



NOTICE OF MEETING

ORDINARY COUNCIL

Members of Council are advised that a meeting will be held in the Council Chambers 83 Mandurah Terrace, Mandurah on:

Tuesday 23 August 2022 at 5.30pm

MARK R NEWMAN
Chief Executive Officer
11 August 2022

AGENDA

1. OPENING OF MEETING AND ANNOUNCEMENT OF VISITORS

2. ACKNOWLEDGEMENT OF COUNTRY

3. APOLOGIES

4. IMPORTANT NOTE

Members of the public are advised that any decisions made at the meeting tonight, can be revoked, pursuant to the *Local Government Act 1995*. Therefore, members of the public should not rely on any decisions until formal notification in writing by Council has been received.

5. ANSWERS TO QUESTIONS TAKEN ON NOTICE

6. AMENDMENT TO STANDING ORDERS

Modification to *Standing Orders Local Law 2016* - electronic attendance at meeting.

7. PUBLIC QUESTION TIME

Public Question time provides an opportunity for members of the public to ask a question of Council. For more information regarding Public Question Time please visit the City's website mandurah.wa.gov.au or telephone 9550 3787.

8. PUBLIC STATEMENT TIME

Any person or group wishing to make a Public Statement to Council regarding a matter concerning local government must complete an application form. For more information regarding Public Statement Time please visit the City's website mandurah.wa.gov.au or telephone 9550 3787.

9. LEAVE OF ABSENCE REQUESTS

Councillor J Green: 8 – 18 September 2022, inclusive
Councillor A Kearns: 16 – 23 September 2022, inclusive

10. PETITIONS

11. PRESENTATIONS**12. DEPUTATIONS**

Any person or group wishing to make a Deputation to Council regarding a matter listed on this agenda for consideration must complete an application form. For more information regarding making a deputation please visit the City's website mandurah.wa.gov.au or telephone 9550 3787.

13. CONFIRMATION OF MINUTES

13.1 Ordinary Council Meeting: 26 July 2022

Minutes available on the City's website via mandurah.wa.gov.au/council/council-meetings/agendas-and-minutes

14. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)**15. DECLARATIONS OF FINANCIAL, PROXIMITY AND IMPARTIALITY INTERESTS****16. QUESTIONS FROM ELECTED MEMBERS (WITHOUT DISCUSSION)**

16.1 Questions of which due notice has been given

16.2 Questions of which notice has not been given

17. BUSINESS LEFT OVER FROM PREVIOUS MEETING**18. RECOMMENDATIONS OF COMMITTEES****19. REPORTS**

No.	Item	Page No	Note
1	2022 Western Australian Local Government Association Convention and Annual General Meeting: Nomination of Delegates	4-6	
2	Amendment to Delegations	7-21	Absolute Majority Required
3	Procurement Policy Amendments	22-60	
4	Proposed Amendment No.2 - Local Planning Scheme 12, Lot 9001 Beacham St Coodanup, Additional Use, Restaurant/ Café	61-69	

5	CSRFF 2022/23 Small Grants Winter Round	70-76	Absolute Majority Required
6	People of Peel Human Capital Road Map	77-181	
7	Markets in Mandurah	182-201	

20. MOTIONS OF WHICH NOTICE HAS BEEN GIVEN

21. NOTICE OF MOTIONS FOR CONSIDERATION AT THE FOLLOWING MEETING

22. LATE AND URGENT BUSINESS ITEMS

23. CONFIDENTIAL ITEMS

23.1 Staff Review

24. CLOSE OF MEETING

1	SUBJECT:	2022 Western Australian Local Government Association Convention and Annual General Meeting: Nomination of Delegates
	DIRECTOR:	Chief Executive Officer
	MEETING:	Council
	MEETING DATE:	23 August 2022

Summary

The Western Australian Local Government Association (WALGA) will hold its 2022 Annual General Meeting (AGM) at Crown Perth, on Monday 3 October 2022 as part of the 2022 WA Local Government Convention and Trade Exhibition. WALGA has requested Council to nominate two voting delegates to the AGM and two Proxy Voting Delegates.

Voting delegates may be either Elected Members or officers. Delegates must be registered with WALGA to be eligible to attend and represent their respective councils. Proxy voting is available for councils that are unable to be represented by two delegates.

Council is requested to approve the nominations of its Peel Zone delegates Mayor Rhys Williams and Deputy Mayor Caroline Knight to attend the 2022 WALGA AGM on Monday 3 October 2022 and appoint two Elected Members as Proxy Voting Delegates should either Voting Delegate be unable to attend.

Disclosure of Interest

Nil

Previous Relevant Documentation

- G.11/8/21 24 August 2021 Peel Zone delegates Mayor Rhys Williams and Deputy Mayor Caroline Knight be nominated as the City of Mandurah voting delegates and Councillors Don Pember and Councillor Jenny Green as proxy delegates to the 2021 Western Australian Local Government Association Annual General Meeting, to be held at Crown Perth on Monday 20 September 2021.
- G.9/7/20 28 July 2020 Peel Zone delegates Mayor Rhys Williams and Deputy Mayor Caroline Knight be nominated as the City of Mandurah voting delegates and Councillors Jenny Green and Peter Rogers as proxy delegates to the 2020 Western Australian Local Government Association Annual General Meeting, to be held at Crown Perth on Friday 25 September.

Background

In preparation for the WALGA 2022 AGM, it is necessary to register the voting entitlements for delegates representing each Member Council. While delegates can be either Elected Members or officers, Council has traditionally appointed the Peel Zone of WALGA delegates as Council's voting delegates at the AGM. Mayor Rhys Williams and Deputy Mayor Caroline Knight are the current delegates to the Peel Zone.

Comment

To exercise Council's voting entitlements, Council must ensure that voting delegates are registered with WALGA. Member Councils are entitled to be represented by two voting delegates, with each delegate able to exercise one vote. Proxy voting is available to councils who are unable to send two delegates. To

exercise Voting Delegates and Proxy Voting Delegates, councils must have registered the Voting and Proxy Voting Delegates to the Chief Executive Officer of WALGA prior to Friday 23 September.

As part of the City's advocacy efforts to demonstrate regional leadership and advocate for the needs of the Mandurah community, it is important that Mandurah is represented at this event by the Mayor and Deputy Mayor, which is the largest event for the local government industry annually. It is requested that all costs associated with the registration for the Mayor, Deputy Mayor and Chief Executive Officer are included in the advocacy budget and does not form part of their training allowance.

Consultation

Nil

Statutory Environment

Nil

Policy Implications

Elected Member and CEO Training Professional Development, Travel and Events Council Policy includes a WALGA conference as an approved training and development activity.

An allowance over two-years of \$8,000 per Councillor, will cover costs associated with attendance at training and development activities. This includes any actual costs (including registration, accommodation, meals and travel) which has been incurred. An allowance over two-years of \$16,000 for the Mayor and CEO, will cover costs associated with attendance at training and development activities.

In accordance with the Council Policy, activities for advocacy "will not be included in the Elected Member or CEO Training and Professional Development allocation and will be determined as part of the annual budget. The amount is outside of the allocation mentioned within this policy and will cover all costs associated with the activity".

Financial Implications

During the 2022 WA Local Government Convention and Trade Exhibition, WALGA will be holding a number of events alongside this year's AGM including a breakfast event with a special guest speaker, political forum available to Mayors, Presidents and CEOs and a sundowner at the end of the day's proceedings. A special lunch for WALGA award recipients will also be held by invitation only. There is no charge for registration to the AGM only although, Local Government Registration for the Convention will be \$1,200 plus accommodation and additional sessions.

Risk Analysis

Nil

Strategic Implications

The following strategy from the City of Mandurah Strategic Community Plan 2020 – 2040 are relevant to this report:

Organisational Excellence:

- Demonstrate regional leadership and advocate for the needs of our community.

Conclusion

Council is requested to appoint the WALGA Peel Zone representatives as the two Voting Delegates for the WALGA 2022 Annual General Meeting. Council is requested to appoint two Elected Members as Proxy Voting Delegates should either Voting Delegate be unable to attend. Other Councillors may also attend the conference at a similar cost.

RECOMMENDATION

That Council:

1 Appoint Peel Zone delegates, Mayor Rhys Williams and Deputy Mayor Caroline Knight, as the City of Mandurah Voting Delegates to the 2022 Western Australian Local Government Association Annual General Meeting, to be held at Crown Perth on Monday 3 October 2022.

2 Appoint two Elected Members as Proxy Voting Delegates should either Voting Delegate be unable to attend.

Councillor_____

Councillor_____

3 Approve Mayor Rhys Williams, Deputy Mayor Caroline Knight and Chief Executive Officer to attend the WALGA WA Local Government Convention as part of the City of Mandurah's advocacy and the costs associated, will not be included in their Training and Professional Development allocation.

2	SUBJECT:	Amendment to Delegations
	DIRECTOR:	Business Services
	MEETING:	Council Meeting
	MEETING DATE:	23 August 2022

Summary

Under the *Local Government Act 1995* (LG Act) and certain other legislation (Other Legislation), the local government (Council) has, and may exercise, certain powers in relation to the enforcement of statutory provisions for the protection of the City of Mandurah's (City) legal interests. These powers include such things as the taking of action, the serving or withdrawal of notice or otherwise, and the commencement of legal proceedings or prosecutions on behalf of the City. The Council in turn has the ability to delegate any of these legislative powers and duties to the Chief Executive Officer (CEO) by way of a delegated authority ('Delegated Authority' or 'Delegation of Authority').

It has been identified that some, but not all, of the Other Legislation which provides for the delegation of the Council's powers and functions in relation to the commencement of legal proceedings and prosecutions is currently delegated to the CEO. In order to ensure consistent decision making under both the LG Act and Other Legislation, it is recommended that Council approve and adopt a proposed new delegation (DA-LWE 02 Commencing Proceedings – Other Legislation) and amend and re-adopt the existing delegation DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges.

Additionally, a number of improvements have been identified in three Council approved Delegations of Authority. The City recommends that Council approve minor amendments to the following Council delegations:

- 1) DA-CPM 06 Tenders for Goods and Services – Exempt Procurement;
- 2) DA-CPM 02 Invite expressions of Interests and Tenders; and
- 3) DA-CNP 02 Disposing of Property.

Disclosure of Interest

Nil

Previous Relevant Documentation

- G.9/5/22 24 May 2022 Annual Review Register of Delegated Authority

Background

Commencing Proceedings

Section 5.42 of LG Act and certain provisions of Other Legislation gives the local government the power to delegate any of its legislative powers and duties to the CEO. Importantly, for a delegation to be valid, the delegation of these powers and duties from Council to the CEO must be expressly provided for under the relevant legislation. This includes, in respect of the LG Act and certain Other Legislation, the power to delegate the taking of action, the serving or withdrawal of notice or otherwise, and the commencement of legal proceedings or prosecutions on behalf of the City.

Additionally, section 9.10 of the LG Act and a number of other statutes allow a local government or the CEO to appoint persons, in writing, to become authorised persons or authorised officers (Statutory Authorisations). These various acts and regulations outline the tasks and responsibilities which an authorised officer may undertake on behalf of the local government which, in some circumstances,

includes the authority to commence proceedings on behalf of the City. The power to appoint authorised persons under a number of acts has been delegated to the CEO for some time.

Comment

Delegated Authority - Prosecutions

The legislative mechanism under which the City can authorise (via Statutory Authorisation) or appoint (via Delegated Authority) a City officer to commence proceedings on behalf of City varies across legislation.

As part of the ongoing Governance Services review of the City's legislative powers and duties, it has been identified that certain powers and functions in relation to the commencement of legal proceedings and prosecutions under various legislation, which are capable of being delegated, are currently not the subject of a Delegated Authority.

In compliment to this ongoing review of Delegated Authority, Governance Services is undertaking a comprehensive review of all Statutory Authorisations and Authorised Officers which considers, among other things, a person or persons authorised to commence legal proceedings.

In order to ensure a consistent decision-making process for the commencement of proceedings, whether those proceedings are commenced under a Delegated Authority, Statutory Authorisation or otherwise, it is recommended that DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges is amended and that a proposed new delegation DA-LWE 02 Commencing Proceedings – Other Legislation is adopted for the reasons below.

The City currently has in place the following Delegated Authorities in relation to the commencement of legal proceedings:

- 1) DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges; and
- 2) DA-EMS 03 Bush Fires Act 1954 – Prosecution.

Currently, the CEO has Delegated Authority under DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges) in respect of certain powers to commence prosecution under the LG Act, the *Building Act 2011* and Council Local Laws.

In order to ensure a consistent decision-making process for the commencement of proceedings under a Delegated Authority, it is recommended that DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges be amended and that the commencement of proceedings respect of Other Acts and City Local Laws be a stand-alone delegation.

For completeness, it is recommended that DA-EMS 03 Bush Fires Act 1954 – Prosecution remain as is.

In summary, in order to ensure administrative efficiency and a consistent decision-making process for the commencement of proceedings, whether those proceedings are commenced under a Delegated Authority, Statutory Authorisation or otherwise, it is recommended that Council approve and adopt the proposed new delegation DA-LWE 02 Commencing Proceedings – Other Legislation and amend DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges.

The proposed amendments to DA-LWE 01 and the proposed new delegations DA-LWE 02 are detailed below [also refer to **Attachment 2.1** DA-LWE 01 which includes tracked changes for convenience and **Attachment 2.2** Proposed DA-LWE 02].

DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges -Amended

Delegation	Section Proposed to Amend	Proposed Amendment
DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges	Express Power to Delegate	Delete the following: <i>City of Mandurah Local Laws</i> <i>Building Act 2011:</i> s. 133
	Function	Delete the following: <ul style="list-style-type: none"> • <i>the Building Act 2011, and</i> • <i>Councils Local Laws,</i>

DA-LWE 02 Commencing Proceedings – Other Legislation (Proposed)

Delegation	Title	Proposed
DA-LWE 02	Commencing Proceedings – Other Legislation	<p><u>Express power or duty delegated:</u></p> <p>The exercise of any powers, the enforcement of any statutory provisions or the protection of any legal interests under any other written law which includes any Council Local Law but does not include the <i>Local Government Act 1995</i> or its subsidiary legislation.</p> <p><u>Function</u></p> <p>The taking of any action, serving or withdrawal of a notice or otherwise, commencement of legal proceedings or prosecutions on behalf of the City of Mandurah.</p> <p><u>Power Delegated</u></p> <p>CEO</p> <p><u>Conditions</u></p> <p>The Act under which the function is to be performed has express power to delegate the function.</p> <p>Any conditions or requirements of performing the function are as determined by the Act under which the function is to be performed.</p>

Amended Delegations (administrative)

The 2021-2022 Review of Delegated Authorities was adopted by Council on 24 May 2022. Subsequent to Council's adoption of the 2021-2022 Review of Delegated Authorities, minor administrative errors were identified in three Council approved delegations. To improve the accuracy and clarity of these delegations, Governance Services proposes that, in addition to the amendments to DA-LWE 01, Council approve the amendments detailed below [also refer to DA CPM 06: Tenders for Goods and Services – Exempt Procurement Amended Delegation (**Attachment 2.3**); DA-CPM 02: Invite expressions of Interests and Tenders Amended Delegation (**Attachment 2.4**); and DA-CNP 02: Disposing of Property Amended Delegation (**Attachment 2.5**), which includes tracked changes for convenience].

DA-CPM 06 Tenders for Goods and Services – Exempt Procurement

Delegation	Title	Proposed Amendment
DA-CPM 06	Tenders for Goods and Services – Exempt Procurement	<p>Recommend amendment to the Conditions as follows:</p> <ol style="list-style-type: none"> 1. The power and duties of the CEO under regulation 11(2)(f) and regulation 11(2)(ja) cannot be subdelegated. 2. Tender exempt procurement under r.11(2)(f) may only be approved where a record is retained that evidences: <ol style="list-style-type: none"> i. a detailed specification; ii. the outcomes of market testing of the specification; iii. the reasons why market testing has not met the requirements of the specification; and iv. rationale for why the supply is unique and cannot be sourced through other suppliers. 3. Tender exempt procurement under r.11(2)(ja) may only be approved where a record is retained that evidences: <ol style="list-style-type: none"> i. a detailed specification; ii. the outcomes of market testing of the specification; iii. the reasons why market testing has not met the requirements of the specification; and iv. rationale for why the supply is unique and cannot be sourced through other suppliers. <ol style="list-style-type: none"> i. compliance with r.11(2)(ja); ii. a satisfactory performance reviews being undertaken; and iii. that the procurement is included in Council’s annual budget. <p>Reason: conditions relating to item three were duplicated from item two in error. The new conditions for item three reflect the process for considering tender exempt procurement relating to the r.11(2) (ja) which provides for extensions to contracts under State of Emergency. In addition to satisfying the regulation requirements, the additional conditions for the CEO, are necessary to ensure consideration of the budget and the performance of the contractor is undertaken prior to the contract being extended.</p>

DA-CPM 02 Invite Expressions of Interests and Tenders

Delegation	Title	Proposed Amendment
DA-CPM 02	Invite Expressions of Interests and Tenders	<p>Recommend amendment to the Functions as follows:</p> <p>Authority to:</p> <ol style="list-style-type: none"> 1. Determine when to seek Expressions of Interest and to invite Expressions of Interest for the supply of goods or services r.21 2. Call tenders r.11(1). 3. Invite tenders although not required to do so r.13. 4. Determine in writing, before tenders are called, the criteria for acceptance of tenders r.14(2a). 5. Determine the information that is to be disclosed to those interested in submitting a tender r.14(4)(a). <p>Reason: removal of function five. Noting the function was incorrectly retained in the delegation manual in error. It is determined that r.14(4)(a) does not require a delegation and is considered as an acting through process conducted by the procurement team.</p>

DA-CNP 02 Disposing of Property

Delegation	Title	Proposed Amendment
DA-CNP 02	Disposing of Property	<p>Recommend amendment to the Functions as follows:</p> <ol style="list-style-type: none"> 1. Authority to determine the method of disposal and dispose of property to: <ul style="list-style-type: none"> a) the highest bidder at public auction s.3.58(2)(a); or b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender s.3.58(2)(b). 2. Authority to dispose of property by private treaty only in accordance with section 3.58(3), and where required prior to the disposal, to consider any submissions received following the giving of public notice s.3.58(3) <p>Reason: addition of the words 'where required' in function two to reflect the intent of the legislation.</p> <p>Recommend amendment to the Conditions as follows:</p> <p>Replace "not for Profits" with Reg 30 Exempt.</p> <p>Reason: Regulation 30 of the <i>Local Government (Functions and General) Regulations 1996</i> states that if a body, whether incorporated or not that has objects of which are charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and members are not entitled or</p>

Delegation	Title	Proposed Amendment
		permitted to receive any pecuniary profit from the body's transactions, or has been disposed of to the Crown in the right of the State or Commonwealth, State or Commonwealth department or agency or another local government or regional local government.

Statutory Environment

Local Government Act 1995

- s 5.42 Delegation of Powers to CEO;
- s 9.10 (appoint authorised persons);
- s 3.24 (appoint authorised persons).
- s 3.57 (Tenders for providing goods and services)
- s 3.58 (Disposing of Property)

Local Government (Functions and General) Regulations 1996

- Division 2

Bush Fires Act 1954

- s59 Prosecution of Offences

All Other Legislation

Policy Implications

All delegations refer to relevant Council policies where applicable.

Economic Implications

Nil

Risk Analysis

Having a delegation of power to the CEO the power to commence proceedings (where legislation expressly allows for that power to be delegated) reduces the City's risk in relation to legislative compliance and ensures transparent and accountable decision making.

Strategic Implications

The following strategy from the City of Mandurah Strategic Community Plan 2020 – 2040 is relevant to this report:

Organisational Excellence:

- Ensure the City has the capacity and capability to deliver quality services and facilities through accountable and transparent business practices, governance, risk and financial management.

Conclusion

In order to ensure a consistent decision-making process for the commencement of proceedings, whether those proceedings are commenced under a Delegated Authority, Statutory Authorisation or otherwise, it is recommended that Council approve and adopt the proposed new delegation DA-LWE 02 Commencing Proceedings – Other Legislation and amend DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges.

Council is therefore requested to delegate the City's powers to the CEO under Other Acts to serve a notice, or undertake legal proceedings or prosecutions for any breach offence or claim for which it is the duty of the local government to enforce in relation to Other Acts and City of Mandurah Local Laws in accordance with Attachment 2.2 DA-LWE 02 Action, notices, proceedings and withdrawals – any other written law.

To improve the accuracy and clarity of the Council Delegations, Council is requested to approve the minor amendments to:

- 1) DA-CPM 06 Tenders for Goods and Services – Exempt Procurement;
- 2) DA-CPM 02 Invite expressions of Interests and Tenders; and
- 3) DA-CNP 02 Disposing of Property.

NOTE:

- Refer **Attachment 2.1** *DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges - Amended*
Attachment 2.2 *Proposed New Delegation – DA-LWE 02 Action, notices, proceedings and withdrawals – any other written law*
Attachment 2.3 *Amended Delegation - Tenders for Goods and Services – Exempt Procurement*
Attachment 2.4 *Amended Delegation - DA-CPM 02 Invite Expressions of Interests and Tenders*
Attachment 2.5 *Amended Delegation - DA-CNP 02 Disposing of Property*

RECOMMENDATION

That Council:

- 1 Delegates to the CEO the powers set out in *DA-LWE 02 Action, notices, proceedings* subject to the conditions set out therein, as per Attachment 2.2
- 2 Approve the minor amendments to the following delegations:
 - a. DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges, as per Attachment 2.1;
 - b. DA-CPM 06 Tenders for Goods and Services – Exempt Procurement as per Attachment 2.3;
 - c. DA-CPM 02 Invite expressions of Interests and Tenders as per Attachment 2.4; and
 - d. DA-CNP 02 Disposing of Property as per Attachment 2.5.

ABSOLUTE MAJORITY REQUIRED

Delegation	DA-LWE 01 Prosecutions/Recovery of Unpaid Rates, Service Charges, Fees and Charges
Category	Laws and Enforcement
Delegator	Council
Express power to delegate	<i>Local Government Act 1995:</i> s. 5.42 <i>Delegation of some powers and duties to CEO</i> <i>Building Act 2011:</i> s. 127(6A)
Express power or duty delegated	<i>Local Government Act 1995:</i> s. 6.56 and 6.64 Rates and Service Charges Unpaid - <i>City of Mandurah Local Laws</i> - <i>Building Act 2011:</i> <i>s. 133</i>
Function	Serve a notice, or undertake legal proceedings or prosecutions for any breach, offence or claim for which it is the duty of the local government to enforce in relation to: <ul style="list-style-type: none"> unpaid rates or service charges, or other fees and charges under the <i>Local Government Act 1995</i> and associated Regulations; <i>the Building Act 2011, and</i> <i>Councils Local Laws,</i> Lodge or remove a caveat in relation to land for which rates and service charges are unpaid. <p>Delegates will use best endeavours to resolve specific issues through mediation and other means. Legal proceedings will only be initiated where necessary to resolve each specific matter dependant on the nature of the breach, offence or claim.</p>
Delegates	Chief Executive Officer
Conditions	<ol style="list-style-type: none"> If in the opinion of the CEO or a subdelegated officer, the situation warrants it, the initiation of the prosecution will be referred to Council for approval. For legal proceedings relating to recovery of rates or services charges unpaid, the conditions are in accordance with the Council Policy.
Express power to subdelegate	<i>Local government Act 1995:</i> s. 5.44 CEO may delegate powers and duties to employees
Statutory framework	<i>Local Government Act 1995</i>
Policy	POL-FCM 08 Collection of Overdue Debts
Date adopted	17 March 2009
Adoption references	Minute G.26/03/09

Delegation	DA-LWE 02 Action, notices, proceedings, prosecutions and withdrawals – any other written law
Category	Laws and Enforcement
Delegator	Council
Express power to delegate	<i>Local Government Act 1995:</i> s.5.42 Delegation of some powers and duties to CEO As determined by the Act under which the function to be performed.
Express power or duty delegated	The exercise of any powers, the enforcement of any statutory provisions or the protection of any legal interests under any other written law which includes any Council Local Law but does not include the Local Government Act 1995 or its subsidiary legislation.
Function	The taking of any action, serving or withdrawal of a notice or otherwise, commencement of legal proceedings or prosecutions on behalf of the City of Mandurah.
Power Delegated to:	Chief Executive Officer
Conditions	The Act under which the function is to be performed has express power to delegate the function. Any conditions or requirements of performing the function are as determined by the Act under which the function is to be performed.
Express Power to Subdelegate	<i>Local Government Act 1995:</i> s.5.44 CEO may delegate powers and duties to employees. The Act under which the function is to be performed has power to sub-delegate
Statutory framework	<i>Local Government Act 1995</i> <i>City of Mandurah Local Laws</i>
Policy	N/A
Date adopted	TBC
Adoption references	TBC

Delegation	DA-CPM 06 Tenders for Goods and Services – Exempt Procurement
Category	Corporate Management
Delegator	Council
Express power to delegate	<i>Local Government Act 1995:</i> s.5.42 Delegation of some powers and duties to CEO s.5.43 Limitations on delegations to the CEO
Function	<ol style="list-style-type: none"> 1. Authority to undertake tender exempt procurement r.11(2). 2. Authority to, because of the unique nature of the goods or services or for any other reason it is unlikely that there is more than one supplier, determine to contract directly with a suitable supplier r.11(2)(f)
Delegates	Chief Executive Officer
Conditions	<ol style="list-style-type: none"> 1. The power and duties of the CEO under regulation 11(2)(f) and regulation 11(2)(ja) cannot be subdelegated. 2. Tender exempt procurement under r.11(2)(f) may only be approved where a record is retained that evidences: <ol style="list-style-type: none"> i. a detailed specification; ii. the outcomes of market testing of the specification; iii. the reasons why market testing has not met the requirements of the specification; and iv. rationale for why the supply is unique and cannot be sourced through other suppliers. 3. Tender exempt procurement under r.11(2)(ja) may only be approved where <u>a record is retained that evidences:</u> <ol style="list-style-type: none"> i. a detailed specification; <u>i. the outcomes of market testing of the specification a satisfactory performance reviews being undertaken; and;</u> ii. that the procurement is included in Council's annual budget. iii. the reasons why market testing has not met the requirements of the specification; and <u>iv. ii. rationale for why the supply is unique and cannot be sourced through other suppliers.</u>
Express power to subdelegate	<i>Local Government Act 1995:</i> s.5.44 CEO may delegate powers and duties to employees
Statutory framework	Local Government Act 1995 s. 3.57 Local Government (Functions and General) Regulations 1996 Division 2
Policy	POL-CPM 02 Procurement POL-CPM 01 Regional Price Preference
Date adopted	24 May 2022
Adoption references	Minute G.9/5/22

Delegation	DA-CPM 02 Invite Expressions of Interests and Tenders
Category	Corporate Management
Delegator	Council
Express power to delegate	<p><i>Local Government Act 1995:</i> s.5.42 Delegation of some powers and duties to CEO s.5.43 Limitations on delegations to the CEO</p>
Express power or duty delegated	<p><i>Local Government Act 1995:</i> • s.3.57 Tenders for providing goods and services</p> <p><i>Local Government (Functions and General) Regulations 1996:</i> <u>Expressions of interest:</u> r.21 Limiting who can tender, procedure for</p> <p><u>Tenders:</u> r.11(1), (2) When tenders have to be publicly invited r.13 Requirements when local government invites tenders though not required to do so r.14 Publicly inviting tenders, requirements for excluding 14(5)</p>
Function	<p>Authority to:</p> <ol style="list-style-type: none"> 1. Determine when to seek Expressions of Interest and to invite Expressions of Interest for the supply of goods or services r.21 2. Call tenders r.11(1). 3. Invite tenders although not required to do so r.13. 4. Determine in writing, before tenders are called, the criteria for acceptance of tenders r.14(2a). 5. Determine the information that is to be disclosed to those interested in submitting a tender r.14(4)(a).
Delegates	Chief Executive Officer
Conditions	<p>Tenders may only be called where there is an adopted budget for the proposed goods or services, with the exception being in the financial year prior to the adoption of a new Annual Budget where:</p> <ol style="list-style-type: none"> I. the proposed goods or services are required to fulfil a routine contract related to the day to day operations of the City; or II. a current supply contract expiry is imminent; and III. the value of the proposed new contract has been included in the Long-Term Financial Plan; and IV. the tender specification includes a provision that the tender will only be awarded subject to the budget adoption by the Council.

Express power to subdelegate	<i>Local Government Act 1995:</i> s.5.44 CEO may delegate powers and duties to employees
Statutory framework	<i>Local Government Act 1995</i> s. 3.57 <i>Local Government (Functions and General) Regulations 1996</i> Division 2
Policy	POL-CPM 02 Procurement POL-CPM 01 Regional Price Preference
Date adopted	29 January 2008
Adoption references	Minute G.33/1/08,

Delegation	DA CNP 02 Disposing of Property
Category	Council Properties
Delegator	Council
Express power to delegate	<i>Local Government Act 1995:</i> s. 5.42 Delegation by local government s.5.43 Limitations on delegations to the CEO
Express power or duty delegated	<i>Local Government Act 1995:</i> s. 3.58 Disposing of property under this section. s. 3.18(1) Disposing of property, not covered by s. 3.58, in order to perform the necessary functions under the <i>Local Government Act 1995</i> .
Function	<ol style="list-style-type: none"> 1. Authority to determine the method of disposal and dispose of property to: <ol style="list-style-type: none"> a) the highest bidder at public auction s.3.58(2)(a); or b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender s.3.58(2)(b). 2. Authority to dispose of property by private treaty only in accordance with section 3.58(3) and where required prior to the disposal, to consider any submissions received following the giving of public notice s.3.58(3).
Delegates	Chief Executive Officer
Conditions	<p>Disposal of the land (lease and license)</p> <p>The following conditions relate to the disposition of land by lease or license:</p> <ol style="list-style-type: none"> 1. Approve and determine the appropriate method to dispose of property in accordance with s3.58 of the Local Government Act 1995. 2. Disposal of land is limited to: <ul style="list-style-type: none"> • Matters specified in the Annual Budget or in any other case, requires a specific resolution of Council; and • Disposal of land is limited to a maximum value of \$150,000 (including options); and • Satisfies the conditions below: <p><u>Lease & Licence – Not for Profits Reg 30 Exempt Entities</u></p> <ul style="list-style-type: none"> • The term and options to extend the term does not exceed a total of 5 years; • Cannot exceed the lease period that the City holds the head lease for, if applicable; • No breach of the current agreement has occurred; and • The conditions of the lease or licence is consistent with standard leasing practices of the City.

	<p><u>Licence - Commercial Entities</u></p> <ul style="list-style-type: none"> • The licence term is less than 3 years; • Cannot exceed the licence period that the City holds the head licence for, if applicable; • Rent aligns with current independent market valuation carried out no more than 2 years from the proposed licence commencement date; and • The licence conditions are consistent with standard leasing and licencing practices with the City. <p>Note: This only applies to licences for commercial entities. All leases for commercial entities must be approved by Council.</p> <p><u>Assignment of Leases/Licences</u></p> <ul style="list-style-type: none"> • The assignee continues to meet all terms and conditions of the current lease/licence; • No extension nor variation of the lease/licence is available; • Relevant checks are conducted confirming the new business has no bankruptcy listed against the directors, or any court action pending; and • The lease/licence is currently not in breach. <p><u>Sublease/ Sublicence (where the City is the sublessor or sublicensor)</u></p> <ul style="list-style-type: none"> • The head lessee/licensee remains fully responsible for terms and conditions of head lease/licence, • The purpose of the sublease/ sublicence is consistent with purpose or similar purpose of the head lease/licence; and • Term of sublease/sublicence does not exceed head lease/licence. <p>Disposition other than land</p> <p>The following conditions relate to the disposition of property (other than land) may be undertaken:</p> <ul style="list-style-type: none"> • Where the market value of the property is determined as being less than \$20,000 (F&G r.30(3) excluding disposal); or • Its market value is less than \$20 000; or the entire consideration received by the local government for the disposition is used to purchase other property, and where the total consideration for the other property is not more, or worth more, than \$75 000; and • Council has resolved to dispose of property via Council resolution or in the Adopted Budget; and • In any case, be undertaken to ensure that the best value return is achieved however, where the property is determined as having a nil market value then, as a minimum, the disposal must ensure environmentally responsible disposal; and • Must be in accordance with Council and City policies and procedures.
<p>Express power to subdelegate</p> <p>Statutory framework</p>	<p><i>Local Government Act 1995:</i> s. 5.44 Delegation by CEO</p> <p>Local Government Act 1995: s.3.58 Disposing of Property s3.18 General Functions</p>

Date adopted	Local Government (Functions and General) Regulations 1966: r. 30 Disposing of property exempt from s. 3.58 25 June 2019
Adoption references	Minute G.18/6/1

3	SUBJECT:	Procurement Policy Amendments
	DIRECTOR:	Business Services
	MEETING:	Council Meeting
	MEETING DATE:	23 August 2022

Summary

The City of Mandurah (the City) strives to achieve best value for money in its procurement of goods and services, ensures that its purchasing activities align with the principles of transparency, probity and good governance and are consistent with all regulatory requirements.

As part of the City's ongoing improvement to procurement practises, a review has been undertaken of the procurement related Council Policies. This included a review of the POL-CPM 02 Procurement of Goods and Services and the POL-CPM 01 Regional Price Preference Policy to ensure consistency with the *Local Government Act 1995* (the Act) and *Local Government (Functions and General) Regulations 1996* (Regulations).

Following consultation, Elected Members are now requested to adopt the amendments to the POL-CPM 02 Procurement Policy (refer **Attachment 3.2**) and the POL-CPM 01 Regional Price Preference (refer **Attachment 3.3**).

Disclosure of Interest

Nil.

Previous Relevant Documentation

- AR.7/9/21 27 July 2021 Procurement Internal Audit
- G12/10/20 27 October 2020 Procurement Policy Amendments
- SP.5/5/20 12 May 2020 Procurement Policy Amendments
- G.17/2/20 25 February 2020 Procurement Policy Amendments
- G.9/3/19 26 March 2019 Review of Procurement Activity

Background

At the Council Meeting on 27 October 2020 the POL CPM-02 Procurement Policy (Policy) was amended to include the Chief Executive Officer (CEO) in the financial authorisations section of the Policy.

At the Special Council Meeting on 12 May 2020, Council approved the amendment to the Policy to reflect the amendments to *Local Government (Functions and General) Regulations 1996 (Regulations)* to regulation 11(1) to increase the tendering threshold from \$150,000 to \$250,000. The purpose of these changes were to increase the flexibility of the local government sector to contract with local suppliers during, and in the aftermath of, the State of Emergency Declaration under the *Emergency Management Act 2005*.

Extensive improvements to the Policy were adopted by Council at its meeting on 25 February 2020. The amendments to the Policy mainly reflected practice improvements that strengthen the City's procurement functions to ensure greater transparency and accountability in the City's approach to procurement activities.

An overview of the Policy amendments that were approved by Council on 25 February 2020 were:

- Section 2 Principles of Procurement: the addition of the principles of procurement stating that all City officers shall observe the highest standards of ethics and integrity in undertaking procurement activity and will act in an honest and professional manner
- Section 3: value for money statement in the Policy was amended to provide further guidance to City officers on the consideration for value for money in the assessment phase
- Section 5 Policy Requirements: the procurement thresholds clearly separate the monetary range, process required, reference to procedures and the sources for quotes
- Section 5.11 Education and Training: includes the requirement for the CEO to develop a procurement education and training program.
- Section 5.5: In accordance with regulation 20 of the Regulations, a minor variation may be made to the contract by the City, if a successful tenderer has been chosen but before the City and tenderer have entered into a Contract
- Section 5.6: Variation after the contract commencement
- Section 8 Authorisations: addition of an Authorisations table which states the positions that have authorisation to approve purchase orders and requisitions
- Section 8.1 Purchasing Card: Council's approval of the CEO's purchasing card and direction to the CEO to develop a policy
- Section 8.2 Petty Cash: provides a statement regarding the management of petty cash transactions

Comment

An overview of the amendments to the Council Policies are below:

Procurement Policy

Procurement activities in local governments are primarily governed by the *Local Government (Functions and General) Regulations 1996*. Regulation 11A requires the City to have a written purchasing policy for the supply of goods and services worth \$250,000 or less.

The Council's Procurement Policy incorporates the requirements under the Regulations including the form of the procurement (verbal or written) and the minimum number of quotes that must be obtained, and how procurement information will be recorded and retained. For purchases over \$250,000, the Regulations set specific requirements for tenders and the City's Procurement Procedures are developed in accordance with the Regulations.

The amendments to the Procurement Policy (refer **Attachment 3.1** with tracked changes for convenience) are provided below:

Amendment to thresholds

At present procurements over the value of \$50,000 are managed through a centralised Procurement Team, who deliver the procurements in accordance with policy and procedures, with a focus on achieving value for money, addressing risk and ensuring accountability and probity. Due to a range of factors including a stronger organisational focus on compliance with the Act, Regulations, policy and procedures and increased capital works programs, in recent years the demand for Procurement Services has significantly increased. This has resulted in the need for the City to review its current Policy position and adjust the monetary thresholds to enable the Procurement Team to focus on high value/high risk and complex procurement processes.

The most significant amendment to the Policy is reflected in Section 5 Procurement Requirements (refer section 5.4) through the introduction of a new threshold \$50,000 - \$99,999 Written Quotation. It is proposed that this threshold is managed directly by City Officers, without coordination of the process by the Procurement Team. Whilst this proposal presents risk of non-compliance with the City's purchasing rules, the change has a positive risk of improving the timeframes of procurement as this will be managed within each team and the Directors will be responsible for ensuring that City Officers conform with the Policy requirements. Additional training will be provided to City Officers to support improved compliance and ensuring value for money is achieved.

Due to the high-risk nature of purchasing activities in local government, procurement processes are regularly audited through the City's Strategic Internal Audit Plan. Supplementary internal compliance reviews are also conducted to understand how controls can be improved to support ongoing compliance. The internal compliance reviews assist the City to understand purchasing behaviours and identify areas where further support is required.

A risk-based approach will be applied to the purchases managed by City Officers, in the \$5,000 - \$49,999 Written Quotation and \$50,000 - \$99,999 Written Quotations thresholds, to ensure that where the risk (based on financial, reputational, contractual, operational and Work Health and Safety factors) are considered high, additional control measures will be applied.

The Policy also introduces '*minimum requirements*', noting that in addition to the minimum requirements all purchases must be undertaken in accordance with the City's Procurement Procedures.

There is also a stronger focus in the Policy on Anti-avoidance practises (refer section 5.1). Anti-avoidance occurs when an Officer separates a procurement process over two or more purchases, so that the effect is to avoid a procurement threshold requirement in the Policy.

The Policy continues to incorporate a focus on supporting local businesses, by utilising the City's procurement function to enable greater opportunities for local suppliers. The Policy incorporates the following:

- wherever practical, invite local suppliers to quote;
- ensures procurement planning explores local business capability and opportunities for local content; and
- considers buying practices, procedures and specifications that do not unfairly disadvantage local businesses.

An overview of the amendments to the thresholds are demonstrated in the table below:

Current Monetary Threshold (exclusive of GST)	Current Policy Procurement Requirements	Proposed Monetary Threshold (exclusive of GST)	Proposed Policy Procurement Minimum Requirements
Up to \$4,999	Direct purchase from a supplier after obtaining at least one verbal or written quotation.	Up to \$4,999- Adhoc	Goods and services of a low risk and adhoc/occasional nature may be purchased in accordance with following minimum requirements. <ul style="list-style-type: none"> • Direct purchase from a supplier after obtaining at least one verbal or written quotation. • Minimum of one officer evaluating. • Inclusion of record keeping requirements.
Up to \$4,999- Adhoc Comment on proposed amendment: <ul style="list-style-type: none"> • No change to the monetary threshold • Inclusion of the term '<i>Adhoc</i>' in the title of the threshold to demonstrate the focus on purchases being used for adhoc/occasional nature only • Low value/low risk purchases 			
\$5,000 to \$49,999	<ul style="list-style-type: none"> • Seek three or more verbal or written quotations (method dependent on risk and complexity) • Obtain a minimum of two written responses 	\$5,000 to \$49,999 Written Quotation	Goods and services of low to moderate risk may be purchased in accordance with the following minimum requirements:

			<ul style="list-style-type: none"> • Seek three or more written quotations and obtain a minimum of two written responses. • Minimum of one evaluation panel member. • Determination of the risk level will be in accordance with the City procedure. • Inclusion of record keeping requirements. <p>If the goods or services are assessed at a high risk, the \$50,000 to \$99,999 process will apply.</p>
<p>\$5,000 to \$49,999 - Written Quotation Comment on proposed amendment:</p> <ul style="list-style-type: none"> • Inclusion of the term '<i>Written Quotation Process</i>', with all quotations to be in writing. • Threshold for low and moderate risk purchases. • Risk based approach is applied and procurement process is adjusted based on risk i.e. if high risk the next threshold applies. 			
<p>\$50,000 to \$150,000</p>	<ul style="list-style-type: none"> • Formal Request for Quote. • Seek three or more written formal quotations and obtain a minimum of two responses. • Managed by Procurement Services • Procurement Planning is undertaken. 	<p>New threshold: \$50,000 to \$99,999 Written Quotation</p>	<p>Goods and services of a low to moderate risk may be purchased in accordance with the following minimum requirements:</p> <ul style="list-style-type: none"> • Seek three or more written quotations and obtain a minimum of two written responses. • Minimum of two evaluation panel members. • Determination of the risk level will be in accordance with the City procedure. • Inclusion of record keeping requirements. <p>If the goods or services are assessed as a high risk, in addition to the above, a Long Form Contract will apply.</p>
<p>New threshold \$50,000 to \$99,999 - Written Quotation Comment on proposed amendment:</p> <ul style="list-style-type: none"> • New threshold to be managed by City Officers with no oversight from Procurement Services. • No procurement planning requirements. • Directors will hold responsibility for purchases in this threshold, however may request for the Procurement Team to manage the procurement process through the \$100,000 to \$249,999. • Risk based approach is applied and controls are adjusted based on risk, if assessed as high risk a long form contract will applied. 			
<p>\$150,000 to \$249,999</p>	<ul style="list-style-type: none"> • Formal Request for Quote. • Seek three or more written formal quotations and obtain a minimum of two responses. • Procurement planning is undertaken. • Managed by Procurement Services. 	<p>New threshold: \$100,000 to \$249,999 Formal Request for Quote</p>	<ul style="list-style-type: none"> • Formal Request for Quote process. • Seek three or more written formal quotations and obtain a minimum of two responses. • Procurement planning is undertaken. • Managed by Procurement Services. • Three evaluation panel members.
<p>New threshold: \$100,000 to \$249,999 Formal Request for Quote Comment on proposed amendment:</p> <ul style="list-style-type: none"> • Procurements above \$100k to be managed by the Procurement Team • No other amendments. 			

<p>\$250,000 and above</p> <p>Public Tender</p>	<ul style="list-style-type: none"> • Conduct a Public Tender process, to be issued by Procurement Services in accordance with the Act and Regulations. • Procurement planning is undertaken. 	<p>No change as legislated process</p>
<p>\$250,000 and above</p> <p>Tender Exempt</p>	<ul style="list-style-type: none"> • Formal Request for Quote, to be issued by Procurement Services, in accordance with reg 11(2). • Seek three or more written formal quotations and obtain a minimum of two responses, unless sole supply or supplier availability is limited i.e. only one supplier is represented under a panel arrangement. • Procurement planning is undertaken. 	<p>No change as legislated process</p>

Other amendments

Other amendments include:

- Objective: additional information incorporated into the Policy Objectives to reflect best practise including: alignment to risk management approach, encouraging effective competition, records management, and probity requirements.
- Section 2: new section 2.1 Ethics and Integrity to include reference to the City's Code of Conduct for Employees and minor amendments to Procurement Principles.
- Section 4 Sustainable Procurement: minor amendment to section 4.2 to reflect consistency with the regulations.
- Section 5 – additional amendments:
 - 5.9 Education and Training: requirement for City Officers to undertake procurement training on an annual basis and probity and evaluation training for Formal Request for Quotes and Tenders.
- Section 6 Exceptions to Procurement Requirements:
 - 6.1 Tender Exempt Supply Arrangements – inclusion of reference to the regulations
 - Removal of 6.2 as this is procedural in nature
 - 6.2 Goods and/or Services required in an Emergency: minor amendments to remove reference to the procedure as this is implied.
 - 6.3 Unique Supply: additional information on justification of sole supply arrangements.
 - 6.4 Waiver of Quotation Requirements under \$249,999: inclusion of additional controls regarding the application of this exemption.
- Section 7 Contract Management:
 - 7.1 new section on contract management to provide a policy statement on the requirement for the proactive management of contracts.
 - 7.2 Minor Variations: b(iii) increase to the maximum value from \$100,000 to \$300,000 to reflect 10% of the Council's Delegation to CEO for the acceptance of tenders to the value of \$3 million.
 - 7.4 Contract Extensions: 7.4 (a) minor amendments to the wording to reflect consistency with the regulations, 7.4 (d) the requirement for the performance review to be satisfactory and inclusion of 7.4 (e) to ensure consistency with the Delegations DA-CPM Varying Contracts and Exercising Contract Extension Options.
 - 7.5 Contract Extensions under State of Emergency: minor amendment to ensure consistency with Delegation DA-CPM 06 Tenders for Goods and Services – Exempt Procurement.

- Section 9 Authorisations:
 - 9.1 (a) Purchasing Cards: includes the required for procedures
 - 9.1 (b) and (c) removal of CEO Purchasing Card to reflect current practises.
 - 9.3 Purchase order exemptions moved to this section and inclusion of additional purchase order exempt requirements.

Following final adoption of the Policy a new control suite (procedures, templates, forms and risk tool) will be developed including an education program, to ensure City Officers are aware of their obligations to undertake procurement in accordance with the Policy.

Regional Price Preference Policy

Part 4A of the Regulations enables a local government located outside of the metropolitan area to give a Regional Price Preference when assessing a tender. Any price preference must comply with the Regulations, including that a Policy must be adopted, following a period of public advertising.

The purpose of the proposed Regional Price Preference Policy (refer **Attachment 3.2**) is to promote, under the Regulations, local economic development through the provision of a price preference allowance to local suppliers when evaluating and awarding contracts under a tender process.

The Regional Price Preference Policy enables local suppliers that operate permanently within the district of the City of Mandurah local government municipal area to claim a Regional Price Preference for tenders. To encourage suppliers from outside of the Mandurah area to utilise local content, a price preference is also available where such businesses can demonstrate a commitment that some or all of the goods or services are to be supplied from local suppliers in Mandurah.

Whilst local businesses are able to claim the full discount under the Regional Price Preference, businesses outside of Mandurah claiming the Local Content Preference are required to detail their commitment. Where local content is not 100%, the discount will be proportioned based on the percentage of local content that is committed to the project.

A minor amendment has been made to correct the referencing to section one.

Statutory Environment

Section 2.7(2)(b) of the *Local Government Act 1995* prescribes that Council determine the local governments policies.

Local Government Act 1995

Part 4 of the *Local Government (Functions and General) Regulations 1996*

Policy Implications

These Policies form part of the Council Policy suite and will be published on the City's website.

Risk Implications

It is essential that procurement policies and procedures are regularly reviewed to ensure compliance with current legislation, reflect industry best practice and are maintaining relevance within the local government sector.

All procurement activity carries some risk and whilst documentation alone does not prevent fraudulent events happening, it plays an important role in raising officer awareness, improving accountability, ensuring procurement practices are conducted in an efficient and consistent manner and underpins officer training.

Financial Implications

The City spends approximately \$92 million each financial year on the works, good and services.

Strategic Implications

The following strategies from the City of Mandurah Strategic Community Plan 2020 – 2040 are relevant to this report:

Economic:

- Promote and foster investment aimed at stimulating sustainable economic growth.
- Facilitate and advocate for sustainable local job creation, and industry growth and diversification.
- Actively partner and engage with business and industry to support Mandurah's entrepreneurial capacity and capability.

Organisational Excellence:

- Demonstrate regional leadership and advocate for the needs of our community.
- Provide professional customer service, and engage our community in the decision-making process.
- Ensure the City has the capacity and capability to deliver quality services and facilities through accountable and transparent business practices.

Conclusion

Council is requested to adopt the amendments to the CPM-02 Council Procurement Policy and CPM-01 Regional Price Preference Policy.

NOTE:

- Refer **Attachment 3.1 CPM-02 Council Procurement Policy (amended with track changes)**
Attachment 3.2 CPM-02 Council Procurement Policy
Attachment 3.2 CPM-01 Regional Price Preference

RECOMMENDATION

That Council:

1. Adopt the amendments to CPM-02 Council Procurement Policy as per Attachment 3.2
2. Adopt the amendments to CPM-01 Regional Price Preference as per Attachment 3.3.



Procurement Policy

POL-CPM 02

ATTACHMENT 3.1

Objective:

The City of Mandurah (the City) is committed to delivering best practice in the procurement of goods, services and works that align with the principles of transparency, probity and good governance.

The Procurement Policy (Policy) is developed in accordance with the statutory obligations of the *Local Government Act 1995* (Act) and Part 4 of the *Local Government (Functions and General) Regulations 1996* (Regulations) in relation to procurement activities undertaken by ~~the City of Mandurah~~ (the City).

The Policy is directed at meeting the following objectives:

- Achieving 'value for money' with respect to all procurement activities;
- Ensuring that the City complies with all obligations under the Act and Regulations;
- Strengthening integrity and confidence in procurement systems and processes;
- Encourage effective competition with the supply of goods and services from local businesses;
- Ensuring that sustainable benefits, such as environmental, social and local economic factors are considered in the overall 'value for money' assessment;
- Mitigating probity risk by establishing consistent and demonstrated processes that promote transparency, probity and integrity, including the avoidance of bias and of perceived and actual conflicts of interest;
- Compliance with State Records Act 2000 and the City's Record Keeping Plan and procedures;
- Risks identified and managed within the City's Risk Management Framework; and
- Mitigating probity risk by establishing ~~C~~consistent, efficient and demonstrated accountable processes and decision-making in accordance with applicable policies and procedures. and training that promote transparency and fairness; and
~~Ensuring that procurement activities are conducted in a consistent and efficient manner in accordance with applicable policies and procedures.~~

Statement:

Procurement Policy

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1. APPLICABILITY

The policy applies to all procurement activities undertaken by City officers, appointed representatives and where applicable, contractors. For the purposes of the Policy, such persons will be referred to as employees.

2. PRINCIPLES OF PROCUREMENT

2.1 Ethics and Integrity

All employees of the City shall observe the highest standards of ethics and integrity in undertaking procurement activity and act in an honest and professional manner.

All employees of the City undertaking procurement activities must:

- a. Behave in accordance with legislation, City of Mandurah Code of Conduct for Employees, policies and procedures.
- a.b. Understand and observe the definitions of Misconduct and Serious Misconduct as defined in the *Corruption Crime and Misconduct Act 2003*.
- c. Report aAny actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed.
- d. Report any information about actual or potentially fraudulent, corrupt or illegal activities, including breaches of the City's Employee Code of Conduct.

2.2 Procurement Principles

The following principles underpin the City's procurement activities:

- a. All processes, evaluations and decisions shall be transparent, free from bias, merit based and fully documented in accordance with the Act and Regulations, applicable policies and procedures, and audit requirements.
- b. Accountability shall be taken for all procurement decisions, to ensure the efficient, effective and proper expenditure of public monies (achieving value for money), in accordance with the City's adopted budget.
- c. Procurement is to be carried out on a competitive basis in which all potential suppliers are treated impartially, honestly and consistently.
- a.d. Any information provided to the City by a supplier shall be treated as commercial-in confidence and should not be released unless authorised by the supplier or relevant legislation.

3. VALUE FOR MONEY

- a. Value for money is achieved through the critical assessment of price, risk, timeliness, environmental, social, economic and qualitative factors to determine the most advantageous supply outcome that contributes to the City achieving its strategic and operational objectives.
- b. The City will apply value for money principles when assessing purchasing decisions and acknowledges that the lowest price may not always be the most advantageous.

3.1 Assessing Value for Money

- a. The assessment of value for money is the result of open, competitive sourcing practices and critical assessment of factors such as:
 - i. All relevant whole-of-life costs and benefits. This should include transaction costs associated with acquisition, delivery, distribution, as well as other costs such as holding costs, consumables, maintenance and disposal;
 - ii. The technical merits of the goods and/or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality;
 - iii. Financial viability and capacity to supply without risk of default;
 - iv. Ensuring a sufficient number of offers have been obtained to enable robust price comparison wherever practicable;
 - v. The safety requirements associated with both the product design and specification offered by suppliers and the evaluation of risk when considering purchasing goods and/or services from suppliers; and
 - vi. A supplier's ability to demonstrate the sustainable benefits and positive local impact of the goods and services offered.

- b. The level of assessment undertaken is commensurate with the value, complexity, risk and sensitivity of the goods or services being procured.

4. SUSTAINABLE PROCUREMENT

Sustainable procurement is defined as the purchasing of goods and services that have less environmental and/or negative social impacts than competing products or services over the entire life cycle of a product.

The City is committed, where possible, to procuring goods and services:

- a. that are economical to own and operate;
- b. reduce waste and are energy efficient;
- c. cause the least damage to the environment;
- d. have been created or obtained using legally compliant practices (Corporate Social Responsibility);
- e. provide local businesses with commercial opportunity;
- f. improve employment opportunities for local people; and
- g. that encourage social advancement and benefits relating to special needs.

4.1 Local Content

- a. The City will:
 - i. wherever practical, invite local suppliers to quote, in accordance with this Policy;
 - ii. ensure procurement planning explores local business capability and opportunities for local content; and

- iii. consider buying practices, procedures and specifications that do not unfairly disadvantage local businesses.
- b. Local suppliers are defined as those businesses that operate permanently within the district of the City of Mandurah local government municipal area.

4.2 Engaging with Australian Disability Enterprises or Aboriginal Businesses

- a. The City encourages the use of Australian Disability Enterprises and Aboriginal owned businesses for the supply of goods and/or services where value for money assessments demonstrate benefits for the City achieving its objectives.
- b. Where the required number of quotes from \$5,000 up to \$250,000 cannot be obtained from similar disability enterprises or Aboriginal owned businesses, alternate means of verifying that the offer truly represents value for money should form part of the evaluation documentation and applicable Procedure.
- ~~c. When utilising tender exempt provisions for Aboriginal owned businesses the maximum procurement value permissible is \$250,000. Where a person is registered on the Aboriginal Business Directory WA or Australian Indigenous Minority Supplier Office Limited in accordance with regulation 11(h) of the Local Government (Functions and General) Regulations 1996, and consideration under the contract is \$250,000 or less and the City is satisfied the contract represents value for money, the tender does not have to be publicly invited.~~
- ~~d-c.~~

5. PROCUREMENT REQUIREMENTS

5.1 Anti-Avoidance

In accordance with regulation 12(1), procurement activities for the same goods or services should be aggregated into a single procurement activity to achieve the best value for money and efficiencies for the City. Multiple procurement activities, for the same goods or services, must not be conducted, with the intent (unintentional or otherwise) of separating (or splitting) the procurement over two or more purchase orders or contracts, so that the effect is to avoid a procurement threshold outlined in section 5.2

5.2 Legislative Requirements

The requirements that must be complied with by the City, including procurement thresholds and processes, are prescribed within the Regulations, this Policy and associated Procurement Procedures.

5.3 Existing Contracts

Where the City has an existing contract in place, employees must ensure that goods and services required are purchased under these contracts to the extent that the contract allows. Goods and/or services must be within scope of the existing contract and must not exceed the tender threshold unless specifically permissible. City Officers must refer to the City's Contracts Register in the first instance before seeking to obtain quotes and/or tenders.

5.4 Procurement Value Thresholds

- a. In determining the purchase value, the following considerations are to be taken into account:
 - i. All values are exclusive of GST; and

Procurement Policy

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- ii. The amount is the actual or expected value of a contract over the full contract period, including all options.
- b. The table below outlines the requirements that apply to the City's procurement activities. All procurement must be conducted in accordance with the City's Procurement Procedures and must be approved by an officer with the appropriate financial authorisation limits and/or delegation.

Monetary Threshold of the contract value, including extensions and options (exclusive of GST)	Process Required <u>Minimum Procurement Requirement</u>	Source
<p>Up to \$4,999</p> <p><u>Adhoc Purchase</u></p>	<p><u>Goods and services of a low risk and adhoc/occasional nature may be purchased in accordance with following minimum requirements.</u></p> <ul style="list-style-type: none"> • <u>Direct purchase from a supplier after obtaining at least one (1) oral-verbal or written quotation, in accordance with the Procurement Procedure - Goods and Services.</u> • <u>Minimum of one officer evaluating.</u> • <u>Record required information when entering requisition.</u> 	<p>Local supplier where practical. If no local supplier, seek one (1) quote through:</p> <ul style="list-style-type: none"> • <u>Western Australian Local Government Association (WALGA) Preferred Supplier Program (PSP); or</u> • <u>State Common User Arrangement (CUA); or</u> • <u>Australian Disability Enterprise; or</u> • <u>Aboriginal owned business; or</u> • <u>Open market.</u>
<p>\$5,000 to \$49,999</p> <p><u>Written Quotation</u></p>	<p><u>Goods and services of low to moderate risk may be purchased in accordance with the following minimum requirements:</u></p> <ul style="list-style-type: none"> • <u>Seek three (3) or more verbal or written quotations and (method dependent on risk and complexity) in accordance with the Procurement Procedure - Goods and Services. Obtain a minimum of two (2) written responses.</u> • <u>Minimum of one evaluation panel member.</u> • <u>Record written quotation approval form.</u> <p><u>If the goods or services are assessed at a high risk, the \$50,000 to \$99,999 process will apply.</u></p>	<p>Where practical a minimum of two (2) local suppliers to be invited along with open market suppliers.</p> <p>If no local suppliers, seek three (3) or more quotes through:</p> <ul style="list-style-type: none"> • <u>WALGA PSP; or</u> • <u>State CUA; or</u> • <u>Australian Disability Enterprise; or</u> • <u>Aboriginal owned business; or</u> • <u>Open market.</u>
<p>\$50,000 to \$149,999,999</p> <p><u>Written Quotations</u></p>	<p><u>Goods and services of a low to moderate risk may be purchased in accordance with the following minimum requirements:</u></p>	<p>Where practical a minimum of two (2) local suppliers to be invited along with open market suppliers.</p>

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	<ul style="list-style-type: none"> Formal Request for Quote in accordance with Procurement Procedure Goods and Services. Seek three (3) or more written formal quotations and obtain a minimum of two written (2) responses. <u>Minimum of two evaluation panel members.</u> <u>Record evaluation report.</u> <p><u>If the goods or services are assessed as a high risk, in addition to the above, a Long Form Contract will apply.</u></p>	<p>If no local suppliers, seek three (3) or more quotes through:</p> <ul style="list-style-type: none"> WALGA PSP; or State CUA; or Australian Disability Enterprise; or Aboriginal owned business; or Open market.
<p>\$150,000 <u>\$100,000 to \$249,999</u></p> <p><u>Formal Request for Quote</u></p>	<ul style="list-style-type: none"> Formal Request for Quote process, to be issued by Procurement Services in accordance with Procurement Procedure Goods and Services. Seek three (3) or more written formal quotations and obtain a minimum of two (2) responses. <u>Procurement planning is undertaken.</u> <u>Three evaluation panel members.</u> <u>Record evaluation report and memorandum to the relevant Director.</u> 	<p>Where practical a minimum of two (2) local suppliers to be invited along with open market suppliers.</p> <p>If no local suppliers, seek three (3) or more quotes through:</p> <ul style="list-style-type: none"> WALGA PSP; or State CUA; or Australian Disability Enterprises; or Aboriginal owned business; or Open market
<p><u>\$250,000 and above</u></p> <p><u>Public Tender</u></p>	<ul style="list-style-type: none"> Conduct a Public Tender process, to be issued by Governance Services Procurement Services in accordance with the Act and Regulations. <u>Procurement planning is undertaken.</u> Refer to Procurement Procedure Goods and Services. Where circumstances warrant, Governance Services may conduct a tender process for projects which are below the \$250,000 threshold (refer to section 5.3). Three evaluation panel members. <u>Record evaluation report and memorandum to CEO or Council.</u> 	<p>Public Open Tender</p>
<p><u>\$250,000 and above</u></p> <p><u>(Tender Exempt)</u></p>	<ul style="list-style-type: none"> Seek three (3) or more written Formal Request for Quote, to be issued by Governance Procurement Services, in accordance with reg 11(2). 	<ul style="list-style-type: none"> WALGA PSP; <u>or</u> State CUA; <u>or</u> Australian Disability Enterprise

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	<ul style="list-style-type: none">• <u>Seek three or more written formal quotations and obtain a minimum of two responses</u> <u>Obtain a minimum of two (2) written responses</u>, unless sole supply or supplier availability is limited i.e. only one supplier is represented under a panel arrangement.• <u>Procurement planning is undertaken.</u>• <u>Three evaluation panel members.</u>• <u>Record evaluation report and memorandum to the CEO.</u>	
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5-15.5 Limited response from marketConditions

- a. ~~Existing contracts held with the City must be considered first before sourcing from other suppliers. Goods and/or services must be within scope of the existing contract and must not exceed the tender threshold unless specifically permissible or procured through a City held Panel of Pre-qualified Suppliers (section 6).~~
- b. ~~Supply of goods or services must not commence until a purchase order has been issued, unless exempt from this requirement. A purchase order is unnecessary in the case of the following:~~
 - i. ~~Insurances;~~
 - ii. ~~Payments made through payroll;~~
 - iii. ~~Utilities (service and/or consumption charges/fees only);~~
 - iv. ~~Goods or services purchased through a purchasing card;~~
 - v. ~~Fees and payments that are statutory, this includes bank fees;~~
 - vi. ~~Other statutory damages, infringements and penalties;~~
 - vii. ~~Loan repayments;~~
 - viii. ~~Freight, postal charges and fuel cards;~~
 - ix. ~~Goods purchased from petty cash;~~
 - ~~Purchasing card payment requests;~~
 - x. ~~State or Federal Government agencies such as Landgate, Office of State Revenue, Western Australia Planning Commission, Environmental Protection Authority, Department of Commerce, Department Fire and Emergency Services.~~
- c. ~~All procurement activity must be carried out in accordance with the relevant Procurement Procedure as defined in section 5.~~
- d. ~~Restrictions exist on procuring IT hardware, software and licenses, office furniture and fittings — refer to the City's IT and Procurement Procedures.~~
- e.a. Where the stated number of minimum quotations to be obtained cannot be achieved due to:
 - i. limited responses (all thresholds); or
 - ii. lack of availability (tender exempt panel supply arrangements only i.e. WALGA or State CUA);

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the decision to continue with the evaluation and selection must be documented and clearly demonstrate the achievement of value for money.

5.25.6 Record Keeping

Communications, responses and documentation relating to procurement activity and approvals, regardless of value, must be recorded and retained in accordance with the *State Records Act 2000*, the Regulations (reg. 11A(3)(b) and 24AC(2)(e)), the City's Record Keeping Plan and applicable Procurement Procedures.

5.35.7 Requesting Tenders where value is less than Tender threshold

The City may elect to invite tenders in lieu of undertaking quotations for procurements under the tender threshold where it is considered appropriate and beneficial. This decision should be made after considering the commercial and probity benefits of this approach in comparison to cost and efficiency. Where a tender is called, the Regulations relating to tender requirements must be followed.

~~Anti-avoidance~~

~~Multiple procurement activities must not be entered into with the intent (inadvertent or otherwise) of "splitting" the purchase value to avoid a public tender being called (regulation 12 of the Regulations) or to avoid threshold quoting requirements under \$250,000.~~

5.55.8 Conflict of Interest

Actual or perceived interests are to be declared using the City's prescribed form. Where there is a perceived or actual conflict of interest in accordance with the Act, the Officer may be removed from any further procurement activity.

For purchases over \$5,000 employees must sign the applicable procurement threshold documentation relating to conflict of interests.

~~5.6 Terms and Conditions~~

~~City of Mandurah Standard Terms and Conditions will apply unless a formal contract has been used. Any terms and conditions that are required to be varied must be approved by Manager Governance Services.~~

5.75.9 Probity Advisors and Audit

The Chief Executive Officer (CEO) may appoint an organisation to undertake a probity audit of the tender process conducted, or parts thereof, if required. The CEO may appoint a probity advisor to observe or participate in the procurement process that will be conducted.

5.85.10 Education and Training

- a. The CEO is required to implement a procurement education and training program. This will include both induction and refresher training to be delivered on an annual basis.
- b. Employees who undertake procurement activities will be required to attend training on an annual basis.

b.c. Employees who participate on Formal Request for Quote and Tender evaluation panels are required to undertake probity and evaluation training prior to participating in the evaluation panel.

6 EXCEPTIONS TO PROCUREMENT REQUIREMENTS

6.1 Tender Exempt Supply Arrangements

- a. Procurements activities above tender threshold, sourced through tender exempt supply arrangements, must be in accordance with the Regulations and the City's Policies and Procedures. These are set out in regulation 11(2) of the Regulations and include:
 - i. pre-qualified suppliers under the WALGA PSP [\[r.11\(2\)\(b\)\]](#); or
 - ii. suppliers under State Government CUA [\[r.11\(2\)\(e\)\]](#); or
 - iii. suppliers on a Panel of Pre-qualified Suppliers established by the City [\[r.11\(2\)\(k\)\]](#); or
 - iv. a Regional Local Government or another Local Government; or
 - v. an Australian Disability Enterprise and where the procurement represents value for money [\[r.11\(2\)\(i\)\]](#); or
 - vi. where the contract is for petrol, oil, or other liquid or gas used for internal combustion engines [\[r.11\(2\)\(g\)\]](#); or
 - vii. where the supply of goods or services is to be obtained from expenditure authorised in a local emergency under 6.8 (1)(c) of the Act [\[r.11\(2\)\(a\)\]](#); or
 - viii. the supply of the goods or services associated with a State of Emergency in accordance with 11 (2)(aa), (ja) and (3) of the Regulations; or
 - ix. procurements covered by any other exclusion under regulation 11 of the Regulations.

~~6.2 Use of Tender Exempt Suppliers under \$250,000~~

~~a. Procurements valued under \$250,000 may be sourced from suppliers through the above tender exempt arrangements. Quotes should only be sourced from a single panel arrangement on each occasion i.e. PSP or a CUA. Written records of the justification and the approval obtained must be recorded in accordance with Procurement Procedures.~~

~~6.36.2 Goods and/or Services required in an Emergency (Local or State)~~

- a. An "emergency" is defined in the *Emergency Management Act 2005* is "the occurrence or imminent occurrence of a hazard which is of such a nature or magnitude that it requires a significant and coordinated response". Section 6.8(1)(c) of the Act makes provisions for unbudgeted expenditure in a local emergency to be incurred if approved in advance by the Mayor. Regulations 11 (2)(aa),(j) makes provisions where a State of Emergency is declared.
- ~~b. The City's Procurement Procedures provides further information when expenditure is within budget or where a State of Emergency has been declared.~~
- ~~e.b. A State of Emergency applies when it is declared under the *Emergency Management Act 2005*.~~
- ~~e.c. The City's own contracts or WALGA's Hazardous and Emergency Event Services PSP should be used wherever possible. The City's Procedures make provision for services that are required urgently or out of hours.~~

~~6.46.3 Sole Source of Supply Unique Nature of Supply~~

- a. Goods and/or services of a unique nature that can only be supplied from one supplier may be procured using a formal quotation process. [This is only permitted in circumstances where the City is satisfied and can evidence that there is only one source of supply for those goods, services or works.](#) Sufficient market testing and investigation of alternative sources of supply must be demonstrated and evidence documented.
- a-b. Once determined, the justification must be endorsed by the relevant Director or Chief Executive Officer (dependant on the value), prior to a contract being entered into.
- b-c. The City Officer must ensure compliance with the City's Procurement Procedures, ~~detail the requirements for procurements under \$250,000.~~
- e. The application of the provision of sole source of supply must only occur in limited circumstances with procurement experience indicating that generally more than one supplier is able to be found to provide the requirements of the specification.

6-56.4 Waiver of Quotation Requirements under ~~\$250,000~~ [\\$250,000](#) (Exceptional Circumstances)

Where it is not practical, a ~~A~~ waiver to seek the required number of quotes (for budgeted expenditure), may be granted at the sole discretion of the CEO and/or Directors ([dependant on the value](#)). Written records of the justification and the approval obtained must be recorded [in line with the City's Procurement Procedures](#).

Time constraints, poor planning, administrative omissions and errors do not justify a purchase under a Waiver. Every effort must be made to research and anticipate purchasing requirements in advance to allow sufficient time for planning and scoping proposed purchases and then obtain quotes or tenders, as applicable.

All waivers exercised by the CEO and Directors are to be captured in the City's Waiver of Quotation Register.

7 CONTRACT MANAGEMENT

7.1 Contract Management

All City contracts will be proactively managed during their lifecycle by the responsible City officer to ensure the City receives value for money and to enforce performance against the contract.

The Procurement team are responsible for the administration and maintenance of the City's contract management system. All goods and service contracts valued \$100,000 (excluding GST) and above will be maintained in the contract management system.

6-67.2 Minor Variations

- a. In accordance with regulation 20 of the Regulations, a minor variation may be made to a contract following a tender process, by the City, prior to the City and the preferred tenderer formalising the contract.
- b. A minor variation is required to meet the following conditions:
 - i. Does not alter the nature of the goods and/or services procured; and
 - ii. Does not materially alter the scope provided in the initial tender; and
 - iii. Amount to less than 10% of the original contract price or up to a maximum of ~~\$3~~ [\\$400,000.00](#) whichever is the lesser; and
 - iv. Does not alter the decision to award the tender to the preferred tenderer.

- c. If the variation does not meet the conditions, then the variation must be presented to Council for consideration.
- d. The above conditions also apply to procurements under \$250,000 and are required to be undertaken in accordance with relevant Procedures.
- e. All decisions regarding minor variations must be documented and recorded in accordance with Delegated Authority (where applicable).

6.77.3 Variation after Contract Commencement

- a. If the City has entered into a contract for the supply of goods and/or services with a successful tenderer, in accordance with regulation 21A of the Regulations, the contract must not be varied unless:
 - i. the variation is necessary in order for the goods and/or services to be supplied; and does not change the scope of the contract; or
 - ii. the variation is a renewal or extension of the term of the contract as described in regulation 11 (2)(j); and
 - iii. The variation is within the budget allocated for the project.
- b. Consideration must be given to the original procurement process conducted and whether the combined value of the original price, any subsequent variations and proposed variation (which includes term extensions) would have resulted in a different procurement process being undertaken due to the increased expenditure.
- c. All contract variations are to be recorded and supported by adequate documentation describing the nature and reasons for the variations, including the associated cost, time and scope implications.
- d. Contract variations are to be approved in accordance with the authorisation limits as per section 9 of this policy and Delegated Authority (where applicable).
- e. These conditions also apply to contracts valued under \$250,000 and are required to be undertaken in accordance with relevant Procedures.

6.87.4 Contract Extensions

A contract extension is not permitted unless:

- a. The original invitation contained provisions for a renewal or extension of the contract; and
- a.b. Contracts are extended only if the original contract includes an extension option as per 5.6 above (unless State of Emergency provisions apply refer section 7.5 of this Policy); and
- b.c. For continuity of service provision, the contract extension must be approved before the expiration date of the original contract or previously extended term; and
- d. There must be documented evidence that the of satisfactory contractor performance has been assessed before the contract extension is approved; and
- e. Extension being on the same terms and conditions as the last year of the original term but does allow for price increases in line with the contract provisions (if any) for price.
- e.

Contract extensions are approved in accordance with the authorisation limits as per section 9 of this policy and Delegated Authority (where applicable).

6.97.5 Contract Extensions under State of Emergency

A variation to the term of a contract is not permitted, as per regulation 11(2)(ja), unless:

- a. The City has an existing contract for the required goods or services; and
- b. The existing contract expires within 3 months; and
- c. The extension is for a term of not more than 12 months from the expiry of the existing contract; and
- d. The contract extension is entered into at a time when there is in force a state of emergency declaration applying to the City; and
- ~~e.~~ The procurement is included in Council's annual budget; and
- ~~f.~~ There must be documented evidence that the contractor performance has been assessed before the contract extension is approved.

Contract extensions are approved in accordance with the authorisation limits as per section 9 of this policy and Delegated Authority (where applicable).

6.107.6 Contract Expiry

Prior to the expiry of the original contract, and after any options for renewal or extension included in the original contract have been exercised, the City is required to review the purchasing requirements and commence a new competitive purchasing process in accordance with this Policy.

78 PANELS OF PRE-QUALIFIED SUPPLIERS

Where there is a continuing need for a particular type of goods and/or services to be supplied, the City may determine it is beneficial to do so by means of a Panel of Pre-Qualified Suppliers (PQS's). The creation and operation of a PQS must be undertaken in accordance with Part 4, Division 3 of the Regulations.

7.18.1 Establishing a Panel

- a. State-wide public notice of the invitation to apply to join a PQS is required;
- b. PQS may be established for one supply requirement, or a number of similar supply requirements under defined categories;
- c. Each Request for Application (RFA) issued will describe further the supply type, how the PQS will operate and the minimum number of suppliers to be maintained;
- d. Evaluation criteria will be pre-determined;
- e. Suppliers appointed to a panel as members will be subject to the City's panel terms;
- f. The Regional Price Preference Council Policy may be applied when assessing applications to join a PQS.

7.28.2 Procuring from the Panel

Procuring from PQS will be outlined in detail in the RFA but in general will be undertaken as follows:

- a. Each panel member will be requested to quote for each item of work under the panel unless the panel is operating using a ranking system (see (b)). Quotes received will be assessed using pre-determined evaluation criteria to evaluate each quote.
- b. Where panel members are ranked, prices may be fixed by means of a pricing schedule or through a quotation on each occasion. The City will invite the highest ranked panel member, who will accept or decline the request. If declined, the next ranked panel member will be invited and so forth until a panel member accepts a Contract.
- c. The City may award any quantity of work to any member on the basis of their quote or any other pre-determined criteria stated in the RFA.
- d. Award of work shall be evidenced by an official Purchase Order, which will represent the “contract”, governed by the panel terms.
- e. Contracts issued must not be formed for the supply of goods and/or services for a term exceeding 12 months nor contain an option to renew or extend its term.

7.38.3 Distributing work amongst panel members

Unless otherwise specified in the RFA, when considering the distribution of work amongst panel members the City will generally take into account such factors as:

- a. accepted pricing schedule or price;
- b. value for money considerations;
- c. ranking (if applicable);
- d. performance during the term of the Panel;
- e. equipment, plant, or capability relative to the particular item of work;
- f. response time and/or availability;
- g. vicinity to the work location;
- h. ability to provide speciality products or services; or
- i. ability to respond to the quote request within the specified timeframe.

7.48.4 Panel Communication

To ensure clear, consistent, and regular communication between all parties to a panel, the City will allocate to each panel a dedicated contact person for the term of the panel. A communication plan will be developed by the contact person which will include a requirement for scheduled performance review meetings with the City.

7.58.5 Record Keeping Requirements for Panels

Each quotation process, including the invitation to quote, communications with panel members, quotations received, evaluation of quotes and award notifications must be captured in the City's electronic records system in a separate file, attached to a nominated electronic quotation system (if available) or to the applicable purchase order in the City's financial software system. Purchase orders raised must reference the PQS reference number for the purposes of monitoring expenditure.

89 AUTHORISATION

- a. The following positions are authorised to approve and issue purchase orders or otherwise procure in accordance with this policy, subject to:

- i) the general authorisation limits set out in the table below; and
- ii) the individual position financial limits set out in the Authorisation Limit Listing:

POSITION	AUTHORISATION LIMIT (exclusive of GST)
CEO	Unlimited (Excluding the acceptance of Tenders)
Director	As determined by the CEO
Executive Manager / Manager	Up to \$50,000
Coordinator / Supervisor	\$15,000 to \$40,000
Other Staff	Up to \$5,000

- b. The conditions of approving purchase requisitions and orders is in accordance with the City's Policies and Procedures and purchases must be within the approved budget adopted by Council. The Authorisation Limit is the value of the contract, inclusive of extensions, variations and options (exclusive of GST).
- c. An employee cannot exceed their financial authorisation as set out in the Authorisation Limit Listing unless specifically authorised in writing by the CEO i.e. under periods of higher duties. The City's Authorisation Limit Listing, and relevant Policy apply.
- d. The Authorisations Limit Listing is subject to review and approval by the CEO, such review to occur annually or as otherwise required.

8-19.1 Purchasing Cards

- a. The CEO ~~will develop~~must have Procedures for the authorisation and payment of accounts to ensure there is effective security and appropriate authorisations in place for the use of purchasing cards.
- ~~b. Council approves that the CEO has a purchasing card of a monthly limit of \$20,000 and a maximum transaction limit of \$10,000.~~
- ~~c. The Mayor will approve the CEO purchasing card on a monthly basis.~~
- ~~d.~~b. The CEO will authorise the issue of purchase cards to other City officers following applicable procedures.

8-29.2 Petty Cash

- a. Petty cash transactions under \$50 are to be authorised by Managers in accordance with City's Procedure.

9.3 Purchase Orders

- b. Supply of goods or services must not commence until a purchase order has been issued, unless exempt from this requirement. A purchase order is unnecessary in the case of the following:
 - i. Insurances;
 - ii. Payments made through payroll;
 - iii. Utilities (service and/or consumption charges/fees only);
 - iv. Goods or services purchased through a purchasing card;

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- v. Fees and payments that are statutory, this includes bank fees;
 - vi. Other statutory damages, infringements and penalties;
 - vii. Loan repayments;
 - viii. Freight, postal charges and fuel cards;
 - ix. Goods purchased from petty cash;
 - x. Purchasing card payment requests;
 - xi. Australia Post commissions;
 - xii. State or Federal Government agencies such as Landgate, Office of State Revenue, Western Australia Planning Commission, Environmental Protection Authority, Department of Commerce, Department Fire and Emergency Services.
- c. All procurement of IT hardware, software and licenses, office furniture and fittings must be approved by the IT or building maintenance team before commencement – refer to the relevant Procedures.

910 POLICY NON-COMPLIANCE

- a. Procurement activities are subject to financial and performance audits to review compliance with legislative requirements and the City's Policies and Procedures. Failure to comply with the requirements of this Policy or prescribed processes will be subject to investigation, with findings to be considered in context of the employees training, experience, seniority and reasonable expectations of the performance of their role.
- b. Where a breach is substantiated it may be treated as:
 - i. an opportunity for additional training to be provided;
 - ii. a disciplinary matter, which may or may not be subject to reporting requirements under the *Public Sector Management Act 1994*;
 - iii. misconduct in accordance with the *Corruption, Crime and Misconduct Act 2003*.

Legislative Context

Local Government Act 1995

Local Government (Functions and General) Regulations 1996 - Part 4

Responsible Directorate: Business Services

Responsible Department: Procurement

Reviewer: [Executive Manager Governance Services, Procurement and Land](#)

Creation date and reference: Minute G.28/3/07, 20 March 2007

Last Review: Minute G.12/10/20, 27 October 2020

Amendments			
Version #	Council Approval Date, Reference	Date Document In force	Date Document Ceased
2	Minute G.37/5/12	23/05/2012	24/07/2012

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3	Minute G.28/7/12	25/07/2012	24/09/2013
4	Minute G.36/9/13	25/09/2013	24/02/2015
5	Minute G.35/2/15	25/02/2015	23/07/2019
6	Minute G.10/7/19	24/07/2019	25/02/2020
7	Minute G.17/2/20	26/02/2020	12/05/2020
8	Minute SP.5/5/20	23/05/2020	27/10/2020
9	Minute G.12/10/20	27/10/2020	-

Objective:

The City of Mandurah (the City) is committed to delivering best practice in the procurement of goods, services and works that align with the principles of transparency, probity and good governance.

The Procurement Policy (Policy) is developed in accordance with the statutory obligations of the *Local Government Act 1995* (Act) and Part 4 of the *Local Government (Functions and General) Regulations 1996* (Regulations) in relation to procurement activities undertaken by the City.

The Policy is directed at meeting the following objectives:

- Achieving 'value for money' with respect to all procurement activities;
- Ensuring that the City complies with all obligations under the Act and Regulations;
- Strengthening integrity and confidence in procurement systems and processes;
- Encourage effective competition with the supply of goods and services from local businesses;
- Ensuring that sustainable benefits, such as environmental, social and local economic factors are considered in the overall 'value for money' assessment;
- Mitigating probity risk by establishing consistent and demonstrated processes that promote transparency, probity and integrity, including the avoidance of bias and of perceived and actual conflicts of interest;
- Compliance with *State Records Act 2000* and the City's Record Keeping Plan and procedures;
- Risks identified and managed within the City's Risk Management Framework; and
- Consistent, efficient and accountable processes and decision-making in accordance with applicable policies and procedures.

Statement:

1. APPLICABILITY

This Policy applies to all procurement activities undertaken by City Officers, appointed representatives and where applicable, contractors. For the purposes of the Policy, such persons will be referred to as employees.

2. PRINCIPLES OF PROCUREMENT

2.1 Ethics and Integrity

All employees of the City shall observe the highest standards of ethics and integrity in undertaking procurement activity and act in an honest and professional manner.

All employees of the City undertaking procurement activities must:

- a. Behave in accordance with legislation, City of Mandurah Code of Conduct for Employees, policies and procedures.
- b. Understand and observe the definitions of Misconduct and Serious Misconduct as defined in the *Corruption Crime and Misconduct Act 2003*.

- c. Report any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed.
- d. Report any information about actual or potentially fraudulent, corrupt or illegal activities, including breaches of the City's Employee Code of Conduct.

2.2 Procurement Principles

The following principles underpin the City's procurement activities:

- a. All processes, evaluations and decisions shall be transparent, free from bias, merit based and fully documented in accordance with the Act and Regulations, applicable policies and procedures, and audit requirements.
- b. Accountability shall be taken for all procurement decisions, to ensure the efficient, effective and proper expenditure of public monies (achieving value for money), in accordance with the City's adopted budget.
- c. Procurement is to be carried out on a competitive basis in which all potential suppliers are treated impartially, honestly and consistently.
- d. Any information provided to the City by a supplier shall be treated as commercial-in confidence and should not be released unless authorised by the supplier or relevant legislation.

3. VALUE FOR MONEY

- a. Value for money is achieved through the critical assessment of price, risk, timeliness, environmental, social, economic and qualitative factors to determine the most advantageous supply outcome that contributes to the City achieving its strategic and operational objectives.
- b. The City will apply value for money principles when assessing purchasing decisions and acknowledges that the lowest price may not always be the most advantageous.

3.1 Assessing Value for Money

- a. The assessment of value for money is the result of open, competitive sourcing practices and critical assessment of factors such as:
 - i. All relevant whole-of-life costs and benefits. This should include transaction costs associated with acquisition, delivery, distribution, as well as other costs such as holding costs, consumables, maintenance and disposal;
 - ii. The technical merits of the goods and/or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality;
 - iii. Financial viability and capacity to supply without risk of default;
 - iv. Ensuring a sufficient number of offers have been obtained to enable robust price comparison wherever practicable;
 - v. The safety requirements associated with both the product design and specification offered by suppliers and the evaluation of risk when considering purchasing goods and/or services from suppliers; and
 - vi. A supplier's ability to demonstrate the sustainable benefits and positive local impact of the goods and services offered.

- b. The level of assessment undertaken is commensurate with the value, complexity, risk and sensitivity of the goods or services being procured.

4. SUSTAINABLE PROCUREMENT

Sustainable procurement is defined as the purchasing of goods and services that have less environmental and/or negative social impacts than competing products or services over the entire life cycle of a product.

The City is committed, where possible, to procuring goods and services:

- a. that are economical to own and operate;
- b. reduce waste and are energy efficient;
- c. cause the least damage to the environment;
- d. have been created or obtained using legally compliant practices (Corporate Social Responsibility);
- e. provide local businesses with commercial opportunity;
- f. improve employment opportunities for local people; and
- g. that encourage social advancement and benefits relating to special needs.

4.1 Local Content

- a. The City will:
 - i. wherever practical, invite local suppliers to quote, in accordance with this Policy;
 - ii. ensure procurement planning explores local business capability and opportunities for local content; and
 - iii. consider buying practices, procedures and specifications that do not unfairly disadvantage local businesses.
- b. Local suppliers are defined as those businesses that operate permanently within the district of the City of Mandurah local government municipal area.

4.2 Engaging with Australian Disability Enterprises or Aboriginal Businesses

- a. The City encourages the use of Australian Disability Enterprises and Aboriginal owned businesses for the supply of goods and/or services where value for money assessments demonstrate benefits for the City achieving its objectives.
- b. Where the required number of quotes from \$5,000 up to \$250,000 cannot be obtained from similar disability enterprises or Aboriginal owned businesses, alternate means of verifying that the offer truly represents value for money should form part of the evaluation documentation and applicable Procedure.
- c. Where a person is registered on the Aboriginal Business Directory WA or Australian Indigenous Minority Supplier Office Limited in accordance with regulation 11(h) of the *Local Government (Functions and General) Regulations 1996*, and consideration under the contract is \$250,000 or less and the City is satisfied the contract represents value for money, the tender does not have to be publicly invited.

5. PROCUREMENT REQUIREMENTS

5.1 Anti-Avoidance

In accordance with regulation 12(1), procurement activities for the same goods or services should be aggregated into a single procurement activity to achieve the best value for money and efficiencies for the City. Multiple procurement activities, for the same goods or services, must not be conducted, with the intent (unintentional or otherwise) of separating (or splitting) the procurement over two or more purchase orders or contracts, so that the effect is to avoid a procurement threshold outlined in section 5.2

5.2 Legislative Requirements

The requirements that must be complied with by the City, including procurement thresholds and processes, are prescribed within the Regulations, this Policy and associated Procurement Procedures.

5.3 Existing Contracts

Where the City has an existing contract in place, employees must ensure that goods and services required are purchased under these contracts to the extent that the contract allows. Goods and/or services must be within scope of the existing contract and must not exceed the tender threshold unless specifically permissible. City Officers must refer to the City's Contracts Register in the first instance before seeking to obtain quotes and/or tenders.

5.4 Procurement Value Thresholds

- a. In determining the purchase value, the following considerations are to be taken into account:
 - i. All values are exclusive of GST; and
 - ii. The amount is the actual or expected value of a contract over the full contract period, including all options.
- b. The table below outlines the requirements that apply to the City's procurement activities. All procurement must be conducted in accordance with the City's Procurement Procedures and must be approved by an officer with the appropriate financial authorisation limits and/or delegation.

Monetary Threshold of the contract value, including extensions and options (exclusive of GST)	Minimum Procurement Requirement	Source
<p>Up to \$4,999</p> <p>Adhoc Purchase</p>	<p>Goods and services of a low risk and adhoc/occasional nature may be purchased in accordance with following minimum requirements.</p> <ul style="list-style-type: none"> • Direct purchase from a supplier after obtaining at least one verbal or written quotation. • Minimum of one officer evaluating. • Record required information when entering requisition. 	<p>Local supplier where practical.</p> <p>If no local supplier, seek one quote through:</p> <ul style="list-style-type: none"> • Western Australian Local Government Association (WALGA) Preferred Supplier Program (PSP); or • State Common User Arrangement (CUA); or

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		<ul style="list-style-type: none"> • Australian Disability Enterprise; or • Aboriginal owned business; or • Open market.
<p>\$5,000 to \$49,999</p> <p>Written Quotation</p>	<p>Goods and services of low to moderate risk may be purchased in accordance with the following minimum requirements:</p> <ul style="list-style-type: none"> • Seek three or more written quotations and obtain a minimum of two written responses. • Minimum of one evaluation panel member. • Record written quotation approval form. <p>If the goods or services are assessed at a high risk, the \$50,000 to \$99,999 process will apply.</p>	<p>Where practical a minimum of two local suppliers to be invited along with open market suppliers.</p> <p>If no local suppliers, seek three or more quotes through:</p> <ul style="list-style-type: none"> • WALGA PSP; or • State CUA; or • Australian Disability Enterprise; or • Aboriginal owned business; or • Open market.
<p>\$50,000 to \$99,999</p>	<p>Goods and services of a low to moderate risk may be purchased in accordance with the following minimum requirements:</p> <ul style="list-style-type: none"> • Seek three or more written quotations and obtain a minimum of two written responses. • Minimum of two evaluation panel members. • Record evaluation report. <p>If the goods or services are assessed as a high risk, in addition to the above, a Long Form Contract will apply.</p>	<p>Where practical a minimum of two local suppliers to be invited along with open market suppliers.</p> <p>If no local suppliers, seek three or more quotes through:</p> <ul style="list-style-type: none"> • WALGA PSP; or • State CUA; or • Australian Disability Enterprise; or • Aboriginal owned business; or • Open market.
<p>\$100,000 to \$249,999</p> <p>Formal Request for Quote</p>	<ul style="list-style-type: none"> • Formal Request for Quote process, to be issued by Procurement Services. • Seek three or more written formal quotations and obtain a minimum of two responses. • Procurement planning is undertaken. • Three evaluation panel members. • Record evaluation report and memorandum to the relevant Director. 	<p>Where practical a minimum of two local suppliers to be invited along with open market suppliers.</p> <p>If no local suppliers, seek three or more quotes through:</p> <ul style="list-style-type: none"> • WALGA PSP; or • State CUA; or • Australian Disability Enterprises; or • Aboriginal owned business; or • Open market
<p>\$250,000 and above</p> <p>Public Tender</p>	<ul style="list-style-type: none"> • Conduct a Public Tender process, to be issued by Procurement Services in accordance with the Act and Regulations. 	<p>Public Open Tender</p>

	<ul style="list-style-type: none"> • Procurement planning is undertaken. • Record evaluation report and memorandum to CEO or Council. 	
<p>\$250,000 and above</p> <p>Tender Exempt</p>	<ul style="list-style-type: none"> • Formal Request for Quote, to be issued by Procurement Services, in accordance with reg 11(2). • Seek three or more written formal quotations and obtain a minimum of two responses, unless sole supply or supplier availability is limited i.e. only one supplier is represented under a panel arrangement. • Procurement planning is undertaken. • Three evaluation panel members. • Record evaluation report and memorandum to the CEO. 	<ul style="list-style-type: none"> • WALGA PSP; or • State CUA; or • Australian Disability Enterprise.

5.5 Limited response from market

- a. Where the stated number of minimum quotations to be obtained cannot be achieved due to:
 - i. limited responses (all thresholds); or
 - ii. lack of availability (tender exempt panel supply arrangements only i.e. WALGA or State CUA);

the decision to continue with the evaluation and selection must be documented and clearly demonstrate the achievement of value for money.

5.6 Record Keeping

Communications, responses and documentation relating to procurement activity and approvals, regardless of value, must be recorded and retained in accordance with the *State Records Act 2000*, the Regulations (reg. 11A(3)(b) and 24AC(2)(e)), the City's Record Keeping Plan and applicable Procurement Procedures.

5.7 Requesting Tenders where value is less than Tender threshold

The City may elect to invite tenders in lieu of undertaking quotations for procurements under the tender threshold where it is considered appropriate and beneficial. This decision should be made after considering the commercial and probity benefits of this approach in comparison to cost and efficiency. Where a tender is called, the Regulations relating to tender requirements must be followed.

5.8 Conflict of Interest

Actual or perceived interests are to be declared using the City's prescribed form. Where there is a perceived or actual conflict of interest in accordance with the Act, the Officer may be removed from any further procurement activity.

For purchases over \$5,000 employees must sign the applicable procurement threshold documentation relating to conflict of interests.

5.9 Probity Advisors and Audit

The Chief Executive Officer (CEO) may appoint an organisation to undertake a probity audit of the tender process conducted, or parts thereof, if required. The CEO may appoint a probity advisor to observe or participate in the procurement process that will be conducted.

5.10 Education and Training

- a. The CEO is required to implement a procurement education and training program. This will include both induction and refresher training to be delivered on an annual basis.
- b. Employees who undertake procurement activities will be required to attend training on an annual basis.
- c. Employees who participate on Formal Request for Quote and Tender evaluation panels are required to undertake probity and evaluation training prior to participating in the evaluation panel.

6 EXCEPTIONS TO PROCUREMENT REQUIREMENTS

6.1 Tender Exempt Supply Arrangements

- a. Procurements activities above tender threshold, sourced through tender exempt supply arrangements, must be in accordance with the Regulations and the City's Policies and Procedures. These are set out in regulation 11(2) of the Regulations and include:
 - i. pre-qualified suppliers under the WALGA PSP [r.11(2)(b)]; or
 - ii. suppliers under State Government CUA [r.11(2)(e)];or
 - iii. suppliers on a Panel of Pre-qualified Suppliers established by the City [r.11(2)(k)];or
 - iv. a Regional Local Government or another Local Government; or
 - v. an Australian Disability Enterprise and where the procurement represents value for money [r.11(2)(i)]; or
 - vi. where the contract is for petrol, oil, or other liquid or gas used for internal combustion engines [r.11(2)(g)]; or
 - vii. where the supply of goods or services is to be obtained from expenditure authorised in a local emergency under 6.8 (1)(c) of the Act [r.11(2)(a)];or
 - viii. the supply of the goods or services associated with a State of Emergency in accordance with 11 (2)(aa), (ja) and (3) of the Regulations; or
 - ix. procurements covered by any other exclusion under regulation 11 of the Regulations.

6.2 Goods and/or Services required in an Emergency (Local or State)

- a. An "emergency" is defined in the *Emergency Management Act 2005* is "the occurrence or imminent occurrence of a hazard which is of such a nature or magnitude that it requires a significant and coordinated response". Section 6.8(1)(c) of the Act makes provisions for unbudgeted expenditure in a local emergency to be incurred if approved in advance by the Mayor. Regulations 11 (2)(aa),(j) makes provisions where a State of Emergency is declared.

- b. A State of Emergency applies when it is declared under the *Emergency Management Act 2005*.
- c. The City's own contracts or WALGA's Hazardous and Emergency Event Services PSP should be used wherever possible. The City's Procedures make provision for services that are required urgently or out of hours.

6.3 Unique Nature of Supply

- a. Goods and/or services of a unique nature that can only be supplied from one supplier may be procured using a formal quotation process. This is only permitted in circumstances where the City is satisfied and can evidence that there is only one source of supply for those goods, services or works. Sufficient market testing and investigation of alternative sources of supply must be demonstrated and evidence documented.
- b. Once determined, the justification must be endorsed by the relevant Director or Chief Executive Officer (dependant on the value), prior to a contract being entered into.
- c. City Officer must ensure compliance with the City's Procurement Procedures.

6.4 Waiver of Quotation Requirements under \$249,999 (Exceptional Circumstances)

Where it is not practical, a waiver to seek the required number of quotes (for budgeted expenditure), may be granted at the sole discretion of the CEO and/or Directors (dependant on the value). Written records of the justification and the approval obtained must be recorded in line with the City's Procurement Procedures.

Time constraints, poor planning, administrative omissions and errors do not justify a purchase under a Waiver. Every effort must be made to research and anticipate purchasing requirements in advance to allow sufficient time for planning and scoping proposed purchases and then obtain quotes or tenders, as applicable.

All waivers exercised by the CEO and Directors are to be captured in the City's Waiver of Quotation Register.

7 CONTRACT MANAGEMENT

7.1 Contract Management

All City contracts will be proactively managed during their lifecycle by the responsible City Officer to ensure the City receives value for money and to enforce performance against the contract.

The Procurement team are responsible for the administration and maintenance of the City's contract management system. All goods and service contracts valued \$100,000 (excluding GST) and above will be maintained in the contract management system.

7.2 Minor Variations

- a. In accordance with regulation 20 of the Regulations, a minor variation may be made to a contract following a tender process, by the City, prior to the City and the preferred tenderer formalising the contract.
- b. A minor variation is required to meet the following conditions:
 - i. Does not alter the nature of the goods and/or services procured; and
 - ii. Does not materially alter the scope provided in the initial tender; and

- iii. Amount to less than 10% of the original contract price or up to a maximum of \$300,000.00 whichever is the lesser; and
 - iv. Does not alter the decision to award the tender to the preferred tenderer.
- c. If the variation does not meet the conditions, then the variation must be presented to Council for consideration.
- d. The above conditions also apply to procurements under \$250,000 and are required to be undertaken in accordance with relevant Procedures.
- e. All decisions regarding minor variations must be documented and recorded in accordance with Delegated Authority (where applicable).

7.3 Variation after Contract Commencement

- a. If the City has entered into a contract for the supply of goods and/or services with a successful tenderer, in accordance with regulation 21A of the Regulations, the contract must not be varied unless:
 - i. the variation is necessary in order for the goods and/or services to be supplied; and does not change the scope of the contract; or
 - ii. the variation is a renewal or extension of the term of the contract as described in regulation 11 (2)(j); and
 - iii. The variation is within the budget allocated for the project.
- b. Consideration must be given to the original procurement process conducted and whether the combined value of the original price, any subsequent variations and proposed variation (which includes term extensions) would have resulted in a different procurement process being undertaken due to the increased expenditure.
- c. All contract variations are to be recorded and supported by adequate documentation describing the nature and reasons for the variations, including the associated cost, time and scope implications.
- d. Contract variations are to be approved in accordance with the authorisation limits as per section 9 of this policy and Delegated Authority (where applicable).
- e. These conditions also apply to contracts valued under \$250,000 and are required to be undertaken in accordance with relevant Procedures.

7.4 Contract Extensions

A contract extension is not permitted unless:

- a. The original invitation contained provisions for a renewal or extension of the contract; and
- b. The original contract includes an extension option (unless State of Emergency provisions apply refer section 7.5 of this Policy); and
- c. For continuity of service provision, the contract extension must be approved before the expiration date of the original contract or previously extended term; and
- d. There must be documented evidence of satisfactory contractor performance before the contract extension is approved; and
- e. Extension being on the same terms and conditions as the last year of the original term but does allow for price increases in line with the contract provisions (if any) for price.

Contract extensions are approved in accordance with the authorisation limits as per section 9 of this policy and Delegated Authority (where applicable).

7.5 Contract Extensions under State of Emergency

A variation to the term of a contract is not permitted, as per regulation 11(2)(ja), unless:

- a. The City has an existing contract for the required goods or services; and
- b. The existing contract expires within 3 months; and
- c. The extension is for a term of not more than 12 months from the expiry of the existing contract; and
- d. The contract extension is entered into at a time when there is in force a state of emergency declaration applying to the City; and
- e. The procurement is included in Council's annual budget; and
- f. There must be documented evidence that the contractor performance has been assessed before the contract extension is approved.

Contract extensions are approved in accordance with the authorisation limits as per section 9 of this policy and Delegated Authority (where applicable).

7.6 Contract Expiry

Prior to the expiry of the original contract, and after any options for renewal or extension included in the original contract have been exercised, the City is required to review the purchasing requirements and commence a new competitive purchasing process in accordance with this Policy.

8 PANELS OF PRE-QUALIFIED SUPPLIERS

Where there is a continuing need for a particular type of goods and/or services to be supplied, the City may determine it is beneficial to do so by means of a Panel of Pre-Qualified Suppliers (PQS's). The creation and operation of a PQS must be undertaken in accordance with Part 4, Division 3 of the Regulations.

8.1 Establishing a Panel

- a. State-wide public notice of the invitation to apply to join a PQS is required;
- b. PQS may be established for one supply requirement, or a number of similar supply requirements under defined categories;
- c. Each Request for Application (RFA) issued will describe further the supply type, how the PQS will operate and the minimum number of suppliers to be maintained;
- d. Evaluation criteria will be pre-determined;
- e. Suppliers appointed to a panel as members will be subject to the City's panel terms;
- f. The Regional Price Preference Council Policy may be applied when assessing applications to join a PQS.

8.2 Procuring from the Panel

Procuring from PQS will be outlined in detail in the RFA but in general will be undertaken as follows:

- a. Each panel member will be requested to quote for each item of work under the panel unless the panel is operating using a ranking system (see (b)). Quotes received will be assessed using pre-determined evaluation criteria to evaluate each quote.
- b. Where panel members are ranked, prices may be fixed by means of a pricing schedule or through a quotation on each occasion. The City will invite the highest ranked panel member, who will accept or decline the request. If declined, the next ranked panel member will be invited and so forth until a panel member accepts a Contract.
- c. The City may award any quantity of work to any member on the basis of their quote or any other pre-determined criteria stated in the RFA.
- d. Award of work shall be evidenced by an official Purchase Order, which will represent the “contract”, governed by the panel terms.
- e. Contracts issued must not be formed for the supply of goods and/or services for a term exceeding 12 months nor contain an option to renew or extend its term.

8.3 Distributing work amongst panel members

Unless otherwise specified in the RFA, when considering the distribution of work amongst panel members the City will generally take into account such factors as:

- a. accepted pricing schedule or price;
- b. value for money considerations;
- c. ranking (if applicable);
- d. performance during the term of the Panel;
- e. equipment, plant, or capability relative to the particular item of work;
- f. response time and/or availability;
- g. vicinity to the work location;
- h. ability to provide speciality products or services; or
- i. ability to respond to the quote request within the specified timeframe.

8.4 Panel Communication

To ensure clear, consistent, and regular communication between all parties to a panel, the City will allocate to each panel a dedicated contact person for the term of the panel. A communication plan will be developed by the contact person which will include a requirement for scheduled performance review meetings with the City.

8.5 Record Keeping Requirements for Panels

Each quotation process, including the invitation to quote, communications with panel members, quotations received, evaluation of quotes and award notifications must be captured in the City’s electronic records system in a separate file, attached to a nominated electronic quotation system (if available) or to the applicable purchase order in the City’s financial software system. Purchase orders raised must reference the PQS reference number for the purposes of monitoring expenditure.

9 AUTHORISATION

- a. The following positions are authorised to approve and issue purchase orders or otherwise procure in accordance with this policy, subject to:
- the general authorisation limits set out in the table below; and
 - the individual position financial limits set out in the Authorisation Limit Listing:

POSITION	AUTHORISATION LIMIT (exclusive of GST)
CEO	Unlimited (Excluding the acceptance of Tenders)
Director	As determined by the CEO
Executive Manager / Manager	Up to \$50,000
Coordinator / Supervisor	\$15,000 to \$40,000
Other Staff	Up to \$5,000

- b. The conditions of approving purchase requisitions and orders is in accordance with the City's Policies and Procedures and purchases must be within the approved budget adopted by Council. The Authorisation Limit is the value of the contract, inclusive of extensions, variations and options (exclusive of GST).
- c. An employee cannot exceed their financial authorisation as set out in the Authorisation Limit Listing unless specifically authorised in writing by the CEO i.e. under periods of higher duties. The City's Authorisation Limit Listing, and relevant Policy apply.
- d. The Authorisations Limit Listing is subject to review and approval by the CEO, such review to occur annually or as otherwise required.

9.1 Purchasing Cards

- The CEO must have procedures for the authorisation and payment of accounts to ensure there is effective security and appropriate authorisations in place for the use of purchasing cards.
- The CEO will authorise the issue of purchase cards to other City Officers following applicable procedures.

9.2 Petty Cash

- Petty cash transactions under \$50 are to be authorised by Managers in accordance with City's Procedure.

9.3 Purchase Orders

- Supply of goods or services must not commence until a purchase order has been issued, unless exempt from this requirement. A purchase order is unnecessary in the case of the following:
 - Insurances;
 - Payments made through payroll;
 - Utilities (service and/or consumption charges/fees only);
 - Goods or services purchased through a purchasing card;
 - Fees and payments that are statutory, this includes bank fees;
 - Other statutory damages, infringements and penalties;

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- vii. Loan repayments;
 - viii. Freight, postal charges and fuel cards;
 - ix. Goods purchased from petty cash;
 - x. Purchasing card payment requests;
 - xi. Australia Post commissions;
 - xii. State or Federal Government agencies such as Landgate, Office of State Revenue, Western Australia Planning Commission, Environmental Protection Authority, Department of Commerce, Department Fire and Emergency Services.
- b. All procurement of IT hardware, software and licenses, office furniture and fittings must be approved by the IT or building maintenance team before commencement – refer to the relevant Procedures.

10 POLICY NON-COMPLIANCE

- a. Procurement activities are subject to financial and performance audits to review compliance with legislative requirements and the City's Policies and Procedures. Failure to comply with the requirements of this Policy or prescribed processes will be subject to investigation, with findings to be considered in context of the employees training, experience, seniority and reasonable expectations of the performance of their role.
- b. Where a breach is substantiated it may be treated as:
 - i. an opportunity for additional training to be provided;
 - ii. a disciplinary matter, which may or may not be subject to reporting requirements under the *Public Sector Management Act 1994*;
 - iii. misconduct in accordance with the *Corruption, Crime and Misconduct Act 2003*.

Legislative Context

Local Government Act 1995

Local Government (Functions and General) Regulations 1996 - Part 4

Responsible Directorate:	Business Services
Responsible Department:	Procurement
Reviewer:	Executive Manager Governance Services
Creation date and reference:	Minute G.28/3/07, 20 March 2007
Last Review:	Minute G.12/10/20, 27 October 2020

Amendments			
Version #	Council Approval Date, Reference	Date Document In force	Date Document Ceased
2	Minute G.37/5/12	23/05/2012	24/07/2012
3	Minute G.28/7/12	25/07/2012	24/09/2013
4	Minute G.36/9/13	25/09/2013	24/02/2015
5	Minute G.35/2/15	25/02/2015	23/07/2019
6	Minute G.10/7/19	24/07/2019	25/02/2020

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7	Minute G.17/2/20	26/02/2020	12/05/2020
8	Minute SP.5/5/20	23/05/2020	27/10/2020
9	Minute G.12/10/20	27/10/2020	-

PROPOSED

Objective

The purpose of the Regional Price Preference Policy (Policy) is to promote local economic development through the provision of a price preference to suppliers when evaluating and awarding contracts under a tender process.

This Policy is developed in accordance with Part 4A of the *Local Government (Functions and General) Regulations 1996* (Regulations).

Applicability

This Policy is applicable where a tender has been conducted (according to the Regulations) by the City of Mandurah for the supply of Goods and Services and Construction Services.

Statement

1. PRICE PREFERENCE

In accordance with regulation 24D of the Regulations, the following price preferences will be applied for each tender (where applicable):

- a. Goods and Services: 10 per cent discount up to a maximum price reduction of \$50,000;
- b. Construction Services: 5 per cent discount up to a maximum price reduction of \$50,000;
- c. Goods and Services and Construction Services, tendered for the first time where Council previously supplied the Goods or Services: 10 per cent discount up to a maximum price reduction of \$500,000.

2. REGIONAL PRICE PREFERENCE

- a. The Regional Price Preference (RPP) enables local suppliers within the district of the City of Mandurah local government municipal area, to claim a price preference for their whole bid, regardless of the origin of the labour or materials, as all labour and materials are deemed to be regional content.
- b. To claim a RPP, suppliers are required to have a permanent office in Mandurah for at least six (6) months prior to the tender(s) being sought.
- c. The submitted price for the tender will be reduced (for evaluation purposes only), by the amounts set out in Section 12 of this Policy.

3. LOCAL CONTENT PRICE PREFERENCE

- a. The Local Content Price Preference enables suppliers operating outside of Mandurah to claim a price preference where they can demonstrate a commitment that some or all of the goods or services are to be supplied from local suppliers within the district of the City of Mandurah local government municipal area. Where the local content is not 100 per cent, the discount will be proportioned based on the percentage of local content that is committed.
- b. Local content components of goods and services and construction can include goods, materials, labour, sub-contractors, professional services, and employment of a local workforce.
- c. Written evidence (proof) of the local content components, including how it relates to the price submitted, must be provided.
- d. The value of those goods and services claimed by the supplier may be adjusted during the tender assessment process if the value claimed is considered unreasonable or cannot be justified.
- e. The submitted price for the tender will be reduced (for evaluation purposes only), by the amounts set out in Section 12 of this Policy.
- f. If successful, local content reporting will form part of the contractual obligations.

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4. VALUE FOR MONEY PRINCIPLES

Value for money principles will be used to achieve the best possible overall outcome for the City. The City is not required to accept the lowest tender or any tender based on price offered.

5. TRANSPARENCY AND PROBITY

Where local preferences are to be applied during procurement processes, they must be notified within the relevant request for tender or request for quotation documents. All suppliers must be treated fairly and consistently when evaluating procurement outcomes.

6. DEFINITIONS

Construction Services: is the carrying out of any works that include construction of a structure or reconstruction, renovation or alteration to any structure where there is a design element that has been initiated by the City. This includes but is not limited to residential buildings, commercial buildings, shelters and civil construction.

Local Content Preference: discount for suppliers outside of Mandurah to purchase goods and services from local suppliers that are located within the municipal area (district) of the City of Mandurah and engage a local workforce.

Regional Price Preference: discount for suppliers located within the municipal area (district) of the City of Mandurah.

Legislative Context

Local Government (Functions and General) Regulations 1996 – Part 4A

Responsible Directorate: Business Services

Responsible Department: ~~Business Services Governance, Procurement & Land~~

Reviewer: ~~Executive~~ Manager Governance ~~Services, Procurement & Land~~

Creation date and reference: 22 January 2002, Minute G.51/1/02

Last Review: ~~26 May 2020, Minute G.18/5/20~~

Amendments			
Version #	Council Approval Date, Reference	Date Document In force	Date Document Ceased
1	Minute G.51/1/02	22/01/02	16/08/05
2	Minute G.13/08/05	17/08/05	15/12/09
3	Minute G.43/12/09	16/12/09	28/02/12
4	Minute G.57/2/12	29/02/12	22/05/12
5	Minute G.37/5/12	23/05/12	24/02/15
6	Minute G.35/2/15	25/02/15	23/10/18
7	Minute G.19/10/18	24/10/18	23/10/18
8	Minute G.18/5/20	13/05/20	18-05/2022

4 SUBJECT: Proposed Amendment No.2 - Local Planning Scheme 12,
Lot 9001 Beacham St Coodanup, Additional Use, Restaurant/ Café
DIRECTOR: Business Services
MEETING: Council
MEETING DATE: 23 August 2022

Summary

The City has received a request to initiate an amendment to the City's Local Planning Scheme 12 (the Scheme) for the purpose of advertising. The proposed amendment seeks to amend Part 3.4, Table 4 of the Scheme and to allow for the development of a café as an additional land use on the subject lot.

Officers recommend Council adopt the proposed amendment to progress it to the consultation phase.

Disclosure of Interest

Nil

Location



Property Details

Applicant:	Element
Owner:	Peel Rise PTY LTD
Directors:	TJ Lloyd PH Lloyd BX Killigrew LP Killigrew
Scheme No 12 Zoning:	Residential
Peel Region Scheme Zoning:	Urban

Lot Size:	4.8 Hectares (portion subject to proposed amendment 2066m ²)
Topography:	Predominantly flat
Land Use:	Currently vacant

Previous Relevant Documentation

- G.22/6/20 23 June 2020 Council resolved to proceed Scheme 12 to final approval by the Western Australian Planning Commission and the Minister for Planning.
- G.18/4/19 30 April 2019 Council adopted a modified Scheme 12 and Local Planning Strategy which incorporated changes suggested by the Environmental Protections Authority.
- G.6/01/17 24 January 2017 Council adopted draft Local Planning Scheme and Strategy for forwarding to the Western Australian Planning Commission and the Environmental Protection Authority for consent to advertise the draft Scheme.

Background

The subject lot forms a portion of currently undeveloped land in Coodanup in the area commonly known as Placid Waters. There have been a number of subdivision approvals relating to the large site, but as yet they have not been finalised. The landowner advises it is intended that the approved subdivisions will be progressed. Of particular relevance to the proposed Scheme amendment is the layout as approved in **Attachment 4.1** and **Attachment 4.2**, WAPC subdivision approvals 154023 and 161087 respectively.

Comment

Land Use

Under the provisions of the Scheme, the land use 'Restaurant / Café' is currently an 'X' or prohibited land use in the Residential zone. Section 3.4 of the Scheme provides the 'additional uses' (Table 4). The proposed amendment seeks to modify Table 4 of the Scheme in order to add 'Restaurant / Café' as an additional land use. Should the proposed amendment be approved after the advertising process, a restaurant/ café would be a discretionary land use specifically for that particular lot identified, rather than broadly throughout the Residential zone. Council and its delegated officers could use discretion to determine the suitability of the proposed development considerate of matters such as available parking, noise and traffic.

Being a 'D' discretionary land use, the development would need a development approval and through that process, the City would have the opportunity to apply conditions, assess the parking provision and building design.

In the 'Residential' zone, Scheme 12 lists a number of objectives, including;

"to provide for a range of non-residential uses, which are compatible with and complementary to residential development".

The proposed amendment is considered to be consistent with this objective and retains the zoning of the land as 'Residential' while allowing the alternative land use subject to a development approval. If in the future, the land owner wishes to develop the site into dwellings, that would still be a permitted land use. The amendment applies only to the subject lot.

Context

The subject site, once created, is an unusual triangular shape which abuts the Regional Open Space Reserve and the Serpentine River to the east, vacant residential land to the north (subject to WAPC 154023 – **Attachment 4.1**) and low density existing housing to the south and west. The subject site is separated by a narrow public open space reserve to the nearest dwellings on Macquarie Drive and approved but as yet not developed smaller lots to the west (subject to WAPC 161087 – **Attachment 4.2**). Importantly, the subject lot, once created, will not share a boundary with any other private property, lending itself to being favourably considered for an alternative land use to residential.

Local Amenity

Currently the area is not well serviced by commercial amenities such as cafes with the nearest café currently operating approximately 2.5km away on Darwin Terrace. The only land nearby zoned as an activity centre where a café could be developed, is almost 2km to the north west on the corner of Coodanup Drive and Wanjeep Street (as yet undeveloped).

The development would potentially provide a destination for residents and visitors to the area and in the absence of a Local Centre, meet some of the roles and functions of a local centre as a meeting place.

Access

There is an existing reserve on the eastern edge of existing dwellings along Macquarie Drive which accommodates a dual use path. The subdivision depicted in **Attachment 4.1** also includes a similar reserve where a similar path will be developed and the subject lot is serviced by the future extension of Norton Avenue.

Development Standards

It is considered appropriate that any future development of a café should be assessed against the development standards for a cafe as set out in the 'Neighbourhood Centre' in the Scheme. That is, setbacks and parking provision should be consistent with the standards applied in a Neighbourhood Centre.

MEAG Comment

This item does not have any impact on the natural environment and therefore has not been referred to Mandurah Environmental Advisory Group for comment.

Consultation

If adopted, the amendment will need to be referred to the Environmental Protection Authority (EPA) for consideration for whether an environmental assessment is required to be assessed. If the EPA confirm that an environmental assessment is not required, public advertising as outlined in the Regulations will be required.

Advertising will be undertaken via the following methods:

- directly letter / email notification to surrounding landowners;
- sign on-site;
- notification on the City's website; and
- notification in the local newspaper.

The period for making submissions on the proposed modification is 60 days after the day proposal is first advertised.

Internal Consultation

Strategic Planning

Statutory Environment

The proposed amendment is undertaken in accordance with the *Planning and Development Act 2005* and the *Planning and Development (Local Planning Schemes) Regulations 2015*

The proposed amendment is considered to be a standard amendment based on;

- (a) *the amendment relates to a zone that is consistent with the objectives identified in the scheme for that zone;*
- (b) *the amendment is consistent with a local planning strategy for the scheme that has been endorsed by the Commission;*
- (c) *an amendment to the scheme so that it is consistent with the region planning scheme that applies to the scheme area;*
- (d) *the amendment that would have minimal impact on land in the scheme area that is not the subject of the amendment;*
- (e) *the amendment that does not result in any significant environmental, social, economic or governance impacts on land in the scheme area; and*
- (f) *is not an amendment that is a complex or basic amendment.*

In accordance with section 81 of the *Planning and Development Act 2005*, when a local government resolves to prepare or adopt a local planning scheme, or an amendment to a local planning scheme the local government is to forthwith refer the proposed local planning scheme or amendment to the Environmental Protection Authority (EPA) by giving to the EPA —

- (a) *written notice of that resolution; and*
- (b) *such written information about the local planning scheme or amendment as is sufficient to enable the EPA to comply with section 48A of the Environmental Protection Act in relation to the local planning scheme or amendment.*

Policy Implications

Nil

Financial Implications

The City receives \$3500 in fees as per the provisions prescribed in the *Planning and Development Regulations 2009*. These fees are prescribed on a cost recovery basis in order to cover officer time and costs incurred by the City including costs for advertising and administration.

It is not anticipated there will be any ongoing financial implications for the City.

Risk Analysis

The risk is considered minimal based on the context of the site and the relatively passive nature of the proposed amendment. Through the advertising there may be some community interest. The potential risks associated with incompatible land uses, while considered minimal, can be adequately addressed through conditions of development approval.

Strategic Implications

The following strategies from the City of Mandurah Strategic Community Plan 2020 – 2040 are relevant to this report:

Economic:

- Promote and foster investment aimed at stimulating sustainable economic growth.
- Facilitate and advocate for sustainable local job creation, and industry growth and diversification.

Social:

- Promote safety within the community through urban design.
- Provide a range of social, recreational and cultural experiences for our residents and visitors to enjoy and take pride in.

Conclusion

If ultimately approved, the proposed amendment results in the opportunity for the owner of the specific lot to develop a café on the subject site. Given the size of the site, its accessibility and the context of it being a standalone site that does not directly abut any other private land, the proposed future land use is considered to be acceptable in principle and appropriate to potentially consider a development application for.

The proposed future land use is considered to be consistent with the objectives of the Scheme and the diversity of land uses and is considered to be compatible with its surrounds and addresses a gap in the provision of such amenities in the area.

A report will be prepared for Council towards the end of 2022, to consider the submissions from the advertising and either adopt the scheme amendment (with or without modifications) or not proceed with the scheme amendment. The Council decision will be forwarded to the Minister for Planning for determination.

It is recommended the proposed amendment be adopted and progressed to the advertising stage.

NOTE:

Refer

- **Attachment 4.1** **Subdivision WAPC ref 154023**
- **Attachment 4.2** **Subdivision WAPC ref 161087**
- **Attachment 4.3** **Scheme Amendment Map**

RECOMMENDATION

That Council:

1. **In accordance with Section 75 of the *Planning and Development Act 2005*, resolves to adopt Amendment No. 2 of the City of Mandurah Local Planning Scheme No 12 as follows:**

“PLANNING AND DEVELOPMENT ACT 2005

RESOLUTION DECIDING TO AMEND A TOWN PLANNING SCHEME

CITY OF MANDURAH LOCAL PLANNING SCHEME NO 12

AMENDMENT NO 2

Resolved that the Council, in pursuance of Section 75 of the Planning and Development Act 2005, amends Local Planning Scheme No 12 by:

(a) Modifying clause 3.4, Table 4 of the Scheme by adding the following.

No	Description of Land	Additional Use	Conditions
A2	Portion of Lot 9001 on Plan 7468 Coodanup (Lot 69 on WAPC approval 154023	Restaurant/Café('D')	Development shall be in accordance with the standards prescribed for a Restaurant/Café in a 'Local Centre'

(b) Amending the Scheme Maps accordingly.

**Dated this 23rd day of August 2022.
Chief Executive Officer "**

2. In accordance with Regulation 35(2) of the *Planning and Development (Local Planning Schemes) Regulations 2015*, determines that Amendment No. 2 of the City of Mandurah Local Planning Scheme No. 12 is a standard amendment for the following reasons:
 - (a) *the amendment relates to a zone that is consistent with the objectives identified in the scheme for that zone;*
 - (b) *the amendment is consistent with a local planning strategy for the scheme that has been endorsed by the Commission;*
 - (c) *an amendment to the scheme so that it is consistent with the region planning scheme that applies to the scheme area;*
 - (d) *the amendment that would have minimal impact on land in the scheme area that is not the subject of the amendment;*
 - (e) *the amendment that does not result in any significant environmental, social, economic or governance impacts on land in the scheme area; and*
 - (f) *is not an amendment that is a complex or basic amendment.;*
3. Authorises the Chief Executive Officer (through the Coordinator Planning and Lands) to prepare the necessary Scheme Amendment documentation for Amendment No 2 to the City of Mandurah Local Planning Scheme No 12.

PROPOSED SUBDIVISION

**LOT 9000 on PLAN 406041,
COODANUP**

Date: 25 July 2016
 Scale: 1:1,000 @ A1, 1:2,000 @ A3
 Project Manager: TP
 Checked: TP
 Drawn: LC
 Drawing No. 716-415 CPIA 2016-07-25.DGN



LEGEND

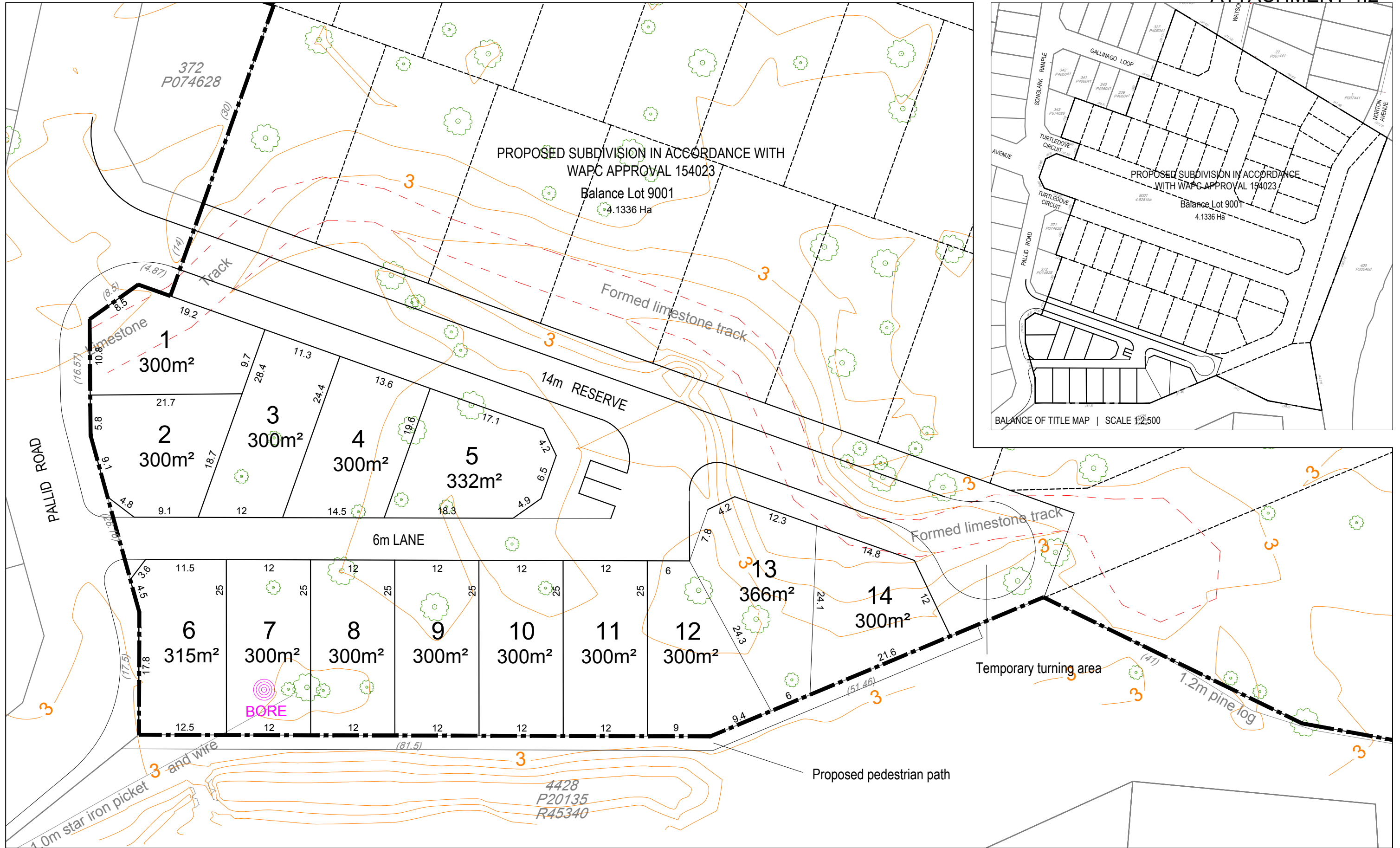
- Subject site
- Existing cadastre
- Proposed lot
- Powerdome
- Powerpole
- Light Pole
- Electrical Meter Box
- Telstra Pit
- Water Meter
- Ground Hydrant
- Drainage Manhole Centre
- Sign
- Bollard
- Bore
- Contour (0.25m interval)
- Water main
- Sewer
- Powerline
- Telstra
- Gas main
- Tree Trunk 0.3 - 1.0m Dia
- Tree Trunk 1.0 - 1.5m Dia



URBAN DEPARTMENT OF PLANNING

DATE	FILE
29/07/2016	154023

Level 7, 182 St Georges
 PO Box 7373 Claremont WA
 Tel: +61 8 9289 8300
 The Planning Group WA



Plan of Subdivision
 Lot 9001 on Deposited Plan 74628
 Coodanup

DEPARTMENT OF PLANNING, LANDS AND HERITAGE	
DATE	FILE
15-Jul-2021	161087

Date: 22 June 2021 Scale: 1:1000 @ A3 File: 716-459 SU02 Staff: TP/LC Checked: TP



LEGEND

Peel Region Reserved Land

 Regional Open Space

Local Reserved Land

 Public Open Space

Zones

 Residential

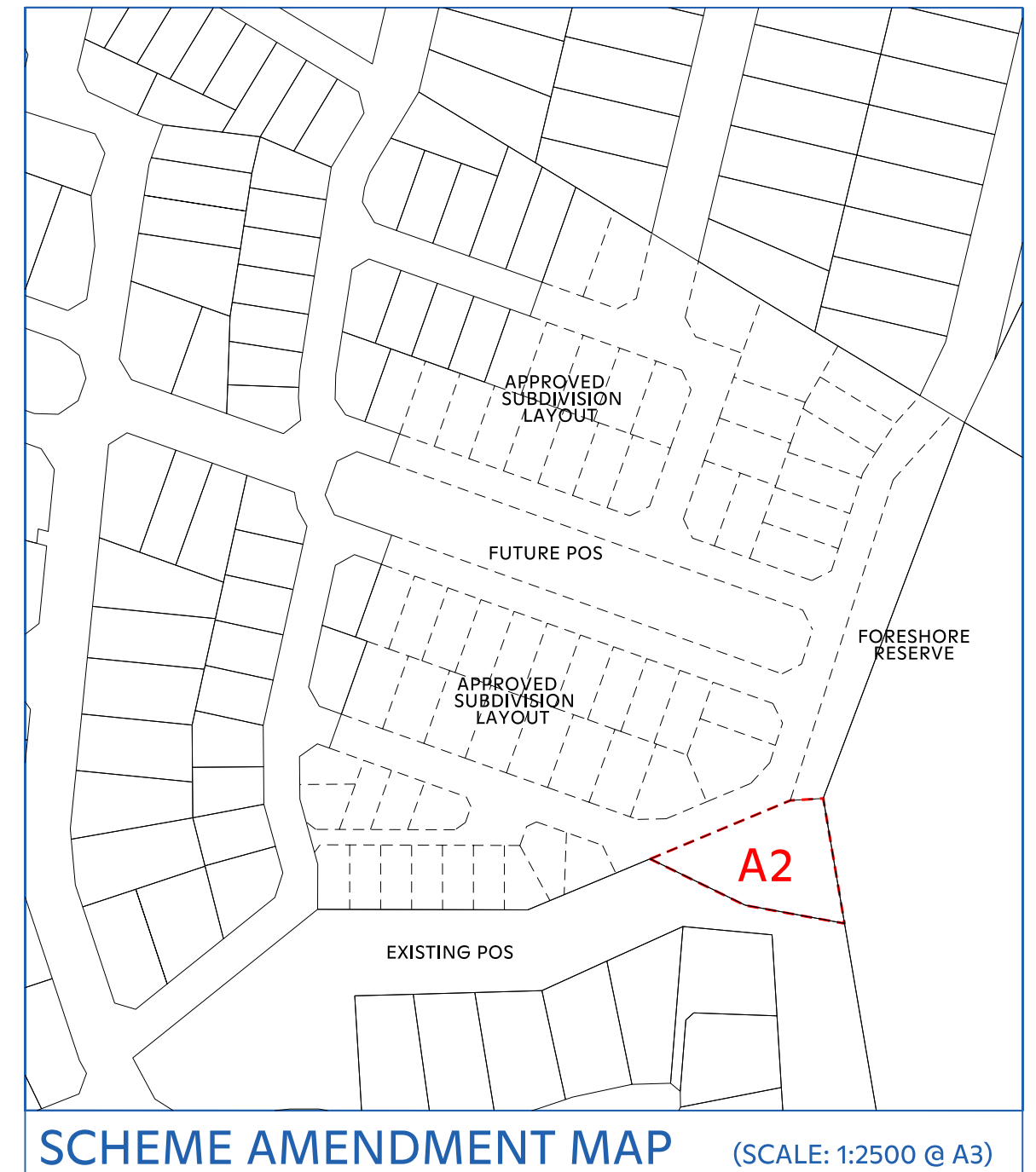
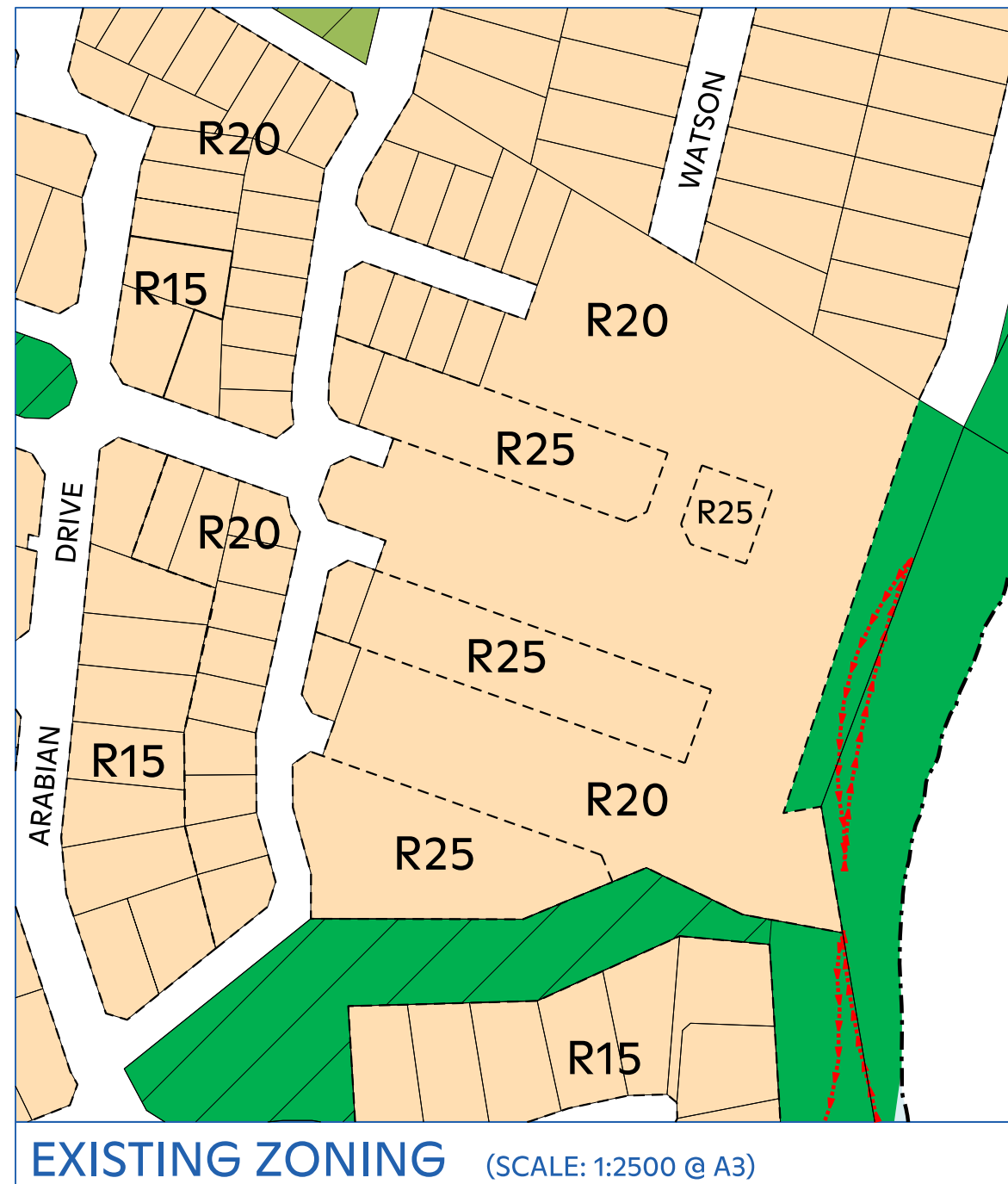
 Additional Use

 No Zone

Additional Information & Overlays

 Residential Density Code

 SCA1: Flood Hazard Areas



ADOPTION

ADOPTED BY RESOLUTION OF THE CITY OF MANDURAH AT THE ORDINARY MEETING OF THE COUNCIL HELD ON THE

MAYOR

CHIEF EXECUTIVE OFFICER

Council Meeting
23 August 2022

FINAL APPROVAL

1. ADOPTED FOR FINAL APPROVAL OF THE CITY OF MANDURAH AT THE ORDINARY MEETING OF COUNCIL HELD ON THE

THE COMMON SEAL OF THE CITY OF MANDURAH WAS HEREUNTO AFFIXED BY AUTHORITY OF A RESOLUTION OF THE COUNCIL IN THE PRESENCE OF:

MAYOR

CHIEF EXECUTIVE OFFICER

2. RECOMMENDED / SUBMITTED FOR FINAL APPROVAL BY THE WESTERN AUSTRALIAN PLANNING COMMISSION

DELEGATED UNDER S.16 OF THE P&D ACT 2005

DATE

3. FINAL APPROVAL GRANTED

MINISTER FOR PLANNING

Council Report

DATE

PLANNING AND DEVELOPMENT ACT 2005

CITY OF MANDURAH

LOCAL PLANNING SCHEME NO 12

AMENDMENT NO 2

SEAL



Local Planning Scheme No 12

5	SUBJECT:	CSRFF 2022/23 Small Grants Winter Round
	DIRECTOR:	Place and Community
	MEETING:	Council Meeting
	MEETING DATE:	23 August 2022

Summary

The Community Sporting and Recreation Facilities Fund (CSRFF) is administered by the Department of Local Government, Sport and Cultural Industries (DLGSC). It provides financial assistance to community groups and local government authorities to develop infrastructure for sport and recreation.

The CSRFF small grants round aims to increase participation in sport and recreation, with an emphasis on physical activity, through the development of sustainable, quality, well designed and well utilised facilities where the total cost of the project does not exceed \$300,000. The application process for submissions requires local government authorities to undertake an initial assessment to ensure that the proposed projects are well planned, prioritised and of positive benefit to the community.

The City has received two (2) applications from clubs as part of the CSRFF Small Grants – Winter Round. Details of these applications are:

- Mandurah Bowling and Recreation Club (MBRC) Resurface “A” Green
- South Mandurah Tennis Club (SMTC) Resurface Courts 3 - 6

Sufficient funds are available for the purpose in the 2022/23 budget to cover the City’s financial contribution towards these projects.

Council is requested to support the ratings and priorities of the two (2) 2022/23 CSRFF Small Grants – Winter Round applications submitted.

Disclosure of Interest

NA

Location

- Project 1 – Mandurah Bowling and Recreation Club: Resurface “A” Green



Mandurah Bowling and Recreation Club
89 Allnutt Street, Mandurah

- Project 2 - South Mandurah Tennis Club: Resurface Courts 3-6



South Mandurah Tennis Club
2 Merlin Street, Halls Head

Previous Relevant Documentation

- G.14/3/20 24 March 2020 Council considered the 2020/21 CSRFF Small Grant applications – Summer Round and endorsed an application from the South Mandurah Tennis Club: Resurfacing of Courts 7-10, and Peel Hockey Association for the replacement and upgrade of turf floodlighting.
- G.22/3/19 26 March 2019 Council considered the 2018/19 CSRFF Small Grant applications – Summer Round and endorsed an application from the Mandurah Tennis Club: Resurfacing of Courts 9-10 and South Mandurah Tennis Club: Resurfacing of Courts 1-2 and 7 – 10.

Background

The DLGSC - Sport and Recreation offer four grant categories within the CSRFF program:

- a) Forward Planning Grants: \$166,667 up to \$4,000,000 can be allocated to large scale projects where the total project cost exceeds \$500,000 and may require an implementation period of between one and two years. Grants given in this category may be allocated in one or a combination of the years in the triennium.
- b) Annual Grants: \$50,000 to \$166,666 can be allocated to projects with a planning and construction process that will be complete within 12 months. The total project cost for Annual Grants is between \$150,000 and \$500,000. Grants awarded in this category must be claimed in the financial year following the date of approval.
- c) Small Grants: \$7,500 to \$100,000 can be allocated to projects involving a basic level of planning. The total project cost for Small Grants must not exceed \$300,000. Grants awarded in this category must be claimed in the financial year following the date of approval. There are two rounds per year and coincide with the summer and winter sporting seasons.
- d) In July 2021, DLGSCI introduced the Club Night Lights Program which can be allocated to projects to develop sports floodlighting. The maximum grant provided is \$1 million dollars, grants awarded in this

category must be claimed in the financial year following the date of approval. There is one round per year.

The maximum CSRFF grant approved can be no greater than one third of the total estimated project cost. The DLGSC - Sport and Recreation contribution must be at least matched by the applicant's contribution. The remaining third can be secured by the applicant or other partner(s).

Council is required by the DLGSC to rank each project according to its priorities for the development or upgrade of facilities, ensuring consistency with relevant strategic documents, and then rate each project according to individual merit.

The project ratings are identified as follows:

Well planned and needed by the municipality	High
Well planned and needed by applicant	Medium/High
Needed by municipality, more planning required	Medium
Needed by applicant, more planning required	Medium/Low
Idea has merit, more preliminary work needed	Low
Not recommended	Not recommended

Comment

Council is requested to consider two (2) applications as part of the 2022/23 CSRFF Small Grants – Winter Round.

Project 1 – Mandurah Bowling and Recreation Club	
Project	Upgrade to “A” Green
Location	Mandurah Bowling and Recreation Club, 89 Allnutt Street, Mandurah
Years Applied for	2022/23
Total Project Cost	\$119,690.46
Eligible Grant Criterial Total	\$119,690.46
CSRFF Grant Request	\$39,896.82
CoM Contribution (CSRFF)	\$39,896.82
CoM Contribution (22/23) Capital	NA
Other Potential Funding	
Clubs' Contribution (cash)	\$38,296.82
Clubs' Contribution (in kind)	\$1,600.00
Recommended Ranking	It is recommended that this project be given a ranking of “1” and a rating of “medium/high”

*All figures are exclusive of GST

Project Description

The MBRC is one of four (4) bowling clubs within the City of Mandurah. The Club is located on Crown Reserve 50933 with the title vested to the City of Mandurah for the purpose of recreation, with a power to lease and/or sub lease. The lease with the Club was renewed in 2017 for a period of ten years with an option for a further 11 years, with exclusive access to designated internal areas of the building and the external bowling greens.

The Club is affiliated with Bowls Western Australia and has approximately 235 members. It has a particular focus on junior participation through the delivery of structured school programs, is running programs for people with a disability and has modified bowls programs specifically targeting inactive older Australians to participate and improve their activity levels.

The Club is proposing to resurface its “A” Green by replacing the existing carpet surface with a new generation synthetic surface. The existing carpet has become very thin and is frayed, torn and uneven in places and is considered a safety risk. With the Green in its present state and its underutilisation the club has reported a loss in revenue and the indoor green is consequently being overused.

The proposed works to resurface “A” Green include:

- Removal of existing surface (by Club)
- Installation of 5mm of Gin Gin Quartz Sand
- Laser grade entire base, water bind
- Installation of Evergreen “Gold” 12mm Synthetic Bowls surfacing system laid straight across at 90 degrees.
- Installation of irrigation for maintenance of ‘A” Green using existing infrastructure utilising sustainable water harvested off the facility roof and stored in 3 tanks adjacent to the East Greens.
- Safety posts will be installed around the Green to allow safe entry and exit to all bowlers

Officers have recommended that this project is ranked one and rated “Medium/high”, as it is well planned and needed by the Club. In making this assessment, officers noted that the MBRC has a substantial greens replacement fund in place, is financially sustainable and is a good tenant of the City.

Project 2 – South Mandurah Tennis Club	
Project	Resurface four courts (courts 3, 4, 5 and 6)
Location	2 Merlin Street, Halls Head
Years Applied for	2022/23
Total Project Cost	\$35,490.00
Eligible Grant Criterial Total	\$35,490.00
CSRFF Grant Request	\$11,830.00
CoM Contribution (CSRFF)	\$11,830.00
CoM Contribution (22/23) Capital	Nil
Other Potential Funding	NA
Clubs' Contribution (cash)	\$11,830.00
Clubs' Contribution (in kind)	Nil
Recommended Ranking	It is recommended that this project be given a ranking of “2” and a rating of “medium/high”

*All figures are exclusive of GST

Project Description

The SMTC has held a lease over Reserve 45079 Merlin Street since 1994. The current lease agreement is for a term of five years with a five-year renewal term due to expire in 2028. The SMTC is one of three tennis clubs delivering tennis participation within the City and currently caters for both organised and social tennis opportunities all year round.

The Club is affiliated with Tennis West and has approximately 345 members along with managing 12 courts under a fee for use model.

The DLGSC - Sport and Recreation has a focus on increasing participation, the resurfacing of the courts will assist in meeting this objective by ensuring the full number of courts at the club remain functional and continue to provide participation opportunities all year round for both members and the general public.

The Club has a particular focus on junior participation, running structured junior tennis pennant teams and regular coaching sessions, in addition to providing support to juniors as they progress through the development pathways of tennis. The Club also makes their courts available to the adjoining, South Halls Head Primary School, as well as Ace-it-Tennis who run a Tennis 4 All program for those with a disability, blind and vision impairment, plus wheelchair tennis.

The SMTC is proposing to carry out a resurface of four courts, courts 3 – 6, to ensure it can continue to provide safe and suitable infrastructure for their members and visitors.

The four courts that require resurfacing, are slippery and have a large number of cracks and areas showing wear and tear that go through to the fibreglass membrane. The cracks allow water to penetrate into the court and can cause puff balls which rise up and make those areas a trip hazard. Currently, there are two patches on court 6 which could also cause tripping.

Furthermore, these four courts are the only ones within the club that have lighting so once remediated would continue to accommodate the use four times a week for night tennis and coaching programs.

The proposed resurface of court 3 to 6 works includes:

- Grind entire area
- High pressure clean entire area to remove all dirt and debris
- Patch crack with Laykold® deep patch
- Patch and fibreglass area that has been re asphalted
- Apply one coat of Laykold® asphalt transformer
- Apply two coats of Laykold® texturised colour coat
- Line mark for four (4) x courts with one coat of line prime and two coats of texturised line paint
- Two colour finish

Officers have recommended that this project is ranked two and rated “Medium/high”, as it is well planned and needed by the Club. In making this assessment, officers noted that the SMTC has a court replacement fund in place, is financially sustainable and is a good tenant of the City.

Consultation

Consultation for the proposed facility upgrades have been undertaken according to the following:

- Mandurah Bowling and Recreation Club
 - Department of Local Government, Sport and Cultural Industries - Sport and Recreation
 - Bowls Western Australia
- South Mandurah Tennis Club
 - Department of Local Government, Sport and Cultural Industries - Sport and Recreation
 - Tennis West

Statutory Environment

NA

Policy Implications

Policy CNP-07 Community & Recreation Facilities

This policy guides the City in the design, development and management of City owned community and recreational facilities. The policy applies to both existing and future facilities.

The CSRFF applications for the Winter Round from Mandurah Bowling and Recreation Club (MBRC) and South Mandurah Tennis Club (SMTTC) are consistent with the Policy.

Policy CNP-05 Recreation Facility Development

Council may contribute a portion of funding towards the development of sport and recreation facilities in accordance with its Sport and Recreation Facility Development Procedures. The remaining funding must be provided by the applicant club or association or through a combination of club contributions and other funding sources such as grants, sponsorship, voluntary labour, donations etc.

The CSRFF applications for the Winter Round from Mandurah Bowling and Recreation Club (MBRC) and South Mandurah Tennis Club (SMTTC) are consistent with the Policy, with each club providing a one third cash contribution to the project.

Financial Implications

The project recommended for support is:

Project	Lodged by	Council Contribution Requested
Upgrade to the A Green surface	Mandurah Bowling and Recreation Club	\$39,896.82
Court Resurfacing of court 3 to 6	South Mandurah Tennis Club	\$11,830.00
	Total	\$51,726.82

Results of the grant applications will be announced in November 2023 with the projects to be delivered in the 2022/23 financial year. If the projects are successful with the grant submissions, the combined funding contribution from Council would total \$50,834.32.

The City has sufficient funds budgeted for this purpose in 2022/23. There is \$106,065 remaining in 'CSRFF Projects – Various' in 2022/23 budget that can adequately cover the proposed City contribution totalling \$51,726.82 as per the table above.

Council retains the discretion to contribute to any project on a priority and financial capacity basis, including projects that are unsuccessful through the CSRFF funding program. In previous years, clubs whose projects have been unsuccessful through the CSRFF program have made requests to the City to honour its 1/3 funding commitment. In these circumstances, the Club has met the funding shortfall by increasing their commitment to 2/3 of the total cost.

Risk Analysis

For both projects the clubs are proposing to engage qualified and experienced contractors to deliver the works, it is expected that they would be well across how to manage and deliver projects of this nature. Furthermore, both clubs have undertaken resurface projects previously.

Strategic Implications

The following strategies from the City of Mandurah Strategic Community Plan 2020 – 2040 are relevant to this report:

Social:

- Provide a range of social, recreational and cultural experiences for our residents and visitors to enjoy and take pride in.
- Provide diverse and sustainable places and spaces that enable people to lead an active lifestyle.

Health:

- Provide and facilitate quality community infrastructure that is accessible, and conducive to a healthy, active community.

Conclusion

The two applications received through the 2022/23 CSRFF Small Grants – Winter Round have been well prepared by the clubs and are consistent with Council's Recreation Facility Development policy.

Grant Type	Rank	Project	Rating	Lodged by	CSRFF Funding Requested	Club Funding	Council Contribution Requested
Small	1	Resurface Courts 3-6	Medium/High	Mandurah Bowling and Recreation Club	\$39,896.82	\$39,896.82* *including \$1,600 in kind	\$39,896.82
Small	2	Resurface "A" Green	Medium/High	South Mandurah Tennis Club	\$11,830.00	\$11,830.00	\$11,830.00

RECOMMENDATION

That Council supports the rankings and ratings for the Community Sporting and Recreation Facility Fund Small Grant applications from the following clubs / organisations:

- 1. Mandurah Bowling and Recreation Club**
Project: Resurface "A" Green
Ranking: One
Rating: Medium/High
Requested Council Contribution: \$39,896.82
- 2. South Mandurah Tennis Club**
Project: Resurface four courts (courts 3, 4, 5 and 6)
Ranking: Two
Rating: Medium/High
Requested Council Contribution: \$11,830.00

ABSOLUTE MAJORITY REQUIRED

6	SUBJECT:	People of Peel Human Capital Road Map
	DIRECTOR:	Strategy & Economic Development
	MEETING:	Council Meeting
	MEETING DATE:	23 August 2022

Summary

The People of Peel Human Capital Roadmap (the Roadmap) is an initiative of the Peel Development Commission (PDC) and the Peel Capability Collaborative (PCC), which sets out a framework to support the goal whereby “The People of Peel are skilled, adaptable and empowered workforce to drive a thriving regional society and economy” across the region.

The Roadmap outlines the key findings of the People of Peel Human Capital Insights Report (October 2021) highlighting that developing a high performing and empowered future workforce involves proactive planning, as well as addressing the socioeconomic challenges facing people living in the Peel region. The Roadmap highlights priority human capital development initiatives to position the Peel region in meeting its social and economic development aspirations, under three main pillars;

- Build capacity at all ages
- Link local capacity to regional opportunity
- Attract talent to strategic industries

The key findings outlined in the Roadmap aligns with the Transform Mandurah Economic Opportunities research and many of the initiatives in the Roadmap complement the focus areas in the Transform Mandurah report surrounding human capital development and addressing barriers to education, training and employment opportunities in Mandurah.

Council is asked to acknowledge the People of Peel Human Capital Roadmap and to note that the City is collaborating with the PDC and PCC in advocacy, facilitation and implementation of initiatives that demonstrate alignment to the City’s Strategic goals and the objectives of the Transform Mandurah program.

Actionable initiatives from the People of Peel Roadmap will be subject to prioritisation via the Transform Mandurah Multi-Criteria Assessment, and presented to Council for consideration in late 2022, along with the recommended priority projects identified through the Transform Mandurah project prioritisation process.

Disclosure of Interest

N/A

Previous Relevant Documentation

N/A

Background

The Peel Development Commission in partnership with the Peel Capability Collaborative have been undertaking the People of Peel Project (the Project) to provide vital insights into the status of human capital in the Peel region, including the likely future workforce requirements of growth sectors and the likely gaps. The PDC and PCC consulted the services of FAR Lane to create the People of Peel Human Capital Insights Report as the first deliverable of the Project. The Insights Report aims to support a deeper

understanding of human capital in the Peel region by Local Government Area (LGA) with important insights related to regional economic and social development trends, disruptions, and aspirations.

The report refers to regional human capital as “knowhow” – the combination of talent, skills and knowledge that exists within the Peel region's network of individuals, enterprises and industries. The analysis of the region's knowhow is broken into three indicators; Knowhow Capacity, Knowhow Enablers, and Knowhow Application. The analysis undertaken in the report produced the following key insights relating to focus areas for the enhancement of knowhow within the Peel region;

Knowhow Capacity

To achieve the aspiration of a strong, vibrant, and resilient community that is empowered to contribute to the region's knowhow, the following should be considered as part of any strategic or action planning:

- Improve the current infrastructure and quality of health and community services.
- Education attainment and attendance for children and young people to enhance their chances of completing secondary school with the skills and capabilities to transition into higher tertiary education options.
- Connecting students and young people with opportunities to live and work within the region and creating clear pathways to those opportunities.
- Removing barriers to school and training attendance through enhanced transport and connections within and between LGAs in the region.

Knowhow Enablers

To create a capable workforce that can unlock the potential of the Peel region's economy, the following should be considered as part of any strategic or action planning:

- Completion and operationalisation of planned innovation and training infrastructure relating to strategic industries (tourism, food, and agriculture).
- Ensure the WA Food Innovation Precinct model extends beyond the Shire of Murray to enhance benefit and opportunities for employment and knowhow development across the region.
- Increased space and resources that supports the connection and collaboration of regional entrepreneurs and innovators to encourage the development of regionally unique knowhow.
- Stronger linkages between education providers and strategic industries, providing additional opportunities for higher education courses and research that will diversify the talent, skills, and knowledge within industries in the region.
- Focus on soft skills, core competencies and capabilities development.

Knowhow Application

To develop an environment where knowhow can be applied to the maximum benefit of the regional economy, the following should be considered as part of any strategic or action planning:

- Creation of new employment opportunities across a more diverse set of occupations.
- Development and success of the planned projects that take advantage of the region's competitive advantages. The planned projects include Peel Business Park, NERA Hydrogen Cluster, and the WA Food Innovation Precinct.
- Increased focus on developing traded industries and enterprises that attract a diversity of knowhow to the region both as workers and resident workers and encourages the development of regionally focused (and delivered) education and training opportunities, as well as innovation and start-up support.
- Support the identified clusters (resource and agricultural industries) by investing in infrastructure and supply chains required to transport products out of the region.

Based on the knowhow insights, the Insight Report explores three future development scenarios based on the region's opportunities and challenges;

- a) Business as usual where the region's development continues in line with current trends;
- b) Population Services Driven Economy where significant investment is made to attract more working professionals to live in the region; and,

- c) Strategic Industries where growth of the region's tourism, food, and agriculture industries exceed the current regional aspirations.

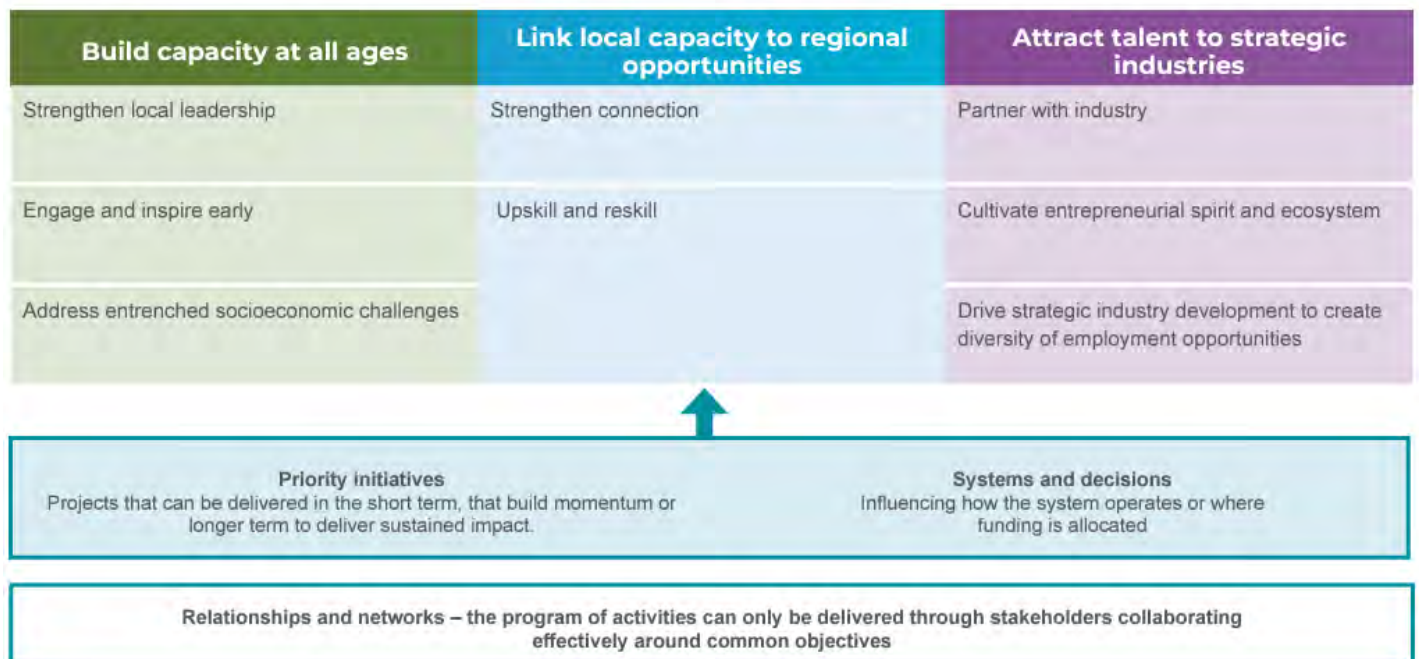
Comment

The People of Peel Human Capital Roadmap links the key knowhow findings from the Insights Report (knowhow capacity, knowhow enablers, and knowhow application) to three pillars in the Roadmap to develop action areas and initiatives to achieve the goal - *The People of Peel are skilled, adaptable and empowered to drive a thriving regional society and economy.*

People of Peel Human Capital Insights Report – Focus Areas:

Knowhow capacity	Knowhow enablers	Knowhow application
<p>Peel's relatively disadvantaged and low skilled population is at risk of increased entrenchment and disadvantage cycles, leaving many out of participating meaningfully in the regional economy.</p> <p>The current social service delivery model is metro centric and not working, as indicators are not improving with current ratios.</p> <p>Peel people are not accessing the training that is available to create their pathway to higher level qualifications and skilled work.</p> <p>There is a perceived lack of opportunity for young people in Peel. They don't see a future for themselves in Peel, either because its not there, or its not visible to them.</p>	<p>The level and types of qualifications delivered in Peel do not match the aspirations of the region or the needs of industry.</p> <p>Industry can forecast what the needs will be, but there is a need for a more effective link to regional tertiary education providers.</p> <p>Women, people over 55 and people with a disability are under-utilised in the workforce and have skills and experience to contribute to the community and economy.</p>	<p>Investment attracted to strategic / traded industries is yet to transfer to human capital development.</p> <p>Peel struggles to attract the skills and experience required to service both strategic and population services, despite the affordable and positive lifestyle on offer.</p> <p>Key employing sectors of retail, social assistance and construction are often cyclical, casualised and low paid resulting in long term hardship.</p> <p>The high skilled jobs currently in the labour market are often filled by imported labour rather than through the local workforce.</p>

People of Peel Human Capital Roadmap - Pillars:



Pillar 1 - Build capacity at all ages

A region's most powerful resource is its people and developing capacity is an investment into the region's future economic prosperity. The Peel region, and specifically areas within the City of Mandurah have complex and entrenched socioeconomic challenges, with barriers to education and employment

obstructing the regions ability to build capacity. Furthermore, there is an interrelated framework of health and community support that is required to help lift families out of poverty and improve wellbeing.

Action area	Why is it important?
Build leadership to drive change	Real social change requires strong leadership, long term vision and sustained action. A vehicle is required that brings together State Departments and local service providers to drive, coordinate and resource effective interventions.
Engage and inspire early	You can't be what you can't see. The Peel's young people must be engaged, feel connected to their community and see a bright and meaningful future for themselves in the region. This will require increasing investment in skills development in childhood to set children up with the life skills and resilience to empower them in the future.
Address entrenched socioeconomic challenges	Communities and individuals who are isolated or prevented by systems and entrenched cycles of disadvantage must not be left behind as the region seeks to realise it's economic aspirations and potential. Access to health and community services, coordinated support for children and families and access to safe and affordable housing will be critical for building a strong future workforce that wants to stay, live and work in the region.

Pillar 2 – Link local capacity to regional opportunities

The Peel region will need skilled, talented and knowledgeable people across a range of industries in order to meet its economic development objectives. This is also particularly true for Mandurah, with the Transform Mandurah Economic Opportunities Report recently endorsed by Council outlining key opportunities for economic development and growth into the future. There is an opportunity to create a strong local workforce that will be a powerhouse resource in the future. The Peel region has lower education attainment levels when compared to Perth, and research shows that many young people are leaving the region to access education and employment opportunities that don't exist locally. The consequences of the lack of local opportunities is that the region loses actual and potential talent to other areas, reducing the pool of skilled and professional workers.

Action area	Why is it important?
Strengthen connections	<p>Matching skills to jobs is critical to keep talent in the region, and realise the investment made in building the capacity of Peel's people. To do this, there is an opportunity to utilise alternative delivery models to enhance access to engaging tertiary education and training options that are currently unavailable in Peel region. At the same time, there should be a focus on upskilling the existing trade base by matching employment skills development to the region's emerging strategic industries and incentivise training and professional development.</p> <p>There is also a need and opportunity to build excitement and optimism around the current and future jobs in the Peel to help residents understand the value and potential of a life in the region, reducing the trend of talent leaking to Perth and the eastern States. Peel's skilled and semi-skilled residents who are working outside the region should also be actively encouraged to take up local training and work opportunities.</p>
Upskill and reskill	Peel has underutilised human resources that can be targeted and empowered to re-engage in the workforce. Increasing opportunities for all People in Peel with a focus on women, Aboriginal people, people with disabilities, and people over the age of 55 to engage in skills development, will enable them to enter new areas of work and maintain their connection to employment, networks and the community.

Pillar 3 – Attract talent to strategic industries

The Peel region has promising industry development potential in the areas of food innovation, agriculture and tourism, as well as population driven services such as construction, retail, health care and social assistance which are Mandurah's largest employers. This unique collection of specialisations should be leveraged to create an intersection of knowledge, talent and resources that cannot be replicated elsewhere. The region also has plenty to offer professionals who are seeking a different lifestyle to the

Perth CBD. To attract talent and investment into the region, there needs to be a promotion of its strengths and benefits, as well as an active effort to cultivate an environment that supports entrepreneurship and excellence around the region’s strategic industries (current and emerging).

Action area	Why is it important?
Partner with industry	Industry are a vital partner for human capital development. By partnering with regional industry, Peel's training and education pathways will better align with the needs of the regional economy, providing local business with access to a relevant, highly skilled and available workforce.
Cultivate entrepreneurial spirit and ecosystem	Creativity, inspiration, culture – all are important elements to a productive and competitive economy. Economic development initiatives must encourage local enterprise creation and growth and identify and cultivate unique intersections of knowledge, talent and skills amongst the region's strategic industries that enhance the region's competitive advantages.
Drive strategic industry development	To attract exceptional talent, the Peel must continue to drive transformational economic development projects that position the region's industries as centres of excellence and innovation. At the same time, new and existing businesses should also be the focus of attraction, through the development of southern technical and strategic zones and job hubs.

The Roadmap identifies a number of initiatives aimed to achieve the three pillars and to develop a skilled, adaptable and empowered workforce to drive a thriving economy. Next steps are to consider the proposed initiatives of the Roadmap to identify those which are located within Mandurah’s Local Government Area, plus those which align and compliment objectives of the Transform Mandurah program. Some opportunities will only require collaboration and advocacy, while others may require resource allocation and project planning.

Statutory Environment

N/A

Policy Implications

N/A

Financial Implications

The People of Peel Roadmap was funded by the Peel Development Commission. There may be future costs to the City for priority projects which stem from the Roadmap, however any potential projects will be subject to a Multi-Criteria Assessment and submitted to Council for consideration as part of the Transform Mandurah program and Council’s budgetary processes for future implementation.

Risk Analysis

The City’s Strategic Community Plan commits resources to addressing economic challenges facing Mandurah, and contains a vision for the City to be an organisation that demonstrates regional leadership and advocate for the needs of the community.

The People of Peel Roadmap aligns with those objectives, and compliments the analysis, insights and outcomes of the Transform Mandurah Economic Opportunities research and therefore poses only positive risks.

Strategic Implications

The following strategies from the City of Mandurah Strategic Community Plan 2020 – 2040 are relevant to this report:

Economic:

- Promote and foster investment aimed at stimulating sustainable economic growth.
- Facilitate and advocate for sustainable local job creation, and industry growth and diversification.
- Actively partner and engage with business and industry to support Mandurah's entrepreneurial capacity and capability.
- Advocate for and facilitate opportunities for improved education, training and skill development opportunities in Mandurah.
- Establish and leverage opportunities with key stakeholders to achieve sustainable economic outcomes with due consideration to environmental impacts.

Social:

- Promote a positive identity and image of Mandurah based on its unique lifestyle offering.
- Facilitate opportunities that promote community led initiatives by building resilience, local capacity and the contributions of young people.
- Promote and encourage community connection to create social interaction and a strong sense of belonging.

Organisational Excellence:

- Demonstrate regional leadership and advocate for the needs of our community.
- Ensure that our actions maintain a sustainable balance between economic growth, the environment and social values.

Conclusion

The People of Peel Human Capital Roadmap is a useful tool for the City to help achieve the community's request for the City to promote, facilitate and advocate for improved economic outcomes for Mandurah, specifically within human capital development. The City's partnership and collaboration with the PDC is extremely important and will only strengthen our efforts in identifying the economic opportunities that can address the long-term barriers and structural economic imbalances, namely unemployment and lower levels of educational attainment, that exist between Mandurah and the Greater Perth region.

Council is requested to acknowledge the People of Peel Human Capital Roadmap so the City can commence a collaborative approach with stakeholders to identify potential projects and initiatives. These identified potential projects can then be prioritised via the Multi-Criteria Assessment along with the long list of projects identified by the Transform Mandurah Economic Opportunities research, to be presented back to Council in late 2022.

NOTE:

- Refer ***Attachment 6.1 People of Peel Human Capital Insights Report***
Attachment 6.2 People of Peel Human Capital Roadmap 2022-2027

RECOMMENDATION

That Council:

- 1. Note the People of Peel Human Capital Roadmap and the strong collaboration that exists between the City of Mandurah and the Peel Development Commission;**
- 2. Note that the City has a key role to play in advocacy, collaboration and implementation of human capital development initiatives resulting from the People of the Peel Human Capital Roadmap, to help support Mandurah's economic development aspirations in line with the objectives of the Transform Mandurah program.**



The People of Peel

Human Capital Insights Report

Peel Development Commission
& Peel Capability Collaborative

October 2021



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Version Control

Version	Date	Author	Approved
1	20 August 2021	Linnea Edebert Nikki Harvey	Jason McFarlane
2	25 October	Linnea Edebert Nikki Harvey	Jason McFarlane

This report has been prepared by FAR Lane for the Peel Development Commission and the Peel Capability Collaborative.

FAR Lane, Peel Development Commission and the Peel Capability Collaborative wish to acknowledge the Traditional Owners of the land on which the people of the Peel region live, work and study. We pay our respects to their Elders past, present and emerging.

INTRODUCTION

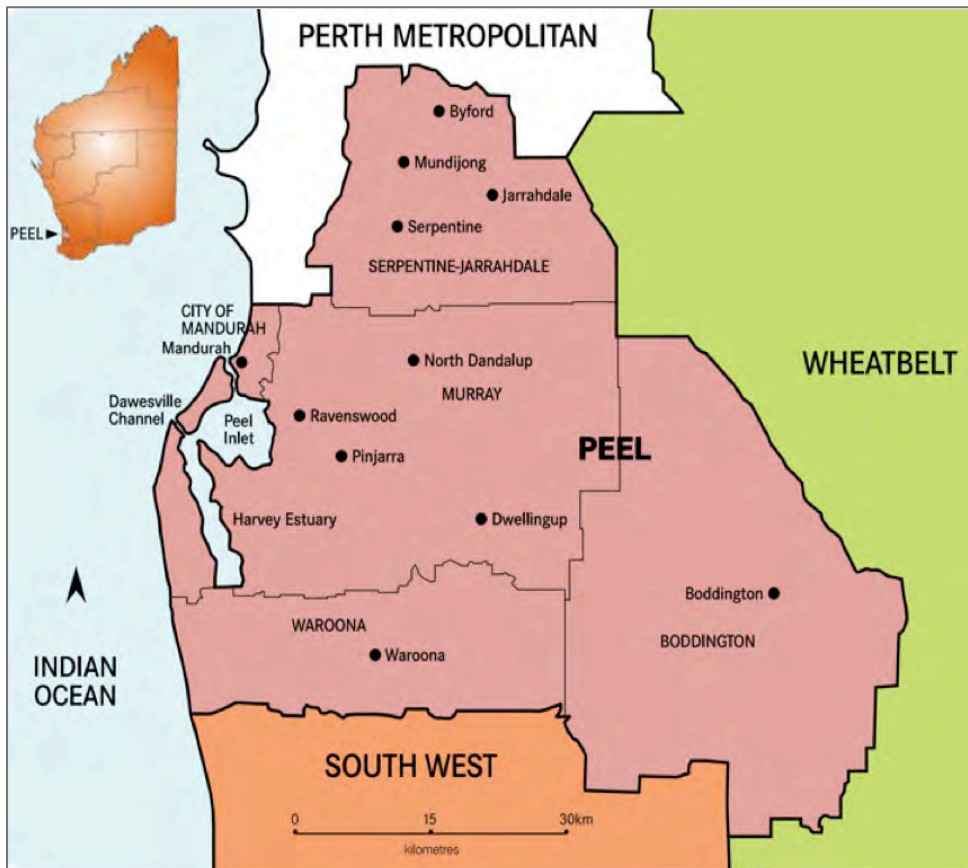
Project context

The Peel region is located 75km from Perth CBD. It has a diverse landscape with coastline and urban, agricultural, and horticultural land. Peel consists of the Local Government Areas (LGA) of Boddington, Mandurah, Murray, Serpentine-Jarrahdale and Waroona and is home to approximately 146,200 people.

In recent years, the region has experienced rapid population growth, which has been driven by lifestyle-based migration, rather than the supply of local employment. As a result, approximately 29% of those living in the region work in the Perth metropolitan area¹. By 2050, the region is expected to become one of the most populated areas outside of Perth. This growth has the potential to create vibrancy and prosperity, but will not come without challenges, especially relating to ensuring residents are serviced appropriately.

The region's economy is currently reliant on mining, manufacturing, construction, and agriculture sectors, as well as an increasing tourism sector. The largest employers within the region are Retail Trade, Health Care and Social Assistance and Construction.²

Map 1 - The Peel region



Source: Peel Development Commission Website 2021.

Scope of Works

This project seeks to support a deeper understanding of the Peel region's human capital. It will provide the Peel Capability Collaborative (PCC) and Peel Development Commission

¹ Peel Development Commission, Transform Peel Workforce Skills Analysis Report

² REMPLAN 2021.

(PDC) with important insights related to regional economic and social development trends, disruptions and aspirations. Using these insights, a Roadmap will be developed with key stakeholders that map out priority human capital development initiatives that will position the Peel region to meet its economic development aspirations.

Purpose and Structure of the Report

The Human Capital Insights Report is the first deliverable of the project. It seeks to provide PCC and PDC with key insights into the status of human capital in the Peel region by Local Government Area (LGA), likely future workforce requirements of growth sectors, and likely gaps (based on population projections and current industry growth/socioeconomic strategies).

The report will be organised by three key areas of inquiry (which will be explained in more detail later in this section):

1. **Knowhow capacity**
2. **Knowhow enablers**
3. **Knowhow application**

Each chapter profiles an element of the Peel region's human capital outlines findings based upon analysis of profiles against the region's economic development aspirations, regional characteristics, and performance with comparative regional economies around Australia. Based on the results of this analysis, three scenarios have been utilised to explore the potential future requirements of human capital development, based on the Peel region's economic opportunities and challenges. Scenarios are helpful for exploring potential advantages and trade-offs associated with taking a range of approaches to preparing for the region's future industry and workforce needs. The scenarios explored in this analysis are:

- Scenario one: **"Business as usual"**. The Peel region's development continues in line with current trends. Scenario one is based on the current industry and population profile being maintained to 2031 and acts as a base case, which is useful to have as a baseline against which to compare the impacts of other scenarios.
- Scenario two: **"Population services driven economy"**. Scenario two describes a future where significant investment is made in providing the amenities and services needed to attract more working professionals to live in the region as well as address the complex needs of the Peel region's communities.
- Scenario three: **"Strategic industries"**. Scenario three is based on a significant increase and growth of the region's tourism, food, and agriculture industries, beyond the current regional aspirations.

Key Research Questions

FAR Lane's proposed approach will support the PDC and PCC to answer the following key research questions:

1. What is the current status of human capital in the Peel region?
2. How does the current status of human capital in the Peel region compare with similar regions in Western Australia and Australia?
3. What are the likely future workforce requirements of growth sectors within and relating to the Peel region?
4. What are the likely workforce gaps based on population projections and current industry growth/socioeconomic strategies?
5. How does human capital influence socioeconomic success?
6. How do the factors of human capital and workforce requirements intersect to influence the future aspirations of the region?

Role of Knowhow in Regional Economic Development

Human capital is defined as the combination of regional knowledge, skills, experience, context and motivations of regional entrepreneurs, workers, managers, and supporters. Harvard's Complexity Report for WA (2020) explained, "Our most prosperous societies are wiser, not because their citizens are individually brilliant, but because these societies hold a diversity of knowhow and because they are able to combine it to create a larger variety of smarter and better products."³

The development of human capital, also referred to as 'knowhow', within a region's network of firms, institutions, entrepreneurs and workers, is a basis by which regional socioeconomic development opportunities and challenges can be addressed.

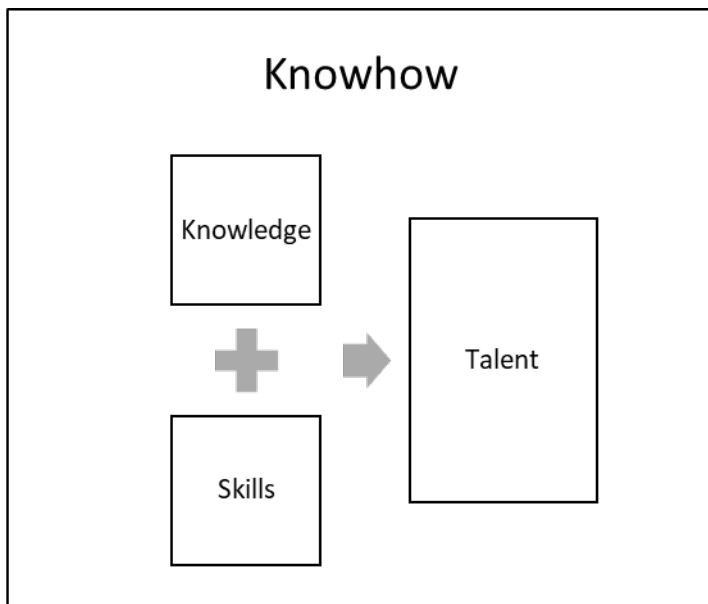
For the purpose of this project, human capital will be referred to as 'knowhow' and is the combination of talent, skills and knowledge that exists within the Peel region's network of individuals, enterprises and industries.

Talent, Skills, and Knowledge

Measuring a region's knowhow is not a perfect science. By profiling and analysing the talent within a region, and the skills and knowledge that make up that talent, we can begin to build an understanding of regional knowhow.

There is a range of definitions and understandings of the relationship between talent, skills, and knowledge. For this project, standard definitions have been contextualised to build a practical framework within which we can measure and analyse knowhow. As described in figure 1 is the combination of the skills and knowledge of both individuals, but also enterprises and industries within a regional economy.

Figure 1– Talent skills and knowledge interrelationship



Talent

McKinsey defines talent as "the sum of a person's abilities ... his or her intrinsic gifts, skills, knowledge, experience, intelligence, judgment, attitude, character and drive. It also includes his or her ability to learn". In the context of this project, we are applying the idea of 'talent' at both individual and group levels. We are interested in entrepreneurial and innovative talent that exists within an economy, industry or enterprise that can be harnessed to transform

³ Harvard University 2020 *The Atlas of Economic Complexity*

ideas into unique, commercial, scalable, and tradable products and services. Talent requires skills and knowledge but combines this with the ability and inclination to take calculated risks.

Skills

Skill can be defined as “*an ability to do an activity or job well, especially because you have practised it*”⁴. In the context of this project, the concept of skill is applied at the individual, enterprise, and industry levels. Skills are developed through people, enterprises and industries that have grown and evolved over time, generating new ideas and enhancing processes, and practices to increase their productivity and competitive advantage.

Knowledge

Knowledge can be defined as “*understanding of or information about a subject that you get by experience or study, either known by one person or by people generally*”⁵ In the context of this project, the individual and collective knowledge that exists within an economy, industry or enterprise can be developed through access to training and development (i.e., university, TAFE and other professional development institutions or programs).

Knowhow Indicators

We can begin to understand and analyse knowhow (talent, knowledge, and skills) within a regional economy by examination of the following indicators:

1. **Knowhow Capacity** - The socioeconomic characteristics of the talent knowledge and skills within an economy. For example, workforce size (number of people of working age) and educational attainment rates.
2. **Knowhow Enablers** – The systems, services and infrastructure that sit around these human capital pools that enable the development of necessary knowledge, skills, and talent to participate and enhance the regional economy. For example, education and training providers, innovation support and service infrastructure.
3. **Knowhow Application** – How talent, knowledge and skills are being applied within an economy. For example, job type, local employment, employment self-sufficiency and containment, local start-ups, and SMEs.

These three indicators provide a useful framework through which we can analyse the Peel region’s human capital and will form the three main profile chapters of this report.

⁴ Cambridge Dictionary 2021

⁵ Cambridge Dictionary 2021

Theory of change – Regional knowhow

Knowhow (human capital) is increasingly being recognised for the role it plays in the prosperity and productivity of economies, alongside more established economic development mechanisms. Knowhow actively contributes (or has the potential to) to the competitiveness, resilience, sustainability and equity of regional economies, the impact of which is enhanced growth and prosperity in regional economies.

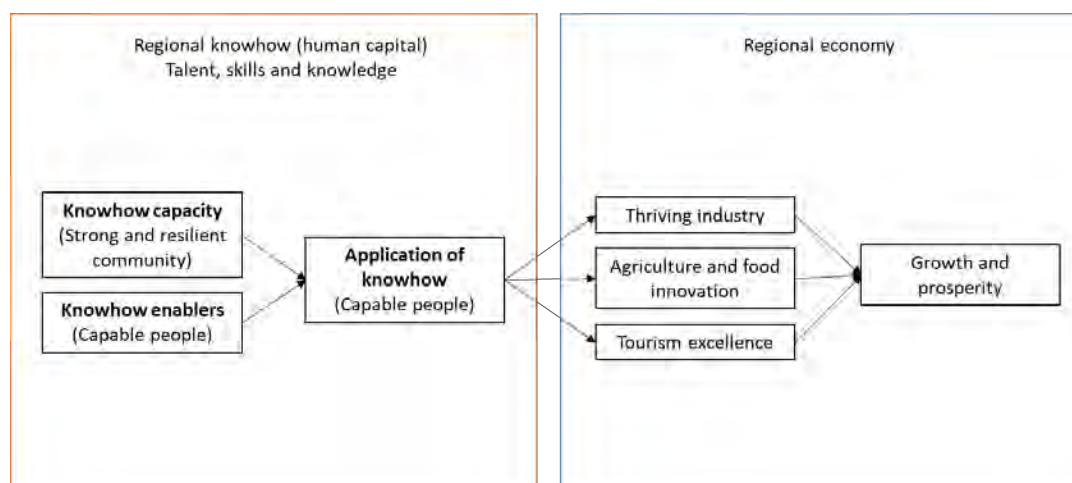
Economic development aspirations vary across Local Government Areas, regions and states. A key source of information about the aspirations of the Peel region is Peel Regional Blueprint (The Blueprint), which is being actively tracked and monitored by the PDC. The Blueprint puts forward five headline aspirations for the region by 2050:

1. **Thriving Industry:** Peel’s industries and businesses are diverse and globally competitive and part of an economy that has raised incomes and living standards for all.
2. **Agriculture and Food Innovation:** Peel’s agriculture and food production sectors will be enhanced through continued innovation, investment, and research.
3. **Tourism Excellence** - Peel’s tourism industry and related businesses will be diverse, competitive, and sustainable creating economic growth and jobs through high-value products and services.
4. **Capable People:** Peel’s workforce will be highly skilled and adaptable to structural and technological change to support an economy that is strong, diverse, and high performing.
5. **Strong and Resilient Community:** Peel’s communities will be strong, vibrant, and resilient underpinned by best practice social services and infrastructure.

Regional Aspirations and the Drivers of Regional Economic Growth and Prosperity

The theory of change that this report utilises posits that knowhow actively contributes (or has the potential to) to the aspirations outlined in the Peel Regional Blueprint. By combining the Blueprint’s aspirations and our indicators of knowhow we develop a regionally unique theory of change that can be used as a framework to analyse knowhow requirements. This theory of change is described in Figure 2.

Figure 2 – Knowhow theory of change and Peel Regional Blueprint



As outlined in Figure 2, the Blueprint’s aspirations of “capable people” and “strong and resilient communities” align directly with the knowhow indicators. The presence and development of capable people and strong and resilient communities will contribute to the aspirations of a thriving industry and will be important factors in the development of key industries of tourism, food, and agriculture. The elements of knowhow are strongly interrelated and can be applied

in more than one area. Where possible, this report seeks to organise around the theory of change described in Figure 2.

Table 1 below describes the indicators that the Peel Regional Blueprint has identified as a measure of success by 2050. Indicators that are especially relevant to the understanding of knowhow development in the Peel region will be assessed in each chapter to identify the critical gaps that need to be addressed to meet the requirements of the region's future economy.

Table 1– Knowhow indicators based on regional aspirations

Goal	Indicator / Goals	Related Knowhow indicator
Thriving industry	By 2050, employment self-sufficiency targets will exceed the WA state average	Knowhow application
	By 2050, Mandurah's population will have increased to 130,000.	Knowhow capacity
	By 2050, the Shire of Murray's population will have increased to 58,000.	Knowhow capacity
	By 2050, Serpentine- Jarrahdale's population will have increased to 107,000.	Knowhow capacity
	By 2050, the Shire of Waroona's population will continue to grow (depending on increasing urban development).	Knowhow capacity
	By 2050, the Shire of Boddington's population will have increased to approximately 7000*.	Knowhow capacity
Agriculture and Food Innovation	By 2050, sustainable practices are embedded within all economic and regional development activities in the Peel.	Knowhow application
	By 2050, the Peel's agriculture and food contribution to the state's gross regional product is increased to 5%.	Knowhow application
	By 2050, the Peel's contribution to the state agricultural and food value is increased to 7%.	Knowhow application
	By 2050, the Peel's contribution to the state's annual agricultural export will be increased to 10%.	Knowhow application
Tourism Excellence	By 2050, the Peel tourism economy is tripled.	Knowhow application
	By 2050, domestic visitor length of stay had doubled.	Knowhow application
	By 2050, the number of significant events in the region has grown to 12 per year.	Knowhow application
Capable people	By 2050, Peel residents have the skills and abilities to fill the 78,352 new jobs that will result from the establishment of broadened and diversified business and commercial sectors.	Knowhow enablers
	By 2050, the Peel's workforce participation rates exceed the WA state average.	Knowhow application
	By 2050, the educational attainment of Peel residents is above the WA state average.	Knowhow enablers
	Peel residents who seek to participate in training and workforce development programs that meet the needs of the individual and industries are accommodated within the region.	Knowhow enablers
	Peel young people who seek to participate in industry priority pathways programs will fulfil their career aspirations within the region.	Knowhow enablers

Goal	Indicator / Goals	Related Knowhow indicator
	By 2050, Index of Community Socio-Educational Advantage (ICSEA) for our public schools is commensurate with independent school ICSEA.	Knowhow enablers
Strong and resilient communities	By 2050, Peel employment participation rates exceed WA state average.	Knowhow application
	By 2050, Index of Relative Socioeconomic Disadvantage (IRSD) is at a lower level of disadvantage to the National average.	Knowhow enablers
	By 2050, participation of older active community members in the workforce is above the WA state average.	Knowhow application

Strategic economic development projects within the region are also relevant to the development of knowhow, as they will require specific skills, talent, and knowledge to maximise their potential as drivers of economic activity.

Table 2 - Knowhow indicators based on regional projects

Project/initiative	Indicator / Goals	Knowhow Indicator
Transform Peel	<ul style="list-style-type: none"> 33,00 new jobs by 2050. \$16.2 billion per year in economic output. 	Knowhow application
	Multi-skilled workforce (Key Shape not T Shape people).	Knowhow enablers
	Increased STEM and ICT skills and expertise.	Knowhow enablers
	Workforce resilience and positive attitudes (work ethic, integrity, initiative, critical thinking).	Knowhow enablers
	Workforce core competencies (IT, Project Management, Communication, Problem Solving, Cultural Awareness, Teamwork).	Knowhow enablers
	Provision of start-up and incubator support to encourage new agri-business opportunities in the region.	Knowhow enablers
	Skills matched to Jobs.	Knowhow enablers
	Enhanced infrastructure to deliver agri-food industry-relevant training. Potential for joint venture TAFE, Industry and Government to develop on-site multi-functional centre within Peel Business Park.	Knowhow enablers
Peel Business Park	<ul style="list-style-type: none"> 300 construction jobs. 160 jobs once stage 1 is fully operational (first stage of lots). 	Knowhow application
WA Agri-food Precinct	506 direct jobs within 5 years of operation. 977 indirect jobs within 5 years of operation.	Knowhow application
Transform Mandurah	<ul style="list-style-type: none"> Attracting investment into the City. Addressing structural unemployment. 	All
Peel Hospitality Training Centre	Development of industry-standard hospitality and tourism facilities at the Mandurah education campus.	Knowhow enablers
	Training to meet projected 2,200 additional tourism jobs in the region by 2050.	Knowhow application
Byford TAFE	Development of a TAFE in Byford to enable access to equine businesses and provide an opportunity to explore the development of equine-related training alongside traditional TAFE courses.	Knowhow enablers

NERA Hydrogen Cluster	Explore potential to facilitate the Hydrogen industry in Peel. Hydrogen could potentially be used in the areas of heavy transport, 'green' steel and aluminium manufacturing, and off-grid renewable energy supply, which would, in turn, create new industry jobs and reduce greenhouse emissions.	Knowhow application
Dwellingup Futures	Development of the trails network in Dwellingup to become an international trails town contributing to additional employment opportunities and output in the region.	Knowhow application

Common human capital themes which arise from the region's industry development projects include:

- Increased need for a multi-skilled workforce with enhanced core capabilities and competencies;
- Increased need for skills development relating to tourism and hospitality industries;
- Increased need for skills development relating to STEM, ICT, food, and agriculture industries; and
- Provisions of start-up and incubator support.

Benchmarks

Benchmarks help us understand how an economy is performing or is characterised in relation to similar economies. We can identify areas where there is a divergence from averages, indicating a significant gap to be addressed, or areas of alignment, indicating relative stability. Based on the characteristics of the Peel region, five benchmarks have been identified (Table 3). The Sunshine Coast, Mornington Peninsula, Greater Geelong and Wanneroo are all located in proximity to a major City. On the other hand, the South-West region is similar to the Peel region based on location characteristics and natural resources. Other notable similarities between the benchmarks are that they all generally have low educational attainment rates, and lower employment self-sufficiency rates. The indicators in Table 3 below will be used throughout the report to contextualise the Peel region's socioeconomic characteristics or performance.

Table 3 - Comparison of Benchmark Regional Economies

	Peel Region	Sunshine Coast	Mornington Peninsula	Greater Geelong	South-West Region	City of Wanneroo	Rockingham
Distance from City	75km	100km	40-80km	75km	275km	30km	47km
Population	146,200	336,500	168,900	264,900	182,000	212,800	125,100
ESS	75%	91%	-	83%	67%	58%	70.6%
Workforce Participation Rate	56%	58%	55%	58%	68%	67%	64%
Unemployment rate	7%	7%	7%	6%	3%	9%	10%
SEIFA Index (IRSD)	983	1067	1030	994	993	1015	1,001
Local Industries of employment	Retail Trade, Health Care & Social Assistance, Construction	Health Care & Social Assistance, Construction, Retail Trade.	Construction, Health Care and Social Assistance, Retail Trade.	Health Care & Social Assistance, Retail Trade, Construction	Health Care & Social Assistance, Retail Trade, Construction	Construction, Retail Trade, Education & Training	Retail Trade, Health Care & Social Assistance, Education & Training.

Source: ABS ERP 2016, Mornington Peninsula Shire 2019, REMPLAN 2020, Economic.id. 2021, Profile.id 2021.

Table 4 - Comparison of Indicators by LGA in the Peel region

Indicator	Boddington	Mandurah	Murray	Serpentine-Jarrahdale	Waroona
Distance from City	120km	72km	40-80km	75km	275km
Population	1,800	80,800	16,700	26,800	4,100
ESS	32%	73%	44%	54%	38%
Workforce Participation Rate	63%	53%	52%	68%	53%
Unemployment rate	6%	11%	10%	4%	6%
SEIFA Index (IRSD)	991	971	962	1,040	945
Local Industries of employment	Mining (69%), Construction, Other Services.	Retail Trade, Health Care & Social Assistance, Education & Training.	Manufacturing, Mining, Construction.	Construction, Education & Training, Agriculture Forestry & Fishing.	Manufacturing, Mining, Construction.

Source: ABS 2016, REMPLAN 2020, Economic.id. 2021, Profile.id 2021.

Sunshine Coast

The region is located about 100km north of Brisbane with a population of 336,482. The participation rate of the labour force was 58% in 2016, with unemployment rates of 7%. The biggest industry of employment is Health Care and Social Assistance (15%), Construction (12%), and Retail Trade (11%). The most common occupations within the area were Professionals (19%), Technicians and Trades Workers (16%) and Clerical and Administration Workers (13%). The region had a lower proportion of people holding formal qualifications, and a higher proportion of people with no qualifications. The region has a SEIFA Index score of 1,067⁶.

Strategy

The Sunshine Coast's Regional Economic Development Strategy states the challenges the region has experienced includes volatility in tourism demand, fluctuating levels of regional unemployment and average income levels. The response to these challenges includes securing a high level of investment to enable growth in employment opportunities, investment in communities and delivery of essential infrastructure and services to build on the talent and skills of its workforce and the contribution of community members. This included the establishment of priority investment areas associated with projects that offered future regional development opportunities by clarifying the supply chains of the projects to identify gaps and opportunities. Additionally, the establishment and development of research capability and reputation.⁷

Mornington Peninsula

Mornington Peninsula Shire is located 40-80 kilometres south of the Melbourne CBD and has a population of 168,862. The participation rate of the labour force is 62% of which 7% were unemployed. The biggest industries of employment are Construction (13%), Health Care and Social Assistance (13%) and Retail trade (11%). The most common occupations are Professionals (19%), Technicians and Trades Workers (18%), and Managers (14%)⁸. The SEIFA (IRSD) Index score of the region was 1,030. The region had a lower proportion of people holding formal qualifications and a higher proportion of people with no qualifications⁹.

⁶ ABS ERP 2020, Profile.id 2021.

⁷ Sunshine Coast Regional Council, 2021. *Regional Economic Development Strategy 2013-2033*

⁸ ABS ERP 2020, Profile.id 2021.

⁹ ABS ERP 2020, Profile.id 2021.

Strategy

Similar to the Peel region, Mornington Peninsula has a strong tourism industry and plans to focus on the food economy to take advantage of its rich history and connection to agriculture. Strategies for economic development within the Morning Peninsula is skills enhancement, information sharing for businesses, identifying opportunities for emerging industries and enhancing infrastructure for greater business opportunities.¹⁰

Greater Geelong

The Greater Geelong region is located 75km from Melbourne CBD and had a population of 264,866 in 2020. The total labour force has a participation rate of 58% of which 6% were unemployed. The biggest industry of employment is Health Care and Social Assistance (15%), Retail Trade (12%), and Construction (10%). The most common occupations within the region are Professionals (21%), Technicians and Trades Workers (15%), and Community and Personal Service Workers (13%). The region had a lower proportion of people holding formal qualifications, and a higher proportion of people with no qualifications. The area has a SEIFA (IRSD) Index score of 994.¹¹

Strategy

Like the Peel region, Greater Geelong has a good tourism industry which the Council want to grow by upgrading visitor facilities, experiences, and accommodation. The region aims to work with the government to deliver successful projects to enhance and diversify employment and business opportunities. Additionally, to bring about more support to local businesses, markets, and products. The strategy involves an enhanced transport infrastructure by integrated rail, road, and sea connections.¹²

South-West Region

The region is located in the South-West of Western Australia and has a population of 182,000. The participating rate of the labour force was 68% in 2016, with unemployment rates of 3%. The biggest industries of employment are Health Care and Social Assistance (5%), Retail Trade (5%), and Construction (5%). The most common occupations are Technicians and Trades Workers (8%), Professionals (6%), and Labourers (6%). The region had a lower proportion of people holding formal qualifications, and a higher proportion of people with no qualifications. The region has a SEIFA (IRSD) Index Score of 993.¹³

Strategy

The South-West region is the most populous and fastest growing after Perth and Peel. Their vision is to generate a high standard of social amenity with sustainable water and energy supplies, diverse economic activities and high-quality food that is supported by effective infrastructure. Like Peel, the region has an abundance of land and natural resources which is crucial for the local economy as the biggest industries are related to mining and agriculture. The strategy recognises the need to promote the development of new and traditional industries through proactive land-use planning and further development of Bunbury Port and other strategic industrial areas.¹⁴

City of Wanneroo

The City is located 30km North of Perth and has a population of 212,800. The participating rate of the labour force was 67% in 2016, with unemployment rates of 9%. The biggest industries of employment are Construction (16%), Retail Trade (13%), and Education and

¹⁰ Mornington Peninsula Shire 2019, *Economic Development Strategy 2016-2019*.

¹¹ ABS ERP 2020, Profile.id 2021

¹² City of Greater Geelong 2021.

¹³ ABS 2016, REMPLAN 2021.

¹⁴ Western Australia Planning Commission 2015 *South-West Regional Planning and Infrastructure Framework*.

Training (12%). The most common occupations are Technicians and Trades Workers (19%), Professionals (16%), and Clerical and Administrative Workers (14%). The City had a higher proportion of residents with a vocational qualification, as well as a higher proportion with no qualification compared to Greater Perth. The City has a SEIFA (IRSD) Index Score of 1015.¹⁵

Strategy

The City of Wanneroo is the fastest growing local government in Western Australia. Through their strategy, they aim to create support for local businesses to drive economic growth and diversify the economic base. The vision is to create a society that is healthy, safe, and connected by creating distinctive places and engaging with the community. The city's vision for the future economy prioritises the enhancement of local jobs, innovation, and visitation through investment in local business infrastructure and the development of strategic partnerships and alliances ensuring funding and project initiation.¹⁶

City of Rockingham

The city is located 47km south-west of Perth CBD and has a population of 125,100. The participating rate of the labour force was 64%, with unemployment rates of 10%. The biggest industries of employment are Construction (12%), Health Care and Social Assistance (11%), and Retail Trade (10%). The most common occupations are Technicians and Trades Workers (21%), Professionals (13%) and Community and Personal Service Workers (13%). The city has a higher proportion of people with vocational qualifications and no qualifications compared to Greater Perth. The city has a SEIFA Index (IRSD) score of 1,001.¹⁷

Strategy

The City of Rockingham's Strategy includes addressing the needs of the local business community and attracting new and diverse investment to enhance economic and social benefits to the community. Four key elements were developed to realise the City's vision, which included investment attraction, the development of a more vibrant town centre, local business development and taking a lead role in actively advocating and lobbying for regional infrastructure and services.¹⁸

¹⁵ ABS 2016, REMPLAN 2021.

¹⁶ City of Wanneroo 2017 *Strategic Community Plan 2017-2027*.

¹⁷ ABS 2016, Profile.id 2021, economy.id 2021.

¹⁸ City of Rockingham 2020 *Economic Development Strategy 2020-2025*

KNOW HOW CAPACITY

Characteristics of the talent, skills and knowledge in the Peel region enable understanding of the current trends and gaps between skills needed and actual skills. To carry out the analysis, the following indicators have been considered:

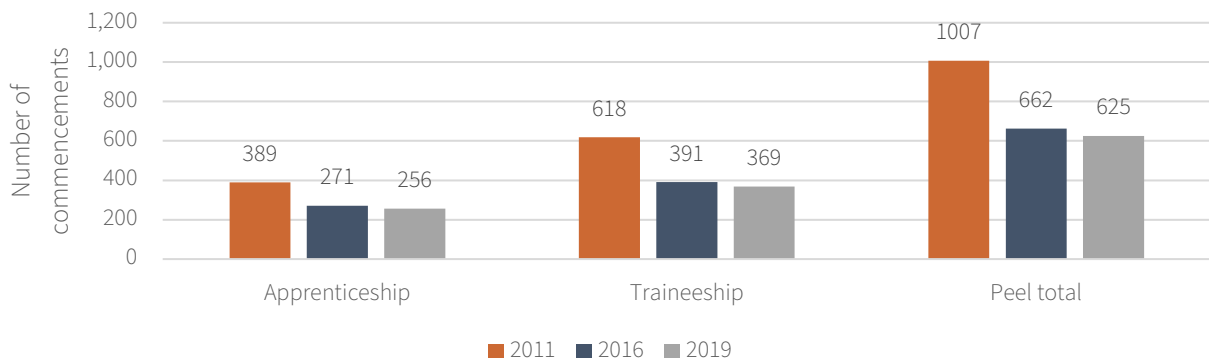
- Education and training qualities.
- Level of education.
- The population of working age.
- Unemployment rate.
- Socioeconomic indicators.
- Immigration characteristics.

Education and Training

Traineeships and Apprenticeships

Analysis of traineeship and apprenticeship commencements enables understanding of how many, and what type of skills the population are demanding. Figure 3 illustrates the number of apprenticeships and traineeship commencements in 2011, 2016 and 2019. The Figure suggests that the number of commencements of apprenticeships substantially decreased from 2011 to 2016 and have continued to decrease since, however at a lower rate. Since 2012, there have been several reductions in the incentives paid to employers, which appear to have affected the number of commencements of apprenticeships and traineeships.¹⁹ The trend is similarly apparent on a state average as the traineeship and apprenticeship commencements decreased from 19,600 in 2016 to 16,500 in 2019 (a 16% decrease)²⁰.

Figure 3 - Commencement by contract type in the Peel region.



Source: Department of Training and Workforce Development 2019, FAR lane 2021.

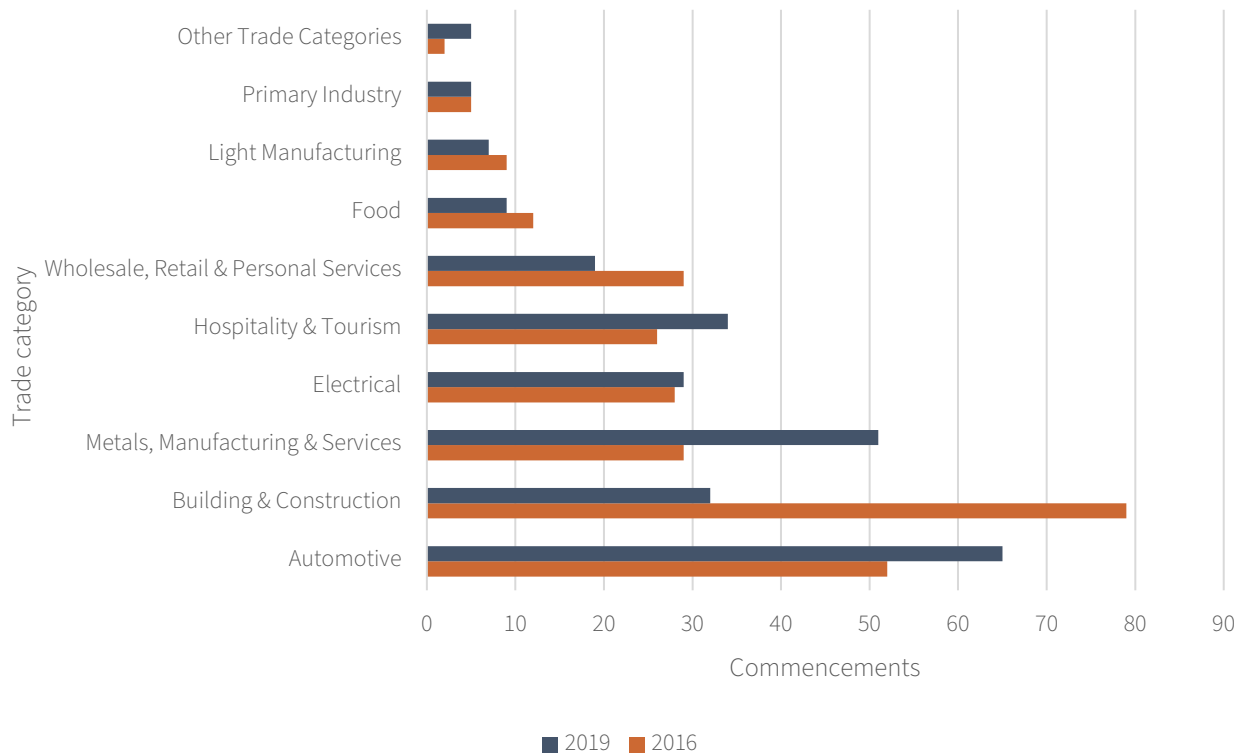
The apprenticeships commencement by category in the Peel region (Figure 4) suggests that the trade industries that are gaining interest are Metals, Manufacturing and Services, Automotive, and Hospitality and Tourism. The trade that has kept relatively constant is Electrical. The remaining trade industries have seen a decline in commencement. The commencements that are increasing are within industries that are important to the region.

The change in traineeship commencements between 2016 and 2019 within the Peel region (Figure 5) show that overall traineeship commencements have decreased from 391 to 369. The two trade categories that have increased commencements are Building and Construction and Community Services, and Health and Education.

¹⁹ NCVET 2016.

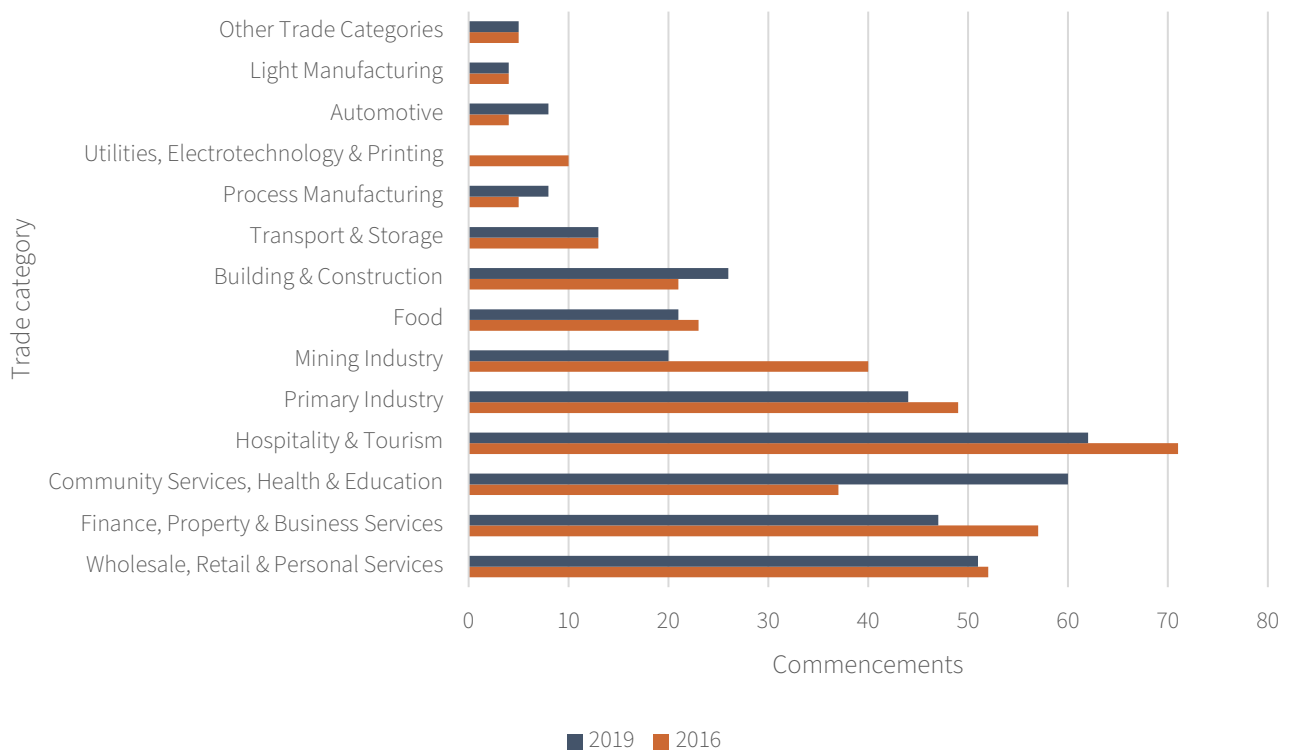
²⁰ NCVET 2020.

Figure 4 – Apprenticeships commencements by category in the Peel region



Source: Department of Training and Workforce Development 2019, FAR lane 2021.

Figure 5 - Traineeships commencements

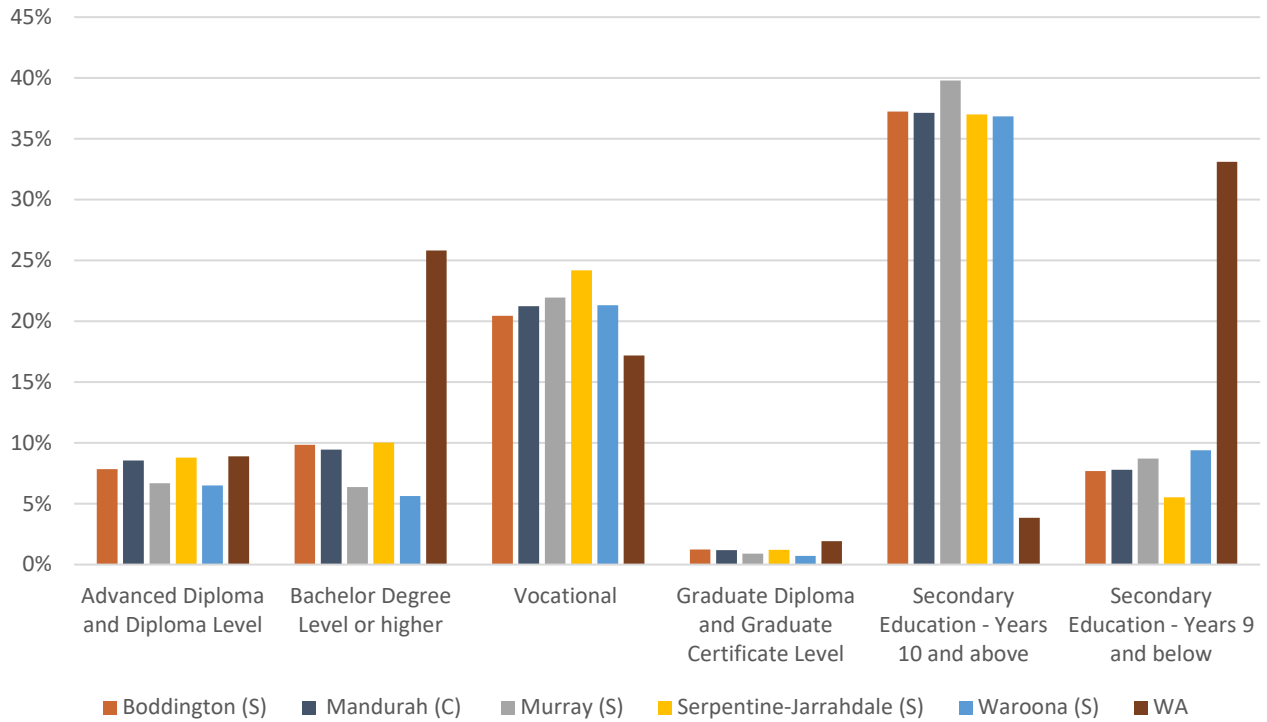


Source: Department of Training and Workforce Development 2019, FAR lane 2021.

Level of Education

Education attainment data suggests that a large majority of people in the Peel region have attained secondary level schooling (year 10 and above). Overall, the Peel region has relatively low numbers of high tertiary attainment (9%) compared to Greater Perth, where 23% of people had a bachelor’s degree or higher. Murray and Waroona have the lowest levels of high tertiary education in the region (Figure 6).

Figure 6 - Educational attainment by LGA, 2016

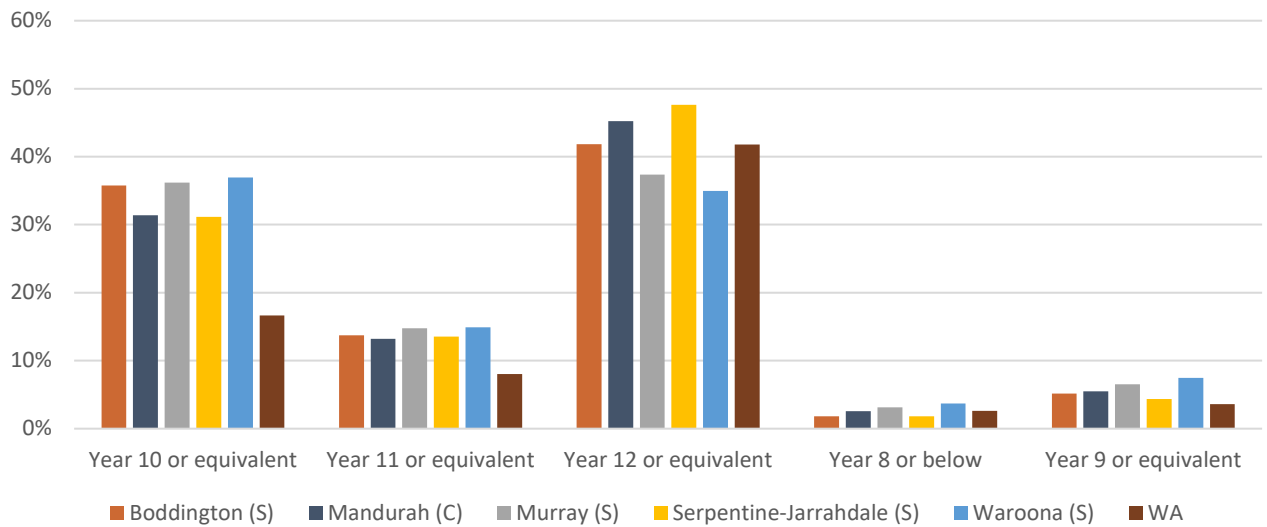


Source: ABS Census 2016, FAR Lane 2021.

Education Completion

Of the workforce (people aged over 15) living in the Peel region, less than 50% completed Year 12 or equivalent in 2016 (Figure 7). This is lower than the Greater Perth proportion, where 55% of the workforce completed year 12 in 2016. Waroona and Murray had the lowest proportion (35% and 45% respectively) of residents that completed secondary education. In contrast, Serpentine-Jarrahdale had the highest proportion of residents that completed high school (48%), following Mandurah (45%) and Boddington (42%).

Figure 7 - Education completion by LGA, 2016

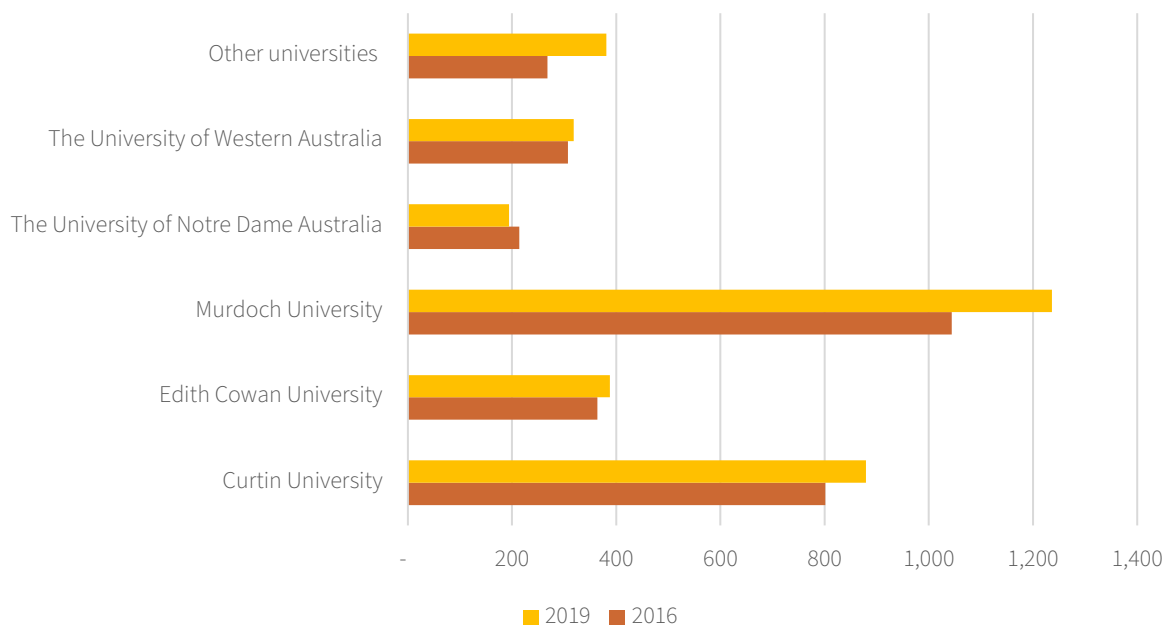


Source: ABS Census 2016, FAR lane 2021.

University commencement by Peel residents

University commencements increased from 3,000 to 3,400 (13%) between 2016 and 2019. However, seeing that the region has experienced population growth the commencement increase is not significant. Murdoch University has the highest proportion of Peel resident commencements (Figure 8), likely resulting from its proximity and access to road and rail infrastructure.

Figure 8 - University commencements by Peel residents at Australian Institutions



Source: PDC 2021, Far lane 2021.

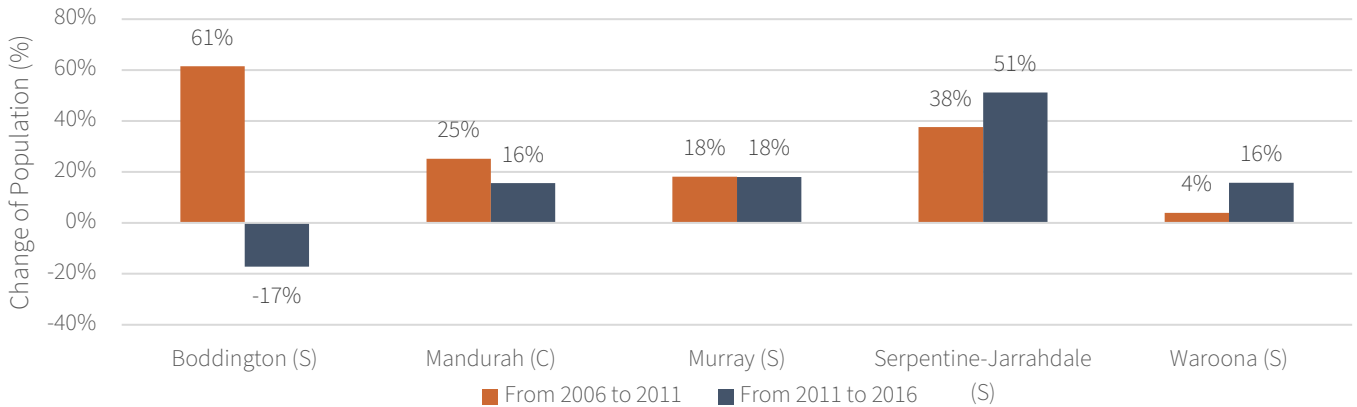
Working-Age Population

In 2016 the Peel region had a total residential population of 130,336 and the rate of participation in the labour force at that time was 56% with an unemployment rate of 7%. Among the five Peel region's, Serpentine-Jarrahdale is forecast to experience significant population

growth as high as 128%. This presents a challenge for young persons living in Serpentine-Jarrahdale, as they currently have limited access to local education and career pathways beyond year 10, consequently, leading to an increased change of disengagement and trend of the workforce having to find work outside the LGA. In contrast, Mandurah has a projected 46% population increase (Figure 9). Mandurah, Murray, and Serpentine-Jarrahdale and Waroona are all expected to experience an increase in their workforce. Boddington is the only LGA that is expected to face a workforce population shortage.

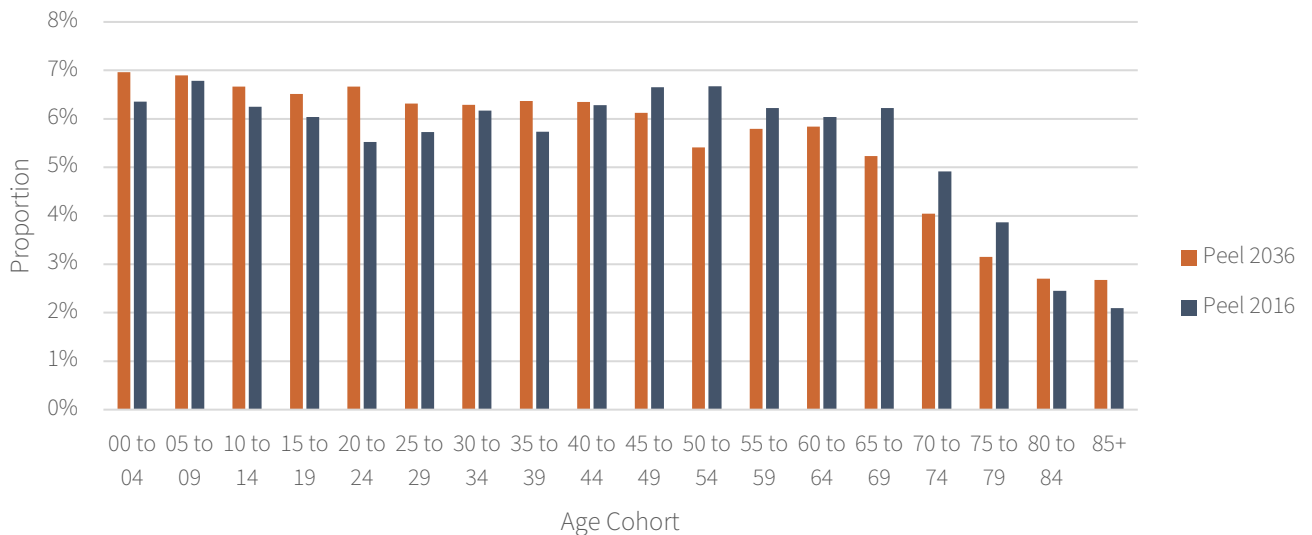
Figure 10 illustrates the population forecast in 5-year age groups.

Figure 9- The population change rate in the Peel region from 2006 to 2016



Source: ABS Census 2016. FAR Lane 2021.

Figure 10 – Peel population forecast

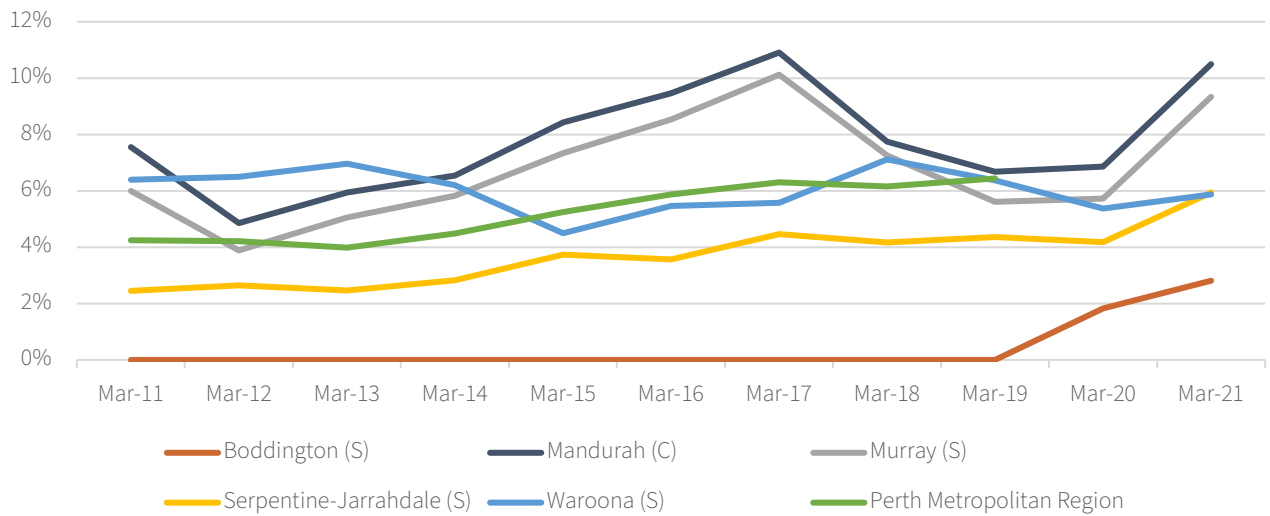


Source: WA Tomorrow 2016-2031, Far lane 2021.

Unemployment Rates

The unemployment rates in the Peel region have seen a substantial increase since the onset of the COVID-19 global pandemic. Areas like Mandurah, Murray, Boddington have been more affected than others as employment within these LGAs tends to be concentrated across a small number of industries, for example, Retail Trade and Accommodation and Food Services. The LGAs with lower unemployment rates over time are Serpentine-Jarrahdale, Boddington, and Waroona (Figure 11).

Figure 11 - Unemployment rates by LGA



Source: SALM 2021, Far Lane 2021.

Socioeconomic Index

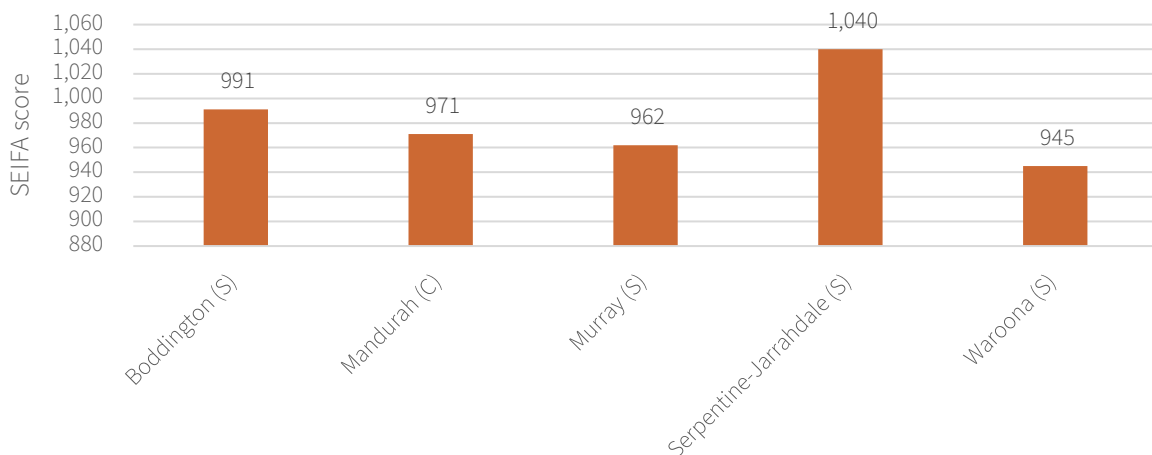
SEIFA Index

Definition

SEIFA is an ABS tool that ranks areas in Australia according to relative socioeconomic advantage and disadvantage. The index summarises a wide range of information about the economic and social resources of people and households within the area. The median SEIFA score is 1,000. A score below 1,000 indicates relative disadvantage compared to other areas while a score above 1,000 indicates relative lack of disadvantage compared to other areas.

SEIFA scores suggest that the majority of LGAs within the Peel region have a relative socioeconomic disadvantage, apart from Serpentine-Jarrahdale, which has a relative advantage compared to other areas (Figure 12). The higher score in Serpentine-Jarrahdale may relate to the major roads and public transport networks that exist there, enhancing connectivity to business and logistics hubs like Kwinana and Henderson. The LGAs with lower scores are likely resulting from lower educational attainment and a smaller employment pool, as only 33% of the residential labour force work in the region.

Figure 12 – SEIFA IRSD index score by LGA



Source: ABS census 2016, Far lane 2021.

ICSEA Index

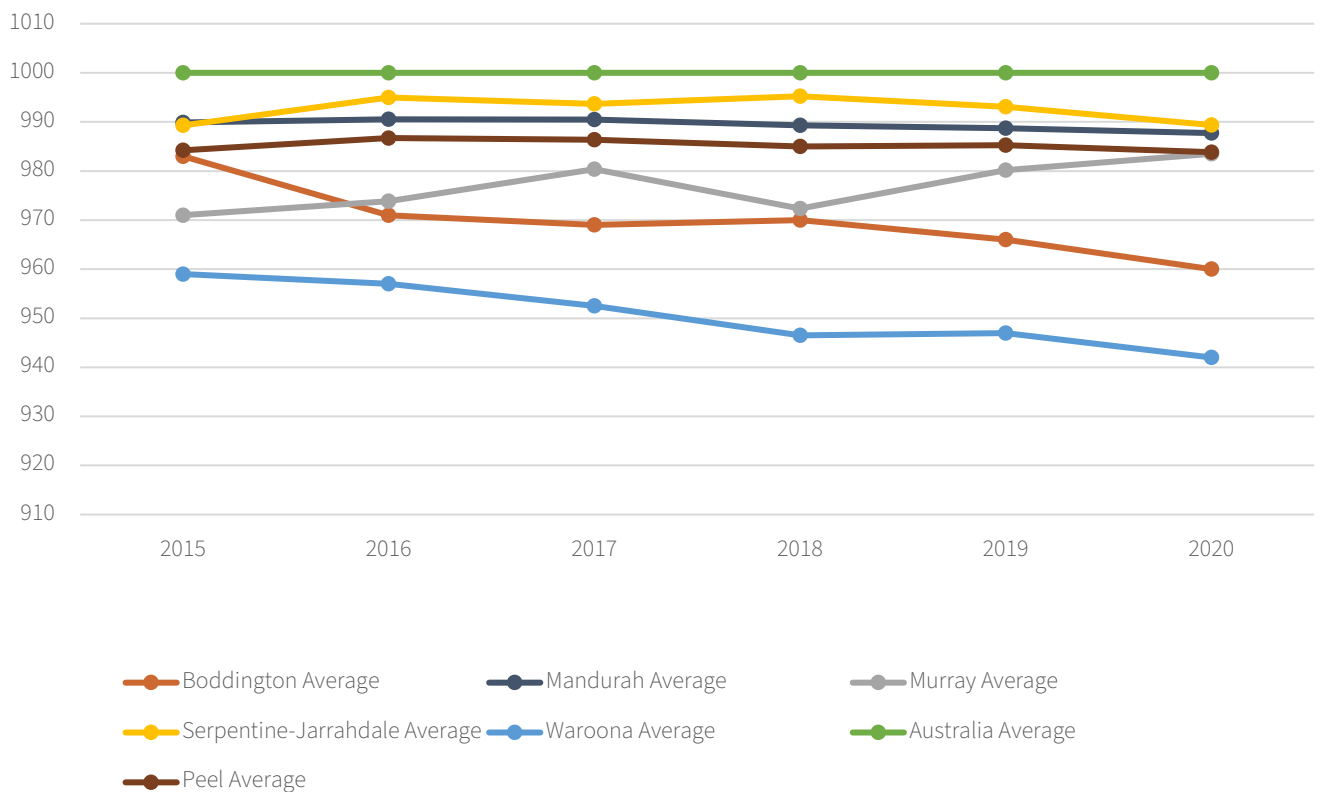
Definition

The Index of Community Socio-Educational Advantage (ICSEA) is a scale of socio-educational advantage that is computed for every school in Australia. The development of ICSEA involves collecting family background data and identifying with a statistical model the combination of variables that have the strongest association with student performance in the NAPLAN results. Values are calculated on a scale that has a median of 1,000 and a standard deviation of 100. A score above 1,000 indicates socio-educational advantage, and a score below 1,000 indicates socio-educational disadvantage.

Data suggests that the average primary schools within the Peel region are below average and are at a social-educational disadvantage (Figure 13). The educational standard in primary schools should be specifically considered in Waroona and Boddington as they have experienced a decline in educational scores since 2015. Similarly, ICSEA data for secondary schooling (Figure 14) suggests that Boddington, Waroona, and the overall Peel regional average is at a social-educational disadvantage.

Analysis of ICSEA scores in the Peel region suggests that the majority of public schools are at a socio-educational disadvantage. The schools that are at an educational advantage relative to the national average are most commonly private schools.²¹

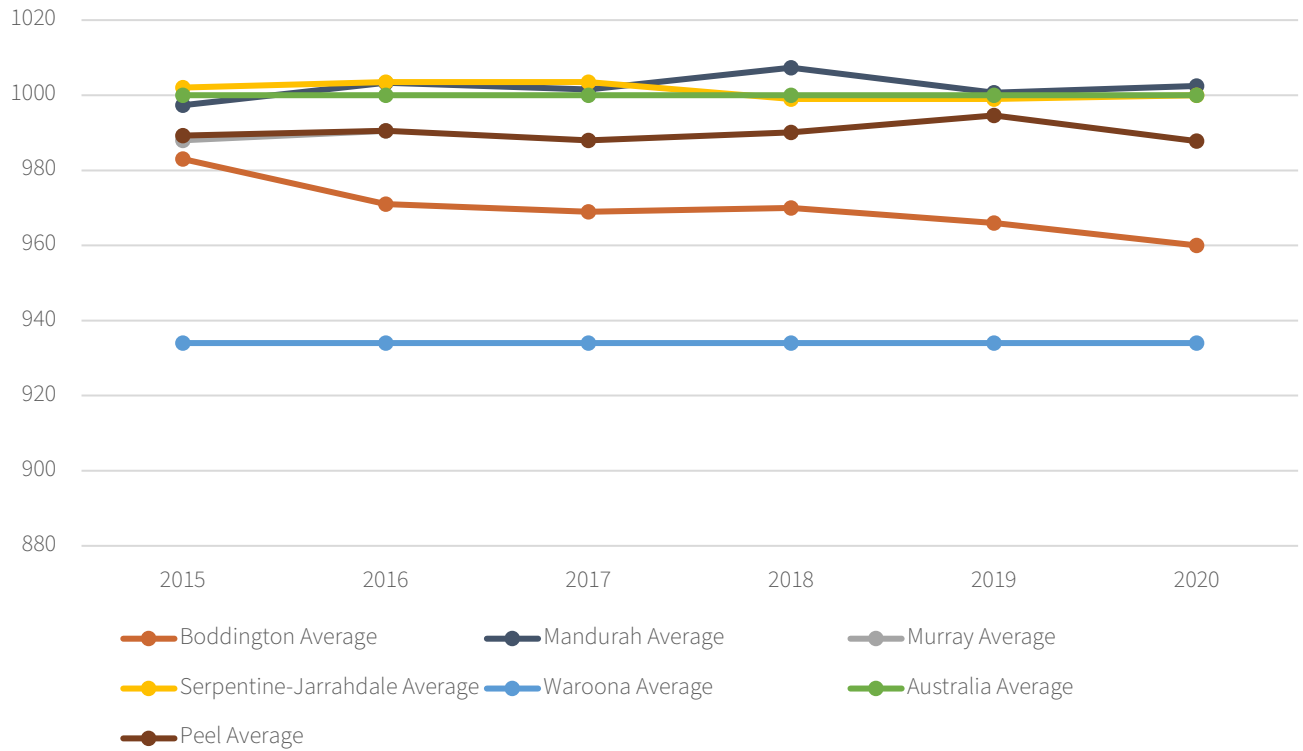
Figure 13 - Average primary school ICSEA scores by LGA



Source: ACARA 2020. FAR Lane, 2021.

²¹ ACARA MySchool, 2021.

Figure 14 - Average secondary school ICSEA scores

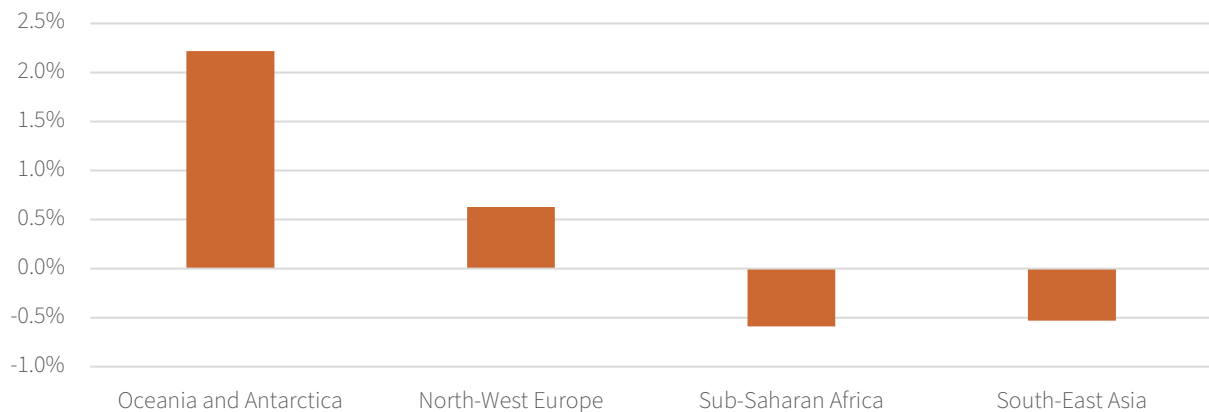


Source: ACARA 2020. FAR Lane, 2021.

Immigration Characteristics

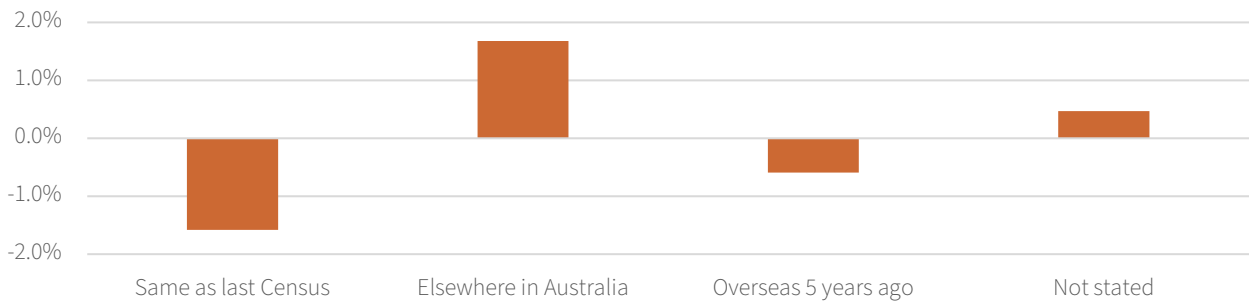
In 2016, 26% of the Peel region’s residents were born overseas. Data suggests that the proportion of overseas-born residents has been decreasing since 2011 (Figure 15). Since 2011, the proportion of people who had another address in Australia 5 years ago has also increased (Figure 16), suggesting that the Peel region is attracting new residents. However, the region has a lower proportion of people born overseas compared to the state average (Figure 17).

Figure 15 - Percentage change in overseas born residents between 2011-2016



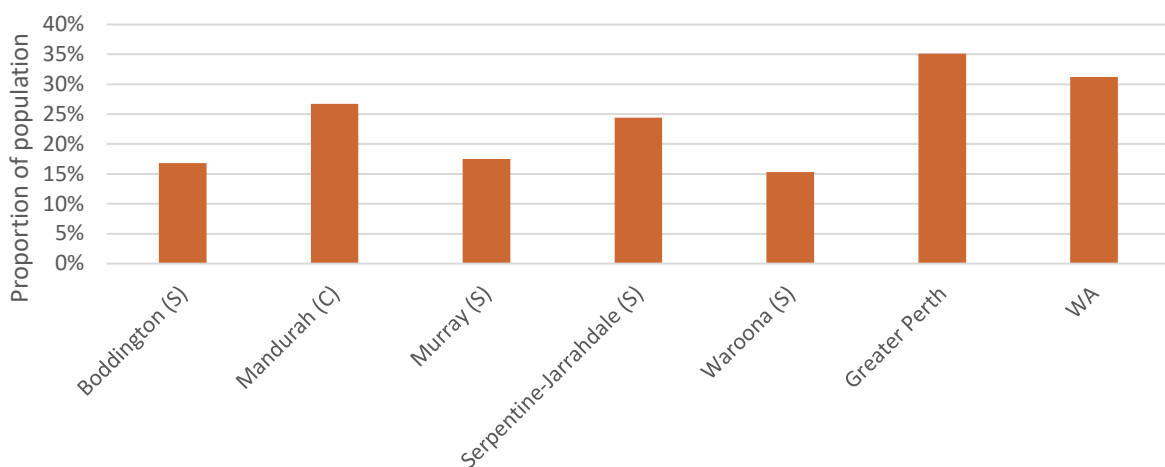
Source: ABS 2011, ABS 2016, Far lane 2021.

Figure 16 -Percentage change of persons usual address 5 years ago (Between 2011 and 2016) in the Peel region.



Source: ABS 2011, ABS 2016, Far lane 2021.

Figure 17 - Born overseas 2016 comparison



Source: ABS 2016

Peel Away the Mask

In 2012, the Peel Away the Mask Report highlighted the following socioeconomic challenges facing communities within the Peel region, which are relevant to the region's ability to enhance strength and resilience within its population and produce capable people:

- Lack of community access (particularly within more remote LGAs) to health and community services including mental health services, Indigenous health and wellbeing, aged care, disability services and youth services (in particular crisis care);
- The strain on existing services, particularly health services, with communities relying on limited GP, emergency and allied health services. This was exacerbated by a lack of resourcing for early intervention programs and approaches which would reduce the burden on these services;
- Unclear and or incomplete regional service models and jurisdictions resulting in some areas and LGAs falling into service provision gaps and a general disparity of service provision across the Peel region;
- Decreasing access to affordable housing driven by increased population and strain on existing housing stocks in the region and resulting in an increase in people experiencing homelessness and the need for crisis accommodation;
- Increasing reporting of domestic and family violence. Unpublished data cited in the report suggested that the Peel Police District, at the time, had the second-highest incidents of domestic violence in Western Australia; and

- The lack of transport within and between key regional centres creates barriers for people when seeking or attending employment, going to school or study, or accessing health and community services.

Work is currently underway on updating the Peel Away the Mask report to capture changes across the region. Research conducted to date indicates that the above issues remain, and in many cases have been exacerbated by the impacts of the COVID-19 pandemic. Table 5 compares the Peel region's unemployment rate and SEIFA index score with our benchmark economies. The Peel region's unemployment rate is comparable to most benchmarks indicating it is not experiencing unique challenges in this area. Compared to benchmark economies, the Peel region has the lowest SEIFA score, indicating it has more complex social and economic characteristics that need to be addressed through targeted services.

Table 5 - Comparison of benchmark economy indicators

	Peel Region	Sunshine Coast	Mornington Peninsula	Greater Geelong	South-West Region	City of Wanneroo	Rockingham
Unemployment Rate	7%	7%	7%	6%	3%	9%	10%
SEIFA Index	983	1067	1030	994	993	1015	1,001

Source: ABS ERP 2016, Mornington Peninsula Shire 2019, REMPLAN 2020, Profile.id 2021, Economy.id 2021.

Knowhow Capacity And Regional Economic Development Aspirations

Knowhow capacity relates to the following aspirations of the Peel Regional Blueprint:

- Capable people
- Strong and resilient communities

Capable People

An aspiration for the Peel region is to have a multi-skilled and adaptable workforce, that can adapt to structural and technological change to support an economy that is strong, diverse and high performing. Currently, public schools across the whole region are at a socio-educational disadvantage; and the current workforce has low educational attainment compared to the state and national average.

Knowhow capacity factors that can facilitate a more multi-skilled workforce are:

- Programs to increase educational attainment and attendance for children and young people. This increases their chances of completing secondary school with the skills and capabilities to transition into tertiary education options;
- Removing barriers to school and training attendance through enhanced transport and connections within and between LGAs in the region; and
- Strong focus on showing students and young people the opportunities to live and work within the region and the pathways to those opportunities (for example jobs in tourism, food, agriculture, and population services).

A Strong and Resilient Community

Complex challenges are facing the Peel region's communities, particularly those outside the city of Mandurah, who have less access to essential health and community services. Addressing barriers to education is only one part of the complex task of empowering individuals, families, and communities to achieve their aspirations. As highlighted in the Peel Away the Mask II Report there is a complex and interrelated framework of health and community support that is required to help lift families out of poverty.

To achieve the aspiration of a strong, vibrant, and resilient community that is empowered to contribute to the region's knowhow, the region is required to improve the current infrastructure and quality of health and community services.

Table 6- Knowhow capacity gap analysis – Peel Regional Blueprint aspirations

Goal	Indicator	Current	Gap
Capable People	By 2050, the educational attainment of Peel residents is above the WA state average.	40% in Peel 47% in WA	7 percentage points
	By 2050, Index of Community Socio-Educational Advantage (ICSEA) for our public schools is commensurate with independent school ICSEA.	Peel ICSEA 988	12 points to reach an average of 1,000
Strong and Resilient Community	By 2050, Index of Relative Socioeconomic Disadvantage (IRSD) is at a lower level of disadvantage to the national average.	SEIFA 983	17 points to reach an average of 1,000

Note: Educational attainment refers to qualifications higher than year 12. ICSEA scores are based on the Peel average of both public and private schools, the gap compares the region to the national average. Instead of the IRSD Index, the SEIFA index is used to measure socioeconomic disadvantage.

KNOWHOW ENABLERS

Knowhow enablers refer to the systems, services and infrastructure that sit around the human capital pools that enable the development of necessary knowledge, skills, and talent to participate and enhance a regional economy. Examples include education and training providers, innovation support and service infrastructure.

- Education and training provision.
- Retention of talent.
- Scale and match of local infrastructure to trends.
- Start-up and innovation infrastructure.

Education and Training Provision

School-Based Learning

The City of Mandurah is home to most primary and secondary education and training providers in the Peel region, as outlined in Table 7. District high schools in Waroona and Boddington finish at year 10, after which time students must go to Narrogin, Perth or Pinjarra to access years 11 and 12.

Table 7 – Number of primary and secondary education providers in the Peel region's LGAs (2020)

School sector	Boddington	Mandurah	Murray	Serpentine-Jarrahdale	Waroona
Primary	1	18	6	9	2
Secondary	1	8	2	2	1

Source: ACARA 2021.

Vocational Education and Training (VET)

VET is offered through a combination of schools, private training organisations and South Metropolitan TAFE. In the past 5 years, there has been a decline in course offerings, and some courses have been moved to Rockingham as well as to other areas. There have been ongoing concerns regarding the quality of training reported by industry in a 2017 study of workforce development in the region. The commencement decline has been noted, with students having to travel to Rockingham, Fremantle or Thornlie for block release training. Therefore, suggesting that the region has a mismatch of the education that is offered and what the population is wanting.

Tertiary Education

There is no local university based in the Peel region. However, Murdoch University's Mandurah campus offers a nursing program and post-graduate counselling. Local students must move or commute to metropolitan areas in which the universities are located to access other courses. This has implications for the population and future workforce, as these people are likely to build professional and personal connections outside the Peel region during their studies, increasing the probability that they will seek long term employment elsewhere.

Table 8 (following page) catalogues the available VET and Tertiary education providers in the Peel region and outlines their areas of focus. This helps us to understand the skills and training available in the area and how it relates to the Peel region's strategic and growth industries.

Table 8 - Peel based VET and tertiary education

Institution / Infrastructure	Location	Focus Area
Mandurah Education and Training (PET) Campus	Mandurah	Education hub combining multiple training providers (listed below)
South Metropolitan TAFE	Mandurah (PET)	Aerospace, maritime and logistics Agriculture, animals, science, and the environment Automotive Animal support Business and finance Building and construction Creative Industries Defence Education and Community Services Engineering and mining English, languages, and foundation studies Health, beauty, and fitness Hospitality, tourism, and events Information technology, library and digital
Peel Jobs and Skills Centre	Mandurah (PET)	Careers advice Training and employment opportunities advice Business and workplace development Aboriginal training and skills development
Murdoch University	City of Mandurah	Nursing Counselling and Creative Arts Therapies On-track enabling program
Peel Health Campus	City of Mandurah	Work experience program for the health services sector
ECU Student Support	City of Mandurah (Make Place)	Student Support and Advice
Peel Hospitality Training Centre (Planning stages)	City of Mandurah	Hospitality
Private Registered Training Organisations	Various locations	The Peel region is also home to a range of privately owned and operated registered training organisations (RTOs). Currently, there are six private RTOs that are registered into the Peel region, focusing on safety, hairdressing, and the delivery of VET courses ²² . This group does not capture RTOs which may be based in the Perth Metropolitan region (or other regions in Western Australia) but deliver online courses that can be accessed from Peel.

²² Training.gov.au, 2021 search results

Retention of Talent

In recent years, there has been a trend of migrations from regional areas to the coastal and metropolitan areas of Australia. The attraction and retention of professionals are emerging as a problem. According to Mackenzie the most common reasons for professional skill shortages are²³:

- Rapidly expanding industries;
- Limited infrastructure or services;
- Less diverse culture, activities, or lifestyle;
- Limited professional development;
- Variable or seasonal demand for skills; and
- Low supply of trained staff.

Mining and construction are the biggest industries of employment. A big proportion of skilled workers are coming to the area due to these industries. Yet, the apprenticeship and traineeships for skills within these occupations has been decreasing, so the ongoing issue of the lack of skilled workers is likely to remain.

Scale and Match of Local Infrastructure to Trends

The lower educational attainment matches the educational infrastructure that exists within the region. There are currently no direct linkages to formal education institutions, and there have been ongoing concerns about the quality of the VET programs that do exist in the area.²⁴ Additionally, there has been a decrease in course offerings in the past 5 years, increasing the gap between skills demanded and supplied within the region.

Start-Up and Innovation Infrastructure

The extent to which an economy or place enables innovation, entrepreneurs and start-ups can significantly influence the ability to attract investment, new business, and visitors to a region, as well as to produce new products and services that can contribute to regional economic growth.

Innovation refers to the implementation of a new or significantly improved good, service, process, new marketing method; a new workplace organisational or business practices; or improved external relations²⁵. There is a [range of definitions](#) for start-ups. For this report, start-ups refer to a company in the first stages of operations. Start-ups are often founded by one or more entrepreneurs who want to develop a product or service for which they believe there is demand. These companies generally start with high costs and limited revenue, which is why they look for capital from a variety of sources such as venture capitalists.²⁶

The unique knowhow within a regional economy or industry can directly influence the productivity of an innovation ecosystem. Having a unique combination of skills, talent and knowledge interacting, collaborating, and engaging around common opportunities and challenges can be extremely powerful and lead to the development of innovation. This potential can be unlocked through targeted support for innovation and start-ups, which can be delivered by a range of mechanisms including innovation hubs, co-working spaces, access to advice and support, incubators, accelerators, workshops, and funding. Unique knowhow can

²³ McKenzie 2003 *Regional Skills Shortages*

²⁴ PDC 2017 *Peel Workforce Skills Analysis*

²⁵ OECD Glossary of statistical terms 2005

²⁶ Investopedia 2021.

be nurtured through support that is industry or sector-specific or brings together different industries in a way that is not done elsewhere.

Entrepreneurs and innovators located in the Peel region have varied access to a range of services, infrastructure and mechanisms which support start-ups and innovation. Table 9 provides a catalogue of identified services and infrastructure, and identifies the following:

Table 9 - Peel based start-up and innovation services and infrastructure

Service / Infrastructure	Type	Location	Start-up support	Innovation support	Focus area	Status
<u>Western Australian Food Innovation Precinct</u>	Precinct / Hub	Peel Shire of Murray as a hub. Spokes potentially other LGA	Yes	Yes	Food production Agriculture Research and development Export and product licencing.	Completion in 2022.
<u>Peel Bright Minds</u>	Aspiration building	Peel Shire of Murray	No	Yes	STEM	Operational
<u>Shire of Murray Community and Economic Development</u>	Support & Advice	Peel Shire of Murray	Yes	No	LGA focus	Operational
<u>The Court House</u>	Co-working	Peel Shire of Murray	Yes	No	General	Operational
<u>Shire of Serpentine-Jarrahdale Business Support</u>	Support & Advice	Peel Shire of Serpentine-Jarrahdale	Yes	No	LGA focus	Operational
<u>Shire of Waroona</u>	Support & Advice	Peel Shire of Waroona	Yes	No	LGA focus	Operational
<u>Make Place</u>	Co-Working & Support	Peel City of Mandurah	Yes	Yes	General Hub for Edith Cowan University	Operational
<u>Startup Smart Creative, City of Mandurah</u>	Learning	Peel City of Mandurah	Yes	No	Sustainable products	Operational
<u>Visit Mandurah</u>	Support & Advice	Peel City of Mandurah	Yes	No	Tourism	Operational
<u>Business Advisory South-West & Peel</u>	Support & Advice	Peel City of Mandurah	Yes	No	General	Operational
<u>Mesh points</u>	Support & Advice	External but accessible in Peel	Yes	Yes	General	Operational
<u>Agri-start</u>	Service	External but accessible in Peel	Yes	Yes	Agriculture Technology	Operational
<u>Perth Angels</u>	Funding	Perth, but accessible	Yes	Yes	General	Operational
<u>Startup WA</u>	Network & Advocacy	Perth / WA but accessible	Yes	No	General	Operational
<u>Small Business Development Corporation</u>	Support & Advice	Perth but accessible	Yes	No	General	Operational

Service / Infrastructure	Type	Location	Start-up support	Innovation support	Focus area	Status
<u>New Industries Fund (NIF): Sponsorships – Dep Jobs, Tourism Science, and Innovation</u>	Funding	External but accessible in Peel	Yes	Yes	Mining Energy Health Food Environment Space Technology STEM	Operational
<u>WA Innovator of the Year (JSTI NIF)</u>	Awards	External but accessible in Peel	No	Yes	As above (NIF)	Currently closed pending next round
<u>Science Industry PhD Fellowship Grants (JTSI NIF)</u>	Funding	External but accessible in Peel	No	Yes	As above (NIF) Research and development Sciences	Currently closed pending next round
<u>Innovation Vouchers (JTSI NIF)</u>	Funding	External but accessible in Peel	Yes	Yes	As above (NIF)	Currently closed pending next round
<u>X-TEND WA (JTSI NIF)</u>	Funding	External but accessible in Peel	No	Yes	As above (NIF)	Currently closed pending next round
<u>Business Foundations</u>	Support & Advice	Perth, but accessible	Yes	No	General	Operational
<u>Centre for Entrepreneurial Research and Innovation</u>	Support, Learning Advice, Funding	Perth, but accessible	Yes	Yes	General	Operational
<u>SPUR Location Grants Program</u>	Funding	Perth, but accessible	No	Yes	Location data Property sector	Currently closed pending next round
<u>Plus 8 Accelerator</u>	Funding, Learning & Support	Perth, but accessible	Yes	Yes	General	Operational
<u>Alpha Incubation Group</u>	Funding, Learning & Support	Perth, but accessible	Yes	Yes	General	Operational
<u>Entrepreneurs Programme (Aus Gov)</u>	Support & Advice	Australia wide service	Yes	Yes	General	Operational
<u>The Court House Pinjarra</u>	Co-working space & support	Pinjarra, Shire of Murray	Yes	No	General	Operational

Multi-Skilled and Competent Workforce Development

Future planned industry development will require targeted human capital development initiatives. A key need identified for the Transform Peel project is a multi-skilled workforce with enhanced core capabilities and competencies (e.g., communication, problem-solving, time management).

This type of skills development begins in early education and is informed by the experiences and support that young people receive inside and outside of the education system. The way the education is delivered by systems, courses and practitioners will impact to what extent a young person develops good critical thinking, project management, communication, decision making, time management skills. These types of skills are often addressed in adults through

professional development courses that are offered by employers, as well as on the job experience.

In the Peel region, lower average education attainment levels suggest that opportunities to develop these types of skills may be less compared to other regions. The earlier someone leaves the education system, the less time they must develop those skills, particularly as they near adulthood where the focus on these skills within the school education system is likely to increase. Following this, access then becomes through work experience and any vocational education programs. Quantifying to what extent this is happening within workplaces and training institutions is challenging. However, it can be assumed as a priority moving forward that should be considered by schools, training providers and employers to empower individuals with stronger core competencies and skills.

Benchmark Comparisons

Benchmarking knowhow enablers is more challenging, as information about the existence of enabling infrastructure services is not readily available.

The Sunshine Coast Council is one benchmark economy that does have some consolidated information available, which appears to have arisen due to its prioritisation of building a vibrant and productive innovation and entrepreneurial ecosystem. While the Peel region and Sunshine Coast Council have a similar number of VET and Tertiary education providers, the Sunshine Coast is home to the Sunshine Coast University, enabling the provision of regionally focused courses supported by strong university infrastructure and services (as opposed to satellite campuses). This potentially provides a stronger level of 'control' over the development of knowhow that requires higher levels of education.

Sunshine Coast is also home to approximately 10 co-working spaces, whereas only two were located in the Peel region. This suggests that there is a more active entrepreneurial community, with individuals who are exploring new ideas and ventures, and require low-cost/flexible working spaces while they commercialise and grow. It is unclear whether a relative lack of co-working spaces in the Peel region is due to lack of demand or lack of supply. If the former, it suggests that the ecosystem might not be conducive to start-ups, there are not enough or attractive co-located businesses or industries to encourage people to innovate or that the types of start-ups in the region require more complex infrastructure.

Knowhow Enablers and Regional Economic Development Aspirations

Thriving Industries

To enhance the diversity of the regional economy and create globally competitive industries, investment is required into developing the workforce skills that are required for the strategic industries identified by the Peel Regional Blueprint.

The Peel region in general has limited spaces that are dedicated to start-ups and innovators, where they can make connections and networks and access advice in person. Currently, most innovation and start-up support are Mandurah centric. Local Government Authorities generally had small business and start-up advice through online resources or business information hubs/teams; however, this could not be located for the Shire of Boddington when conducting a web search.

Agricultural and Food Innovation

Peel's agriculture and food production sectors are planned to be enhanced through continued innovation, investment, and research. The WA Food Innovation Precinct being constructed in the Shire of Murray is expected to support diversification of the Peel economy, the development of new agri-businesses and products and drive economic growth and employment opportunities within the sector. To create the skills needed for the new agri-

food business and peripheral services, consideration for new linkages to tertiary education institutions or improvement of existing education is required.

Food and agriculture start-ups and innovation will be supported through the WA Agri-Food Innovation Precinct; which is currently under construction at the Peel Business Park. While the core infrastructure will be situated within the region, the facility will transition to a hub and spokes model providing value to state's agriculture and agrifood manufacturing sectors more broadly. While the WAFIP is due for completion in 2022, the facility and its partners will support industry through various operational programs.

Following construction there may be a delay in realising the start-up and innovation ecosystem pending industry uptake, although the X-Protein lab and GrowHub activities are already underway. It does, however, represent a planned future resource that has the potential to significantly support the regional ecosystem. Tertiary education opportunities relating to Food and Agriculture are limited in the region, representing a misalignment with future economic aspirations, which will be partially met through the WAFIP via Murdoch's Food Futures Institute.

Tourism Excellence

An aspiration is that by 2050, the Peel tourism economy will have tripled. To facilitate this aspiration, the skills and workforce required to service a vibrant and growing tourism industry are required. The VET commencement data suggests a lack of skills within these industries; however, it is important to note that many jobs within these industries do not require formal education.

There is currently limited tourism focussed start-up or innovation support based in the Peel region (that could be identified). Visit Mandurah offer general support for tourism development and enterprises within the City of Mandurah. Tourism WA and the Tourism Council of Western Australia have online resources dedicated to tourism development, but not workshops or targeted, in-person advice that could be accessed by someone wishing to start a tourism enterprise. Support would need to be accessed via more general mechanisms and services, most of which are not based in the Peel region but could be accessed externally.

Key Regional Industry Development Projects

Future planned industry development projects will require targeted human capital development initiatives. A key need was identified for a multi-skilled workforce with enhanced core capabilities and competencies. This type of skills development begins in early education and is informed by the experiences and support that young people receive inside and outside of the education system. The way the education is delivered by systems, courses and practitioners will impact to what extent a young person develops good critical thinking, project management, communication, decision making, time management skills. These types of skills are often addressed in adults through professional development courses that are offered by employers, as well as on the job experience.

Table 10 - Knowhow Enablers Gap Analysis – Peel Regional Blueprint aspirations & industry development projects

Goal	Indicator / Goals	Current	Gap
Thriving Industry	By 2050, the higher educational attainment of Peel residents is above the WA state average	9% in Peel 21% in WA	12%
	Peel residents who seek to participate in training and workforce development programs that meet the needs of the individual and industries	Agriculture and food: South Metro TAFE: Horticulture and Food Preparation / Cooking, IT, Electrotechnology.	Agriculture and food: Provision of Tertiary level Food Science and Agricultural Science education and training.

Goal	Indicator / Goals	Current	Gap
	<p>are accommodated within the region.</p> <p>Also relevant to regional industry development project themes:</p> <ul style="list-style-type: none"> • Increased need for skills development relating to tourism and hospitality industries. • Increased need for skills development relating to STEM, ICT, food, and agriculture industries. • Provisions of start-up and incubator support. 	<p>Tourism: South Metro TAFE: Hospitality, tourism & events</p> <p>Start-up and innovation Mandurah focused, industry agnostic.</p>	<p>Tourism: Delivery of Peel Hospitality Training Centre</p> <p>Start-up and innovation Outreach innovation and start-up support/network to service other LGAs.</p> <p>Tourism focused start-up and innovation support.</p> <p>Delivery of WA Agri-food Precinct.</p>
	<p>Peel young people who seek to participate in industry priority pathways programs will fulfil their career aspirations within the region.</p>	<p>Agriculture and food: South Metro TAFE: Horticulture and Food Preparation / Cooking.</p> <p>Tourism: South Metro TAFE: Hospitality, tourism & events</p> <p>A multi-skilled and highly competent workforce Current status unknown, but identified as a priority</p>	<p>Agriculture and food: Provision of Tertiary level Food Science and Agricultural Science education and training.</p> <p>Tourism: Delivery of Peel Hospitality Training Centre</p> <p>A multi-skilled and highly competent workforce Enhanced through school, training, and employer programs.</p>

Note: Higher educational attainment refers to a bachelor's degree or higher.

KNOW HOW APPLICATION

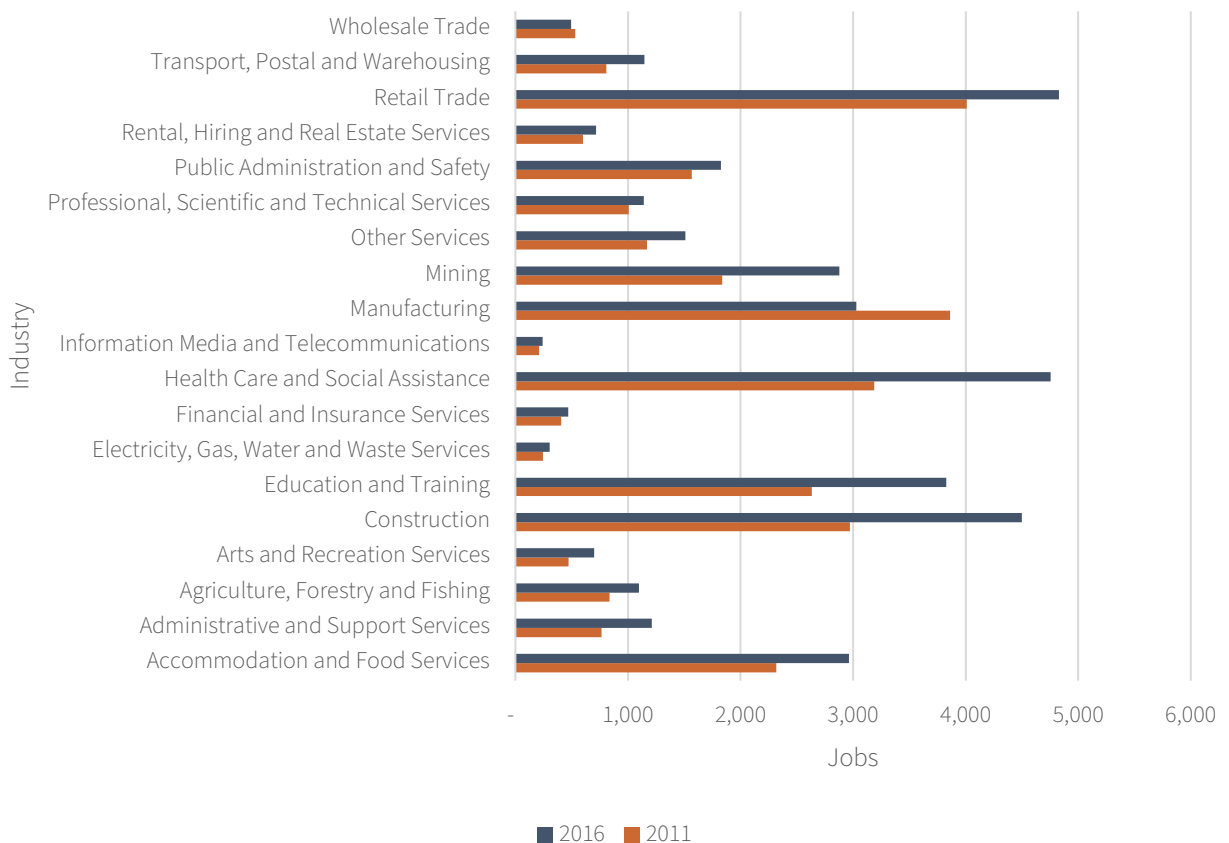
Knowhow applications refer to how talent, knowledge and skills are being applied within an economy. This includes the types of jobs that exist and in which industries. It also looks at who is working in the economy, do they live locally or externally? And is knowhow being used to start new businesses in the region? This chapter will profile the application of knowhow in the Peel region through the following indicators:

- Industry of employment;
- Job types – diversity and level;
- Traded and local clusters and local employment;
- Job type and local employment; and
- Local start-ups and SMEs by cluster.

Industry of Employment Within the Peel Region

The main employing industries are Retail Trade, Health Care and Social Assistance and Construction (Figure 18). Data suggests an increase in jobs within all industries. Of the total 37,600 jobs, 60% existed in Mandurah.

Figure 18 - industry of employment change the Peel region



Source: ABS 2011, ABS 2016.

To gain a better understanding of what skill is leaking into and out of the region, the Employment Self Containment and Employment Self Sufficiency have been assessed.

Definition

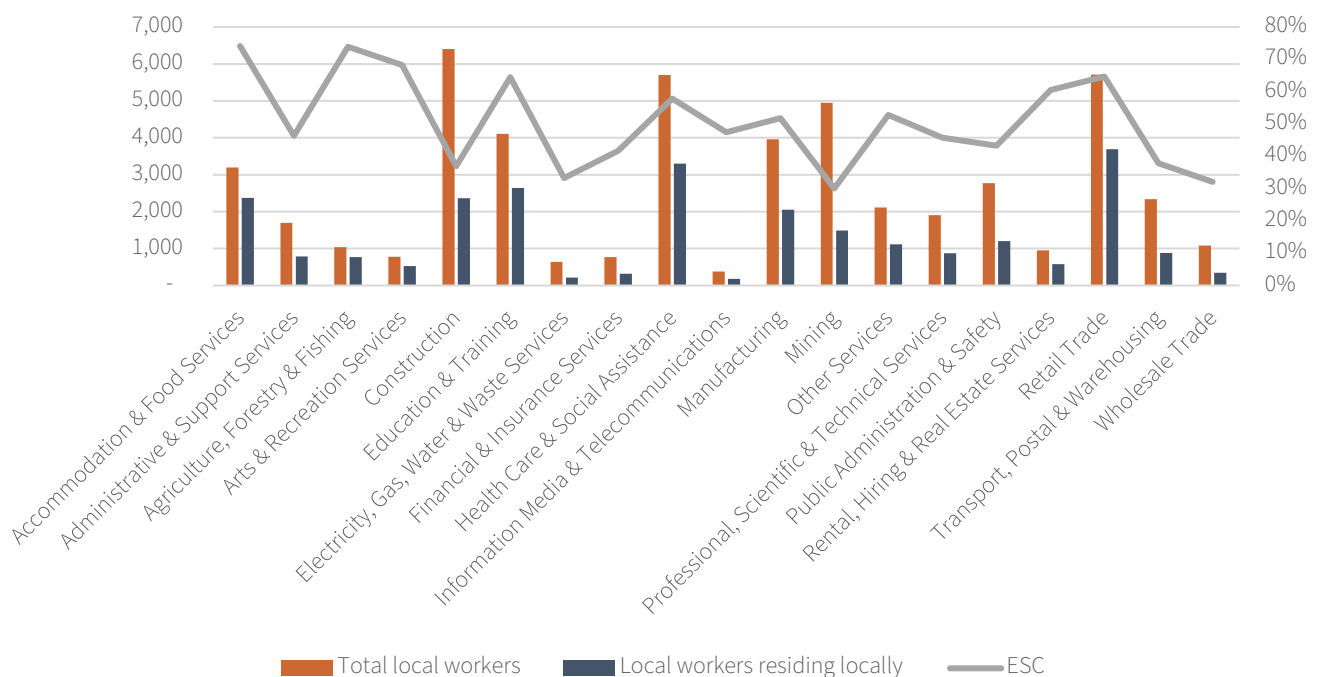
Employment Self-Containment (ESC) refers to the percentage of employed residents who are employed within the boundary of the Local Government Area.

Employment Self-Sufficiency (ESS) measures the proportion of local workers in the local area who also live in the LGA or region. It indicates the level at which the resident workers meet the labour requirements of the local industries or businesses. Self-Containment and Self-sufficiency are likely to be higher for regional areas, and lower in metropolitan areas and is influenced by:

- Employment opportunities versus the skills and qualifications of residents.
- Transport options available and commuting times.
- Relationship between wages and salaries and house prices.
- The geographic size of the area.

The overall ESC within the Peel region was 51% in 2016, indicating that 51% of residents also work within the area. The overall ESS was 75%, suggesting that there are fewer jobs (38,000) than workers (50,000), and that skill is leaking out of the region. The employment self-containment levels are higher in Accommodation and Food Services, Forestry and Fishing and Retail Trade, meaning that employment within these industries is filled by residents (see Figure 19). The biggest industry of employment varies between the LGAs. In the more regional areas, the biggest employer is those relating to mining and agricultural activities, likely occurring from the land and natural resources that exist there. In Mandurah, the biggest industries of employment are Health Care, Retail Trade and Education and Training, likely resulting from Mandurah being the centre of the region.

Figure 19 - Employment self-containment the Peel region



Source: ABS census 2016, REMPLAN 2021, FAR lane 2021.

Boddington

The Boddington workforce mostly works within the Mining industry with an overall ESC of 78%²⁷. The ESS is relatively low at 29% indicating there are more jobs than workers within the area. Boddington has 1,400 jobs that are filled by workers living elsewhere suggesting that skills and talent are being imported into the region.

²⁷ Source: ABS census 2016, REMPLAN 2021.

Mandurah

Compared to the other LGAs within the Peel region, Mandurah has a relatively low ESC at 50%²⁸. This is likely due to better connectivity to key infrastructures such as railroads and other major roads. The most common industries of employment are Construction, Health Care and Social Assistance and Retail trade. Retail Trade, Accommodation and Food Services have the highest self-containment which is likely to be reflected by Mandurah's larger town centre. Mining, Electricity, Gas, Water and Waste Services, and Construction have the lowest ESC which suggests a lack of skilled workforce to service these industries, requiring workforce to be imported from outside the region.

Murray

In Murray, the ESC was relatively low at 36%²⁹. Data indicates that the industries with high ESC are Agriculture, Manufacturing, and Retail trade. Many local workers work within Mining, Construction, Retail trade. Data also indicates that that skill is leaking out from the area, especially in industries such as Health Care and Social Assistance, Mining, and Professional Services. This may be a result of the connectivity to major roads and other industrial and logistic hubs nearby. Data suggests that there are limited employment opportunities across all industries with the Shire of Murray.

Serpentine-Jarrahdale

The total ESC in Serpentine-Jarrahdale was 19% in 2016³⁰, meaning that only 19% of the population both live and work in the area. The ESC by industry shows that the Self-Containment is highest within Agriculture, Forestry and Fishing at a containment of 76%. However, the overall ESC is relatively low across industries reflecting a lack of existing job opportunities within the area and that skill is leaking out. In 2016, most residents had jobs in Construction, Health Care and Social Assistance and Retail industries. Of the 4,800 people who work in the area, 2,300 people also live in the area (48% ESS). Seeing that the LGA is expecting rapid population growth, the region may be at risk if the planned projects do not proceed as planned to diversify the current employment opportunities.

Waroona

The total ESC in Waroona was 52% in 2016. Employment is centred in Manufacturing, Construction and Mining. These industries similarly have very low ESC, which may be a result of a lack of skill of the local workforce to service these industries. The ESC suggests that the industry of employment across industries are uniformly distributed. Of the 2,300 people working in Waroona, only 820 also live there (36%), indicating that Waroona currently relies on an externally residing workforce.

Health Care and Social Assistance Industries of Employment

Since Health Care and Social Assistance is a big industry of employment, it has been analysed in more detail (Figure 20). In Mandurah, the biggest proportion of workers work in Aged Care Services, Hospitals and Social Assistance. Mandurah has the most diversified distribution of employment.

In Serpentine-Jarrahdale the biggest proportion of workers work in Child Care Services, Aged Care Services and General Practice Medical Services. This reflects the region's characteristics as more families are living in this LGA compared to others.

²⁸ Source: ABS census 2016, REMPLAN 2021.

²⁹ Source: ABS census 2016, REMPLAN 2021.

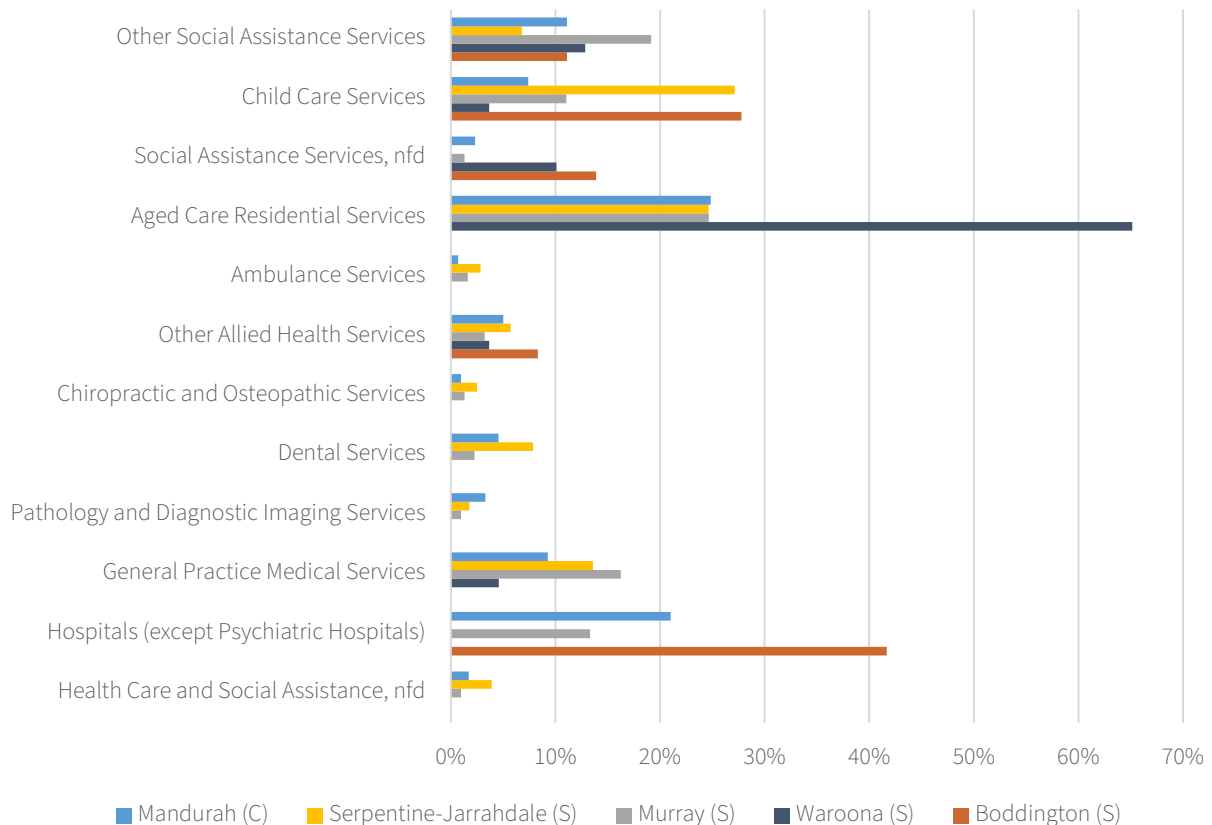
³⁰ Source: ABS census 2016, REMPLAN 2021.

In Murray, the biggest proportion of workers work In Aged Care Services, Social Assistance and General Practice Medical Services.

There are 109 workers within this industry in Waroona, the majority of workers work in Aged Care Services which are likely due to an older population proportion within the LGA.

In Boddington, the biggest proportion of workers work in Hospitals and Child Care Services. Note that there are only 36 workers within the Health Care and Social Assistance industry in Boddington.

Figure 20- Heath care and social assistance detailed industry of employment



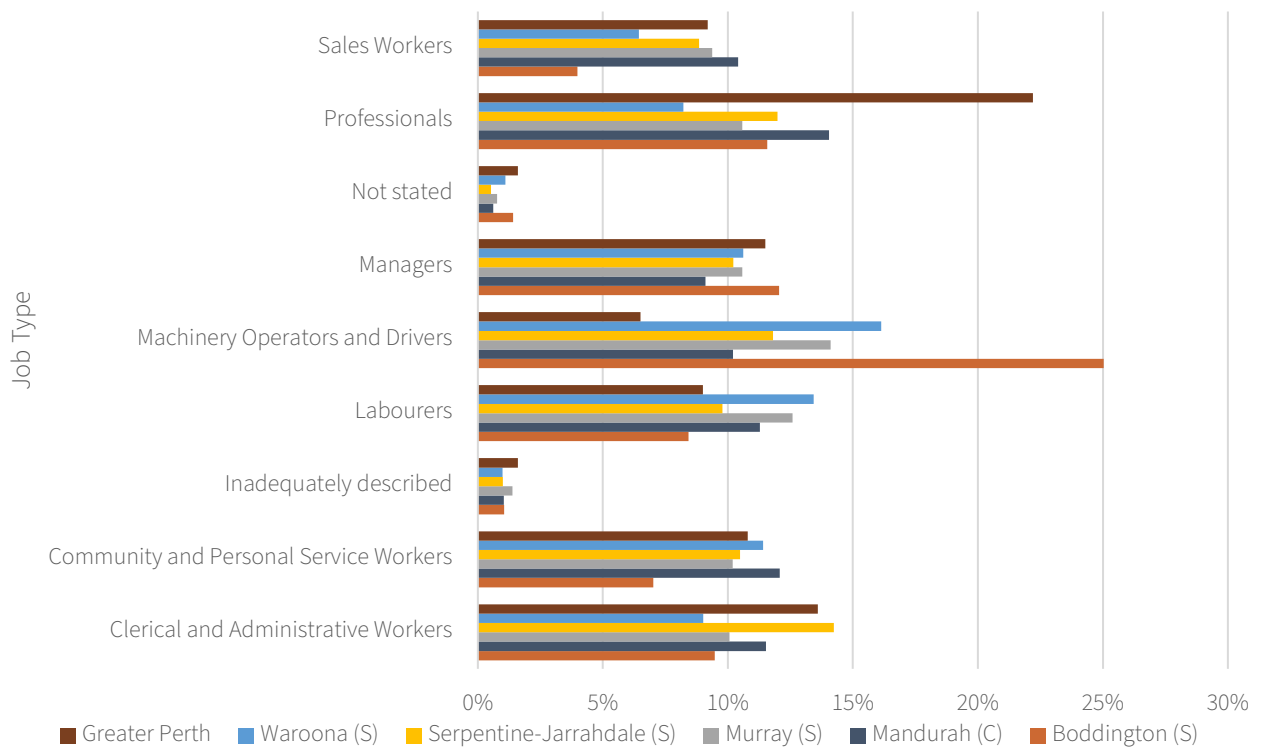
Source: ABS 2016, Far lane 2021.

Job Types Within the Peel Region

To gain an understanding of what skills exists across the LGAs, the types of occupations have been analysed within each LGA, based on the workers' place of residence (Figure 21).

The local workers within the Peel region generally work in occupations that do not require a high tertiary education. Compared to Greater Perth, Peel has a significantly lower proportion of people working as professionals (13% compared to 22%). Professionals have an important role in the community as they generally have higher paying salaries that contribute to local economic growth, the Peel region is therefore at a disadvantage seeing the low proportion of professionals, which may explain the region's low SEIFA index scores.

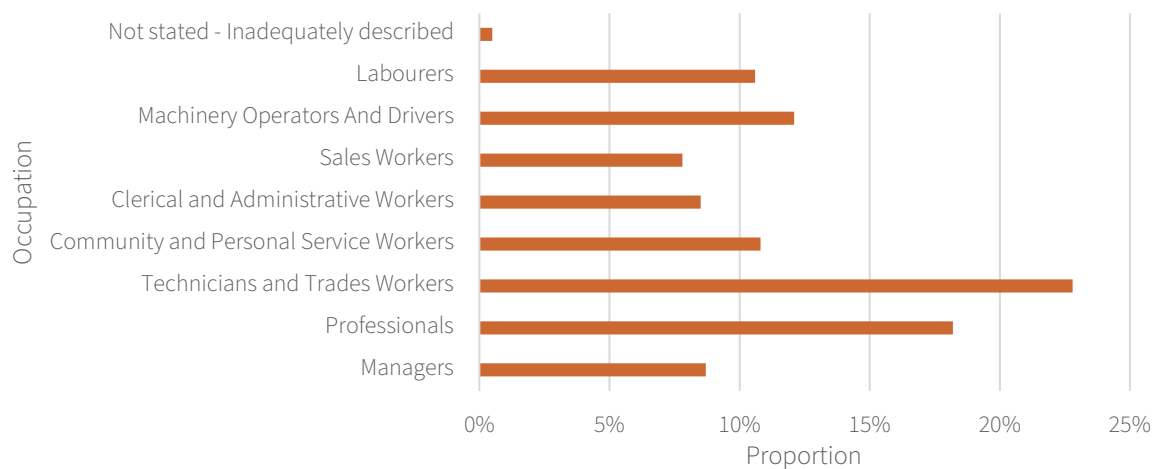
Figure 21 - Occupations of local workers by LGA



Source: ABS Census 2016, FAR lane 2021.

Figure 22 illustrates the proportion of occupation by local workers who live elsewhere. Data suggests gaps within the skills required for the current employment opportunities, as 20% of local workers live elsewhere. Of these workers, the skills that are coming into the region are technicians and trades workers (23%) as well as a high proportion of Professionals (18%). This is a critical point as Professionals tend to have higher-paying salaries affecting economic outputs and contributions to the local economy and enhancing socio-economic standards. The lack of Professionals that reside in the area may be connected to the relatively low SEIFA index score of 983.

Figure 22 - Occupation by Local Workers Who Live Elsewhere



Source: REMPLAN 2019, FAR lane 2021.

In Boddington, most local workers work as Machinery Operators and Drivers (25%), Technicians and Trades Workers (20%) and Managers (12%). The LGA has the biggest proportion of Manager within the whole of the Peel region. This is likely to be influenced by the mining activities occurring in Boddington.

In Mandurah, 20% of local workers are Technicians and Trades Workers. The LGA has a bigger proportion working as Professionals (14%), compared to the other LGAs, yet lower than Greater Perth's proportion (22%). Mandurah additionally has the highest proportion of Sales Workers compared to other LGAs which seems likely to result from Mandurah being a larger professional and population services centre.

In Murray, a large proportion of local workers have occupations that do not require any tertiary education, as 20% of local workers are Technicians and Trades Workers, 14% Machinery Operators and 13% are Labourers.

In Serpentine-Jarrahdale, the biggest proportion of workers are Technicians and Trades workers (21%), followed by Clerical and Administrative workers (14%), Machinery Operators (12%) and Professionals (12%).

In Waroona, the biggest proportion of local workers are Technicians and Trades Workers (23%), following Machinery Operators (16%), and Labourers (13%). The LGA has the lowest proportion of Sales Workers, and Professionals compared to the remaining LGAs within the region.

Trends in Knowhow Pools

To gain a better understanding of the diversity of employment opportunities within the Peel region Shannon's index has been used. The formula and calculation can be found in the Technical Appendix.

The Shannon Index data suggests that Boddington has the least diversified employment opportunities within the Peel region. The region may therefore be more vulnerable to external shocks as most employment exists within one industry (Mining). In contrast, Murray and Serpentine-Jarrahdale have the most diversified employment opportunities in the Peel region (Table 35). The Table suggests that the Peel region is similar to Sunshine Coast and Greater Geelong and has similar diversity trends across industries (Greater Perth has a diversity index of 2.712).

Cluster Analysis

Definition

According to Cluster Mapping US, clusters are defined as: "A regional concentration of related industries in a particular location."

Based on US cluster mapping best practice, cluster definitions were adapted for an Australian context. Individual industries (ANZSIC 4-digit level) from ABS data were assigned to relevant clusters, which enables the classification of industry clusters.

Established clusters may include interrelated firms, suppliers, complementary service providers, Government agencies, educational institutions, and other shared infrastructure. There are no strict guidelines regarding the scale of economic activity or industry concentration that constitutes a cluster. However, when economic and performance benefits accrue to firms because of industry concentration it is likely to be considered a cluster.

Analysis was carried out to examine pre-existing clusters within the region. Results of the analysis have been summarised and ranked using two key outputs for each Local Government Area:

- Employment Concentration Factor (ECF) that has been derived from the regionalised cluster model; and
- The total number of jobs.

It is important to note that specialised industries tend to be traded industries. Traded industries are associated with higher average wages and higher productivity compared to local industries and are an important focus when increasing regional strengths. These industries are more likely to support employment through supply chain linkages. Available data may not reflect this and is not able to fully reflect complex relationships between employment, industries, and clusters.³¹

The cluster analysis suggests that there are identified clusters arising from the natural resources available due to the abundance of land and natural resources existing in the Peel region. This relates to industries like Metal Mining, and Metal Manufacturing and Downstream Metal Products which are all traded industries that contribute to regional economic growth and development. The cluster analysis is shown in more detail in the appendix.

Local Start-Ups by Clusters

Start-ups play a significant role in economic growth and prosperity by creating jobs and supporting local employment. Additionally, start-ups can contribute to economic growth through innovation and competition. New entrepreneurs can bring new ideas to the table that enhance innovation and generate competition which is essential for a prosperous economy. For this report, the start-ups' data suggests the entrepreneurial talent and start-up infrastructure that exists within each LGA.

Definition

For this analysis, and based on available datasets (Australian Business Register), the definition start-up requested by the PDC for this study is defined as a business that:

- Has initiated operations in the 5 years between 2016 and 2021.
- Identifies in the ABR as a company, individual and partnership entity type (to filter out "white noise" such as trusts).
- Has an active GST status.
- Currently operates within a traded industry class.
- Has a business address that can be geographically identified.

This definition has been chosen to reduce the inclusion of businesses that are not likely to be start-ups (superannuation funds, local service businesses) and to maximise the utility of the data for this piece of work.

Most start-ups (56%) within the Peel region are based in Mandurah (Figure 23). Across the Peel region, the most concentrated industry is Metal Mining and Agricultural Inputs and Services likely resulting from the region's abundance of land and natural resources (Table 11). The industries which have relatively high concentration factors, tend to have lower numbers of start-ups. This is likely arising from the significant capital requirements for heavy industries, resulting from a few big dominating firms.

³¹ Clustermapping.us, 2020.

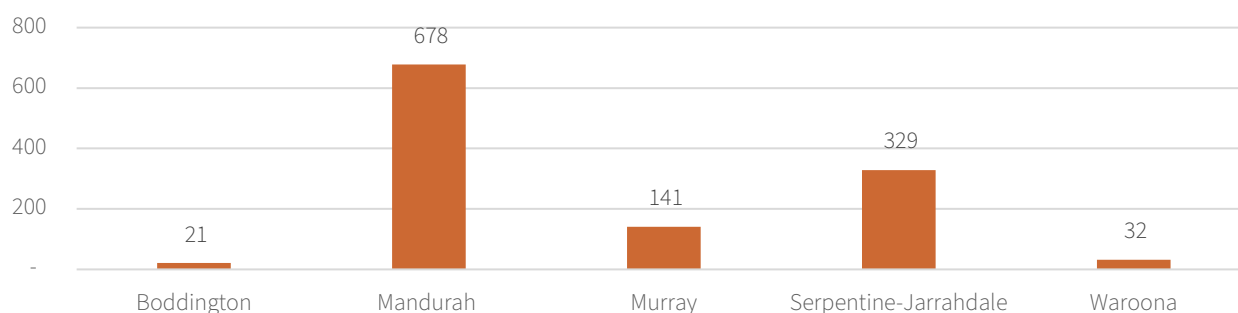
Table 11- Previous Identified Clusters

Cluster	Jobs
Upstream Metal Manufacturing	1,075
Agricultural Inputs and Services	714
Metal Mining	571
Downstream Metal Products	70
Forestry	23
Non-metal Mining	21
Non-metal Mining	17

Source: ABR 2021.

On the other hand, the clusters with the highest number of start-ups tend to have low concentration factors, indicating that they are not regionally concentrated, and therefore have low evidence of regional advantage. This suggests that the start-ups operate externally to existing industry clusters. Industries such as Financial Services and Business Services have much lower concentrations relative to Australia (ECF of less than 1). These industries are likely to be more concentrated in city centres rather than industrial areas. This is specifically relevant for Mandurah, as there are more start-ups there than in any other LGA (Figure 23). The data suggests that there is more available support for start-up infrastructure and opportunities in Mandurah compared to any other area.

Figure 23 - Number of Start-Ups by LGA



Source: ABR 2021, FAR lane 2021.

Boddington

In the past 5 years, there has been a total of 21 new start-ups in Boddington (Table 12). The traded industry with the most start-ups is Agricultural Inputs and Services with a total of 9 start-ups indicating a regionally concentrated industry and advantage. It is, therefore, likely that the employment opportunities within this industry have increased since 2016.

Table 12 – Boddington start-ups by traded clusters (business that started between 2016-2021)

Industry	Jobs 2016	ECF	Start-Ups since 2016
Agricultural Inputs and Services	55	1.1061157	9
Construction Products and Services	11	0.399055	2
Business Services	27	0.3895888	2
Transportation and Logistics	3	0.0582839	2

Source: ABS 2016, ABR 2021, FAR lane 2021.

Mandurah

Mandurah has had 678 start-ups in the past 5 years (see Table 18). However, the data illustrate that the concentration factor (ECF) is low which means that the industries in which the start-ups operate do not have a regional competitive advantage. Most start-ups are in

financial and business services, and electronic commerce. The high numbers of start-ups are likely resulting from Mandurah's town centre, and existing business support network and the connectivity to major road and rail infrastructure.

Table 13 - Mandurah Start-ups by Traded Clusters (Business that started between 2016-2021)

Industry	Jobs 2016	ECF	Start-Ups since 2016
Financial Services	302	0.4955937	146
Business Services	344	0.4949745	135
Distribution and Electronic Commerce	187	0.3878091	86
Transportation and Logistics	164	0.3177263	42
Hospitality and Tourism	387	0.796124	33
Construction Products and Services	214	0.7741685	32

Source: ABS 2016, ABR 2021, FAR lane 2021.

Murray

Shire of Murray has had 141 start-ups in the past 5 years. Data suggests that Agricultural Inputs and Services is a regional concentrated cluster by the increase in the number of start-ups since 2016 and relatively high concentration factor of 2.16 (the national average indicating that the region does not have an advantage within these industries) (Table 14). This indicates that the region has a competitive advantage in this industry. The remaining industries with a relatively high number of start-ups have low employment concentrations (ECF) relative to the national average indicating that the region does not have an advantage within these industries.

Table 14 - Murray start-ups by traded clusters

Industry	Jobs 2016	ECF	Start-Ups since 2016
Agricultural Inputs and Services	268	2.1608189	34
Business Services	75	0.4338601	25
Financial Services	37	0.2441095	20
Construction Products and Services	67	0.9744523	11
Distribution and Electronic Commerce	79	0.6586695	10

Source: ABS 2016, ABR 2021, FAR lane 2021.

Serpentine-Jarrahdale

In the past 5 years, Serpentine-Jarrahdale had a total of 329 start-ups, suggesting an increase in employment opportunities since 2016. Seeing that the LGA is expected to experience population growth, the trend must continue to maintain current ESC and ESS levels. Thus, important to ensure sufficient business support within the LGA. The two industries that have an employment concentration factor higher than 1 is Transport and Logistics, as well as Construction Products and Services, suggesting that these industries have a regional competitive advantage (Table 15).

Table 15 - Serpentine-Jarrahdale start-ups by traded clusters

Industry	Jobs 2016	ECF	Start-Ups since 2016
Transportation and Logistics	138	1.2921313	56
Business Services	84	0.5841468	43
Construction Products and Services	75	1.3112977	38
Financial Services	18	0.142761	36
Distribution and Electronic Commerce	93	0.9321325	34

Source: ABS 2016, ABR 2021, FAR lane 2021.

Waroona

In Waroona there has been a total of 32 new start-ups in the past 5 years. Of the industries that have experienced additional numbers of start-ups, the only industry that has an ECF above 1 is Agricultural Inputs and Services, likely arising from the existing infrastructure around this industry and abundance of land and resources (Table 16).

Table 16 - Waroona start-ups by traded clusters

Industry	Jobs 2016	ECF	Start-Ups since 2016
Business Services	43	0.6120106	11
Agricultural Inputs and Services	105	2.0829312	10
Transportation and Logistics	27	0.5174151	3
Distribution and Electronic Commerce	9	0.1846227	2
Hospitality and Tourism	35	0.7122031	1

Source: ABS 2016, ABR 2021, FAR lane 2021.

Start-Ups Relevant to Tourism

In recent years the region has seen an increase in visitors coming to experience the mountain bike trails alongside other activities. Table 17 illustrates the number of start-ups in each LGA in the past 5 years. These are all local industries that play a crucial role in the overall economic growth of the region. Based on the data (Table 17) Peel has had 41 new start-ups since 2016, in which 19 started up 2020 or later. If the trend continues there the region will enable more local employment opportunities for residents.

Table 17 - Local tourism-related start-ups (business that started between 2016-2021)

Industry	Boddington	Mandurah	Murray	Serpentine-Jarrahdale	Waroona	Total
Local Hospitality Establishments	2	145	26	24	2	199
Hospitality and Tourism	-	33	8	8	1	50
Local Food and Beverage Processing and Distribution	1	20	5	5	1	32
Local Retailing of Clothing and General Merchandise	-	16	2	10	1	29
Total	3	214	41	47	5	310

Source: ABR 2021.

Start-ups relative to Health Care and Social Assistance

Health Care and Social Assistance is one of the biggest employing industry in the region. Table 18 illustrates the number of start-ups by LGA within the region from 2016-2021. Data suggests an increase in medical services in Mandurah, Murray and Serpentine-Jarrahdale. However, ABR data suggests no start-ups in Boddington or Waroona which should be

considered a concern (note that Boddington has gained 1 GP since 2016 but within an already established business).

Table 18 – Local health care start-ups (business that started between 2016-2021)

Industry	Boddington	Mandurah	Murray	Serpentine-Jarrahdale	Waroona	Total
General Practice Medical Services	-	32	4	12	-	48
Other Allied Health Services	-	27	2	10	-	39
Specialist Medical Services	-	6	1	-	-	7

Source: ABR 2021.

Start-ups relative to Construction and Manufacturing

Construction and Manufacturing are similarly big employers within the region. Table 19 suggests that the Industry with the highest numbers of start-ups are concreting services. Serpentine-Jarrahdale is the LGA that has experienced the biggest growth across these industries.

Table 19 – Start-ups within construction and manufacturing (business that started between 2016-2021)

Industry	Boddington	Mandurah	Murray	Serpentine-Jarrahdale	Waroona	Total
Architectural Aluminium Product Manufacturing	-	3	-	1	-	4
Concrete Product Manufacturing	-	-	-	1	-	1
Concreting Services	1	17	5	9	-	32
Machine Tool and Parts Manufacturing	-	-	3	1	-	4
Other Heavy and Civil Engineering Construction	-	5	-	6	-	11
Other Non-Metallic Mineral Product Manufacturing	-	1	-	-	-	1
Prefabricated Metal Building Manufacturing	-	1	3	7	-	11
Structural Steel Erection Services	-	4	-	9	-	13
Structural Steel Fabricating	1	1	-	4	-	6

Source: ABR 2021.

Benchmarks comparisons

Comparably, benchmark regions with higher ESS are the ones that have a regional competitive advantage. For example, Mornington Peninsula has an agricultural history with many existing food and wine producers who are recognised as industry leaders in the respective industry. Additionally, Greater Geelong is experiencing growth in knowledge-intensive industries including professional services, finance and insurance, advanced materials manufacturing, research as well as creative and cultural activities, highly due to their economic development strategies and existing business support. Moreover, the Sunshine Coast is seen as a distinct tourism destination with great access to universities and has diverse employment opportunities. These are all benchmarks in, which the Peel region can learn from and follow.

Table 20 – Benchmark comparison

Metric	Peel Region	Sunshine Coast	Mornington Peninsula	Greater Geelong	South-West Region	City of Wanneroo	Rockingham
ESS	75%	91%	-	83%	67%	58%	70.6%
Biggest industries of employment	Retail Trade, Health Care & Social Assistance, Construction	Health Care & Social Assistance, Construction, Retail Trade.	Construction, Health Care & Social Assistance, Retail Trade.	Health Care & Social Assistance, Retail Trade Construction	Health Care & Social Assistance, Retail Trade Construction	Construction, Retail Trade, Education & Training.	Construction, Health Care & Social Assistance, Retail trade.
Biggest industries in terms of output	Manufacturing, Mining, Construction	Agriculture, Forestry and Fishing, Mining, Manufacturing.	Construction, Manufacturing, and Rental, Hiring & Real Estate Services.	Agriculture, Forestry & Fishing, Mining, Manufacturing.	Manufacturing, Construction, Mining.	Agriculture, Forestry and Fishing, Mining, Manufacturing.	Public Administration & Safety, Construction, Manufacturing.

Source: Economic.id. 2021, REMPLAN 2021.

Implications for Regional Aspirations and Industry Development Projects

Thriving Industries

The key findings that relate to the region's thriving industries aspirations include:

- Peel region is currently importing skills into the region for occupations that require higher levels of educational attainment. In addition, skills are leaking out of the region due to a lack of linked job opportunities or industries.
- Employment is uniformly distributed in a small number of industries.
- Clusters of traded industries only exist within the resource and agricultural industries.
- There is more employment in local industries than in traded industries. The traded industries are associated with higher wages and higher productivity compared to local industries and is an important focus when increasing regional strengths and global competitiveness.
- The regional workforce is greater than the number of employment opportunities.
- There has been an increasing number of start-ups however in industries that do not significantly contribute to the local or global economy.

Current factors that can facilitate the thriving industry aspiration include, but are not limited to:

- Creation of new employment opportunities across a more diverse set of occupations.
- Support the identified clusters (Resource and Agricultural industries) by investing in infrastructure and supply chains required to transport products out of the region.
- Development and success of the planned projects that take advantage of the region's competitive advantages. The planned projects include Peel Business Park, NERA Hydrogen Cluster, and the WA Food Innovation Precinct.

Agricultural and Food Innovation

Peel's agriculture and food production sectors are planned to be enhanced through continued innovation, investment and research which has the potential to result in a more diverse set of employment opportunities across job types. This also has the potential to enhance employment opportunities that require a higher level of education, which would then attract a new type of workforce as well as create jobs that match the skill of the workforce. In addition, this would enhance the region's knowhow by increasing the talent, skills, and knowledge of workers.

Tourism Excellence

An aspiration is that by 2050, the Peel tourism economy has tripled. As there has been a creation of 310 new businesses relevant to the industry, the region could achieve this aspiration and contribute to additional regional output and employment opportunities benefitting Peel residents.

A Strong and Resilient Community

To achieve the aspiration of a strong, vibrant and resilient community underpinned by best practice social services and infrastructure, the region is required to consider how to better protect itself from external shocks. For a community to be resilient, it is important to have diversity - both in occupations and industries. This contributes to better resilience to external shocks. For example, in Mandurah a lot of employment is focused on retail trade which has been largely affected by COVID-19 and has experienced an increase in unemployment rates. If some of these workers worked in other industries and occupations, less people would have been negatively affected.

Table 21 - Knowhow application gap analysis – Peel regional blueprint aspirations & industry development projects

Goal	Indicator / Goals	Current	Gap
Thriving Industry	By 2050, employment self-sufficiency targets will exceed the WA state average.	Peel ESS: 81% State ESS: 107%*	32%-points
	Provision of start-up and incubator support to encourage new agri-business opportunities in the region.	Start-up and Innovation: Mandurah focused, industry agnostic.	Start-up and innovation: Outreach innovation and start-up support/network to service other LGAs. Tourism focused start-up and innovation support.
	Enhanced infrastructure to deliver agri-food industry-relevant training. Potential for joint venture TAFE, Industry and Government to develop on-site multi-functional centre within Peel Business Park.	Agriculture and food: South Metro TAFE: Horticulture and Food Preparation / Cooking, IT, Electrotechnology.	Agriculture and food: Provision of Tertiary level Food Science and Agricultural Science education and training. Delivery of WA Agri-food Precinct
	By 2050, the Peel's workforce participation rates exceed the WA state average.	Peel: 58% State: 66%	8%-points
Strong and Resilient Communities	By 2050, Peel employment participation rates exceed WA state average.	Peel: 50% State: 58%	8%-points
	By 2050, participation of older active community members in the workforce is above the WA state average.	Peel: 34% State: 43%	11%-points

Source: ABS Census, 2016.

Note: Workforce participation rates are calculated based on employed people between the ages 15-64. Employment participation rates are calculated based on employed people over 15. Participation rates of older community members are calculated based on employed persons above the age of 50.

SWOT ANALYSIS AND KEY KNOWHOW INSIGHTS

SWOT Analysis

Analysis of the Peel region's economies, community and human capital pools highlight the following strengths, weaknesses, opportunities and threats.

Strengths

- Strong pipeline of investment in transformational projects (Transform Peel, Peel Business Park, WA Food Innovation Precinct, Transform Mandurah, Dwellingup Trails).
- Strong existing industry based on the wealth of natural resources creates a competitive advantage within the resource and agricultural industries.
- The increasing migration of residents (including culturally and linguistically diverse communities) to the Peel region, bringing new and varied knowhow that can enhance human capital pools.
- Diverse and high value natural, environmental, and cultural assets that attract visitors and potential residents to the Peel region.
- The community services sector is passionate and connected, willing to collaborate to achieve positive outcomes for the Peel region's communities.

Opportunities

- Opportunity to leverage current visitation trends (responding to COVID-19 travel restrictions) to build and consolidate the Peel region as a major WA visitor destination underpinned by innovative tourism enterprises and experiences. This has the potential to lead to the creation of additional jobs that align with skills available in the region's human capital pools.
- Peel's agriculture and food production sectors are planned to be enhanced through continued innovation, investment, and research. This will require proactive human capital development, which creates an opportunity to develop or attract new skills, talent and knowledge to the region, as well as establish new linkages to tertiary education institutions or improve existing education.
- There is an opportunity to investigate and leverage off the intersection of the region's strategic industries and the unique knowhow within them to produce globally unique innovations. For example, what unique knowledge is being held and developed within the mining industry that could contribute to innovation within the agriculture industry?

Weaknesses

- Complex socioeconomic, health and mental health challenges constrain education attainment, training and employment, particularly for isolated communities in the Peel region.
- The Peel region in general has limited spaces that are dedicated to start-ups and innovators, where they can make connections and networks and access advice in person. Currently, most innovation and start-up support are Mandurah centric.
- Housing availability and affordability is a major challenge placing pressure on residents in the region. A peak in construction following COVID-19 and the associated incentives to build has created a bottleneck in development that is putting extreme pressure on the current stock and creating a high priced and highly competitive rental market.
- Population growth, particularly amongst LGAs with large youth cohorts (i.e., Serpentine-Jarrahdale) presents a risk if they cannot provide better access to training and fulfilling

career pathways. A lack of local opportunities could lead to increased levels of disengagement.

- A relatively low proportion of 'professional' jobs in the region, or jobs that require higher tertiary education. This may be limiting the migration of professionals to the area, and the missed opportunity of higher incomes that can be spent in the local economies.
- Lack of education and training opportunities that are aligned with the region's aspirations for an increase in professional and technicians and trades workers.

Threats

- COVID-19 continues to contribute to uncertainty and disruption, particularly within the retail and hospitality sector which has a significant impact on the City of Mandurah economy.
- Leakage of talent and knowhow out of the Peel regional economy if transformational projects and investments are not completed/do not progress, limiting quality employment and entrepreneurial opportunities.
- The increasing impacts of climate change on the food and agricultural sector (i.e., through increased instability in weather patterns, increased drought and flood) may adversely impact the natural resource base that the region will be reliant on for agricultural industry growth. This makes an innovation precinct (WA Food Innovation Precinct) even more critical, to proactively identify innovations that will build the region's resilience to climate-induced shocks.
- The expected increase in population growth, particularly in Serpentine-Jarrahdale with their limited and uniform industry base. The population growth requires additional services that can accommodate the future residents.

Key knowhow insights

The analysis undertaken in this report has produced the following high-level key insights relating to focus areas for the enhancement of knowhow within the Peel region. Detailed analysis can be found in the conclusion of each chapter.

Knowhow Capacity

To achieve the aspiration of a strong, vibrant, and resilient community that is empowered to contribute to the region's knowhow, the following should be considered as part of any strategic or action planning:

- Improve the current infrastructure and quality of health and community services.
- Education attainment and attendance for children and young people to enhance their chances of completing secondary school with the skills and capabilities to transition into higher tertiary education options.
- Connecting students and young people with opportunities to live and work within the region and creating clear pathways to those opportunities (for example jobs in tourism, food, agriculture, and population services).
- Removing barriers to school and training attendance through enhanced transport and connections within and between LGAs in the region.

Knowhow Enablers

To create a capable workforce that can unlock the potential of the Peel region's economy, the following should be considered as part of any strategic or action planning:

- Completion and operationalisation of planned innovation and training infrastructure relating to strategic industries (tourism, food, and agriculture). This includes the Peel Hospitality Training Centre and the WA Food Innovation Precinct.
- Ensure the WA Food Innovation Precinct model extends beyond the Shire of Murray to enhance benefit and opportunities for employment and knowhow development across the region.
- Increased space and resources that supports the connection and collaboration of regional entrepreneurs and innovators to encourage the development of regionally unique knowhow (that have the potential to develop globally unique products, enhancing the region's competitive advantages). Where possible, these should aim to be industry-specific to maximise value and outcomes for the ecosystem.
- Stronger linkages between the focus of regional education providers and strategic industries, providing additional opportunities for higher education courses and research that will diversify the talent, skills, and knowledge within industries in the region. This will work to prevent young people from having to leave the region to pursue higher education opportunities and will enhance the career pathways available locally.
- Focus on soft skills, core competencies and capabilities development, through primary, secondary, VET and tertiary education providers to build a workforce that is multi-skilled and adaptable.

Knowhow Application

To develop an environment where knowhow can be applied to the maximum benefit of the regional economy, the following should be considered as part of any strategic or action planning:



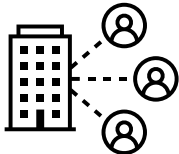
- Creation of new employment opportunities across a more diverse set of occupations.
- Development and success of the planned projects that take advantage of the region's competitive advantages. The planned projects include Peel Business Park, NERA Hydrogen Cluster, and the WA Food Innovation Precinct.
- Increased focus on developing traded industries and enterprises that attract a diversity of knowhow to the region both as workers and resident workers and encourages the development of regionally focussed (and delivered) education and training opportunities, as well as innovation and start-up support.
- Support the identified clusters (Resource and Agricultural industries) by investing in infrastructure and supply chains required to transport products out of the region.

Scenarios

Using Scenarios to plan for knowhow development

Through economic development scenarios, we can explore a range of potential futures which are relevant to Peel and identify actions that will prepare the region to meet its social and economic development objectives. In the context of this report, scenarios consider what human capital requirements and capacity will need to be developed to meet the economic and social needs of the Peel community. This report identified three plausible scenarios to test and map out future regional knowhow requirements by the year 2031 based on WA Tomorrow's population Forecast for the region. A high-level description of each scenario is provided in Table 22.

Table 22 – Plausible scenarios (high level summary)

S1: Business as Usual (BAU)	S2: Population driven focus	S3: Strategic industry focus
		
<p>The Peel region's development continues in line with current trends.</p> <p>Scenario one is based on the current industry and population profile being maintained to 2031 and acts as a base case, which is useful to have as a baseline against which to compare the impacts of other scenarios.</p>	<p>There is significant investment and prioritisation of population-driven services. From health and social assistance through to retail and hospitality.</p> <p>Scenario two describes a future where significant investment is made in providing the amenities and services needed to attract more working professionals to live in the region as well as address the complex needs of the Peel region's communities.</p>	<p>The Peel region's potential in tourism, food and agriculture was realised beyond current projects, trends and investment.</p> <p>Scenario three is based on a significant increase and growth of the region's tourism, food and agriculture industries, beyond the current regional aspirations. Unique knowhow is developed at the intersection of the region's food and agriculture sectors, creating growth in these traded industries.</p>

Scenario One: Business as usual / base case

Scenario one (BAU) is based on the current industry and population profile being maintained. In this scenario, the employment distribution across industries is maintained based on the same ratios from currently available data. This scenario acts as a base case against which we can compare scenario two and three, to understand and describe gaps in workforce related indicators.

Scenario Profile

General population

As outlined in Table 23, it is forecast that there will be approximately 79,000 additional people living in Peel by 2031 when compared to the 2016 Census. This will include an increase in the labour force of 48,000 people and an additional 13,000 people over the age of 65. There will continue to be more local jobs than local workers, and the workforce participation rate will remain below other benchmark economies³² at 56% (see Table 4). Table 24 illustrates that the education providers' capacity needs to increase to keep the current level of educational attainment constant.

Table 23 – Scenario one summary

Key indicators	2016	S1 - 2031	Change since 2016
Total population driven jobs	8,491	13,516	+ 5,025
Total industry driven jobs	26,848	42,656	+ 15,808

Total local jobs	35,339	56,172	+ 20,833
Total local workers	26,873	42,715	+ 15,842

Child dependency (0-14)	26,240	43,635	+ 17,395
Labour force (15-64)	82,440	131,040	+ 48,600
Age dependency (65+)	25,135	37,865	+ 12,730
Total Population	133,815	212,540	+ 78,725
Labour force participation rate	55.6%	55.6%	-

Source: WA tomorrow 2016-2031, ABS Census 2016.

Table 24 - Educational attainment needed by labour force 2031, BAU

Educational Attainment	Peel 2016	S1 – 2031	Change since 2016
Advanced Diploma and Diploma Level	8,696	12,710	+ 4,014
Bachelor Degree Level	8,064	11,786	+ 3,722
Vocational Education	22,995	33,608	+ 10,613
Graduate Diploma and Graduate Certificate Level	1,209	1,767	+ 558
Postgraduate Degree Level	1,445	2,112	+ 667
Secondary Education	47,249	69,057	+ 21,808
Total	89,658	131,040	+ 41,382

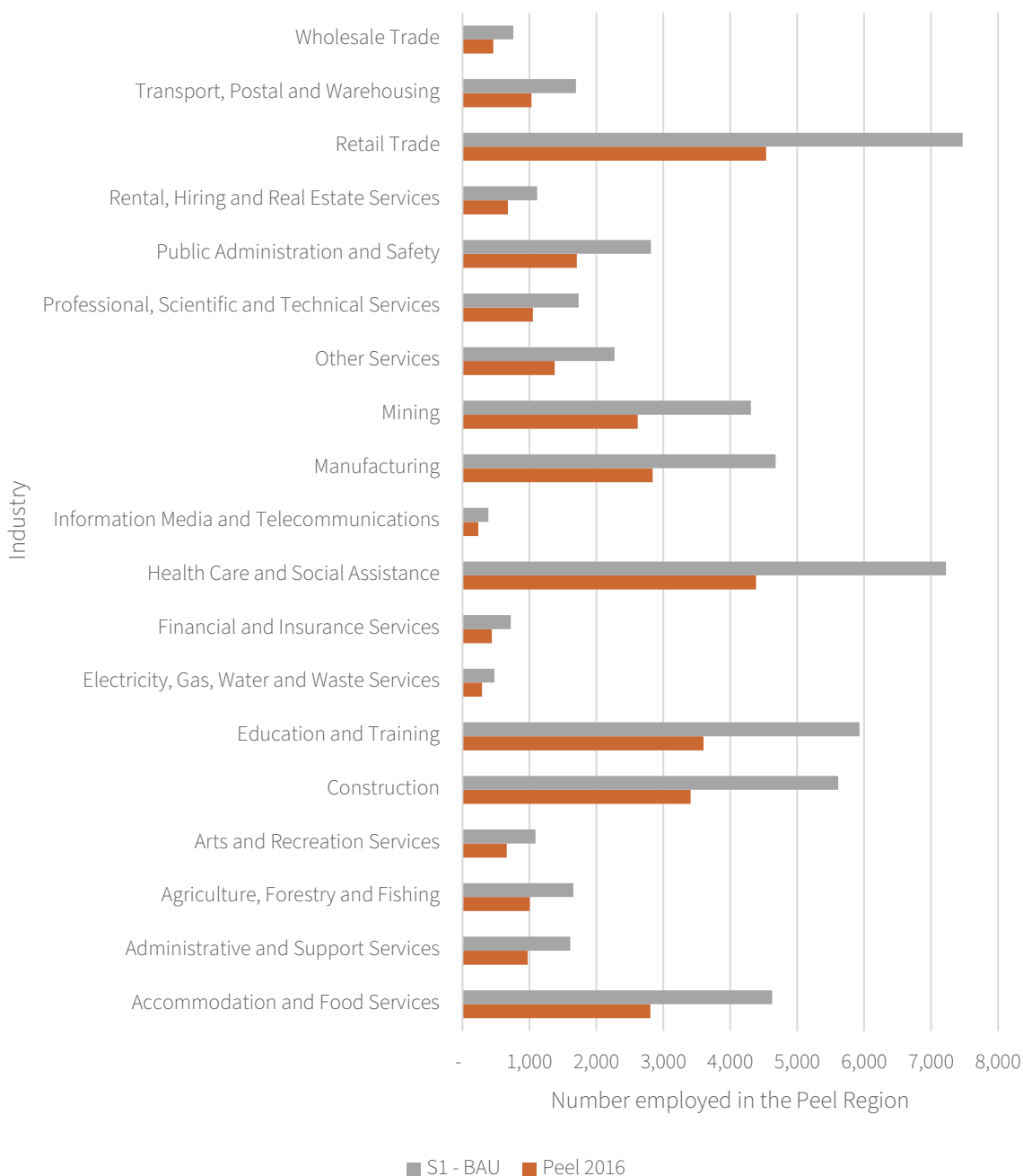
Source: WA tomorrow 2016-2031, ABS Census 2016.

³² Benchmarks include: The Cities of Joondalup and Wanneroo (WA LGAs), Mornington Peninsula (VIC), Greater Geelong (VIC) and Sunshine Coast (QLD).

Industry

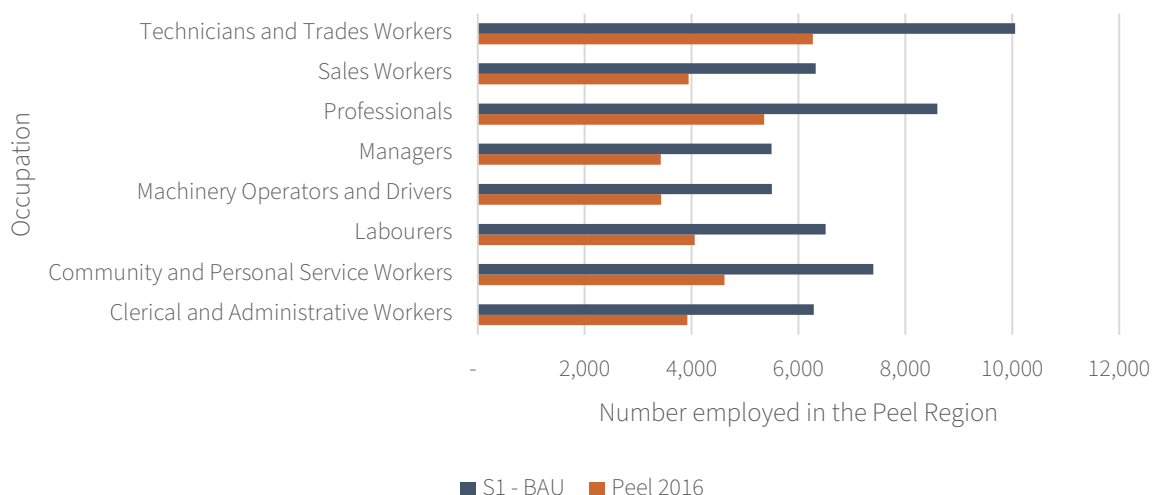
Figure 24 and Figure 25 describe Peel’s potential economic profile in terms of industries of employment and occupations of workers. Ratios taken from 2016 are constant, resulting in Retail Trade, Health Care and Assistance, Education and Training remaining as the largest employers. The type of occupations that exist in Peel will also remain constant. To maintain the region’s current ESS and ESC level more than 21,000 jobs will be needed. Similarly, the personal income of Peel’s labour force will remain the same, as shown in Table 25.

Figure 24 - Industry of employment by local workers - scenario one



Source: WA tomorrow 2016-2031, ABS Census 2016.

Figure 25 - Occupations of local workers – scenario one



Source: WA tomorrow 2016-2031, ABS Census 2016.

Table 25 – Income Distribution – scenario one

Weekly income	Peel 2016	Peel S1 – 2031	Proportion
Low (\$1-\$799)	15,052	24,149	43%
Medium low (\$800-1,250)	6,999	11,229	20%
Medium high (\$1,500-1,999)	5,400	8,664	15%
High (\$2,000+)	7,295	11,704	21%
Nil income	266	427	1%
Total	35,011	56,172	100%

Source: WA tomorrow 2016-2031, ABS Census 2016.

Scenario Implications

If the current population and industry ratios are maintained in line with forecast population projections, the following implications should be considered:

Knowhow capacity

- The Peel region would have to create an additional 5,000 population-driven jobs to cater for the larger population and maintain same level of service capacity.
- The Peel region is likely to continue to struggle to meet the demand for population-driven services, particularly those relating to health and community services. This has the potential to exacerbate entrenched cycles of disadvantage which impact the capacity of communities to develop unique knowhow that can service strategic industries. This presents a risk for industry development.

Knowhow enablers

- By 2031 the region must increase its provision of education infrastructure and capacity to enable 19,600 additional people to attain an education level that is higher than secondary school (high school).

Knowhow application

- To maintain current levels of employment self-sufficiency and self-containment, the Peel region will have to create an additional 21,000 jobs of which 5,000 are filled by local workers.

Scenario Two: Increased Focus On Population-Driven Services

In scenario two, Mandurah is developed further as a service centre for the Peel region. Scenario two focuses on a significant investment in population-driven services to address the complex needs of the Peel region's communities and to service a rapidly growing population who expect the same access to services and amenities that is available to those living in the Perth metropolitan area.

An increased investment in and provision of Retail, Child Care, Education, and Health Care and Community Services have the potential to:

- Enhance population access to high-quality and more appropriate education for residents;
- Increase population targeted and proactive support for vulnerable people in the region, leading to strong health, wellbeing, and education outcomes;
- An increase in the diversity of qualifications, skills and knowledge required to service the additional jobs required to enhance the services sector; and
- Provide the level of amenity required to support its growing population and by doing so attract skilled workers (and their families) to the region to work in and develop strategic industries.

This scenario assumes that by addressing the complex and foundational socioeconomic challenges in the community, regional knowhow will be developed, and the regional economy will develop around excellence in these services. There is a higher labour force participation rate and more of the local jobs are filled with Peel residents. This scenario identifies the gap of employment in population-driven industries by population with the base case scenario. To identify a standard or 'goal' level of service needed to service the population we identified appropriate benchmarks³³ and used the average ratio of employment within the service areas to population to understand any potential gaps in service provision.

Scenario Profile

General population

As outlined in Table 26, scenario two assumes a higher workforce participation rate as well as employment self-containment and self-sufficiency, based on averages of comparable benchmarks economies. This helps us to understand the change or gap that the Peel region may need to address if it is to invest in growing and servicing its population-driven industries. More jobs are created due to the increased level of service needed for the population, which creates additional employment opportunities for residents (if they are empowered to access those jobs through education and training).

Since the employment self-containment is higher compared to scenario one, there will be a larger local workforce available to the regional economy. Additional investment in education infrastructure that is aligned to the developing services sector so that the workforce can develop the skills required to fill the additional jobs. The scenario two profile highlights the need for a more diverse and skilled workforce. Table 26 illustrates the gap between the qualifications needed to service the base case scenario (1) and the current scenario (2). The education attainment requirements for scenario two were developed by identifying what level of educational attainment is required within each industry. This was then applied to the employment targets.

³³ Benchmarks include: The Cities of Joondalup and Wanneroo (WA LGAs), Mornington Peninsula (VIC), Greater Geelong (VIC) and Sunshine Coast (QLD).

Table 26 – Scenario two summary

Key indicators	S1 - 2031	S2 – 2031	Gap
Total population driven jobs	13,516	20,443	+ 6,927
Total industry driven jobs	42,656	52,410	+ 9,754
Total local jobs	56,172	72,854	+ 16,682
Total local workers	42,715	56,866	+ 14,151
Workforce Participation rate	0.56	0.59 ⁽¹⁾	+ 0.03
ESS	0.81	0.94 ⁽²⁾	+ 0.13
ESC	0.76	0.78 ⁽³⁾	+ 0.02

Source: WA tomorrow 2016-2031, ABS Census 2016.

(1) (2) (3) Based on the average rate of benchmark economies including the cities of Wanneroo/Joondalup, Greater Geelong, Mornington Peninsula and Sunshine Coast (LGA level).

Table 27 - Educational attainment needed based on employment targets scenario two

Industry	S1 – 2031	S2 - 2031 ⁽¹⁾	S2 Gap (#)	Gap (%)
Advanced Diploma and Diploma Level	6,267	8,390	+ 2,122	25%
Bachelor Degree Level	11,313	16,755	+ 5,442	32%
Vocational Education	13,126	14,905	+ 1,779	12%
Graduate Diploma and Graduate Certificate Level	1,557	2,627	+ 1,070	41%
Postgraduate Degree Level	3,661	5,627	+ 1,966	35%
Secondary Education	20,248	24,550	+ 4,302	18%
Total	56,172	72,854	+ 16,682	23%

Source: WA tomorrow 2016-2031, ABS Census 2016.

(1) Target percentages for scenario two based on the average of comparable benchmark economies.

Industry

A potential impact in the change in occupation profile in the region is a decrease in the percentage of the population living on a low income (from 43% to 35%) and an increase in those moving into the low-medium income bracket (from 20% to 32%). This presents opportunities and benefits for the regional economy if those incomes are retained and spent internally. Incomes are an important indicator and contributor to a region's SEIFA score, which for Peel, is lower than benchmark economies. The potential impact of scenario two's industry and employment profile on incomes is illustrated in Table 29.

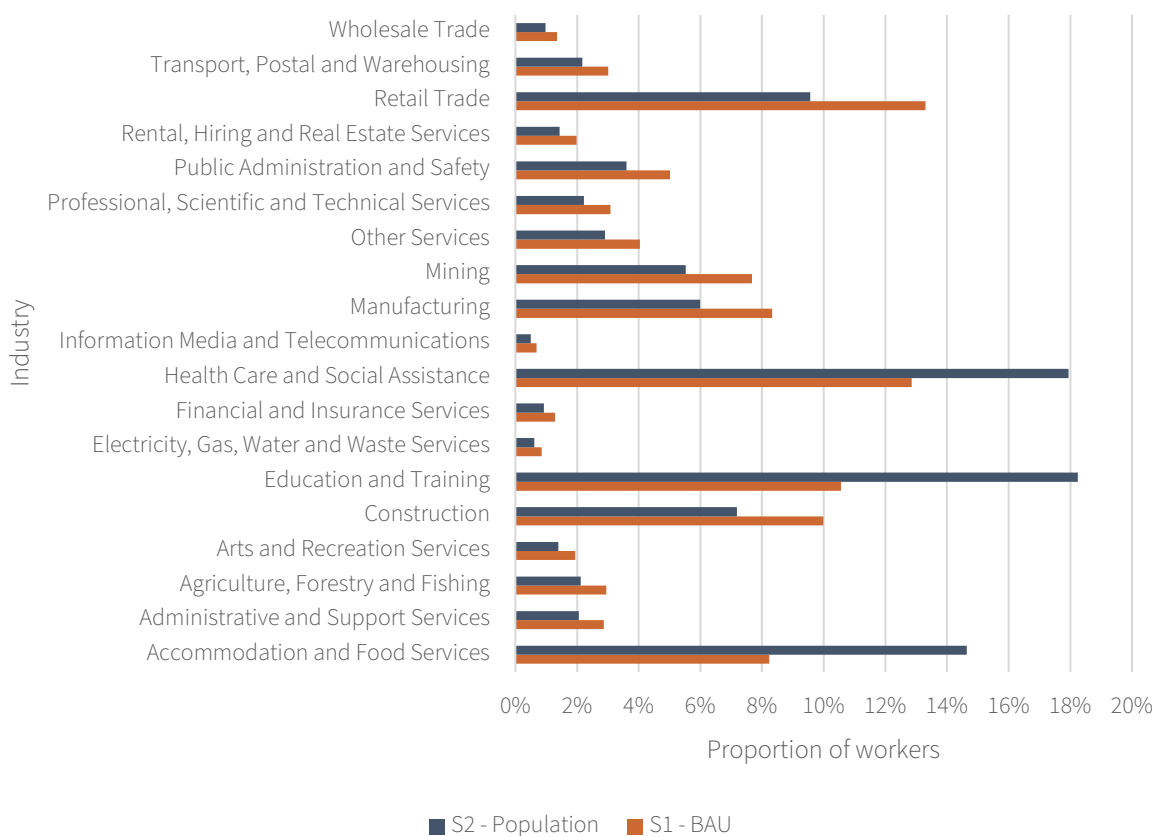
Figure 26 and Table 27 describe the potential industry and employment profile under scenario 2. The main industries of employment in this scenario are Health care and Social Assistance (18%), Education and Training (18%) and Accommodation and Food Services (15%).

The key types of occupations required by the population-driven economy will be Professionals, Community and Personal Service Workers and Clerical and Administration workers. Table 27 identifies the gap or change in these types of occupations required by the Peel region to service this industry profile, which is based on our comparable benchmark economies.

A potential impact in the change in occupation profile in the region is a decrease in the percentage of the population living on a low income (from 43% to 35%) and an increase in

those moving into the low-medium income bracket (from 20% to 32%). This presents opportunities and benefits for the regional economy if those incomes are retained and spent internally. Incomes are an important indicator and contributor to a region's SEIFA score, which for Peel, is lower than benchmark economies. The potential impact of scenario two's industry and employment profile on incomes is illustrated in Table 29.

Figure 26 - Industry of employment by local workers scenario two: Population driven



Source: WA tomorrow 2016-2031, ABS Census 2016.

Table 28 - Occupations needed by Peel's local workers to support scenario two profile

Occupation type	S1 – 2031	S2 – 2031 ⁽¹⁾	S2 Gap (#)
Clerical and Administrative Workers	11%	13%	+ 3,004
Community and Personal Service Workers	13%	14%	+ 2,652
Labourers	12%	10%	+ 1,011
Machinery Operators and Drivers	10%	5%	- 2,053
Managers	10%	11%	+ 2,678
Professionals	15%	20%	+ 5,787
Sales Workers	11%	12%	+ 2,772
Technicians and Trades Workers	18%	15%	+ 831

Source: WA tomorrow 2016-2031, ABS Census 2016.

(1) Target percentages for scenario two based on the average of comparable benchmark economies.

Table 29 - Income distribution of workers based on occupations in the Peel region – scenario two.

Weekly income	S1 – BAU	S1 %	S2 - Population ⁽¹⁾	S2 %
Low (\$1-\$799)	24,149	43%	25,618	35%

Medium low (\$800-1,250)	11,229	20%	23,673	32%
Medium high (\$1,500-1,999)	8,664	15%	10,579	15%
High (\$2,000+)	11,704	21%	12,566	17%
Nil income	427	1%	418	1%
Total	56,172	100%	72,854	100%

Source: WA tomorrow 2016-2031, ABS Census 2016.

(1) Target percentages for scenario two are based on average income by occupations standards in WA based on Census 2016 Data.

Scenario Implications

If Peel region prioritises the development of population-driven services in the long term, the following implications should be considered:

Knowhow capacity

- Significant investment in childcare and early learning services, primary and secondary schools as well as general support services for residents has the potential to lead to an increase in workforce participation. If coupled with an increase in the availability and accessibility of highly relevant (and industry aligned) education opportunities, the workforce is likely to be more competent and able to service the population services workforce and skills requirements.
- To realise the scenario two profile, the Peel region would need to create an additional 7,000 population-driven jobs to improve service levels. Population-driven jobs growth will predominantly occur in employment in Retail, Health and Social Services, as well as Educational Services.

Knowhow enablers

- The change in employing industries profile will impact the qualifications needed by the local workforce drastically, creating pressure on local educational providers. Based on comparable benchmark economies, by 2031, 32% of the local workforce will be required to qualify for a Bachelors degree or higher. Currently, only 11% of the workforce meet these criteria.
- If a goal of the Peel region is to empower the local population to service these increased education requirements (and additional regional jobs), the investment will be required to provide accessible education and training that is directly relevant to the requirements of the population-driven industries. Alternatively, (or in addition), the increase in general population services and amenities is likely to assist in attracting the required knowledge and workers to both live and work in the region.

Knowhow application

- For the region to achieve employment self-sufficiency and self-containment targets (benchmark ratios), the region will have to create an additional 17,000 jobs of which 14,000 would need to be filled by local workers.
- The need for more Professionals (+5,800), Clerical and Administration workers (+3,000) and Managers (+2,700) will increase demand for different qualifications compared to the workforce in scenario one. These occupation types are generally associated with larger incomes. If these occupations can be serviced by locals, or by attracting talent to live and work in the region, there is an opportunity to ensure the benefit of these incomes remains in the regional economy and contributes to positive cycles of service delivery and socioeconomic development over time.

Scenario three: Strategic and traded industry focus

Scenario three is based on what is required to go beyond the current regional aspirations of strong tourism, food, and agriculture sectors, through significant targeted investment in

support for innovation and entrepreneurship and developing the region's competitive advantages through unique knowhow.

Stage two of the Peel Business Park is complete and fully occupied, with resident enterprises engaging and collaborating on innovative industry development projects, that harness the unique intersection of knowledge, skills and talent that are co-located on site. Tourism is continuing to grow across the Peel region, with visitors drawn to epic hiking and mountain bike trails, and high-quality food and beverage offerings serviced by the region's thriving local food producers who are raising the national profile of Peel's agricultural offer.

Scenario assumes that population services will indirectly benefit from this approach as new businesses and residents are attracted to the region, increasing ratepayer pools, and allowing for better service provision.

General population

In scenario three, the region's identified strategic growth industries (according to the Peel regional Blueprint: Tourism, Food and Agriculture) are heavily invested in and experience significant growth contributing to more jobs in the region. As described in Table 30, this profile results in higher employment self-sufficiency and self-containment levels which are levels based on aspirational benchmark economies with strong tourism, food and agriculture sectors. The participation rate of residents in this scenario is also higher compared to scenario one (BAU) (from 53% to 57%), however has a lower labour force participation rate compared to scenario two (scenario two) because the provision of the services for the population is still underway.

The scenario three profile requires an additional 14,600 workers of which 7,400 need a Bachelor degree or higher, and 7,200 need a VET/TAFE qualifications (Table 31) to service the occupations required.

Table 30 – Scenario three summary

Key indicators	S1 – 2031	S3 - 2031	Gap
Total local jobs	56,172	78,721	+ 22,549
Total local workers	42,715	61,822	+ 19,107
Workforce Participation rate	53%	57% ⁽¹⁾	+ 4%-points
ESS	0.81	1.05 ⁽²⁾	+ 0.25
ESC	0.76	0.79 ⁽³⁾	+ 0.02

Source: WA tomorrow 2016-2031, ABS Census 2016.

(1) (2) (3) Based on the average rate of benchmark economies including the Cities of Greater Geelong, Mornington Peninsula and Sunshine Coast (LGA).

Table 31 - Educational attainment needed based on employment targets – scenario three

Educational attainment	S1 - 2031	S3 - 2031 ⁽¹⁾	Gap (#)	Gap (%)
Advanced Diploma and Diploma Level	6,267	9,086	+ 2,819	31%
Bachelor Degree Level	11,313	16,952	+ 5,639	33%
Vocational Education	13,126	16,800	+ 3,674	22%
Graduate Diploma and Graduate Certificate Level	1,557	2,272	+ 715	31%
Postgraduate Degree Level	3,661	5,446	+ 1,785	33%
Secondary Education	20,248	28,164	+ 7,916	28%
Total	56,172	78,721	+ 22,549	29%

Source: WA tomorrow 2016-2031, ABS Census 2016.

(1) Target percentages for scenario two based on the average of comparable benchmark economies.

Industry

Figure 27 and Table 32 describe the industry and employment profile under scenario three. Under this scenario, there has been significant investment in:

- Agriculture & food innovation contributing to increased employment in Agriculture, Forestry and Fishing industries (from 3% of total employment to 5%);
- Tourism, contributing to increased employment in Accommodation and Food Services by 12.5% (from 8% to 9% of total employment);
- Achieving a thriving industry, contributing to higher employment within Professional, Scientific and Technical Services (an increase from 3% to 6% of total employment); and
- Due to the increased jobs, there has been an increase in employment in Health Care and Social assistance (from 13% to 16% of total employment) which is based on benchmark economies.

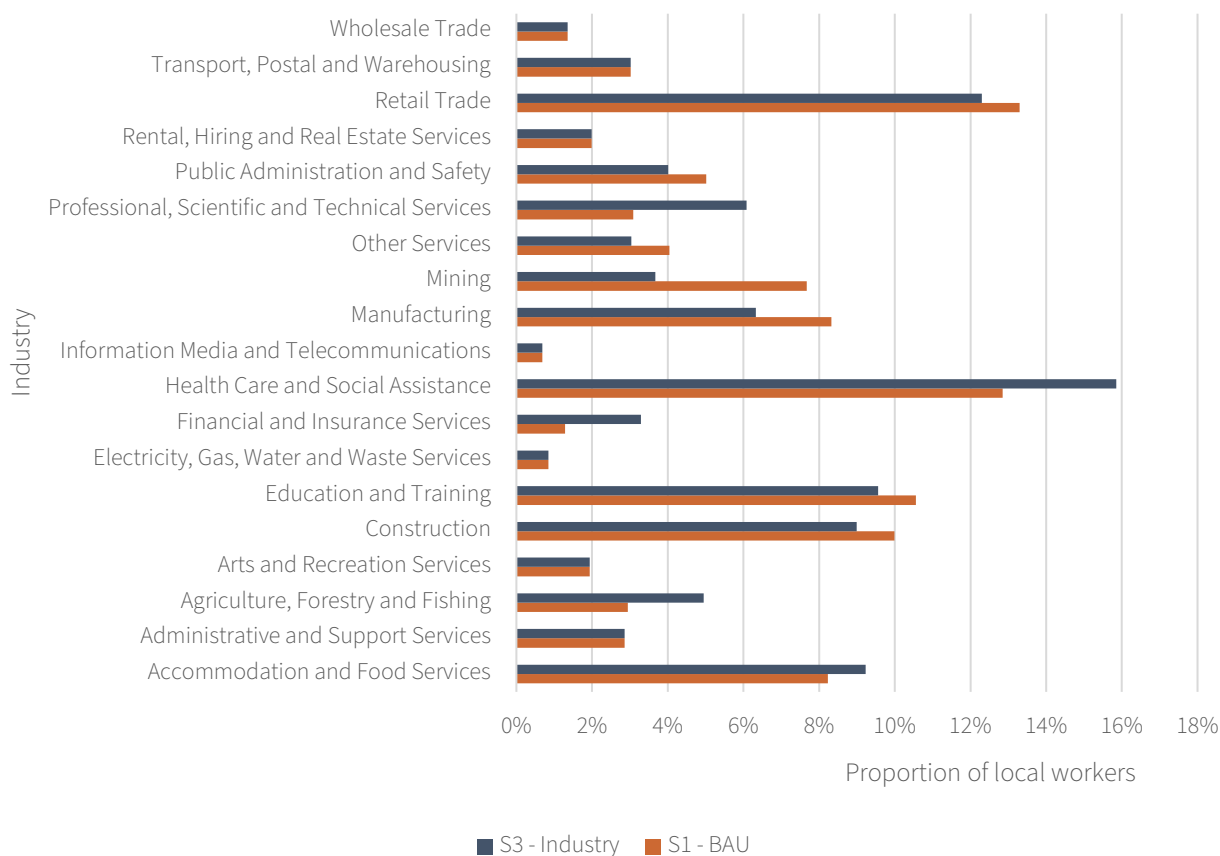
This vision illustrates a more diversified economy with various employment opportunities across multiple industries. The key types of occupations required by the industry-driven economy will be Professionals (22% of total occupations), Managers (14%), and Technicians and Trades Workers (13%).

To achieve the human capital requirements of this scenario certain occupations are needed, which are identified in Table 32. The biggest change in the occupations needed compared to scenario one will be:

- Professionals (+8,800);
- Managers (+5,400); and
- Clerical and administration workers (+3,400).

These are occupations which typically require higher tertiary education qualifications (see Table 33). Additionally, the data suggests that the Peel region won't need as many Machinery Operators and Drivers, and a lower proportion of Technicians and Trades workers, as well as Labourers when compared to scenario one. In terms of local incomes, the industry and occupation profile of scenario three sees a decrease in the percentage of the Peel population in the low-income bracket (from 43% to 35%), and an increase in the percentage of the population in the medium-low-income bracket (from 20% to 30%).

Figure 27 - Industry of employment by local workers S3: Industry Driven



Source: WA tomorrow 2016-2031, ABS Census 2016.

Table 32 – Type of occupation needed by local workers to support target

Occupation type	S1 - BAU	S3 - Industry ⁽¹⁾	Gap (#)	Gap (%)
Clerical and Administrative Workers	11%	12%	+ 3,447	35%
Community and Personal Service Workers	13%	12%	+ 1,924	21%
Labourers	12%	10%	+ 1,374	17%
Machinery Operators and Drivers	10%	6%	- 915	-20%
Managers	10%	14%	+ 5,401	50%
Professionals	15%	22%	+ 8,766	50%
Sales Workers	11%	10%	+ 1,877	23%
Technicians and Trades Workers	18%	13%	+ 568	5%

Source: WA tomorrow 2016-2031, ABS Census 2016.

(1) Target percentages for scenario two based on employment targets for this scenario.

Table 33 - Income distribution of workers based on workers occupations in the Peel region S3.

Weekly income	S1 - BAU	S1 (%)	S3 - Industry ⁽¹⁾	S3 (%)
Low (\$1-\$799)	24,149	43%	27,320	35%
Medium low (\$800-1,250)	11,229	20%	25,647	32%
Medium high (\$1,500-1,999)	8,664	15%	11,551	15%
High (\$2,000+)	11,704	21%	13,753	17%
Nil income	427	1%	450	1%
Total	56,172	100%	78,721	100%

Source: WA tomorrow 2016-2031, ABS Census 2016.

(1) Based on average income by occupations standards in WA based on Census 2016 Data.

Implications

Knowhow capacity

- Under this scenario, the Peel region would need to create an additional 22,500 jobs to cater for the larger population and to realise the benchmark ESC and ESS targets.
- By focusing on developing the traded economy as opposed to the population-driven economy, there is potential that the population-driven industries will lag until the industries of investment are working at full potential, and the benefit of those industries can be invested into population services.
- Under this scenario is the potential to develop a mismatch between the workforce needed and the local workforce's skills and qualifications if the region cannot enable its residents to obtain the relevant qualifications needed for job requirements.
- Currently, the Peel region's workforce has a relatively uniform distribution of qualification and skills and often seek similar jobs. Due to lack of industry aligned skills, the region is currently required to attract qualified workers from outside of the region. If this is not proactively addressed, moving forward, the region may not be able to facilitate the education needed nor attract workers to move to the region to address the gap of qualification between residents and the required workforce.

Knowhow enablers

- Based on comparable benchmark economies, by 2031, 28% of the local workforce will be required to have a Bachelors degree or higher to match the scenario three profile. Currently, only 11% of the workforce meet these criteria.
- If a goal of the Peel region is to empower the local population to service these increased education requirements (and additional regional jobs) investment will be required to provide accessible education and training that is directly relevant to the requirements of the focus traded industries. In scenario two, investment in population-driven services is likely to supply increased amenities to attract workers to live in Peel. In scenario three the region may be more reliant on upskilling the local workforce. If this cannot be achieved, there may be a trend where these additional jobs are serviced by people who don't live (or spend their incomes) in the Peel region.

Knowhow application

- The need for more Professionals (+8,800), Managers (+5,400) and Clerical and Administration workers (+3,400) will lead to a more diverse range of qualifications needed by the local workforce to service the growth industries. These occupations are associated with higher individual incomes. If these occupations can be filled by locals, or by attracting talent to live and work in the region, there is an opportunity to ensure that the benefit of higher incomes and spending remains in the local economy.

General scenario implications for roadmap development

The examination of a range of potential economic development scenarios for the Peel region (up to 2030) produces the following for consideration in the development of skills, talent, and knowledge in the region, and the development of a human capital roadmap:

- If the Peel region is already struggling to provide adequate population services, there is a potential that ongoing cycles of disadvantage will be perpetuated and even deepen over time if these services are not enhanced.
- A focus on enhancing population-driven services, and servicing these industries with a skilled local workforce (rather than people travelling from outside the region each day) has the potential to:
 - Provide a more diverse range of fulfilling job opportunities for residents; and
 - Attract skilled people (and their families) to live and work in the region.

These outcomes would ensure that the incomes relating to those jobs have an increased chance of being spent in the regional economy.

To enable this outcome, the local workforce will require access to the right education and training opportunities. If access to this training is only available outside of the Peel region, there is a risk that this potential workforce will leave the region to undertake studies and remain outside the region to pursue job opportunities.

- A focus on developing the traded economy and a 'business as usual' approach to population-driven services (scenario three) has the potential to create a lag between industry development and human capital development. This means that strategic industries may continue to be serviced from outside the region, while local communities are not empowered through proactive investment in local services to participate in this growth (through jobs).

Over time, and if there is a focus on attracting talent that both work and live in the region (to service the traded industries), then these incomes may naturally drive up the expectation, quality, and provision of population services increasing the SEIFA (IRSD) scores and quality of life of residents. However, there remains a risk that those individuals and communities that are already experiencing disadvantage may be left behind.

- Under scenarios two and three, we see a positive shift in the percentage of people living on a low wage start to move into the low – medium wage income bracket. While still in the lower ranges of potential incomes, this positive movement may mean that more families and individuals are not dealing with chronic financial stress, which can have implications for physical and mental health, as well as socio-economic outcomes.

Glossary of terms

Table 34 - Glossary of Terms

Term	Definition
Direct employment	Refers to the employment impacts that result directly from a particular industry or business.
Economic complexity	<p>Economic complexity “A measure of the knowledge in a society as expressed in the products it makes. The economic complexity of a place is calculated based on the diversity of products a place produces and their ubiquity, or the number of places able to produce them (and those places’ complexity). Places that can sustain a diverse range of productive know-how, including sophisticated, unique know-how, can produce a wide diversity of goods, including complex products that few other places can make”³⁴</p> <p>“The theory of economic complexity, introduced by Hausmann, Hidalgo et al. (2011), is based on the realization that the development of products and services not only requires raw materials, labour and machinery, but also tacit knowledge (or “knowhow”) of how to put inputs together to produce things and run business operations. This tacit knowledge tends to be the limiting factor for diversifying economic activities because it is the most difficult component of production to transfer. Whereas many other inputs to production – including materials, tools, and blueprints – are relatively easy to trade and transfer, tacit knowledge of how to combine inputs efficiently and effectively can only be acquired through experience. Moreover, modern production requires far more know-how than any single individual can acquire. Therefore, tacit knowledge is necessarily spread across many individuals who coordinate across teams and organizations.”³⁵</p>
Economic growth	Refers to the increase in the amount and value of goods and services produced.
Economic impact	Refers to the impact or change resulting from specific activities, that include but are not limited to economic, business, industry and environmental activities.
Economic output	Is the total value of goods and services produced within a particular geographic area.
Employed residents	Refers to the employment of residents who live within the Peel region or referenced Local Government Area.
FTE	Full-time equivalent. Refers to the hours worked by an employee on a full-time equivalent.
Goals	Broad aspirations that need to be achieved in order to meet The Shire’s Vision.
Indirect employment	Refers to the employment impacts as a result of a particular industry or business that results in employment changes in other related industries.
Labour force	Those who are of working age (15-65) and are employed or actively seeking employment.
Local employment (jobs)	Refers to employment within a Local Government Area regardless of where to employee resides.
Peel region	The Peel region encompasses the five local government areas of the Shire of Murray, City of Mandurah, Shire of Boddington, Shire of Waroona.
Local Government Area (LGA)	The municipal boundaries of the economy that services, and benefits from economic activities in the surrounds.
Social amenities	Refers to places, infrastructure and services that support the wellbeing of a particular community.
Value-added	A quantitative measure of how productive or efficient and industry is at increasing the value of its inputs.

³⁴ Growth Lab, Centre for International Development, Harvard University, “Western Australia Research Findings and Recommendations”, July 2020

³⁵ Growth Lab, Centre for International Development, Harvard University, “Western Australia Research Findings and Recommendations”, July 2020

Technical Appendix

Shannon's Index of Diversity

The Shannon Index is one of many diversity indices that can be used to measure diversity in categorical data. Although it was originally used to measure biodiversity, the same methodology can be applied to determine employment diversity.

The formula for calculating Shannon's Index is outlined below.

$$H' = - \sum p_i \ln(p_i)$$

Where:

H' = the Shannon Diversity Index Score

p = the relative quantity of employment in each category

Adjusting Shannon's Index for evenness, it is possible to derive the Shannon's Equability Index which is a diversity score between zero and one. A perfectly homogeneous score, (i.e., employment only exists within one industry) would have an equitability index of zero, a perfectly heterogeneous activity centre would have an equitability index of one.

Table 35 - Shannon's Index Industry of Employment

Industries	Boddington	Mandurah	Murray	Serpentine -Jarrahdale	Waroona	Peel	Sunshine coast	Geelong
Accommodation & Food Services	- 0.09	- 0.23	- 0.17	- 0.16	- 0.11	-0.20	-0.23	-0.20
Administrative & Support Services	- 0.09	- 0.12	- 0.10	- 0.11	- 0.07	-0.11	-0.12	-0.09
Agriculture, Forestry & Fishing	- 0.10	- 0.02	- 0.16	- 0.24	- 0.15	-0.10	-0.08	-0.05
Arts & Recreation Services	- -	- 0.07	- 0.09	- 0.12	- 0.03	-0.07	-0.08	-0.07
Construction	- 0.16	- 0.25	- 0.22	- 0.32	- 0.26	-0.25	-0.23	-0.20
Education & Training	- 0.08	- 0.25	- 0.20	- 0.27	- 0.12	-0.23	-0.23	-0.25
Electricity, Gas, Water & Waste Services	- -	- 0.04	- 0.07	- 0.03	- 0.04	-0.04	-0.04	-0.06
Financial & Insurance Services	- 0.02	- 0.07	- 0.04	- 0.02	- 0.01	-0.05	-0.11	-0.10
Health Care & Social Assistance	- 0.07	- 0.31	- 0.17	- 0.17	- 0.15	-0.26	-0.30	-0.31
Information Media & Telecommunications	- -	- 0.04	- 0.01	- 0.02	- -	-	-0.05	-0.04
Manufacturing	- 0.08	- 0.10	- 0.35	- 0.15	- 0.36	-0.20	-0.16	-0.21
Mining	- 0.26	- 0.02	- 0.25	- 0.08	- 0.33	-0.20	-0.01	-0.01
Other Services	- 0.13	- 0.14	- 0.12	- 0.10	- 0.10	-0.13	-0.14	-0.13
Professional, Scientific & Technical Services	- 0.04	- 0.12	- 0.09	- 0.11	- 0.08	-0.11	-0.17	-0.16
Public Administration & Safety	- 0.06	- 0.16	- 0.10	- 0.19	- 0.11	-0.15	-0.13	-0.16
Rental, Hiring & Real Estate Services	- 0.03	- 0.09	- 0.06	- 0.06	- 0.05	-0.08	-0.09	-0.06

Retail Trade	-0.09	-0.30	-0.21	-0.17	-0.14	-0.26	-0.26	-0.28
Transport, Postal & Warehousing	-0.03	-0.11	-0.06	-0.16	-0.10	-0.11	-0.11	-0.12
Wholesale Trade	0.07	0.05	0.06	0.08	0.02	-0.06	-0.08	-0.08
Total	1.40	2.48	2.51	2.57	2.22	2.61	2.62	2.57

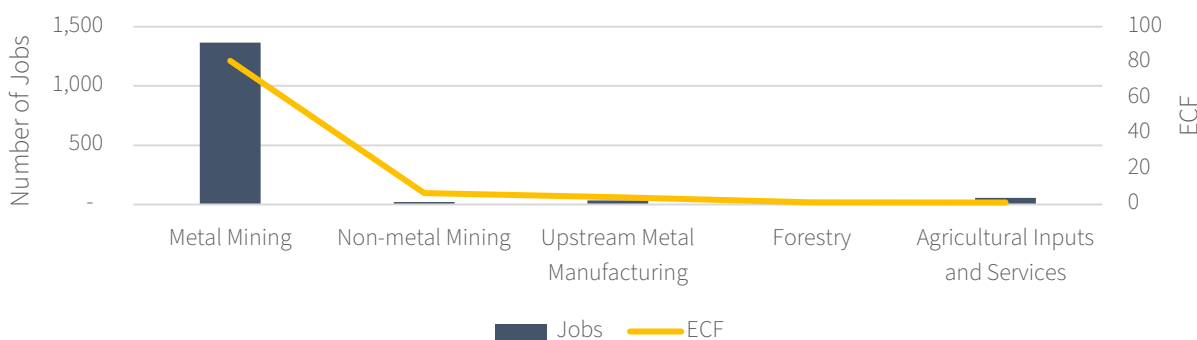
Source: REMPLAN 2020, Economic.id 2021, FAR lane 2021.

Cluster Analysis

Boddington

Figure 28 indicates the concentrated clusters in Boddington are centred around Metal Mining with an ECF of 81 and total local employment of 1,370. Metal Mining is a traded industry, meaning that it is concentrated in the region but sells products or services across multiple regions and countries. Trading industries are associated with higher average wages and higher productivity compared to local industries and is an important focus when increasing regional strengths. The Figure suggests that Boddington has a specialised advantage that may create further employment opportunities within the Peel region by contributing to economic growth and development, by attracting more firms who need more local services.

Figure 28 - Cluster by ECF Boddington

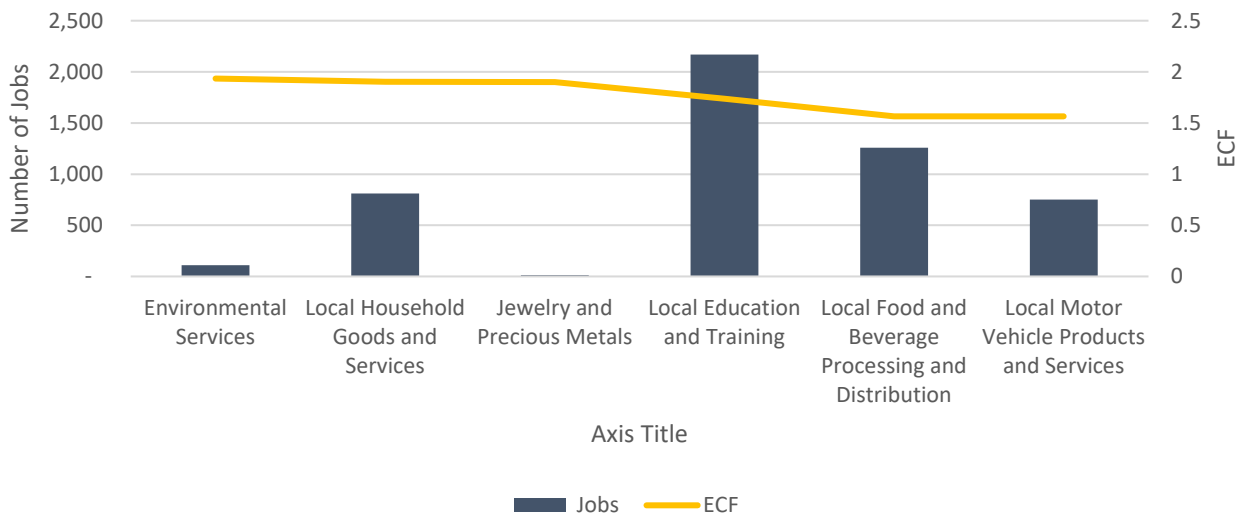


Source: ABS Census 2016, FAR lane 2021.

Mandurah

Figure 29 indicates that Mandurah has a relatively low ECF typical for these cluster types. This suggests that these clusters are not present and that employment in these industries is less geographically concentrated relative to Australia and does not require significant infrastructure. The identified clusters are all local industries as they serve the local market and play a supporting role in the overall economic growth of the region.

Figure 29 - Cluster by ECF Mandurah

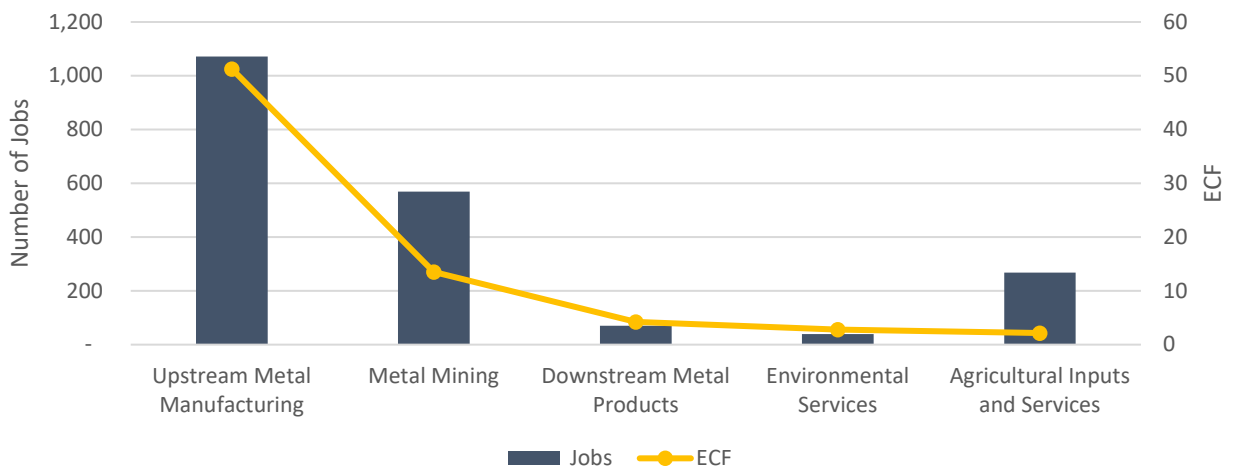


Source: ABS Census 2016, FAR lane 2021.

Murray

Analysis of the most regionally concentrated clusters suggests that the Upstream Metal Manufacturing cluster is highly concentrated indicating a geographic specialisation within Murray (Figure 30). Metal Mining also has a high ECF of 13.5 indicating another specialisation within the region. These industries are both traded suggesting an opportunity to attract additional businesses and employment within these industries. A further consideration is required in terms of how to specialise the skills of the local population within these industries.

Figure 30 - Cluster by ECF Murray

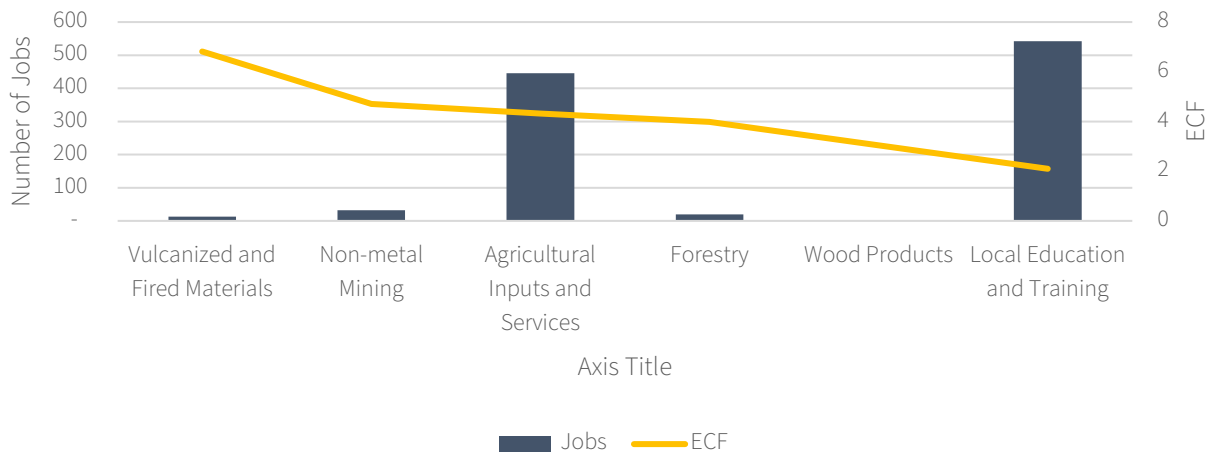


Source: ABS Census 2016, FAR lane 2021.

Serpentine-Jarrahdale

Analysis of the regionalised concentrated clusters suggests that the most centred cluster in Serpentine-Jarrahdale is in Vulcanized and Fired Materials with an ECF of 6.8 (Figure 31). Other identified clusters are other resource-related industries resulting from the access to industrial land and natural resources. The existing industry clusters with the largest number of jobs have a relatively low employment concentrating factor, providing no evidence that these clusters are present within the region.

Figure 31 - Cluster by ECF Serpentine-Jarrahdale

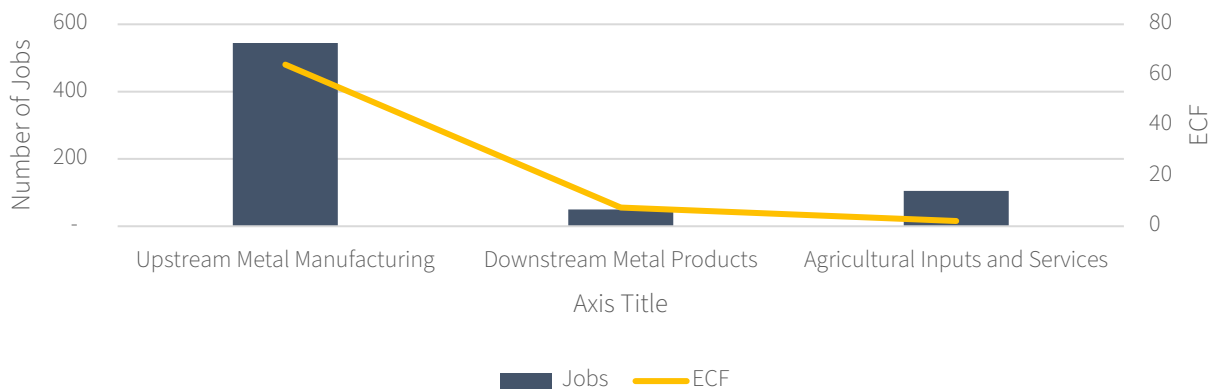


Source: ABS Census 2016, FAR lane 2021.

Waroona

Analysis of the regionalised concentrated clusters suggests that the most centred cluster in Waroona is Metal Manufacturing, Metal Mining and Downstream Metal Products (Figure 32). These are all traded clusters that are highly specialised and can contribute to regional economic growth by attracting new businesses to the area to take advantage of the available infrastructure. However, it is important to note it is unlikely that there would be an increase in mining activities within the region due to state forests and other regulations.

Figure 32 - Cluster by ECF Waroona



Source: ABS Census 2016, FAR lane 2021.

For more information about the People of Peel Human Capital Roadmap, please contact the Peel Development Commission on 08 9535 4140.





Department of
Primary Industries and
Regional Development



Peel
Capability
Collaborative

ATTACHMENT 6.2

People of Peel

Human Capital Roadmap
2022-2027



Council Report

Council Meeting
23 August 2022

150

The land upon which the Peel Development Commission (PDC) operates, is on Mandjoogoordap Boodja, part of the Bindjareb Noongar Boodja and Wilman Noongar Boodja, which is part of the Noongar Nation.

The Noongar Nation is part of the many different Aboriginal and Torres Strait Islander Nations in the Boodja we know as Australia. We acknowledge their 50,000 years of human existence on this boodja and acknowledge their continuing connection to the boodja (land), the gabi (waters), the worl (sky) and kaadadjan (knowledge).

We pay respect to their cultures and their Eldership – past, present and emerging.

Image: Dolphins Dreaming, Deborah Newenham



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Disclaimer

The Western Australian Government is committed to quality services to its customers and makes every attempt to ensure accuracy, currency and reliability to the data contained in this document. However, changes in circumstances after the time of publication may affect the quality of this information. Confirmation may be sought from originating bodies or departments providing the information.

The People of Peel Human Capital Roadmap was prepared by FAR Lane in partnership with the Peel Development Commission and Peel Capability Collaborative.

Introduction

The People of Peel Human Capital Roadmap (the Roadmap) sets out a framework to support and develop a skilled, adaptable and empowered workforce to drive a thriving regional society and economy. The Roadmap is an initiative of the Peel Development Commission and the Peel Capability Collaborative, drawing on research (see the People of [Peel Human Capital Insights Report](#)) and engagement with industry and key stakeholders to develop a pathway to prosperity through the development of talent, skills and knowledge (also known as “knowhow”) within the Peel’s economy.

Our goal

“The people of Peel are skilled, adaptable and empowered to drive a thriving regional society and economy”.

Roadmap pillars (our key action areas)



Build capacity at all ages

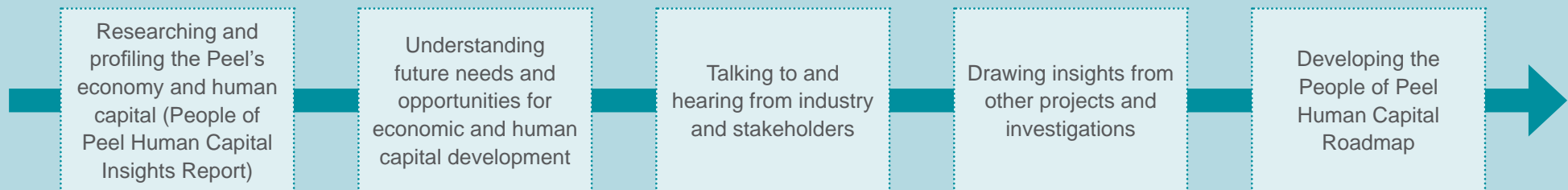


Link local capacity to regional opportunities



Attract talent to strategic industries

How we got here

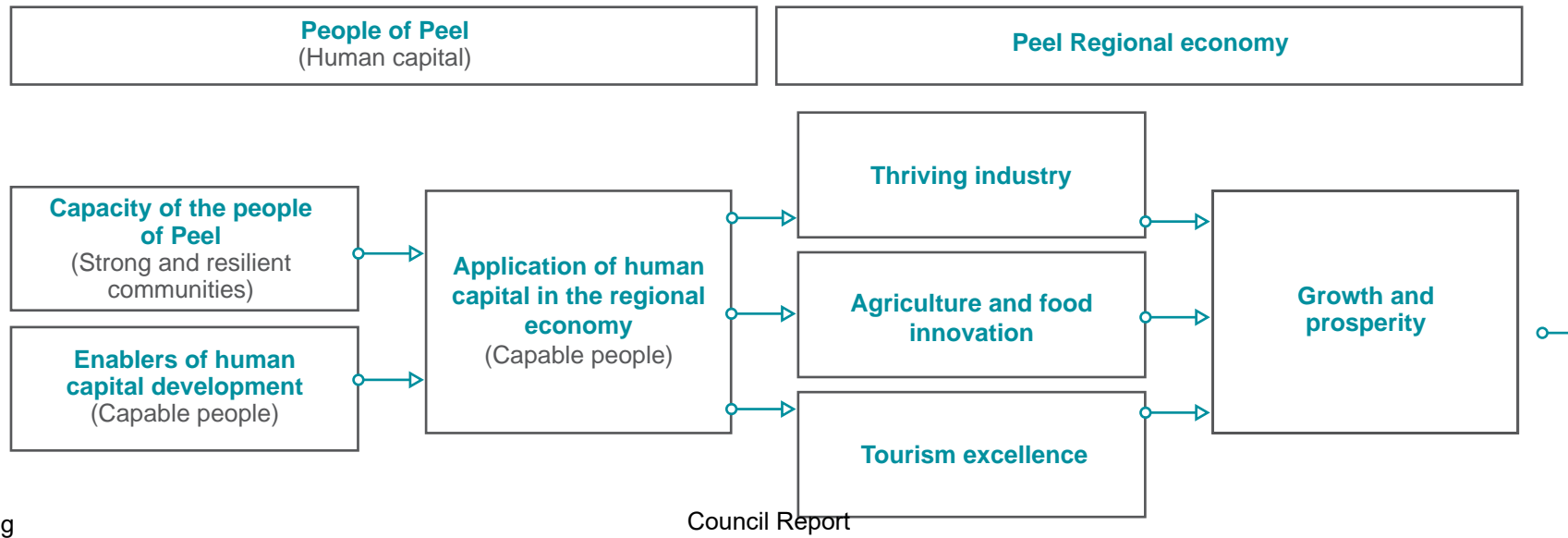


The Roadmap recognises that developing a high performing and empowered future workforce involves proactive planning, vision, and aspiration, as well as addressing the socioeconomic challenges facing the people living in the Peel. It is also critical that continued investment in the region’s emerging and future strategic industries results in benefits for the people of Peel, enabling and inspiring them to participate fully in their local economy and community. The Roadmap recommends key actions in the areas of human capital capacity, the enablers of human capital and how it is applied in the economy in order to achieve positive outcomes for strategic industry development and economic prosperity.



The Peel Regional Investment Framework – the current guiding economic development framework – has driven the theory of change the Roadmap is based on. The following aspirations of the Framework are embedded in the structure of the Roadmap:

- Thriving Industry:**
Peel’s industries and businesses are diverse and globally competitive and part of an economy that has raised incomes and living standards for all.
- Agriculture and Food Innovation:**
Peel’s agriculture and food production sectors will be enhanced through continued innovation, investment, and research.
- Tourism Excellence:**
Peel’s tourism industry and related businesses will be diverse, competitive, and sustainable creating economic growth and jobs through high-value products and services.
- Capable People:**
Peel’s workforce will be highly skilled and adaptable to structural and technological change to support an economy that is strong, diverse and high performing.
- Strong and Resilient Communities:**
Peel’s communities will be strong, vibrant, and resilient underpinned by best practice social services and infrastructure.



Why now?

The [People of Peel Human Capital Insights Report](#) explored Peel’s current and future population and workforce to better understand and identify the challenges and opportunities of building a resilient and prosperous regional economy. To do this, the report looked at Peel’s people through the lens of three elements of human capital, or ‘know how’:

Capacity: The socioeconomic characteristics of Peel’s communities, for example, the number of people in the workforce, their education attainment rates, levels of employment and to what extent certain communities are experiencing disadvantage.

Enablers: The systems, infrastructure and services that support Peel’s people to learn, develop their skills and engage in the workforce.

Application: How the people of Peel are working, in what industries, in what types of jobs, and how their skills are being applied in Peel’s industries (particularly the strategic industries of tourism, food and agriculture).

Research produced the following insights, which drive the focus areas of this Roadmap:

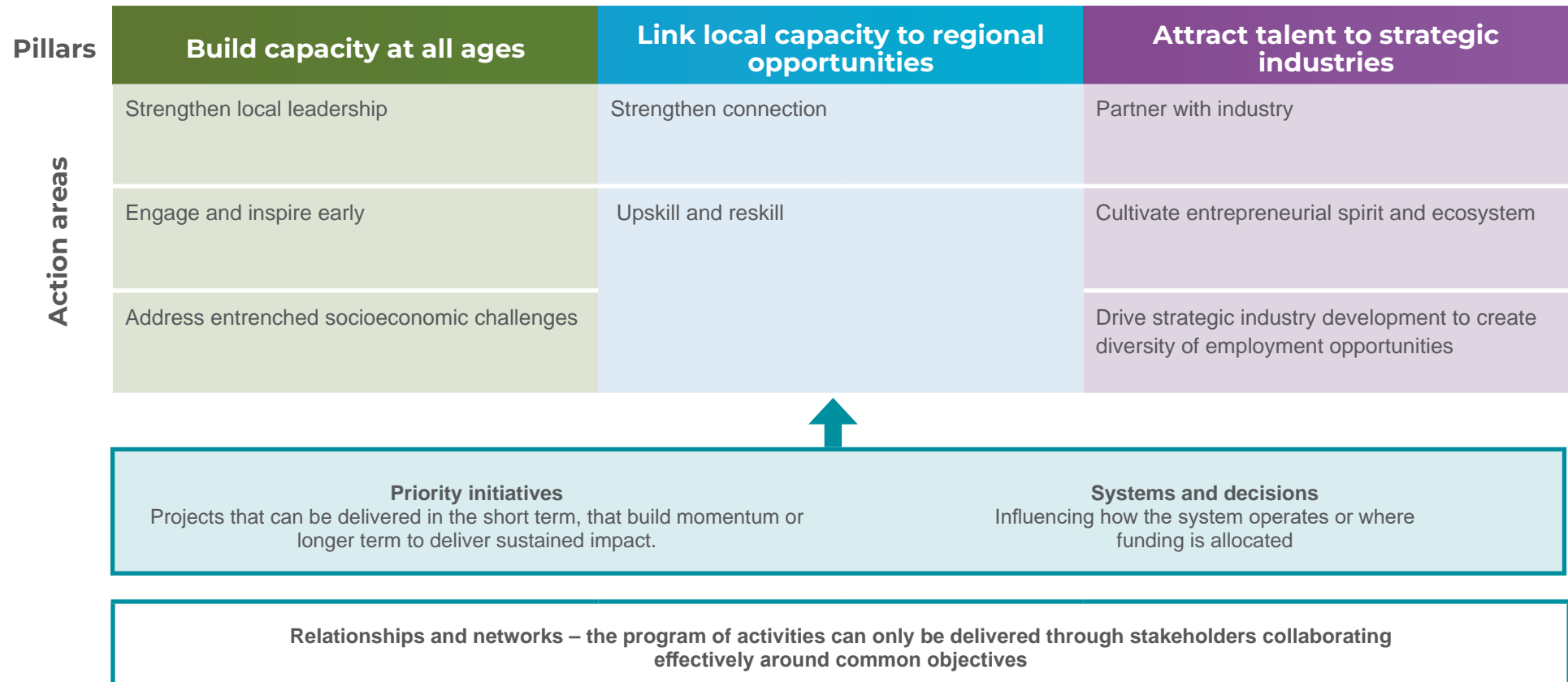
Knowhow capacity	Knowhow enablers	Knowhow application
<p>Peel’s relatively disadvantaged and low skilled population is at risk of increased entrenchment and disadvantage cycles, leaving many out of participating meaningfully in the regional economy.</p> <p>The current social service delivery model is metro centric and not working, as indicators are not improving with current ratios.</p> <p>Peel people are not accessing the training that is available to create their pathway to higher level qualifications and skilled work.</p> <p>There is a perceived lack of opportunity for young people in Peel. They don’t see a future for themselves in Peel, either because its not there, or its not visible to them.</p>	<p>The level and types of qualifications delivered in Peel do not match the aspirations of the region or the needs of industry.</p> <p>Industry can forecast what the needs will be, but there is a need for a more effective link to regional tertiary education providers.</p> <p>Women, people over 55 and people with a disability are under-utilised in the workforce and have skills and experience to contribute to the community and economy.</p>	<p>Investment attracted to strategic / traded industries is yet to transfer to human capital development.</p> <p>Peel struggles to attract the skills and experience required to service both strategic and population services, despite the affordable and positive lifestyle on offer.</p> <p>Key employing sectors of retail, social assistance and construction are often cyclical, casualised and low paid resulting in long term hardship.</p> <p>The high skilled jobs currently in the labour market are often filled by imported labour rather than through the local workforce.</p>

People of Peel Human Capital Roadmap

Our goal

“The people of Peel are skilled, adaptable and empowered to drive a thriving regional society and economy”.

How will we achieve it?





Build capacity at all ages

Industry development will deliver benefits to the communities of Peel – in turn they can provide an empowered future workforce.

A region's most powerful resource is its people. Building regional capacity is an investment in a region's future society and economy, giving it the adaptability and talent to not only survive uncertainty and challenge, but to thrive through positive disruption and innovation.

Complex and entrenched socioeconomic challenges are preventing some communities in the Peel from building their capacity. Addressing barriers to education and employment is only one part of the complex task of empowering communities. There is an interrelated framework of health and community support that is required to help lift families out of poverty and improve wellbeing. If nothing is done to address these chronic challenges, these communities will be left behind while regional industries advance, drawing on external human capital.

Data insights from People of Peel Human Capital Insights Report

- SEIFA: In 2016, Peel's SEIFA score was 983, which is below the national average of 1,000, indicating a level of disadvantage in the regional community (ABS, 2016).
- In September 2021, Peel's unemployment rate was 6.2%, compared to WA's overall rate of 5.4%. Mandurah, Murray and Waroona had the highest unemployment rates in the region (Department of Jobs and Small Business, 2021).
- Compared to the Western Australian average, the Peel region has a higher prevalence of mental health risk factors across all areas including general mental health, high or very high psychological distress, stress related issues, anxiety and depression (South Metropolitan Health Service, 2019).
- Data suggests that on average, primary schools within the Peel region are at a social-educational disadvantage compared to the Australian average (ACARA, 2021).
- Less than 50% of people aged over 15 living in Peel have completed Year 12 or equivalent in 2016, compared to 55% in Greater Perth (ABS, 2016).
- Overall, the Peel region has relatively low number of high tertiary attainment (9%) compared to Greater Perth where 23% of people hold a bachelor's degree or higher (ABS, 2016).



Action area

Why is it important?

Build leadership to drive change

Real social change requires strong leadership, long term vision and sustained action. A vehicle is required that brings together State Departments and local service providers to drive, coordinate and resource effective interventions.

Engage and inspire early

You can't be what you can't see. The Peel's young people must be engaged, feel connected to their community and see a bright and meaningful future for themselves in the region. This will require increasing investment in skills development in childhood to set children up with the life skills and resilience to empower them in the future.

Address entrenched socioeconomic challenges

Communities and individuals who are isolated or prevented by systems and entrenched cycles of disadvantage must not be left behind as the region seeks to realise it's economic aspirations and potential. Access to health and community services, coordinated support for children and families and access to safe and affordable housing will be critical for building a strong future workforce that wants to stay, live and work in the region.

Image: Russell Ord Photography





Build capacity at all ages

Action plan

Area	Action / initiative	Type	Timeframe	Stakeholders
Strengthen local leadership	District Leadership Group – Establish a District Leadership Group for the Peel region to enable regional collaboration and coordination of effort and resources; provision of timely and accurate local information; and fostering partnerships to coordinate services, measure impact and share expertise.	Systems and decisions	6 months established & ongoing	Advocate: Peel Development Commission, Peel Community Development Group, WA Council of Social Services and Peel Alliance. Lead: Department of Communities
Engage and inspire early	Early development interventions – Targeted interventions throughout the Peel (focusing on low AECD areas) leveraging the Mandurah Early Years’s working group who are collecting data and intervening where required. Examples of projects already delivered are “Me@3 Passport” and a playgroup established at Halls Head.	Priority Initiative Systems and decisions	Ongoing	Lead: Parenting Connection WA Partner: Service providers, Department of Education, Local Government Authorities, Peel Community Development Group
	Primary School Career Engagement – Advocate for the delivery of age-appropriate career / aspirational programs in Peel primary schools. Help young children and parents to understand regional specific activities, groups and jobs to inspire passions and interests going into secondary school.	Priority Initiative Systems and decisions	18 months established & ongoing	Advocate: Peel Capability Collaborative Lead: Department of Education Partner: Schools, Jobs & Skills Centre, tertiary education and training providers.
	Gifted and Talented Programs – Advocate for increased access to programs that enable gifted and talented students in Peel to study in environments that challenge, inspire and empower them to excel.	Systems and decisions	Ongoing	Advocate: Peel Capability Collaborative Lead: Department of Education Partner: Peel schools

Area	Action / initiative	Type	Timeframe	Stakeholders
Address entrenched socioeconomic challenges	<p>Family Support Network – Fund and establish a Family Support Network in the region to develop a local network of high quality, integrated services that support families and young people at risk, assisting them to thrive in their community.</p>	Priority Initiative	12 months established & ongoing	<p>Advocate: Peel Development Commission</p> <p>Lead: Peel Community Development Group & Department of Communities</p> <p>Partner: Regional family and relationship services stakeholders</p>
	<p>Advocate for enhanced health and community services in Peel – Partner with health and community service providers and networks to advocate to State and Commonwealth Governments for transformative services and projects that will address socioeconomic challenges faced by Peel communities, including but not limited to:</p> <ul style="list-style-type: none"> • Increasing severity and complexity of mental health challenges; • Poor housing affordability and availability; • Increasing homelessness rates; • Increasing rates and severity of family, domestic and sexual violence; • Increasing number of people living with a disability; • High unemployment and reliance on benefit payments; • Low rates of tertiary education attainment; and • Lack of access to key services for isolated communities. 	Systems and decisions	5 Years & ongoing	<p>Advocate & Partner: Peel Development Commission, Peel Alliance, RDA Peel</p> <p>Lead: Peel Community Development Group</p>

Current or planned initiatives

Stakeholders in the Peel are already collaborating, investigating, and investing in initiatives that will help build the capacity at all ages.

<p>Common Ground Project</p> <p>Common Ground is a model of permanent, supportive housing in a purpose-built facility, for adults who have experienced homelessness or are low-income earners.</p> <ul style="list-style-type: none"> - Lead – Department of Communities - (Funded & in development) - Address priority socioeconomic challenges 	<p>Peel Away the Mask III</p> <p>Longitudinal socioeconomic study of the Peel Region. 2021 project will include an Action Plan to guide advocacy for services in the region.</p> <ul style="list-style-type: none"> - Lead – Peel Community Development Group - (Underway) - Address priority socioeconomic challenges 	<p>Child Health and Wellbeing Project</p> <p>Addressing the lack of services for primary school age children experiencing anxiety, bullying and family breakdown. Anticipated commencement February 2022.</p> <ul style="list-style-type: none"> - Lead - - (Commenced) - Address priority socioeconomic challenges - Engage and inspire early
<p>Byford Health Hub</p> <p>Development of a combined health and social needs service centre in the centre of Byford to offer consumer and the community a single-entry point to coordinated services.</p> <ul style="list-style-type: none"> - Lead – East Metropolitan Health Services - (Funded & in development) - Address priority socioeconomic challenges 	<p>Dawesville Community Centre</p> <p>A new multi-purpose community facility. The facility will deliver community activity and access to social services and infrastructure for a growing population.</p> <ul style="list-style-type: none"> - Lead – City of Mandurah - (Funded & in development) - Address priority socioeconomic challenges - Engage and inspire early 	<p>Mandurah Early Years Action Plan</p> <p>Addressing developmentally vulnerable children with proactive early childhood development programs and initiatives.</p> <ul style="list-style-type: none"> - Lead – City of Mandurah - (Underway) - Address priority socioeconomic challenges - Engage and inspire early
<p>Peel Mental Health Taskforce</p> <p>The Peel Mental Health Taskforce was established in 2021 to provide a systematic way for providers to work together to coordinate and improve mental health service delivery across Mandurah, Murray and Waroona.</p> <ul style="list-style-type: none"> - Lead – South Metropolitan Health Service - (Underway) - Address priority socioeconomic challenges 	<p>Children’s University Program</p> <p>Currently operating in a small number of Peel schools there is an opportunity to expand the Children’s University Program that nurtures the aspirations of young children and celebrates their learning beyond the classroom and commit to widening participation and supporting students from diverse backgrounds to access higher education.</p> <ul style="list-style-type: none"> - Lead – UWA - (Underway) - Engage and inspire early 	<p>Halls Head College – Big Picture Academy</p> <p>The Big Picture education design is a highly personalised approach to learning that has been positively changing the lives of students, educations and communities in Australia over the past decade and at Halls Head College since 2012.</p> <p>The Academy provides students and families with carefully considered, personalised pathways that have culminated in positive outcomes such as vocational qualifications and pathways into employment, TAFE and University.</p> <p>Students are able to pursue their passions through interest-based learning, work portfolios, internships and meaningful project work in the community. Parents are required to contribute to the development of each student’s learning plan.</p> <ul style="list-style-type: none"> - Lead – Halls Head College - (Underway) - Engage and inspire early





Case study

Caris, Speech Pathologist, Mandurah

Caris did not always know she wanted to be a speech pathologist. As a young person, she was passionate about theatre and singing. Speech pathology appeared on Caris's radar after graduating high school when she perused university course books trying to find her future in the glossy pages - "I read the description in the course handbook and saw that you could go into vocal coaching, and that there was a strand that specialises in working with people like singers who don't use their voices properly and develop vocal nodules". After completing her degree at Curtin University, which required her and many of her peers to commute from Mandurah, Caris discovered that the demand for this specialisation was very limited in Western Australia, and so she turned her skill set toward working with children which she continues to enjoy today. When Caris graduated from university, the market for speech pathologists in Mandurah was extremely limited,

"In Mandurah there were no jobs at all, except for at the community health centre, but the staff there were entrenched and unlikely to be leaving any time soon. People my age who were looking for those jobs, even in Perth, were looking for up to 6 months."

Seeing this shortage, Caris was forced to look outside of her home city and managed to secure employment in Bunbury, moving in with family who were closer to her new employer.

Now, in 2021, the situation is reversed. Caris has observed there are many jobs available for graduate speech pathologists and workers have greater job choice. This is particularly challenging for Mandurah, as they are experiencing a high demand for speech pathologists but cannot attract the necessary talent. Due to this shortage, Caris's own role has not been filled while she has been on parental leave, and her employer has simply gone without that resource, "People are choosing between driving 10 minutes around the corner to work in Perth, or 45 minutes to Mandurah", explains Caris, "there are not actually very many speech pathologists who live here". Looking forward, Caris does worry about access to health services. "I would like to see more growth in the coming years as a mother of a child. Right now, if I cancel an appointment with the child health nurse, it's two months before I can get another appointment." Due to this service lack, Caris and her partner have spent a lot of time travelling to and from Perth, "Our hospital is probably not equipped to manage emergency situations or high needs", Caris explains, "Our daughter was born premature, and they can't have premature babies there because there is no neonatal ward. We had to do lots of commuting to Fiona Stanley in the early days of her life, which was pretty stressful."

When thinking about young people in Mandurah today and their future, Caris feels there is more than can be done to engage and inspire youth, instilling them with a sense of positivity and drive about their future, particularly when it comes to careers. “Work placements are so important, but I think a lot of young people don’t take them seriously. They just find a placement at their parents’ work”, Caris explains, “I think we need to address empowerment and motivation when kids are little, not when they’re adolescents, I think it’s something that is engrained from a very young age”. Supporting parents is critical to this for Caris, “We need more support and activities around parenting, where parents can go to learn how to engage with their children, and to set those examples to foster imagination and creativity that will be really beneficial in the long term.”

Caris and her young family love living in Mandurah, but most of her peers from school have moved away, “the majority have either moved to Perth or gone into mining and FIFO, some have even gone to the Eastern States”, explains Caris. “We have not ruled out moving to Perth either, if its where my partner’s work needs to be. I currently work in Rockingham, so I can commute from here or Perth.” For now, Caris and her partner are enjoying raising their young family in Mandurah. Like many, a trip to Perth to catch a show leaves them glad to return to the relatively quiet Mandurah, leaving the city traffic and hustle bustle behind them,

“We love how Mandurah is so relaxed. We live really close to the beach, and it’s so much affordable here to get a substantial block. We are on a 650m2 block, with a four by two house, and we’ve paid less than what some friends have paid in Perth for a little two by one duplex. We have space, the beach, a dog, and a backyard for our daughter which helps us build our emotional resilience and health, and that is really important to us.”





Link local capacity to regional opportunities

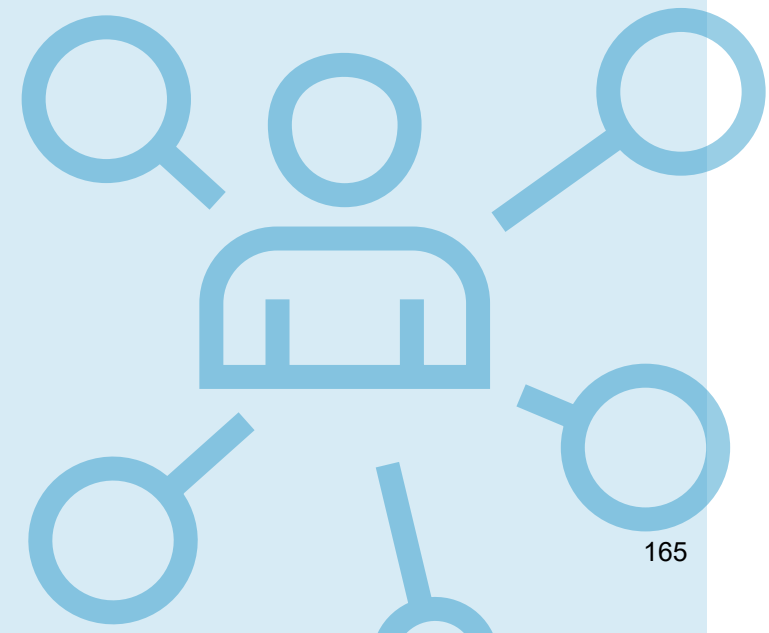
People will have access to training and education that connects them to local, meaningful and stable employment opportunities.

The Peel region will need skilled, talented and knowledgeable people across a range of industries in order to meet its economic development objectives. There is an opportunity to create a strong local workforce that will be a powerhouse resource in the future. In the Peel, lower average education attainment levels suggest that opportunities to develop human capital may be less compared to other regions. The earlier someone leaves the education system, the less chance they have to develop the skills required to enter the workforce and find a meaningful and fulfilling career or vocation.

Today, many young people are leaving the region to access education and employment opportunities that don't exist locally. For some, this means commuting to the metropolitan Perth area every day, and for others this means moving out of the region entirely. The consequences of the lack of local opportunities is that the region loses actual and potential talent to other areas. This talent is used to develop industries and communities outside the Peel, and the communities of Peel miss out on the benefits.

Data insights from People of Peel Human Capital Insights Report

- Only 9% of Peel residents have a Bachelors degree or higher (Greater Perth 23%) (ABS, 2016).
- Less than 50% of Peel's workforce completed Year 12 or equivalent. (Greater Perth 55%) (ABS, 2016).
- There are extremely limited tertiary education (bachelor or higher) opportunities locally relating to future strategic industries (i.e., manufacturing, professional services, food and community and health services).



Action area

Why is it important?

Strengthen connections

Matching skills to jobs is critical to keep talent in the region, and realise the investment made in building the capacity of Peel's people. To do this, there is an opportunity to utilise alternative delivery models to enhance access to engaging tertiary education and training options that are currently unavailable in Peel region. At the same time, there should be a focus on upskilling the existing trade base by matching employment skills development to the region's emerging strategic industries and incentivise training and professional development.

There is also a need and opportunity to build excitement and optimism around the current and future jobs in the Peel to help residents understand the value and potential of a life in the region, reducing the trend of talent leaking to Perth and the eastern States. Peel's skilled and semi-skilled residents who are working outside the region should also be actively encouraged to take up local training and work opportunities.

Upskill and reskill

Peel has underutilised human resources that can be targeted and empowered to re-engage in the workforce. Increasing opportunities for all People in Peel with a focus on women, Aboriginal people, people with disabilities, and people over the age of 55 to engage in skills development, will enable them to enter new areas of work and maintain their connection to employment, networks and the community.

Image: Peel Bright Minds Trailblazers 2022





Link local capacity to regional opportunities

Action plan

Area	Action / initiative	Type	Timeframe	Stakeholders
Strengthen connections	<p>Enhance training to industry pathways: Facilitate collaboration between Universities, TAFE, private RTOs, ITC's, industry, employment service providers, schools to plan and deliver pathways into emerging industries such as agriculture, care sector and manufacturing. Initiatives may include:</p> <ul style="list-style-type: none"> • Hosting pre-employment career tasters, recruitment roundtables, mini jobs fairs and other events to connect jobseekers with industry insights, basic skills and vacancies. • Linking the Peel Hospitality Training Centre students with the Murdoch University Bachelor of Science in Food Science and Nutrition delivery at Food Innovation Precinct WA and exposing students to opportunities in the food manufacturing industry. 	<p>Priority Initiative</p> <p>Systems and decisions</p>	6 months – 5 years	<p>Lead: Jobs and Skills Centre</p> <p>Partner: Perth South Local Jobs Program, employers, education and training providers, Peel Development Commission</p> <p>Engage: Industry, Peel CCI, Schools, Dept. of Training and Workforce Development, Private RTOs, Industry Training Councils, Universities, Dept of Education, Boosting the Local Care Workforce Program</p>
	<p>Enhance connections and aspirations to Peel career opportunities: Facilitate local career information and connection to industry inspiring people of all ages in the region to engage in the local workforce. Initiatives may include:</p> <ul style="list-style-type: none"> • Delivery of the Year 9 Career Taster Program (specific to Peel careers); • Introducing a Career Learning Toolkit for Year 8 & 9 students alongside meaningful encounters with the world of work; • Implementing Peel focused career information events and resources for students, parents and teachers; • Leveraging career counsellors in schools, connecting them regularly to local industry and pathways information; • Developing Peel Job Ready Programs combining formal training with real hands-on experience to meet local needs; • Promoting locally developed resources that enable exploration of local industry; and • Working with industry to promote employment opportunities. 	<p>Priority Initiative</p>	Ongoing	<p>Lead: Dept. of Education, Peel Jobs and Skills Centre, Perth South Local Jobs Program</p> <p>Partner: Employers, education and training providers, Peel Development Commission, Peel Bright Minds</p> <p>Engage: Industry, Peel CCI, Schools, Private RTOs, Industry Training Councils, Universities, Boosting the Local Care Workforce Program, Dept. of Training and Workforce Development</p>

Area	Action / initiative	Type	Timeframe	Stakeholders
Upskill and reskill	Short and accessible courses – Targeted at underrepresented jobseekers or people who are disengaged from the workforce to develop workforce readiness skills and understand work opportunities in variety of sectors. Focus on transferrable skills, diverse delivery formats, micro-credentialling, and short courses aligned to the region’s current or emerging strategic industries where workers are required.	Priority Initiative	Ongoing	Lead: Dept. of Training and Workforce Development and South Metro TAFE Partner: University sector
	Higher level courses and professional development – Targeted at existing workers seeking to upskill or reskill for a career change and to support lifelong learning. Focus on transferrable skills, diverse delivery formats, micro-credentialling, and short courses aligned to the region’s current or emerging strategic industries where workers are required.	Priority Initiative	12 months – ongoing	Lead: Murdoch University Partner: University sector, Dept. of Training & Workforce Development, South Metro TAFE, Dept. of Education, Skills & Empt.
	Targeted business capacity building – Advocate for programs that build the capacity of small business owners in targeted sectors to manage and grow their enterprise and people. Potential target sectors include: <ul style="list-style-type: none"> • Aboriginal enterprises; • Health and community services; • Manufacturing enterprises; • Eco-tourism enterprises; • Agriculture SME’s; and • Food production SMEs. 	Systems and decisions Priority Initiative	18 months – 5 years	Advocate: Peel Capability Collaborative Partner: Small Business Development Corporation, IPS Business Advisory, Peel CCI, Regional and State industry representative groups, Dept. JTSI, University sector, Food Innovation Precinct WA
	Education and training infrastructure – Identify and advocate for education and training infrastructure that enables capability development to cater for population growth, and is in alignment with current or emerging strategic industries.	Systems and decisions	Ongoing	Lead advocate: Peel Development Commission and RDA Peel Partner: University sector, Dept. of Training & Workforce Development, Dept. of Education, Dept. of Education, Skills & Employment.

Current, planned and potential initiatives

Stakeholders in the Peel are already investigating and investing in initiatives that will help link local training to regional opportunities.

Peel Hospitality & Personal Services Training Centre

Development of industry standard hospitality, personal services and tourism training facilities at the Mandurah Education Campus.

- Lead – Department of Training & Workforce Development & South Metropolitan TAFE
- (Funded & under development)
- **Strengthen connections**

Peel Bright Minds

Peel Bright Minds works with the community and partner organisations to communicate, coordinate and promote regional activities and events that:

- Promote STEM and connect the community, especially young people, to activities and opportunities in the region, including citizen science opportunities.
- Encourage an aspirant culture among people of all backgrounds, ages and abilities in the Peel, celebrating our unique regional strengths through STEM and the arts.

In 2022 Peel Bright Minds will focus on delivery of Trail Blazers, a six-month STEM mentorship program for youth ages 13-17 in the Peel who will participate in an intensive residential camp followed by six months of mentoring and networking.

- Lead – Regional Development Australia Peel
- (Current)
- **Strengthen connections**
- **Upskill & reskill**

ECU Regional Learning Hub / Potential relocation to Wotso Workspace (former Australian Sailing Museum)

Mandurah based space providing regional students with somewhere to study, connect, create and learn with the addition of an onsite learning support team to provide pastoral care. The ECU Learning Hub gives students access to support without them having to travel to Perth campuses. There is an opportunity into the future to expand this model in collaboration with other Perth based and online universities.

- (Current)
- **Upskill & reskill**

Small Business Advisory Services

Through a network of providers the State government provides free and confidential business advice to existing and aspiring small business owners.

- Lead - Peel Provider – IPS Business Advisory
- (Underway)
- **Upskill & reskill**

Local Content Program

Focused on maximising the participation of regional industry in regional supply or works contracting opportunities, the Local Content Program promotes supply opportunities and facilitates regional business capability and growth to engage in Government contracting.

- Lead – Local Content Advisory Network and Peel Development Commission
- (Underway)
- **Upskill & reskill**



Case study

Inspiration sets Mandurah student up for success

Inspiration and support from staff and peers can have a significant impact on a young person's aspirations and trajectory. Lara (name changed) moved to Mandurah as a child and attended a local school that delivered programs and support focused on engaging the students with new ideas, networks and peers that would encourage them to seek out their interests and apply themselves to their education.

Through dedicated programs delivered by caring staff, students had the opportunity to participate in academic camps, exclusive excursions, extension learning opportunities, Lego Robotics, mentoring by Murdoch University students and receive one-on-one support. Lara largely credits her teachers and school for notifying her about co-curricular activities she could participate in, as opportunities are typically limited in Mandurah due to its location and resources. "There wasn't much to do in Mandurah as a teenager. I can't sing the praises of my school and their programs enough."

Upon graduating, Lara knew she always wanted to study at a tertiary level and applied for the University of Western Australia (UWA). In her first year at UWA, she commuted to and from Mandurah but found it increasingly difficult as it was both time consuming and expensive. Her school friends that also went on to study at Perth universities had the same experience, "We all hate the commute, but we just grin and bear it because we know that's where the opportunities are." In her last two years of study, Lara made the choice to live on campus at UWA which made balancing university life considerably easier.

While studying, Lara interned with a large corporation in Perth and upon graduating was offered a full time position. Despite having a job in Perth, Lara decided to move back to Mandurah as she no longer wanted to live in a hustling and bustling city. She now commutes to Perth three days a week and her employer has provided her with the flexibility to work from home the remaining days. This allows Lara to follow her career aspirations while maintaining her connection to support and friendships in Mandurah, as well as the lifestyle she has grown to love and appreciate.

When thinking about what can be done in Mandurah to help young people achieve their goals, Lara wants to see an increase in local skill and trade centres to upskill people that don't want to go to university. She said she would also like to see more programs like the Inspire Academy to connect likeminded students and encourage them to achieve their academic aspirations, believing this would be particularly useful for Indigenous students.

Co-working hubs in Mandurah would also make a huge difference for young people like Lara who want to live in Mandurah. More co-working spaces would allow her to go to a professional environment where she can connect with people and create networks rather than working in isolation at home.





Attract talent to strategic industries

The Peel region will be a centre of excellence and innovation, attracting people who want to be a part of new industry development.

Peel has promising industry development potential in the traded industries of food innovation, agriculture and tourism, as well as population driven services such as construction, retail, health care and social assistance which are Peel's largest employers. This unique collection of specialisations should be leveraged to create an intersection of knowledge, talent and resources that cannot be replicated elsewhere.

The region has plenty to offer professionals who are seeking a different lifestyle to the Perth CBD, however the distance from Perth to Peel is often perceived as longer than the distance from Peel to Perth. To attract talent and investment into the region, there needs to be a promotion of its strengths and benefits, as well as an active effort to cultivate an environment that supports entrepreneurship and excellence around the region's strategic industries (current and emerging).

Data insights from People of Peel Human Capital Insights Report

- Professionals, technicians and trade workers are highest proportion of job types for which the labour force comes from outside Peel (REMLAN, 2019).
- Only 13% of Peel jobs are professional jobs (ABS, 2016).
- 56% of Peel's start-ups are based in Mandurah (ABR, 2021).
- Start-up and innovation support infrastructure is Mandurah centric.
- The Peel's largest employing industries are retail trade, health care, social assistance and construction – mostly in Mandurah (ABS, 2016).
- Most concentrated industries in the region are Metal Mining and Agriculture Inputs and Services – these are also industries related to lower start-up figures (ABR, 2021).



Action area

Why is it important?

Partner with industry	Industry are a vital partner for human capital development. By partnering with regional industry, Peel's training and education pathways will better align with the needs of the regional economy, providing local business with access to a relevant, highly skilled and available workforce.
Cultivate entrepreneurial spirit and ecosystem	Creativity, inspiration, culture – all are important elements to a productive and competitive economy. Economic development initiatives must encourage local enterprise creation and growth and identify and cultivate unique intersections of knowledge, talent and skills amongst the region's strategic industries that enhance the region's competitive advantages.
Drive strategic industry development	To attract exceptional talent, the Peel must continue to drive transformational economic development projects that position the region's industries as centres of excellence and innovation. At the same time, new and existing businesses should also be the focus of attraction, through the development of southern technical and strategic zones and job hubs.





Attract talent to strategic industries

Action plan

Area	Action / initiative	Type	Timeframe	Stakeholders
Partner with industry	<p>Targeted skills development and attraction – Partner with industry to identify urgent workforce needs and skills shortages in the region constraining strategic industry growth and engage to develop targeted initiatives to upskill, reskill, job-match and attract talent.</p>	<p>Priority initiative</p> <p>Systems and decisions</p>	6 months & Ongoing	<p>Lead: Peel Development Commission</p> <p>Engage: Employers, RDA Peel, Peel CCI, Dept Training and Workforce Development, Peel Jobs and Skills Centre, Perth South Local Jobs Program.</p>
	<p>Peel Regional Growth Summit</p> <p>Explore the feasibility of hosting a Regional Growth Summit in Peel:</p> <ul style="list-style-type: none"> • Themed summit focusing on strategic industries and emerging opportunities; • Delivering networking and specialist insights (through keynote speakers, experts and data) to benefit regional industry; • Identifies growth focused businesses; • Potential to deliver every two years. 	<p>Priority Initiative</p>	18 months & ongoing	<p>Lead: Peel Capability Collaborative</p> <p>Partner: Peel Development Commission, Dept. of JTSI, Peel CCI, RDA Peel, Peel Alliance, LGAs & Peel Jobs & Skills Centre</p> <p>Engage: Industry, State and Federal Governments</p>
Cultivate entrepreneurial spirit and ecosystem	<p>Industry and enterprise facilitation services – Improve access to and awareness of existing services that provide advice and mentoring to regional start-ups and SMEs around ideas development, resources, networks and funding and linking into existing local initiatives such as Start-up Huddle Mandurah.</p> <p>Investigate opportunities for innovation, industry development and human capital intersections with a focus on emerging sectors.</p>	<p>Priority initiative</p> <p>Systems and decisions</p>	Ongoing	<p>Lead: Peel Capability Collaborative</p> <p>Engage: Meshpoints, Dept. of Jobs, Tourism Science and Innovation, Regional co-working spaces, NEIS providers, Peel CCI, Entrepreneurship Facilitator, Small Business Advisory, AusIndustry, WA Food Innovation Precinct</p>

Area	Action / initiative	Type	Timeframe	Stakeholders
Drive strategic industry development	Demand and supply monitoring – Actively monitor overflows (demand and supply constraints) in strategic industries in Perth metropolitan areas and attract industries to the Peel region.	Priority initiative	Ongoing	Lead: Peel Development Commission Partner: Development WA, RDA Peel & LGAs
	Aged Care Centre of Excellence – Explore the feasibility of a Centre of Excellence in Aged Care & Telehealth. Shift perceptions of the Aged Care industry – raise profile of diversity of jobs, professionals, support services and skills required.	Priority initiative	18 months – 5 years	Lead: City of Mandurah in partnership with industry Engage: Aged care industry, RDA Peel, South Metro Health, Private RTOs, Murdoch University, South Metro TAFE, Boosting the Local Care Workforce Program
	Peel Organic Carbon Recycling Hub – Explore opportunity to leverage regional knowhow to develop an organic carbon recycling hub to meet the organic recycling needs of the South Metro and Peel regions. Development should consider the role that regional employment, infrastructure, enterprises and workforce may play in alleviating roadblocks to waste management.	Priority initiative	18 months – 5 years	Lead: C-Wise Partner – Peel Development Commission, LGAs, DWER, Federal Govt.
	Manufacturing industry development – Explore the development of a manufacturing cluster or industry alliance across the region to build capability and growth in this sector.	Priority initiative	12 – 24 months	Lead: Peel Development Commission Partner: RDA Peel, AusIndustry, METS WA Export Hub, Peel CCI, manufacturing industry
	Environmental services – Explore potential of Environmental Services as a Peel industry specialisation. Expertise should be developed and commercialised (i.e., through NRMs) as the service is transferable across WA and Australia (due to Peel's diverse natural environment).	Priority initiative	2 – 5 years	Lead: LGA partnership Partner: Peel Development Commission, NRM Groups, University sector, Peel Alliance, Peel Harvey Catchment Council

Current, planned and potential initiatives

The Peel region is already investigating and investing in initiatives that will help create regional opportunities.

Food Innovation Precinct WA (FIPWA)

The FIPWA, based in Nambeelup, is set to become the hub of agri-innovation in Western Australia. This development is linked to the Australian Government's National Manufacturing Priorities sector of Food and Beverage. Supporting engagement at the FIPWA the enterprise support program (ESP) is a competitive grant process providing up to \$600K in 1:1 co-funding for agri-businesses seeking to pursue business development and innovation opportunities, through the leading-edge research capability, incubation space and technologies available in the precinct. The ESP is available to small to medium agri-businesses, enterprises and entrepreneurs seeking opportunities to innovate, accelerate business development, commercialise research and to deliver projects.

- Lead – Shire of Murray
- (Current)
- **Cultivate entrepreneurial spirit and ecosystem**
- **Drive strategic industry development**

Competitive and comparative analysis of the Peel Equine industry

A competitive and comparative analysis of the Peel region has been undertaken outlining the comparative advantages of the region for the equine industry, such as land availability and affordability, ground water availability and well-defined soil topographies, horse registrations, and racing and non-racing facilities. This project is region-wide

- (Current)
- **Drive strategic industry development**

Transform Mandurah Program

The Transform Mandurah program is focused on developing a long-term economic plan for the Mandurah economy to overcome the challenges of structurally high unemployment, low labour market participation rates, low knowledge worker jobs and weak economic growth. The plan looks to drive strategic industry growth whilst investing in people, alongside industry, in order to build sustainable growth and prosperity.

- Lead – City of Mandurah and Peel Development Commission
- (Underway – research phase complete)
- **Cultivate entrepreneurial spirit and ecosystem**
- **Drive strategic industry development**
- **Partner with industry**

Peel Business Park Nambeelup

The Peel Business Park provides infrastructure for food manufacturing and processing industries, logistics enterprises and supporting commercial and light industrial activities.

- Lead - DevelopmentWA
- (Current)
- **Drive strategic industry development**
- **Partner with industry**

NERA Hydrogen Cluster

Exploration of potential to facilitate a Hydrogen industry in Peel. Hydrogen could potentially be used in areas of heavy transport, 'green' steel and aluminum manufacturing, off grid renewable energy supply, which would in turn, create new industry jobs and reduce green house gas emissions.

- Lead - Murdoch University
- (Potential)
- **Drive strategic industry development**

Regional Trails Development

Peel is progressing several significant trail infrastructure projects to attract more visitors to the region and create tourism jobs for locals:

Dwellingup Trails Project

Dwellingup features the first purpose built National Trails Centre, newly opened in 2020. The Dwellingup Adventure Trails project is well underway, with full completion of trails and associated infrastructure due by December 2022.

The Shire of Murray recently secured \$2.7M to fund the Dwellingup Gap project and has commenced works to bring Dwellingup trails up to the national level of 80km of purpose-built mountain bike trails, which will enable Dwellingup to be an accredited Mountain Bike Trails Town, and the associated marketing potential that accreditation will facilitate.

- Lead – Shire of Murray

Peel Regional Trails

The State Government recently committed \$2m for Peel Regional Trails , encompassing development of the Drakesbrook Weir and Peel-Harvey Estuary Trails, commencing 2022, with various aspects completed through to 2024.

- Lead – Shire of Waroona, City of Mandurah, with DBCA.
- (Current)

Yalgorup National Park

The State government recently committed \$2m for the Yalgorup National Park Ecotourism Destination Development project, to be commenced in 2022 and complete in 2024.

- Lead – City of Mandurah, with DBCA.
- (Current)
- **Drive strategic industry development**



Case study

Kanyana Engineering, Mandurah

25 years ago, Sharon and Graham Dawe, a young couple from the Peel region, started their own business – Kanyana Engineering. “Graham and I married in 1997, started our business in 1997 and had a baby in 1997. There was also a recession, so it was hard time to start.” Amongst a recession and starting a new family, the couple chose a location on Hampton Street and got busy in the business of metal fabrication services in Mandurah. From humble beginnings, their business has grown to now employ 20 staff, including engineers, fabricators, CAD drawers, sales estimators, document controllers, administrators and managers. “There’s not just one thing that we do”, explains Sharon. “We work in mining, defence, commercial industrial and residential projects. We never really settled in one sector, which was a good thing, especially when the mining boom ended.”

Sharon loves owning a business in the Peel region. The strong sense of community and laid-back lifestyle of Mandurah make it a wonderful place to live, work and have a family. “We grew up here. Graham’s family always kept their roots here. I’m a Pinjarra girl. Graham was educated in Perth.” However, there have and continue to be, challenges for Kanyana and businesses like it in the region. Due to a lack of skilled staff available locally, Kanyana have had to rely heavily on investing in technology and machinery in order to meet the demand for their work and be able to grow their business. “Staff is our number one challenge,” says Sharon. “Trying to pull someone from Perth down to work in Mandurah is just impossible. I feel like people think it’s too far”. Finding someone with the right skills takes a long time. Sharon’s team have been trying to fill a particular role for almost 12 months and are having to look at finding someone with less skills and investing in training them up. “People need to be very proficient in AutoCAD 3D and 2D modelling and quoting. If you find someone with that skill in Mandurah, they will often already own their own business.” Delays in being able to source the people you need have major flow on effects for the business. For Kanyana, it impacts the teams’ ability to respond to quotes because they’re flat out.



By the time they can get around to responding to some quotes, the interested party has chosen another service. It also means the management team must work long hours to try and keep on top of the workloads.

Despite these challenges, Sharon feels that things have been moving in the right direction in terms of the training available to young people in the region, and the pathways into the engineering industry. About 10 years ago, Sharon noticed that young people were able to complete Certificate I and II courses in Year 11 and 12, helping them prepare for the workforce. “It’s the best thing that has changed in the region for kids coming into our industry,” says Sharon. “We won’t hire anyone who hasn’t completed an entry level vocational certificate. We know they’ve had a taste, they still want to do it, so they’re not wasting our time, or theirs. Back in the day, you’d have someone completely green standing around with a broom for 6 months.”

While Sharon feels that opportunities are improving for young people in Peel, especially when she compares it to when she was growing up in Pinjarra, young people, including her own kids, still have to travel outside of the region to access the education they want. In the engineering and metal fabrication industry, not having the right courses available locally means that young people travel outside of the region for education, which often leads to them finding work outside the region.

“I don’t know if kids really understand what opportunities are there for them within our industry. They don’t have to just stay on the floor, hands on for the rest of their life.” Ultimately, Sharon believes that there needs to be a mindset shift about Mandurah and the region. The notion of distance needs to be challenged. “We travel to Perth a number of times a week, and it’s not too far for us”, explains Sharon. “Mandurah is not just a holiday destination. There is a stigma that there is no work in Mandurah in this industry, and its not true”. Sharon would love to be able to support more young people enter the engineering industry, and to understand that there are fulfilling careers both on the workshop floor and in the office, and that there are pathways from one to the other.

“I don’t know if kids really understand what opportunities are there for them within our industry. They don’t have to just stay on the floor, hands on for the rest of their life. There is a stigma that there is no work in Mandurah in this industry, and its not true”

Sharon, Kanyana Engineering



Images: Kanyana Engineering, Mandurah

Governance

Implementation: The initiatives identified will be delivered via public and private sector partnerships and the innovation and drive of individual enterprises and communities. The Peel Development Commission and Peel Capability Collaborative will take a lead role supporting projects through:

- Six monthly check-in with lead stakeholders;
- Targeted advocacy that represents the Peel region's aspirations and potential;
- Supporting the identification of opportunities for cross industry and cross agency connection, collaboration, funding opportunities and partnerships; and
- Contributing to or enabling processes that drive initiatives and transformational projects to progress.

Evaluation and iteration: In partnership with the Peel Capability Collaborative, the Peel Development Commission will facilitate a review the Peel Human Capital Roadmap every two years in conjunction with the Peel Regional Investment Framework monitoring process. This will ensure the Roadmap is an iterative document that responds to evolving opportunities and challenges.

Indicators: The following indicators will be tracked to determine if Roadmap actions are having the intended impact on regional knowhow:

- Increased levels of education attainment.
- Increased levels of socioeconomic advantage.
- Increase in level and variety of tertiary and VET courses that are accessible to people across Peel.
- Improved education outcomes for primary and secondary school aged children.
- Improved early development outcomes in targeted areas.
- Increased local workforce participation rates.

- Decreased unemployment rate.
- Increase in number of professional, manager roles in Peel across industries.
- More youth, people over 55, women, Aboriginal people and people with a disability in the workforce.
- Increase in number of emerging industries and entrepreneurial opportunities in the Peel region.
- Increase in number and diversity of start-ups in the Peel region.
- Increase in diversity of job types available in the region.
- Decrease in leakage of talent, particularly youth, from the region.

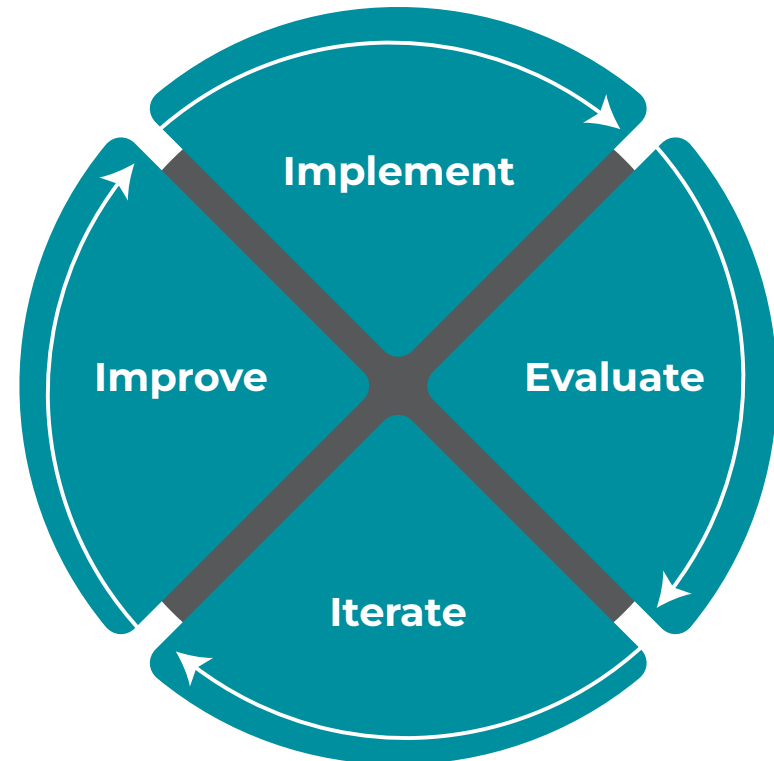






Image: Stephen Heath Photography

For more information about the People of Peel Human Capital Roadmap, please contact the Peel Development Commission on 08 9535 4140.

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Council Report

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Western Australia.*

7	SUBJECT:	Markets in Mandurah
	DIRECTOR:	Strategy & Economic Development
	MEETING:	Council Meeting
	MEETING DATE:	23 August 2022

Summary

In June 2021, Council approved the 'Market Day in Mandurah Sunday Market Trail' concept to run monthly for the 2021/22 summer season (November to April). This included a list of 5 approved City Centre sites for markets to operate and approval for the Mandjar Markets to utilise the Eastern Foreshore North location on a weekly basis for the 2021/22 market season.

In August 2021, Council approved restrictions on the food and drink offerings that the Mandjar Markets were permitted to sell. These restrictions were put in place due to the weekly nature of their operations and the projected impacts that they have on surrounding bricks and mortar (permanent) businesses.

As part of this process, the City also committed to a review of the 'Market Day in Mandurah Sunday Market Trail' concept at the conclusion of the 2021/22 season and the development of guidelines for the operation of temporary markets within the City Centre for the 2022/23 season.

Council is requested to approve the new draft 'City Centre Markets Guidelines' on a 12 month trial as a tool to support decision making for market applications for the 2022/23 season, approve the Mandjar Markets to continue to operate from the Eastern Foreshore North location and note that the City will not formally pursue the 'Market Day in Mandurah Sunday Market Trail' concept over the 2022/23 summer season with the Markets in Mandurah budget to be reallocated to support alternative City Centre activation activities.

Disclosure of Interest

N/A

Previous Relevant Documentation

- G.7/6/21 22 June 2021 Council endorsed the Sunday Market Trail concept, approved City Centre market locations and the advertising of an expression of interest for new market providers. Council also approved the Mandjar Markets to utilise the Eastern Foreshore – North location, weekly for 2021/22 market season and noted that a review of the Sunday Market Trail concept would be conducted following 2021/22 market season. Council requested officers to consult with local businesses and market operators to identify potential food and drink items that could be sold in 2021/22 and to report back to Council in August 2021.
- G.8/8/21 24 August 2021 Council approved a list of prohibited food items for the operations of the Mandjar Markets for the 2021/22 market season and requested officers to review the restrictions as part of the Markets in Mandurah review at the completion of the 2021/22 season.

Background

In 2020, the City identified the potential opportunities that a strong and diverse market offering could have in attracting visitors and residents to the City Centre. In an attempt to facilitate growth in the development

of this as an activation product, Council endorsed the 'Market Day in Mandurah Sunday Market Trail' concept in June 2021 to operate monthly for the 2021/22 summer season with 5 City Centre locations approved. The approved locations were;

- a. Mewburn Gardens
- b. Smart Street Mall
- c. Eastern Foreshore – North
- d. Mandjar Square
- e. Keith Homes Reserve (Mandurah Ocean Marina)

As part of this process, Council approved for the long standing Mandjar Markets to operate from the Eastern Foreshore North location with City officers to develop an expression of interest process to fill the 4 remaining sites with the vision being to create a series of market offerings that would form a 'trail' through the City Centre precinct.

In addition, Council introduced some restrictions on the food and drink items that the Mandjar Markets were permitted to sell. This was in response to concerns raised by local City Centre business owners / operators who felt that temporary, low cost competitors operating on prime public space on a regular (weekly) basis provides an unfair advantage and has an adverse effect on their commercial viability.

City officers committed to report back to Council on the outcomes of the 2021/22 market season, and to develop a set of guidelines to support future decisions around the operations of markets within the City Centre and provide recommendations for the 2022/23 season.

Comment

Review of the 2021/22 Market Day in Mandurah Sunday Market Trail concept

Following Council's endorsement of the 'Market Day in Mandurah Sunday Market Trail' concept in June 2021, City officers developed an Expression of Interest process and advertised the opportunity to external market operators. Unfortunately, due to a number of factors including the continued impacts of the COVID-19 pandemic and the changing commercial nature of market operations, the level of interest was very low with only one new market operator submitting an application who then subsequently withdrew shortly afterwards for personal reasons.

As a result of this lack of interest, the 'Market Day in Mandurah Sunday Market Trail' concept did not eventuate in 2021/22. Despite the failure in attracting other market providers, the City did fulfil its commitment of activation support and provided paid entertainment within the City Centre (1 x Sunday per month) in consultation with the Mandjar Markets and promoted the markets as part of the summer activation program.

- Follow-Up Survey

In order to understand why there was such a lack of interest in the Market Trail opportunity, City officers sought feedback and conducted a short survey of those external market operators that had been engaged with a brief summary of the results detailed below;

- Total number of respondents – 7
- Question: Why didn't you submit an Expression of Interest (EoI)?
 - Lack of Interest in expanding operations
 - Too expensive to run markets at the moment – commercially not viable
 - COVID / Health regulations creating too much uncertainty
 - Not wanting to compete with existing operators

- Question: If the City of Mandurah advertised the expression of interest again for the 2022/23 season, would you submit an application:
 - Yes - 3
 - No - 2
 - Unsure - 2
- Question: If you were to reconsider responding to the expression of interest, what would make the opportunity more appealing to market operators?
 - Waiver of fees
 - Marketing and promotional support
 - Entertainment
- Other subsequent comments:
 - The City should consider a fee for service model – i.e. Markets as a paid activation activity.
- Mandjar Markets Feedback

In addition, City officers have also held a number of meetings and discussions with Mandjar Markets over the course of and post the completion of the 2021/22 market season with the follow key points collated;

- The Mandjar Markets operated from early October 2021 through to late May 2022;
- The Mandjar Markets believe that the Eastern Foreshore North area restricts their use of the rotunda as the central location for their entertainment offering;
Note:
In previous years the Mandjar Markets have operated more centrally on the Eastern Foreshore. The City did not actively restrict the Mandjar Markets footprint in 2021/22 and allowed them to spread south of the designated area.
- The City's monthly entertainment did not increase market attendance on the one Sunday per month that it was provided;
- The Mandjar Markets are not sure that the City's paid entertainment represented good value for money;
- The Mandjar Markets would like the removal of all food and drink restrictions for 2022/23.

Guidelines for the 2022/23 Operations of Markets on Public Land within the City Centre

A draft set of guidelines have been developed with officers proposing that Council approve a 12 month trial for the 2022/23 operating season. The guidelines (see **Attachment 7.1**) define a 'temporary market' as one that operates 4 or more times within 12 months including regular "food truck" events, the general requirements that market operators need to adhere to and the approved locations on City owned / managed land within the City Centre precinct where markets are permitted.

The guidelines also identify those sites that are classed as 'Food Sensitive Locations' where further assessment is required in order to strike a balance between existing bricks and mortar food retailers, and mobile / temporary food operators. The 2 locations that are identified as Food Sensitive are:

1. Eastern Foreshore - North
2. Keith Holmes Reserve (Mandurah Ocean Marina)

Officers believe that this approach should apply for the next 12 months only, due to other significant works that may impact the future direction Council wishes to take in attracting and promoting markets. These works include the outcomes of the City Centre Master Plan and in particular the Eastern Foreshore North and Central zones as part of the Waterfront Redevelopment. Both of these projects will provide further information on community sentiment, needs and priorities, as well as the physical suitability of City Centre spaces for future markets and activations.

A review of these guidelines will need to take place after the 2022/23 operating season, by which time Council will have more certainty and awareness of the future direction of these spaces.

Fees & Charges for the 2022/23 Operations of Markets on Public Land

Currently, markets (except for those operating on Hall Park) are charged the Community Markets (Public Open Space) fee of \$50 per day/booking fee. Those booking Hall Park reserve pay the relevant Community Not for Profit and/or Commercial hire rates.

While it is identified that this fee requires reviewing, it is recommended that this does not happen at this time. Keeping the fees consistent for the next operating season lowers barriers to new operators who may wish to enter the market, while also acknowledging the difficult and changing environment existing operators have been facing over the past few years. A review of these charges should be rolled in to the 2023/24 budget review process.

Current Trends in Markets

Officers undertook a desktop review of current markets in WA, the model they used, and their operation plans for the upcoming 12 months. The market operator industry viability as a whole is currently considered quite uncertain, as a result of significant COVID impacts, commercial models, community expectations, and increasing costs and inflation.

It was also determined that there were a few factors that determined ongoing success of market operations. Markets that are historically-based, are able to operate year-round (i.e. undercover), and/or with permanent infrastructure, such as the Fremantle Markets, the Gosnells Railroad Markets, etc tend to maintain a long-term success, and are a drawcard to visitation. Other successful market operations tend to be community driven and/or based on a place activation model. Examples of this include local markets in Subiaco, Victoria Park, South Perth and Margaret River, etc. Many of these are associated with local schools, and do not operate on prime public open space real estate.

Locally, the Peel Produce Markets in Dawesville are an example of a local, organically evolved market that has strong community engagement, and has been done with minimal City support.

2022/23 Market Season – Proposed Approach

Markets have identified as a product where Mandurah's offering could expand, both in the benefits that they can provide to the local community and the role that they can play in attracting visitation. Unfortunately, the effort made to attract new market offerings and promote existing operators did not yield results for the 2021/22 season.

There are a variety of reasons for this, including hesitation surrounding COVID-19 and health restrictions, the uncertain economic outlook, high barriers to entry, lack of interest, and lack of capacity. Some of these concerns remain, while others have eased, and so it is worth a review to how we would like to proceed.

There also is a need to balance the influx of "pop-up" market operators and how they intersect with permanent businesses. While a well-run market can create atmosphere, increase foot traffic, and pull in visitation, they can also compete with the local permanent ("bricks and mortar") businesses and due to their model and temporary nature are often seen as having a commercial advantage over permanent, rate-paying businesses with access to low fees, prime public locations and the option to operate only at prime times with no ongoing rates, staffing or rental fees that permanent businesses need to fund.

Given these factors and with the ongoing uncertainty in the current economic climate, City officers do not believe that it would be a good use of resources to relaunch the Market Day in Mandurah Sunday Market Trail for the 2022/23 summer period. Instead, City officers recommend that applications for market operations within the City Centre still be received, but rather than seeking new operators through a formal expression of interest process and allocating funds to support the concept, applications should be allowed

to generate organically, managed in line with the new guidelines and the project budget transferred to alternative activation options this coming summer. This approach does not prevent the Market Day in Mandurah Sunday Market Trail concept from being developed, it just recognises that at this time the City can achieve better activation outcomes within the City Centre from alternative activities.

Consultation

In reviewing the 2021/22 market season, City officers engaged with a number of external market operators to seek feedback on the Market Day in Mandurah Sunday Market Trail concept and the factors that influenced their decision not to participate in the opportunity with the responses summarised and included in the contents of this report.

City officers have also engaged with the Mandjar Markets and a number of local food and beverage based businesses on the draft City Centre Market Guidelines that have been developed. Further engagement will occur over the course of the 2022/23 summer season during the 12 month trial period to see if the guidelines are achieving their intended outcomes with feedback to be considered prior to finalisation.

Statutory Environment

N/A

Policy Implications

N/A

Financial Implications

The development of the City Centre Market Guidelines has been undertaken by City officers within existing resources – no additional costs incurred.

The reallocation of the Markets in Mandurah funds (approximately \$25,000) to alternative activation activities will have a net zero impact on the City's operating budget.

Risk Analysis

The City Centre precinct is well serviced by numerous bricks and mortar businesses. Depending on the frequency of the operations of markets and events and the products that they sell (i.e. ready to eat take-away food), there is potential for some bricks and mortar business to see markets as direct competition with an unfair operating advantage. The new City Centre Market Guidelines and in particular the identification of food sensitive locations and a process to manage applications at these locations, have been developed to help manage and mitigate these risks.

Strategic Implications

The following strategies from the City of Mandurah Strategic Community Plan 2020 – 2040 are relevant to this report:

Economic:

- Promote and foster investment aimed at stimulating sustainable economic growth.
- Facilitate and advocate for sustainable local job creation, and industry growth and diversification.
- Actively partner and engage with business and industry to support Mandurah's entrepreneurial capacity and capability.
- Establish and leverage opportunities with key stakeholders to achieve sustainable economic outcomes with due consideration to environmental impacts.

Social:

- Promote a positive identity and image of Mandurah based on its unique lifestyle offering.
- Promote and encourage community connection to create social interaction and a strong sense of belonging.
- Provide a range of social, recreational and cultural experiences for our residents and visitors to enjoy and take pride in.
- Provide diverse and sustainable places and spaces that enable people to lead an active lifestyle.

Organisational Excellence:

- Provide professional customer service, and engage our community in the decision-making process.
- Ensure the City has the capacity and capability to deliver quality services and facilities through accountable and transparent business practices.
- Ensure that our actions maintain a sustainable balance between economic growth, the environment and social values.

Conclusion

The Market Day in Mandurah Sunday Market Trail was identified as an opportunity to create activation activity in the City Centre. Unfortunately, despite the best efforts of City officers to develop the concept, the uptake of new market operators did not eventuate and the desired outcome was not achieved in 2021/22.

The review of the 2021/22 market season has identified a number of factors that impacted the lack of interest and as a result City officers are recommending that Council do not formally pursue the Market Day in Mandurah Sunday Market Trail concept in 2022/23 and instead allow new market applications to be generated organically with the existing project budget to be transferred to the delivery of alternative activation options.

The draft City Centre Market Guidelines have been developed to support decision making for market applications and also balance the benefits that markets can offer with the potential implications on local bricks and mortar businesses. City officers are recommending that Council approve the draft guidelines on a 12 month trial and approve the Mandjar Markets to continue to operate from the Eastern Foreshore North location in 2022/23.

NOTE:

- Refer ***Attachment 7.1 Draft City Centre Markets Guidelines***

RECOMMENDATION

That Council:

- 1. Approve the draft 'City Centre Markets Guidelines' as detailed in Attachment 7.1; and**
 - 1.1 Note that the 'City Centre Markets Guidelines' will be used as a tool to support decision making for all market applications received within the City Centre for the 2022/23 market season.**
 - 1.2 Note that officers will review the Guidelines and approach to attracting and developing the market offering following the completion of the 2022/23 markets season.**
- 2. Approve the Mandjar Markets to operate from the Eastern Foreshore North location for the 2022/23 season in line with the 'City Centre Markets Guidelines'.**

- 3. Note that the City will not formally pursue the 'Market Day in Mandurah Sunday Market Trail' concept over the 2022/23 summer season due to a lack of interest identified and instead initiate alternative City Centre activation options.**

City Centre Markets Guidelines

August 2022 (for Summer 2022 / 23 trading season)



Record of Adoption

Stage	Version No	Document Date	Approval Date
Draft for Review	1	22 July 2022	

Schedule of Modifications

No	Description	Version No	Document Date	Approval Date



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1. Introduction

1.1 Purpose

The purpose of these guidelines is to provide market operators within the City Centre Precinct of Mandurah with an understanding of the City of Mandurah's ('the City') approach to approval of markets, the requirements and considerations that will be part of the assessment process, and the level of commitment it requires from market operators to achieve quality market operations.

The City acknowledges that a diverse and complimentary range of markets contribute to local communities, encourage visitation, provide economic benefits to many sole-trader and small businesses particularly artistic and primary producer operations, and if well managed can complement the offerings of local businesses.

1.2 Scope

The Markets Guidelines applies to ongoing markets on land within the City of Mandurah which is owned or managed by the City. Ongoing markets are classified as markets that operate more than four occasions in a 12-month period.

The Markets Guidelines provides an assessment framework for the City to benchmark approving ongoing markets.

Notwithstanding the content of these guidelines, other approvals may also be required and it is the Market Operators responsibility to obtain all necessary consents/approvals to operate the market.

These guidelines apply to the 2022/23 summer trading season and will be subject to review and change following this time.

These guidelines are prepared and adopted pursuant to Part 10 and 12 of the *Local Government Property and Public Places Local Law 2016*.

1.3 Definitions

For the purposes of these guidelines, the following terms will be used:

City Centre Precinct

The area bounded by Hall Park (Western Foreshore) to the South; and the eastern and southern boundaries follow part of Pinjarra Road, Sutton Street, Eastern Foreshore, Boardwalk Precinct, Civic precinct, and Mandurah Ocean Marina (See Figure 1);

Market Approval

Approval granted by the City for a market to begin operation as required by the Local Government Property and Public Places Local Law 2016 ;

Market Operator

The individual or group who intend to operate the market and who will enter into an agreement with the City for the use of the site;

Market Proposal

A detailed document describing the layout, management and preliminary operational plans for a market. The Market Proposal is submitted after a Market and Food Truck Booking Application is approved, if required;

Market and Food Truck Booking Application

An application form enabling Market Operators to indicate interest in using a site on Council land to operate a market.

Ongoing Market

A regularly scheduled outlet for the sale of goods and services by multiple operators at the same or similar location, with the majority of goods and services provided by the producer, grower, crafts person or service person.

1.4 Markets Not Covered by these Guidelines

Markets located outside the City Centre Precinct

The Markets Guidelines apply only to locations within the City Centre precinct. Markets in locations other than the City Centre precinct will still be required to meet all relevant health and safety approvals and requirements and subject to the City's Public Open Space and Reserve Terms and Conditions of Hire.

Temporary markets on land owned or managed by the City

The Markets Guidelines do not apply to temporary markets on land owned or managed by the City. Temporary markets are classified as markets that operate on up to four occasions in every 12 months of operation, and are required to be assessed as an event.

Refer to [City of Mandurah's Information on Running an Event](#) which assesses one-off and temporary events. Temporary markets must meet requirements of and receive an Event Approval before operation.

Markets on land not owned or managed by the City

The Markets Guidelines does not apply to markets on land not owned or managed by the City (including private property or land managed by State Government Agencies that the City does not manage). Contact the City if you would like more information about conducting markets on land not owned or managed by the City.

Markets on land not owned or managed by the City will still be required to meet all relevant health and safety approvals and requirements.



1.5 Guideline Statement

The City supports quality markets in the Local Government Area (LGA). Markets provide for the needs of the community, ranging from the provision of fresh food to goods and services.

The City recognises the potential contribution of markets to community life and local economies. Markets can complement the offerings of local businesses and provide opportunities for emerging enterprises.

The following principles encapsulate the City's approach to approval of markets and the level of operational performance the City requires of Market Operators.

The City will:

- apply a consistent assessment framework to the approval of Market and Food Truck Booking Applications and Market Proposals;
- require Market Operators to demonstrate capacity to meet community needs, contribute to social cohesion, strengthen the local economy, and complement the offerings of local businesses in the area.

Market Operators will be required to:

- minimise the impact of their market on the environment, local residents and nearby businesses;
- ensure market sites are well-maintained and accessible for all members of the community;
- prioritise community health and safety by rectifying hazards and problems immediately;
- provide activation and activity within the precinct to create a vibrant and welcoming atmosphere.

2. Approval of Markets

2.1 Generic Requirements

All Market and Food Truck Booking Applications will be required to adhere to the following:

1. Bookings will be considered for bookable public spaces only, with existing approved City Centre market sites given priority;
2. Demonstrate that there are sufficient ablution, power and water facilities on site or will be provided by the proponent;
3. Provision of a plan that demonstrates that waste generated on site can be disposed of (additional bins can be hired from the City for a cost);
4. A traffic management plan may need to be provided that demonstrates access to the site and sufficient parking to meet the anticipated demands;
5. Take out and maintain throughout operation Public Liability Insurance of at least \$10 million, and indemnify the City and other relevant parties from any damage, risk or injury;
6. All other planning, building and health approvals as required.

2.2 Market Operators

Market operators can be commercial enterprises, community groups, not-for-profit organisations or any other configuration. All categories undergo the same assessment process. Not-for-profit and community group may be eligible for subsidised public open space hire rates in some locations.

2.3 Identification of Market Sites

The City encourages Market Operators to identify appropriate market sites. New market sites are proposed by:

- Market Operators – through the submission of a Market and Food Truck Booking Application to the City ;
- The City – where a site has been identified to meet community needs.

The City has identified the following approved locations within the City Centre for the operations of ongoing for markets (including those that have further requirements outlined in section 2.4):

- George Robinson Gardens;
- Smart Street Mall;
- Eastern Foreshore – North ('food sensitive location);
- Mandjar Square;
- Keith Homes Reserve (Mandurah Ocean Marina) ('food sensitive location).

Figure 1 - City Centre Precinct

Approved Market Sites

- ① George Robinson Gardens
- ② Smart Street Mall
- ③ Mandjar Square

Approved Market Site - Food Sensitive Location

- ④ Eastern Foreshore North
- ⑤ Keith Holmes Reserve (Mandurah Ocean Marina)



2.4 Food Sensitive Locations

Areas identified as food sensitive locations are those areas that are well serviced by bricks and mortar businesses, providing a variety of food options capable of catering for a reasonable number of additional patrons that markets might attract.

Markets wishing to incorporate food and drink within an identified food sensitive location, either as their main operation or ancillary to their market, will need to have the proposed food offering assessed under this model.

Items below listed as permitted are not required to undergo this additional consideration process and do not need to be included in permitted food vendor ratios. Vendors will still need appropriate food trading permits and approvals required under the *Food Act 2008*.

Please be aware that in considering nearby businesses, if the business operating hours means they will be closed for 50% or more of your market operating hours then they do not need to be included in the count.

Table 1 Food Sensitive Location Permitted and Assessible Items

Items Permitted	Items Required to be Assessed
Pantry items: Preserves, jams, chutney etc	Take away coffee/tea
Packaged Food	Ready to eat meals (inc sandwiches and rolls)
Community Sausage Sizzles Monthly Only	Slushy or shaved ice sellers, ice cream & soft serve ice cream
Popcorn and fairy floss	Cupcake, muffins, etc.
Fresh fruit and vegetables	Cold drinks (except water)



2.5 Market Approval Stages

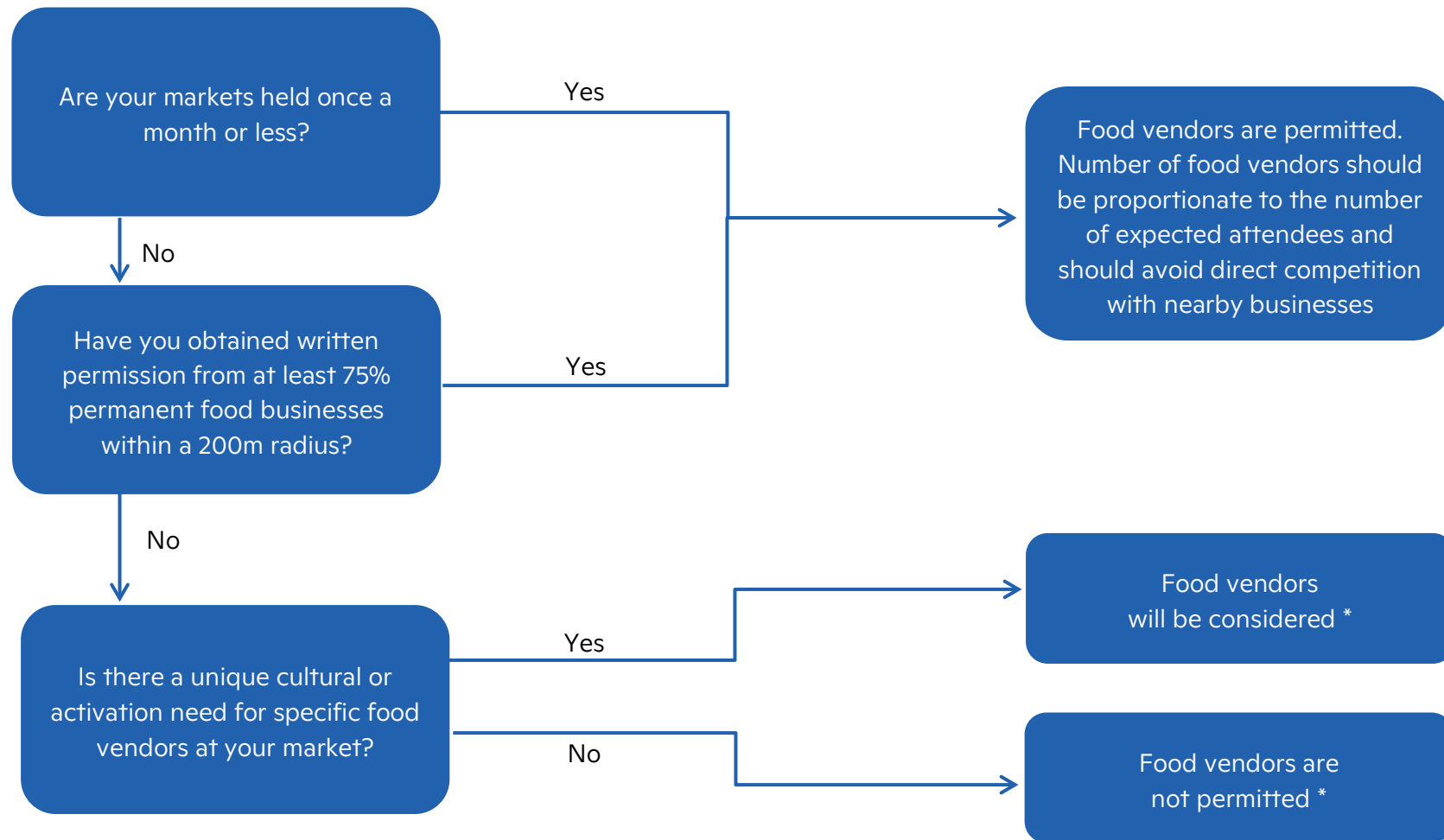
There are five basic steps to setting up markets on land owned or managed by the City in addition to any development consent requirements:

1. Identify a suitable site - the products sold within your market should be considered to ensure they are complimentary to businesses within the area;
2. Submit a Market and Food Truck Event Site Booking Application: The City will assess the capacity and suitability of a site. The application will not proceed to the next step if the site is considered to be unsuitable, and the applicant will have the opportunity to resubmit with appropriate changes and/or for a new location;
3. If applying for food in a food sensitive location, submit details of your proposed food along with your Market and Food Truck Event Site Booking Application;
4. New operations, or existing operations with substantial changes may be required to submit an [Events Application Form](#) as a one-off to ensure it meets all requirements;
5. A Market Proposal may be requested by the City to be submitted to help inform the assessment process
6. Set up market – pending approval, a formal reserve hire agreement will be drawn between the City and the market operator. The City will monitor performance of the market.

Market applications will be assessed against criteria based on the principles set out in these Markets Guidelines.

The City will not proceed with Market Site Applications and Market Proposals that do not meet assessment criteria, and the needs of the community identified by the City.

Figure 2 Food Sensitive Locations Assessment Process



* A strong business case including minimising impact to local businesses will need to be submitted for exemptions/consideration.



3. Market Management

3.1 Ongoing review

Market Operators may be required to participate in regular meetings and performance reviews with the City.

Meetings and reviews provide opportunities for resolution of issues raised by the community, the Market Operator and the City.

The City will seek regular feedback from local permanent businesses within the City Centre.

Should the Market Operator not comply with the City's guidelines or requirements, or comply with relevant legislative requirements, the City may terminate the approval at any time.

3.2 Health and Safety

Market Operators are responsible for ensuring all stallholders involved in the preparation, sale or provision of food comply with the provisions of the *Food Act 2008*. This includes food exempt from the Food Sensitive Locations assessment.

Market Operators must also ensure stallholders hold current City Temporary Food Premises permits and comply with permit conditions. Further information may be found online on the City of Mandurah website. The City and other authorities may inspect markets and individual stallholders at any time to ensure public health and safety compliance.

3.3 Site Accessibility

Market Operators must ensure market site configurations encourage community participation and ease of access. Market Operators are responsible for site accessibility, safety of crowd movements and compliance with legislation and other conditions set out in the market agreements. Market Operators are also required to minimise market impact on the environment.

3.4 Fees and Charges

The City's Fees and Charges Schedule includes fees for public open space reserve hire. Commercial Market Operators pay a commercial fee. Not-for-profit organisations are offered a subsidised fee structure.

3.5 Variances to the guidelines

The City reserves the right to review, vary or revoke these guidelines.