solutions.

Governance and regulation – To deliver appropriate reforms that improve metropolitan governance arrangements and integrate infrastructure, land use and environmental planning decisions to facilitate economic growth.

Housing – To improve housing supply and affordability, including by encouraging appropriate densities and greater diversity of housing options, integrated land-use and transport planning, and coordinated land releases for residential development.

Jobs and skills – To improve employment outcomes by supporting skills and industry development and removing barriers to employment.

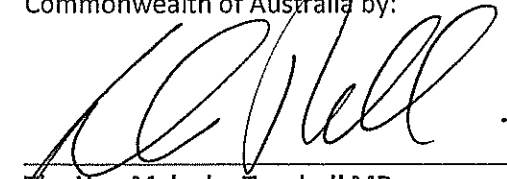
Innovation and digital opportunities – To harness the productive potential of information and communications technologies and the digital economy, including through a conducive and adaptive regulatory environment and a commitment to make data publicly available wherever this is practical.

Liveability and sustainability – To improve the environment, attractiveness and resilience of our cities, including support for clean air, green spaces, biodiversity conservation, vibrant arts and cultural experiences, improved community amenity and active transport.

Agreement

Through this Memorandum of Understanding the Commonwealth and Victoria agree to work cooperatively and collaboratively to agree priority locations and improve Australia's cities through the implementation of tailored City Deals.

SIGNED for and on behalf of the Commonwealth of Australia by:



The Hon Malcolm Turnbull MP

Prime Minister of the Commonwealth of Australia

17 / 1 / 2018

SIGNED for and on behalf of the State of Victoria by:



The Hon James Merlino MP

Acting Premier of the State of Victoria

17 / 1 / 2018