



CONFIRMED MINUTES

Shire of West Arthur
Ordinary Council Meeting
Thursday 25 July 2024

These Minutes were confirmed at the Ordinary council meeting on: 22 August 2024

Signed:

A handwritten signature in black ink, appearing to read "M. G. M. M. M.", is written over a light blue background.

Presiding Member at the meeting at which the Minutes were Confirmed.

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**MINUTES OF SHIRE OF WEST ARTHUR
ORDINARY COUNCIL MEETING
HELD IN THE COUNCIL CHAMBERS
ON THURSDAY, 25 JULY 2024 AT 7.00PM**

1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member declared the meeting open at 7.01pm.

2 ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

| | | |
|--------------|---------------------|--------------------------|
| COUNCILLORS: | Cr Neil Morrell | (Shire President) |
| | Cr Karen Harrington | (Deputy Shire President) |
| | Cr Graeme Peirce | |
| | Cr Robyn Lubcke | |
| | Cr Duncan South | |
| | Cr Russell Prowse | |

| | | |
|--------|--------------------|--------------------------------------|
| STAFF: | Vin Fordham Lamont | (Chief Executive Officer) - Remotely |
| | Rajinder Sunner | (Manager Corporate Services) |
| | Gary Rasmussen | (Manager Works and Services) |
| | Sharon Bell | (Community Development Officer) |
| | Kerryn Chia | (Projects Officer) |

| | |
|------------|-----------------|
| APOLOGIES: | Cr Adam Squires |
|------------|-----------------|

| | |
|----------------------|-----|
| ON LEAVE OF ABSENCE: | Nil |
|----------------------|-----|

| | |
|---------|-----|
| ABSENT: | Nil |
|---------|-----|

| | |
|-----------------------|-----|
| MEMBER OF THE PUBLIC: | Nil |
|-----------------------|-----|

3 ANNOUNCEMENTS OF THE PRESIDING MEMBER

Nil

4 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5 PUBLIC QUESTION TIME

Nil

6 PETITIONS, DEPUTATIONS, PRESENTATIONS, SUBMISSIONS

Nil

7 APPLICATIONS FOR LEAVE OF ABSENCE

APOLOGY

RESOLUTION CO-2024-068

Moved: Cr Robyn Lubcke

Seconded: Cr Duncan South

That the apology received from Cr Squires be accepted and leave of absence granted.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0

8 DISCLOSURES OF INTEREST

Nil

9 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS HELD**9.1 ORDINARY MEETING OF COUNCIL 27 JUNE 2024****Statutory Environment:**

Section 5.22 of the *Local Government Act* provides that minutes of all meetings are to be kept and submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

Voting Requirements:

Simple Majority

RESOLUTION CO-2024-069

Moved: Cr Karen Harrington

Seconded: Cr Robyn Lubcke

That the Minutes of the Ordinary Meeting of Council held in Council Chambers on 27 June 2024 be confirmed as true and correct.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0

10 REPORTS FROM COUNCILLORS**Cr Neil Morrell (Shire President)**

Cr Morrell advised that due to personal commitments the Deputy attended some events on his behalf. He attended the LEMC meeting on 23rd July and MRWA meeting on 24th July.

Cr Karen Harrington (Deputy Shire President)

Cr Harrington attended the Local Planning Strategy meeting with DPLH on 3rd July, the Housing Strategy meeting with the Deputy Leader of Opposition in Perth on 5th July, a meeting with the Wheatbelt Development Commission on 16th July and the meeting with MRWA on 24th July discussing the MoU and future funding opportunities including Safer Local Roads.

Cr Graeme Peirce

Cr Peirce attended the Biodiversity meeting on better data collections and the LEMC meeting on 23rd July.

Cr Robyn Lubcke

Nil

Cr Duncan South

Cr South attended the Regional Road Group meeting on 22nd July and the Main Roads WA meeting on the 24th July via Teams.

Cr Adam Squires

Absent

Cr Russell Prowse

Nil

11 OFFICE OF THE CHIEF EXECUTIVE OFFICER**11.1 4WDL KEY WORKER HOUSING PROJECT**

| | |
|--------------------------------|--|
| File Reference: | ADM398 |
| Location: | N/A |
| Applicant: | N/A |
| Author: | Vin Fordham Lamont, Chief Executive Officer |
| Authorising Officer: | Vin Fordham Lamont, Chief Executive Officer |
| Date: | 15/07/2024 |
| Disclosure of Interest: | Nil |
| Attachments: | <ol style="list-style-type: none"> 4WDL Housing Plans and Selected Key Worker Housing Sites Report Final April 2024 ↓ 4WDL Key Worker Housing Prospectus Final Print Ready May 2024 ↓ Econisis Report - 4WDL KWH Investment CBA Final ↓ Final Business Case - 4WDL Investment in Key Worker Housing April 2024 ↓ |

SUMMARY:

Council is requested to consider endorsing the 4WDL Key Worker Housing Business Case and associated project support documents.

BACKGROUND:

During 2023, 4WDL partnered with the Wheatbelt Development Commission (WDC) to undertake a stage one comprehensive key worker housing study across the 4WDL local governments (LGs). Each of the six participating LGs contributed \$2,180 towards this activity (total \$13,080) and the WDC committed \$18,000; a total project value of \$31,080. A project scope was developed, and a joint consultancy was subsequently let to JEPS (planning consultant) and Econisis (economic consultant). A final consolidated 4WDL Key Worker Housing Report was completed and adopted at the 4WDL meeting held on 11th July 2023.

Stage 1 Housing Needs Analysis Key Learnings and Outcomes

The 4WDL Key Worker Housing Report provided a comprehensive analysis of the situation across the 4WDL region. The main report takeaways were as follows:

1. Confirmation that there are significant supply/demand gaps in key worker housing right across our entire region (in all key townsites).
2. Key worker housing demand is estimated to be circa 2.5 times greater than current building activity.
3. There are opportunities (in most towns) to leverage existing vacant and Shire owned freehold (and Crown?) land to develop new housing product, based on conservative demand estimates.
4. Most of our towns currently experience 'failed market' conditions, where there is a 'negative equity' situation stifling private sector investment (i.e. cost of a new dwelling is higher than the resulting market value of the final built product).
5. The average market failure (negative equity) gap inhibiting private sector investment has been assessed at circa \$120,000 per dwelling across our key towns (\$54,000-\$198,000 for single 3-bedroom dwellings & up to \$250,000 for group dwellings).
6. The opportunity cost of not investing in key worker housing ranges from a loss of economic contribution of \$126,000 to \$265,000 per worker per year.

7. Failed housing market conditions can only be resolved by Government (Federal and/or State) funding support intervention, potentially via a grants assistance program to 'fill the gap (shortfall)'.
8. Traditional Government 'headworks' related funding interventions will not be enough to resolve failed market conditions across our 4WDL region as the negative equity situation (investment gap) for us is higher (requires additional funding) compared with regional centres (where stronger housing markets exist).
9. The most cost effective housing product recommended for development is through small, prefabricated housing via infill grouped dwellings to maximise available vacant land footprint together with potential subdivision.
10. Any proposed key worker housing investment solution would likely require LGs gifting the land as part of a final construction arrangement (deal).

JEPS and Econis were then invited to prepare and submit a Reverse Brief to move this stage one work into (stage two) project readiness. The proposal included the following scope of works:

1. Validate (by site visits and assessment) all existing vacant land holdings in each key 4WDL town (six main townsites).
2. Determine planning and land development considerations including subdivision potential (aimed at maximising yield).
3. Prepare 'Housing Plans' for each key town confirming location of potential development sites, yield and timeframe for key worker housing delivery.
4. Prepare preliminary concept designs for new key worker housing product including cost estimates for development.
5. Undertake WA Treasury compliant Cost Benefit Analysis of proposed key worker housing development.
6. Complete high level financial analysis and risk assessments of proposed development(s).
7. Establish a 'project (concept) ready' Preliminary Business Case for 4WDL use to engage with and seek funds from State and Federal Government(s).
8. Summarise Business Case findings and highlights into a glossy (up to 8 page) pitch type document for 4WDL advocacy and lobbying access use.

The total consulting fee for this stage two activity was circa \$39K (ex GST). Following a similar approach to fund the initial investigation study, it was agreed that each 4WDL LG would contribute \$6,500 towards this project readiness stage.

Stage 2 Housing Investment Concepts, Cost Benefit Analysis & Business Case

JEPS and Econis completed their project ready Business Case assignment. The key takeaway highlights from this Business Case report included the following:

1. Restatement of previous 2023 analysis (report) of the requirement (need) for between 158 and 254 key worker dwellings across the 4WDL region over the next decade (confirmed through multiple modelling techniques and scenarios and significant key stakeholder engagement).
2. Current widespread market failure conditions means that it is almost impossible for this demand to be met without a reasonable level of government intervention (at least to cover the market failure gap).
3. This market failure condition means the region and State are experiencing significant economic opportunity cost (loss) due to the lack of suitable housing to accommodate productive and essential workers in the region.

4. Commercial lending institutions are also an inhibitor against regional housing investment as their borrowing assessment criteria includes algorithms negating positive loan approvals based on pre-determined postcode locations, impacting many regional areas across Australia.
5. Vacant residential land supplies are constrained by servicing, tenure, ownership, environmental overlays and suitability for investment. The number of lots across the region meeting shortlisting criteria are limited to 19. Of these 19 lots, 33 potential dwellings were identified for development over 8 sites across each of the LGAs, including 2 sites in Wagin and 2 sites in Lake Grace (refer to below table for shortlisted sites and estimated development costs).

4WDL Shortlisted Sites for Housing Investment Concepts

| Site | Address | Average Development Cost per dwelling | Number of Dwellings | Total Cost |
|--------------|--|---------------------------------------|---------------------|----------------------|
| 1 | 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | \$ 534,304 | 6 | \$ 3,205,825 |
| 2 | 25-29 Hynes Court, Williams | \$ 533,233 | 4 | \$ 2,132,933 |
| 3 | 8-10 (Lots 19 and 18) Khedive Street, Wagin | \$ 532,512 | 3 | \$ 1,597,535 |
| 4 | Portion of Lot 500 Wattle Road, Lake Grace | \$ 533,162 | 6 | \$ 3,198,972 |
| 5 | Portion of Lot 309 Burrowes St West, Darkan | \$ 542,762 | 4 | \$ 2,171,050 |
| 6 | 13 (Lot 129) Cardigan Street, Woodanilling | \$ 474,292 | 2 | \$ 948,585 |
| 7 | Portion of Lot 9002 Griffin Road, Lake Grace | \$ 533,258 | 2 | \$ 1,066,515 |
| 8 | 3 (Lot 19) Omdurman Street, Wagin | \$ 524,242 | 6 | \$ 3,145,454 |
| TOTAL | | \$ 525,971 | 33 | \$ 17,466,869 |

6. Local Government Development & Ownership is identified as the preferred delivery model due to the scale of feasibility gaps rendering more incremental funding or market-led incentives unsuitable. The exception is the potential for a development financial subsidy (of approximately \$350,000 per dwelling) to market, employer and community-led housing projects under a co-investment model. However the depth of market and capacity of private partners to deliver this likely impedes its short-term take up.
7. Cost estimates from Chadwick Consulting identified an average development cost per dwelling requirement of \$525,971 (\$291,000 per dwelling base infrastructure procurement cost plus regional loading factors). This represents a total cost, excluding land value of \$17,466,869 for the servicing of sites and the construction of the 33 dwellings.
8. Dwelling construction costs include the pad and house, carport (1 carport for 2-bedroom, 2 carports for 3-bedroom) and driveways. Dwellings have also been costed to a 'medium' specification, to reflect quality requirement for long-term habitation. Additionally, dwelling footprints are relatively small to enable modular/flat pack construction methods.

9. A completed Cost Benefit Analysis (CBA) indicates significant economic benefits that outweigh project costs, using different discount rates (refer to below table). Benefit Cost Ratios and Net Present Values are positive for the 33 dwelling project at all discount rates, with BCRs exceeding 2.0 at 4% and 7% discount rates.

Summary of Cost Benefit Analysis Results

| Summary | 4% | 7% | 10% |
|--|----------------|----------------|----------------|
| Total Costs | -\$19.3 | -\$18.6 | -\$18.0 |
| Capital Costs | -\$17.1 | -\$16.9 | -\$16.7 |
| Maintenance | -\$2.2 | -\$1.7 | -\$1.3 |
| Benefits | \$49.9 | \$38.1 | \$30.0 |
| Construction Supply Chain Benefits | \$1.2 | \$1.2 | \$1.2 |
| Economic Contribution of Key Workers | \$33.0 | \$25.3 | \$19.9 |
| Household Expenditure-Based Economic Impacts | \$6.9 | \$5.3 | \$4.1 |
| Social Benefit of Housing Access | \$5.0 | \$3.8 | \$3.0 |
| Housing Market Normalisation | \$2.2 | \$1.7 | \$1.3 |
| Residual Asset Value | \$1.6 | \$0.9 | \$0.5 |
| NPV | \$30.5 | \$19.5 | \$12.0 |
| BCR | 2.58 | 2.05 | 1.67 |

10. The project has the capacity to delivery \$30.3m in economic output to the WA economy over the construction phase (assuming 3 years). This includes \$5.1m in direct and indirect economic incomes and \$9.5m over 3 years of Gross Value Added to the regional economy. Approximately 16.5 construction job years will be supported during the construction phase (refer to below summary of economic impacts).

Summary of Economic Impact, Construction Phase, Total Impact

| Summary | Initial Impact | First Round Impact | Industry Support Impact | Total Impact (Simple Multipliers) |
|--------------------------------|----------------|--------------------|-------------------------|-----------------------------------|
| Output (\$m) | \$17.5 | \$8.5 | \$4.4 | \$30.3 |
| Income (\$m) | \$2.4 | \$1.8 | \$0.9 | \$5.1 |
| Employment (FTEs) | 8.5 | 5.0 | 3.1 | 16.6 |
| Gross Value Added (\$m) | \$4.6 | \$3.1 | \$1.8 | \$9.5 |

The preliminary Business Case and associated analysis and evidence confirms the recommendation that:

- **State and/or Federal Government investment be provided to enable the delivery of 33 dwellings across the 4WDL Councils for the purposes of providing accommodation and housing for key workers in the region.**

The Business Case also recommended State and/or Federal Government consideration be given to the establishment of a **Key Worker Housing Subsidy Fund** to supplement the market failure gap by providing

financial support and capital subsidies to market, employer and community-led key worker housing projects in the region based on a co-investment model. This program aims to incentivise private sector investment, targeting privately owned land sites in townships or on rural farming properties (for farm workers).

The Business Case recommended the following next steps:-

- I. Engage with Federal and/or State Government agencies to secure in-principle support for the projects and confirm appropriateness of governance and delivery models.
- II. Seek a design partner on the market to secure designs and costings for the project and/or test the market using already prepared concept designs via a public tender process.
- III. Provide these details as part of a targeted investment application and funding submission to the State and/or Federal Government (or the relevant identified agencies).

Upon successfully securing funding, it is then recommended that a procurement and project management plan (unless already tendered) be established to guide further steps in the delivery and implementation of the project.

To support these business case activities, contact was made with a sample supplier (two builders) of prefabricated housing product to clarify their capacity to construct 33 new dwellings. Both respondents confirmed their book build capacity to pre-order and initiate building activities within a 12-18 month period.

COMMENT:

The completion of this Key Worker Housing investigative work places 4WDL in a strong project and business case readiness position to commence engagement and advocacy activities to seek Federal and/or State Government grant and program funding support. 4WDL endorsed these final Key Worker Housing project reports at its most recent meeting held on 13th June 2024.

4WDL also endorsed the following delegates to be the Advocacy Team to commence key Federal and State Government stakeholder engagement activities:

- Shire of Dumbleyung President Amy Knight
- Shire of West Arthur Deputy Shire President Karen Harrington
- Shire of Dumbleyung CEO Gavin Treasure
- Shire of West Arthur CEO Vin Fordham Lamont

One main engagement challenge is to inform key Federal and State Government decision makers that Key Worker Housing remains the critical missing piece in current narrative around lack of housing generally. At present, the main focus has been around Social and Affordable housing. There appears to be a misconception that Key Worker Housing should be fully commercial based, private sector investment driven. This might be the case in the greater Perth metropolitan area and some regional centres where stronger markets exist, but not in most regional and rural areas due to failed market conditions.

As at this reporting date, a series of email meeting requests had been distributed to a number of key Federal and State Government Ministers, MPs and lead agencies. One meeting had so far been facilitated. A main aim is to seek funding as a primary goal but, failing that, to try to influence policy settings in the lead-up to both the impending 2025 Federal and State Government elections. Engagement progress reports will be prepared to keep all 4WDL delegates informed of progress with this engagement. Some media contact is also envisaged.

CONSULTATION:

4WDL undertook significant key industry, small business and government stakeholder engagement during the first stage of this project to gain clarity and understanding of the demonstrated demand for key worker housing across the 4WDL LG region. There was strong feedback from all employment sectors to the survey distributed seeking to quantify the level of key worker housing required.

STATUTORY ENVIRONMENT:

Nil

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Nil – apart from Chief Executive Officer time in conducting lobbying and advocacy activities to seek higher level Federal and/or State Government grant funding intervention support towards the project.

STRATEGIC IMPLICATIONS:

Shire of West Arthur Strategic Community Plan 2021-2031

Theme: Leadership and Management

Outcome: Actively engage with community, business and other stakeholders to grow and develop the community

Strategy: Continue to collaborate with other regional shires to achieve maximum benefits for the region

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

| Consequence Likelihood | | Insignificant | Minor | Moderate | Major | Catastrophic |
|------------------------|---|---------------|------------|------------|--------------|--------------|
| | | 1 | 2 | 3 | 4 | 5 |
| Almost Certain | 5 | Medium (5) | High (10) | High (15) | Extreme (20) | Extreme (25) |
| Likely | 4 | Low (4) | Medium (8) | High (12) | High (16) | Extreme (25) |
| Possible | 3 | Low (3) | Medium (6) | Medium (9) | High (12) | High (15) |
| Unlikely | 2 | Low (2) | Low (4) | Medium (6) | Medium (8) | High (10) |
| Rare | 1 | Low (1) | Low (2) | Low (3) | Low (4) | Medium (5) |

| | |
|---|---|
| Description of Key Risk | Failure to address key worker housing shortage resulting in the Shire of West Arthur not remaining sustainable into the future. |
| Risk Likelihood (based on history and with existing controls) | (3) Possible |
| Risk Consequence | (4) Major |
| Risk Rating (Prior to Treatment or Control): Likelihood x Consequence | (12) High |
| Principal Risk Theme | Community Disruption |
| Risk Action Plan (Controls or Treatment Proposed) | Endorse the current documents and proposed action plan. |

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION CO-2024-070

Moved: Cr Robyn Lubcke

Seconded: Cr Russell Prowse

That Council endorse the 4WDL Key Worker Housing Business Case and associated project support documents.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0



- Key Worker Housing 2023/2024



Prepared by:

JE Planning Services
Phone: 0408901192
Email: janine@jeps.com.au

Chadwick Consulting
Phone: 0432 907 862
Email: thomas@chadwickconsulting.com.au

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Acknowledgement of Country

JE Planning Services is located on Gnaala Karla Booja. We acknowledge the Traditional Custodians of the lands on which we live and work throughout Western Australia and pay our respects to Elders past, present and emerging.

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Executive Summary of Facts and Findings

Vacant Land Assessment

There are approximately 291 Vacant 'Residential' zoned lots across the 4WDL townsites of Darkan, Dumbleyung, Lake Grace, Woodanilling, Wagin and Williams (2023). The assessment revealed the following trends relevant to the vacant sites:

- 44% have access to all available services in the town.
- 46% constrained for development due to partial servicing.
- 10% do not have access to any services.
- 51% owned by local (16%) or state government (35%).
- 49% privately owned.
- 25% of vacant land is State Government land currently considered for inclusion in the Noongar Land Estate and not available to be considered for development at this time.
- 26% owned by local and state governments are currently available for development.
- 7% owned by Local Government have access to all available services and are 'project ready'.

Development Potential of Vacant Residential zoned land

- 30% of vacant serviced zoned lots (all tenure) may have potential for grouped dwelling development. Yield on standard sites will be between 2 and 6 grouped dwellings.
- The current development potential across all available vacant and adequately serviced land is estimated to provide 123 dwellings (estimating potential to provide 42 grouped dwellings).
- The KWAHA 2023 states an under provision of 70 (conservatively) and 91 (high) key worker dwellings exists (2023) and will need to provide an average between 15 and 25 key worker dwellings per annum over the coming decade.
- The capacity of serviced sites to provide grouped dwellings may cater for the current under provision and short term demand for key worker housing. The potential exists for increasing densities and improved servicing to facilitate short and medium-term demand in existing zoned areas.
- Development of larger residential zoned parcels on the periphery of townsites may yield around 500 residential lots/dwellings for the 4WDL, subject to planning processes, extension of services and improved townsite servicing capacity.

Development Investment Concepts

- The eight shortlisted sites provide a maximum of 33 key worker modular dwellings, conservatively addressing approximately 50% of the current key worker housing under provision.
- The total cost for the provision of the 33 key worker modular homes is estimated at \$17,466,869, with an average estimated cost for servicing and constructing each dwelling being \$525,971.
- The site and servicing costs range between \$40K per dwelling for larger developments and upwards of \$50K per dwelling as the development yield reduces.

- Headworks costs vary and are location specific.

Table 5: 4WDL Short Listed Sites for Housing Investment Concepts

| Site | Address | Average Development Cost per dwelling | Number of Dwellings | Total Cost |
|--------------|---|---------------------------------------|---------------------|----------------------|
| 1 | 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | \$ 534,304 | 6 | \$ 3,205,825 |
| 2 | 25-29 (Lots 72,73 and 74) Hynes Court, Williams | \$ 533,233 | 4 | \$ 2,132,933 |
| 3 | 8-10 (Lots 19 and 18) Khedive Street, Wagin | \$ 532,512 | 3 | \$ 1,597,535 |
| 4 | Portion of Lot 500 Wattle Road, Lake Grace | \$ 533,162 | 6 | \$ 3,198,972 |
| 5 | Portion of Lot 309 Burrowes (West) Street, Darkan | \$ 542,762 | 4 | \$ 2,171,050 |
| 6 | 13 (Lot 129) Cardigan Street, Woodanilling | \$ 474,292 | 2 | \$ 948,585 |
| 7 | Portion of Lot 9002 Griffin Road, Lake Grace | \$ 533,258 | 2 | \$ 1,066,515 |
| 8 | 3 (Lot 19) Omdurman Street, Wagin | \$ 524,242 | 6 | \$ 3,145,454 |
| TOTAL | | \$ 525,971 | 33 | \$ 17,466,869 |

4WDL Townsite Capacity for Housing Development

Housing Plans for each town detail the extent of vacant land and associated services. The Housing Plans indicate that each town has the capacity for development, including the eight sites listed above and other zoned properties with current and potential access to services. While the commentary below outlines some current servicing constraints impacting townsite development, these limitations will not impede the development of the 33 key worker dwellings as referenced in Table 4 above, nor the development of other zoned and serviced sites identified in each town.

- Dumbleyung Townsite can cater for immediate and short-term key worker housing needs on vacant serviced residential zoned sites subject to the town's wastewater recycling system's planned upgrade (currently being upgraded).
- Williams Townsite can cater for limited development; however, can achieve up to R30 in some areas of town subject to connection to services. Addressing the demand for all immediate and short-term key worker housing needs may require upgrades to the wastewater system. Upgrade and extension of all services are needed to develop existing R12.5 zoned areas on the periphery of the townsite and support any proposals for increasing densities within the townsite to address medium and long-term key worker housing demand.
- The Shire of Wagin could cater to the immediate key worker housing needs on local government-owned land within the Wagin Townsite. The review reveals that Wagin has a mix of vacant residential properties in local government, state government, and private ownership available to support key worker housing needs in the immediate and short term, subject to extension of services in areas and addressing site constraints.
- The Shire of Lake Grace owns limited project ready land. The Shire has capacity to cater to the under provision and short term key worker housing needs on local government owned land, however these sites are subject to planning processes. Lake Grace townsite has limited vacant land available to support key worker housing needs in the medium and longer term.

- The Shire of West Arthur has a large brownfield site with the potential to cater to the immediate, short and medium-term key worker housing needs within the Darkan Townsites subject to servicing.
- The Shire of Woodanilling cannot provide the extent of immediate and short-term key worker housing required in a grouped dwelling format. The development of single dwellings with ancillary accommodation may be the best option to cater to key worker accommodation under the current densities and will rely on private landowners seeking to develop. Upcoding the R5 areas, characterised by largely cleared land and close to services, may increase the potential for providing key worker housing.

1 Introduction

Many Western Australia Wheatbelt towns are impacted by a failed housing construction and development market. The challenges of the housing market stem from various factors, such as limited infrastructure, inadequately serviced land, high construction costs, poor feasibility, absence of government intervention, funding, and investor confidence. In contrast, the Wheatbelt significantly contributes to the state's robust economy. It serves as a hub for mining, agriculture, and renewable energy, contributing over \$7 billion to the States economy. The Wheatbelt's thriving economy surpassed the state's average growth rate, with an 18% increase in small businesses over the past five years. Investment and funding are required to seek to normalise housing and construction markets in these towns to support and foster the industries and accommodate key workers that contribute to a successful Western Australian economy and sustainable and prosperous regions.

It is essential to recognise the role of providing key worker housing in stimulating and driving new population growth within regional towns. The provision of adequate housing for key workers, not only attracts skilled workers but also their families, enhancing townsite communities. Despite historical and current population trends indicating low to negative growth, strategic investments in key worker housing have the potential to reverse these trends. This proactive approach meets immediate demands and fosters long-term growth and resilience.

Evaluating a town's capacity for the development of key worker housing illustrates the context necessary to attract and secure funding and investment. This process involves assessing land and servicing capabilities, addressing development constraints, and identifying opportunities. The collaborative efforts of the 4WDL Shires involved leveraging the insights from the *4WDL Key Worker Housing Analysis 2023*, alongside information from 'Local Housing Plans and 'Housing Investment Concepts,' as outlined in the report below to provide context. This collective information serves as the foundation for establishing a Preliminary Business Case with the primary objective to seek support for the servicing and development of key worker housing.

4WDL Key Worker Housing Needs Analysis 2023

The Wheatbelt Development Commission (WDC), in collaboration with the 4WDL Shires (Shires of Williams, Wagin, West Arthur, Woodanilling, Lake Grace and Dumbleyung), commissioned the preparation of the '4WDL Key Worker Housing Analysis 2023 (KWA 2023)' which analysed key worker housing needs and challenges and highlights opportunities to stimulate housing development and investment in the 4WDL Region. The KWA 2023 presents quantitative and qualitative evidence (including stakeholder engagement) to confirm the extent of the housing shortage impacting the region's ability to attract and retain key workers.

The KWA 2023 established the scale of demand for purpose-built and appropriate key worker housing. The analysis revealed a lack of accommodation to support lone, small, and aged households, with demand to be approximately 2.5 times greater than current building trends. The study resolved that the provision of housing stock suitable for key workers and ageing households and a cost-effective model of dwelling delivery is through the construction of infill grouped dwellings and ancillary accommodation (small housing product). The feasibility analysis of small housing products indicates an opportunity to value manage key worker accommodation construction costs.

The KWA 2023 indicates that existing vacant residential land may have the capacity to accommodate the majority of key worker housing demand subject to further site analysis. The KWA 2023 outlined the following next steps to address the delivery of regional housing solutions by Local government in the 4WDL and formed the basis of this study:

(A) Local Housing Plans and Preliminary Business Case

- **Local Housing Plans incorporating specific development sites** – 4WDL Councils should seek to identify specific sites for consideration of accommodating key worker development in the six key townsites. These sites should ideally be Council owned (or available to purchase), already serviced and be of a size and scale to accommodate one or more smaller dwellings.
- **Development of housing investment concepts** – small housing concepts for the shortlisted sites should then be developed. These should ensure construction costs are managed and dwelling numbers and product mix are as efficient as possible. The investment concepts to include consideration of the size and number of dwellings, the construction format, land/site servicing costs and estimated construction costs.
- **Prepare a Preliminary Business Case** - define the potential housing investment opportunities to include:
 - Cost Benefit Analysis of shortlisted housing investment options.
 - High level financial analysis examining the housing costs (and associated assumptions) and ongoing operational and financial cost impacts on the Councils (and private investors).
 - State Government preliminary business case to be established in support of proposed housing development program reflecting the need for grant funding intervention to support final development.

The KWA 2023 recommended that pending State government consideration of the program funding request, the following final steps will enable the delivery of key worker housing:

- **Formal costings** – the approved concepts should be the subject of formal costings by a Quantity Surveyor.
- **EOI for development/delivery partners** – development of a brief Expression of Interest document for use in promoting the housing opportunity and seeking interest from potential development and delivery partners. No formal commitment is required at this stage though a preferred partner may be selected.
- **Finalise concept and costing with partner inputs** – there is also the option at this stage for concepts to be refined based on partner inputs.

- **Establishment of delivery model and approach** – establish the preferred approach for delivery. This may entail establishment of a special purpose vehicle or engagement with the CHO partner. At this time the relevant site(s) should be secured (if not already) for the construction process.
- **Construction of housing** – engagement of the construction partner to construct the houses.
- **Retention/Vesting of House Tenure** – vesting of the dwelling and site with the SPV or CHO or retention of the product by the relevant Local Government.

Purpose and Methodology

The '4WDL Local Housing Plans and Housing Investment Concepts' project provides a technical appendix for the preparation of the '4WDL Key Worker Housing Preliminary Business Case (Econosis,2024)' to address the KWA 2023 Part (A) recommendations. The Preliminary Business Case will be used by the 4WDL working group in engagement with the State and/or Federal Government to seek funding for land development and construction for key worker housing. The 4WDL Local Housing Plans and Housing Investment Concepts component of the project aims to:

- Verify the extent of vacant and available residential land as assessed under 4WDL Key Worker Housing Strategy 2023.
- Identify potential development sites and townsite development potential (dwelling yield).
- Identify near-term key worker housing sites, and associated development cost for investment and funding (Housing Investment Concepts).

The extent of vacant and available residential zoned land in the 4WDL towns of Wagin, Woodanilling, Williams, Darkan, Dumbleyung, and Lake Grace is verified to identify each town's capacity and suitability for developing key worker housing. The investigation provided a desktop analysis to 'ground truth' the opportunities and constraints for development. The desktop analysis references the following information:

- Imagery and Cadastre Data provided by Landgate 2023
- Water corporation data of Water and Sewer Services 2023
- Western Power infrastructure information provided by WDC from MNG mapping data
- Tenure maps (PDF form) provided by DPLH 2023
- Bushfire Prone Land from [Map of Bush Fire Prone Areas \(slip.wa.gov.au\)](https://slip.wa.gov.au)
- Local Planning Scheme information provided by [PlanWA \(dplh.wa.gov.au\)](https://dplh.wa.gov.au)
- Landgate Map Viewer [Landgate Map Viewer Plus](#)

The methodology for the creation of the 'Housing Plans', included the following steps:

- Preparation of Aerial Base Plans with layers of infrastructure provision.
- Review of Residential Vacant Land outlining residential density, tenure, lot size, servicing (water, power and sewer), bushfire prone, land under consideration for inclusion in the Noongar Land Estate, and a high-level analysis of development potential.

- The site selection process provided a shortlist of sites for each town with the potential for near-term development of key worker housing. The shortlist of sites was selected by the 4WDL working group based on being considered as 'project ready' and meeting the following criteria:
 - Government tenure (Local or State)
 - Residential zoned land
 - Access to Sewer (except Darkan and Woodanilling)
 - Access to Power
 - Access to Water
 - Development potential for grouped dwellings or ancillary dwellings.
 - Constructed Road
 - Low constraint (eg. Bushfire/Vegetation/topography)
- Eight sites were selected from the shortlist to apply a 'Housing Investment Concept'.
- A Local Housing Plan for each townsite illustrating the above information.
- The vacant land analysis provides valuable insight into 'true' land availability and issues constraining development. The assessment provides valuable context for considering specific land parcels that are 'project ready' and highlights areas where servicing is inadequate to facilitate development.

The vacant land analysis presented as 'Local Housing Plans' may also provide context and justification for utilising other sites under local government reservations that may be sitting idle (per the recommendation for the 'lazy land audit' under '*Addressing Wheatbelt Development Constraints*' by Edge Planning, 2023). The context presents the justification for funding application requests to progress key worker housing, highlighting the immediacy of the need for support in servicing vacant residential land to construct key worker housing. The Local Housing Plan process facilitated the identification of the eight 'Housing Investment Concepts' sites.

Chadwick Consulting (Chadwick) analysed eight Housing Investment Concepts, each specific to the selected site. The Housing Investment Concepts describe a preliminary development concept including dwelling yield, size, typology, site servicing, and estimated construction costs. The cost estimates have been provided at a high level to inform further analysis and are not based on quantity surveyor input.

As stated previously, the housing demand analysis and the regional economic analysis revealed that the provision of housing stock suitable for key worker and ageing households, and a cost-effective model of dwelling delivery is through smaller, footprint-efficient standalone and semi-detached dwellings. Thus, the development concepts present construction cost estimates for small floor area prefabricated transportable, flat pack and modular dwellings. Chapter 3 details the Local Housing Plans for each townsite and describes the inclusions and exclusions in presenting the cost estimates for each shortlisted site 'Housing Investment Concept'.

2 4WDL Local Housing Assessment

Vacant Residential Land Assessment

The process of preparing the local housing plans and associated data provides contextual and ground-truthing information that underpins the preliminary business case. The analysis further quantifies the KWA 2023 findings for key worker housing demand and land availability.

The KWA 2023 included a chapter on 'Land Supply and Development Potential' which presented high-level figures to indicate how current housing stock is being used and identify areas of under-utilisation. The KWA survey outcomes and Department of Planning Land and Heritage (DPLH) data presents an overview of vacant and suitably zoned land that may accommodate key worker housing (See Table 1: KWA 2023- Vacant and Underutilised Land).

Table 1: DPLH Vacant Residential Lots Data (Extract from KWA 2023)

| Local Government Area | Vacant Residential Lots |
|-----------------------|-------------------------|
| Dumbleyung | 24 |
| Lake Grace | 14 |
| Wagin | 87 |
| West Arthur | 28 |
| Williams | 48 |
| Woodanilling | 35 |
| Grand Total | 236 |

Source: KWA 2023 LGA Survey

A detailed desktop review of the vacant land in the 4WDL focussed on the main townsites in each Local Government Area (LGA), and included the townsites of Darkan, Dumbleyung, Woodanilling, Williams, Lake Grace and Wagin. The cumulative result of the detailed analysis is in Table 2: *Estimated 4WDL Vacant Residential Land by Townsite* below. The data collected is based on desk top analysis and clarifies the status of the vacant land within each townsite.

Table 2: Estimated 4WDL Vacant Residential Zoned Land by Townsite

| Townsite | Total Estimated Vacant Residential Zoned Lots | Vacant Lots full services | Vacant Lots Partial Services | Vacant Lots No services | Local Government Tenure | Total State Government Tenure | Vacant State Government owned land Considered for inclusion in Noongar Land Estate | Vacant lots in Bushfire Prone Area | No Lots addressing Short List criteria |
|---------------|---|---------------------------|------------------------------|-------------------------|-------------------------|-------------------------------|--|------------------------------------|--|
| Dumbleyung | 43 | 8 | 32 | 0 | 19 | 12 | 9 | 31 | 4 |
| Woodanilling | 60 | 17 | 23 | 20 | 4 | 19 | 18 | 55 | 2 |
| Darkan | 26 | 24 | 2 | 0 | 3 | 7 | 2 | 7 | 2 |
| Wagin | 109 | 49 | 55 | 5 | 15 | 44 | 34 | 67 | 8 |
| Lake Grace | 18 | 7 | 11 | 0 | 3 | 12 | 8 | 9 | 1 |
| Williams | 35 | 22 | 10 | 3 | 3 | 12 | 1 | 18 | 2 |
| Totals | 291 | 127 | 133 | 28 | 47 | 106 | 72 | 187 | 19 |
| Percentage | 100% | 44% | 46% | 10% | 16% | 36% | 25% | 64% | 7% |

Please note: The assessment was undertaken manually from aerial photographs. Sites that may appear vacant have been included. Details of current use or intended use (eg. sites utilised for gravel carparks, or recently cleared for development) were not investigated. Also, sites that indicated some use (i.e. sheds, or storage) were not included.

A review indicates a higher number of vacant lots than represented in the previous KWA 2023 data. Table 2 estimates that there is a total of 291 Vacant Residential zoned lots within the 4WDL townsites in comparison to 236 vacant lots as set out in Table 1 (KWA 2023) based on the Department of Planning, Land and Heritage (DPLH) data. The KWA 2023 statistics were based on an aggregate summary of Landgate's vacant land data. Table 2 data is a review based on a manual desktop ground truthing exercise as described in the section 'Development Potential Matters' below. The assessment of vacant Residential zoned land based on the Table 2 findings, indicates the following trends across the 4WDL:

- 44% have access to all available services in the town. This figure includes Woodanilling and Darkan, which do not have access to sewer.
- 46% constrained for development due to partial servicing.
- 10% do not have access to any services.
- 51% owned by local (16%) or state government (35%).
- 49% privately owned.
- 25% of vacant land is State Government land currently considered for inclusion in the Noongar land Estate, not available to be considered for development at this time. Therefore 10% of the State government-owned land may have potential for development at this time.
- 26% owned by local and state government may be available for consideration for development at this time.
- 7% owned by Local Government is identified as 'project ready'. This includes local government-owned land with access to full servicing.
- 64% of sites are in 'Bushfire Prone Areas'.

The review reveals that 51% of vacant land holdings are owned by local or state governments. Additionally, a high percentage of state government land holdings are currently not eligible for development until the resolution of the Noongar Land Estate. This means that overall, 36% of vacant government land holdings currently have the ability to be developed, subject to adequate servicing. Only 49% of developable (currently vacant and appropriately zoned) land for housing in the region is owned by the private market. As such, direct government intervention (through the funding and delivery of housing) in the region is likely to have less negative "crowding out" impacts in the market compared to the Perth Metropolitan Region. This mitigates much of the perceived risks to the Government of intervening in the regional market.

Key Worker Housing - Development Potential Assessment

A high-level cursory assessment undertaken to gauge the approximate potential for developing housing within each town is presented in Table 3 below. Table 3 indicates potential dwelling yield of vacant serviced Residential zoned areas of the respective 4WDL towns based on current density. Consideration of potential for additional dwellings sites with existing development, was not included, and therefore the capacity of townsites for development may be greater than indicated in Table 3 below. Please note that bushfire and vegetation assessment, onsite servicing needs, and other site-specific matters may reduce yield, which is discussed in the section titled 'Development Potential Matters'.

Table 3: High-level Estimate of Residential Development Potential in 4WDL Townsites

| Townsite | Serviced Residential zoned sites with potential for single houses | Approximate number of serviced Residential sites with development potential for grouped dwellings | Average number of grouped dwellings per site | Sites with potential for multiple lot subdivision/ dwelling yield subject to servicing (Subdivision sites) | Anticipated lot/dwelling yield on subdivision sites (subject to planning and servicing) |
|--------------|---|---|--|--|---|
| Woodanilling | 5 | 8 | 2 | 0 | 0 |
| Darkan | 24 | 0 | 0 | 1 | 28 |
| Wagin | 30 | 19 | 3 | 8 | 150 |
| Lake Grace | 6 | 1 | 32 | 1 | 38 |
| Williams | 18 | 4 | 2 | 8 | 300 |
| Dumbleyung | 1 | 7 | 3 | 9 | 54 |
| Total | 84 | 39 | 42 | 27 | 570 |

A summary of the development potential assessment reveals the following outcomes:

- 30% of vacant serviced zoned lots (all tenure) may have potential for grouped dwelling development.
- Based on trends observed through the assessment process, the likely yield on standard sites (<1000/1200m²) will be between two and four grouped dwellings. Larger or combined sites may allow six grouped dwellings or more.
- The current potential across all available vacant and adequately serviced land is estimated to provide 123 dwellings (including potential to provide 42 smaller grouped/modular dwellings).
- The fourth and fifth columns indicate residential-zoned parcels at the extent of larger townsites that may require structure planning for subdivision. Development of these sites will be subject to servicing and development and may yield around 500 residential lots/dwellings for the 4WDL subject to investment.

Short List Sites Response to Key Worker Housing Demand

The KWA 2023 analysis across the six 4WDL LGAs estimates that key worker housing demand is 2.5 times greater than current building activity. The 4WDL KWA 2023 estimated that dwelling demand for key workers between 2023- 2031 to be between 160 dwellings (conservative) to a 256 (high estimate), and the total additional dwellings (including aged person accommodation) ranges from 207 – 322 over the same period. On average, this requires between 20 and 30 additional dwellings per annum across the 4WDL region to cater to additional housing demand over the coming decade.

The KWA 2023 identifies that the development of key worker housing currently needs to address the under provision of 70 (conservatively) and 91 (high) key worker dwellings. It is estimated that 26 dwellings are needed to accommodate gaps in the public sector workers' housing market. Each Local Government Area (LGA) has current, short- and longer-term housing needs identified in the 4WDL KWA 2023 summarised below and further detailed in each Townsite's Local Housing Plan section:

- Shire of Dumbleyung requires an additional 28-33 key worker dwellings by 2031 with current under provision of 14 key worker dwellings.
- Lake Grace requires an additional 30-45 key worker dwellings by 2031 with current under provision of 12-15 key worker dwellings.
- West Arthur requires an additional 18-31 key worker dwellings by 2031 with a current under provision of 8 key worker dwellings.
- Wagin requires an additional 42-61 key worker dwellings by 2031 with current under provision of 16-22 key worker dwellings.
- Williams requires an additional 26-48 key worker dwellings by 2031 with a current under provision of 13-18 key worker dwellings.
- Woodanilling requires an additional 16-30 key worker dwellings by 2031 with a current under provision of 7-14 key worker dwellings.

Table 4 below lists eight identified project-ready shortlisted sites selected to provide key worker housing in the 4WDL region. The shortlisted sites provide a maximum of 33 key worker modular dwellings, conservatively addressing approximately 50% of the current key worker housing deficit. The site's location and maximum dwelling yield potential are listed in Table 4 below. Each site is detailed in the discussion by townsite in the relevant sections below.

Table 4: 4WDL Shortlisted Sites for Housing Investment Concepts

| Site # | Local Government | Address | Dwelling yield |
|------------------------|-----------------------|---|---------------------|
| 1 | Shire of Dumbleyung | 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | 6 |
| 2 | Shire of Williams | 25- 29 (Lots 72,73 and 74) Hynes Court, Williams | 4 |
| 3 | Shire of Wagin | 8-10 (Lots 19 and 18) Khedive Street, Wagin | 3 |
| 4 | Shire of Lake Grace | Portion of Lot 500 Wattle Road, Lake Grace | 6 |
| 5 | Shire of West Arthur | Portion of Lot 309 Burrowes (West) Street, Darkan | 4 |
| 6 | Shire of Woodanilling | 13 (Lot 129) Cardigan Street, Woodanilling | 1 + ancillary |
| 7 | Shire of Lake Grace | Portion of Lot 9002 Griffin Road, Lake Grace | 2 |
| 8 | Shire of Wagin | 3 (Lot 19) Omdurman Street, Wagin | 6 |
| Total Dwellings | | | 33 dwellings |

Development Matters

The vacant residential land assessment is based on the development potential possible under the current density, and high level consideration of potential opportunities and constraints. Each town may also have additional development potential when considering other infill (eg. provision of additional dwelling(s) on a site with an existing dwelling) and potential review of underutilised reserved land. These matters should be explored in detail when addressing opportunities for townsite expansion and increasing development capacity under Local Planning Strategies and Local Planning Schemes. 'Addressing Wheatbelt Development Constraints' by Edge Planning, 2023, explores these concepts further.

The following matters are mentioned throughout this report. The matters discussed are manageable in the usual planning and development process and do not represent major constraints for the shortlisted sites. A brief description of each matter below has been included for information purposes and context.

Public Works Exemptions for local governments

A brief outline of the development approval or building licence approval process is set out for each of the eight sites in the 'Housing Investment Concept' Chapter. The statement also includes '(unless defined as a public works)'. This refers to an exemption for development approval afforded by section 6 of the *Planning and Development Act 2005* as it applies to public works by government agencies.

Local governments do not need to obtain approval under planning schemes when undertaking public works, subject to compliance with the local planning scheme, and orderly and proper planning. Public works are listed to include 'public housing and residences or hostels for teachers, students, medical staff'. This is further defined in Schedule 1 of the Public Works Act 1902 – Classes of Public Works as:

'2. (1) Public or community housing and community facilities and amenities, as defined in the Housing Act 1980 section 61(2), that are related or incidental to public or community housing. (2) Housing provided under the Government Employees' Housing Act 1964'

Key worker housing proposals that comply with the Scheme, and definitions set out in *the Planning and Development Act 2005* and *Public Works Act 1902* will not require formal development approval, however will be subject to building licence approvals and associated technical information (ie septic tanks proposals where applicable, BAL assessments etc).

Government Sewerage Policy 2019

The Government sewerage policy establishes the State of Western Australian Government's position on the provision of sewerage services in planning and developing land. It requires reticulated sewerage to be provided for the subdivision and development of land. Where reticulated sewerage cannot be provided, it adopts a best-practice approach to providing on-site sewage treatment and disposal.

Section 5.2.1 of the 'Government Sewerage Policy' stipulates a minimum lot size of 1000m² for unsewered areas. The Government Sewerage Policy mandates the preparation of a 'Site and Soil Evaluation' (SSE) (to assess suitability for onsite effluent disposal) for residential development in areas at a density greater than R10 without sewer services. Clause 5.2.1 may impact the development potential in the unsewered towns of Darkan and Woodanilling where conducting SSE's is encouraged to consider potential for increased densities.

Bushfire Prone Land - State Planning Policy (SPP) 3.7 Planning in Bushfire Prone Areas.

Bushfire prone land is designated by the Fire and Emergency Services (FES) Commissioner as highlighted on the Map of Bush Fire Prone Areas. State Planning Policy 3.7 applies to all land designated as bushfire prone and designates how land use should address bushfire risk management in Western Australia. It acts as a mechanism for initiating further assessment in the planning and building processes. Where a site has been assessed as bushfire prone, the Local government or decision-making authority will apply policy provisions under section 6 of SPP 3.7. It is suggested to contract a Bushfire Planning Practitioner to provide advice and prepare the necessary accompanying information to planning and development application.

The high level desktop assessment of 4WDL vacant land, and subsequent review of the shortlisted sites, identifies sites located in a bushfire prone area. It is important to note that a bushfire designation doesn't prohibit development. A number of sites identified are located on the fringes of the towns and simply reflect vacant residential zoned land with some level of residual uncleared scrub or bush overgrowth.

An assessment of the bushfire attack level (BAL) and associated setbacks to development that may apply have not been detailed at this stage. Further investigation when progressing the development

design and proposal may influence the design, dwelling size and in some cases, the development potential of the sites. The shortlisted site requiring BAL assessments are noted in the report.

Threatened Ecological Communities and Riparian Vegetation

Several vacant residential lots throughout the 4WDL include vegetation. Sites with significant vegetation coverage, and those contiguous with adjacent vegetated lots were not considered for the short listed sites.

The clearing of native vegetation in Western Australia is principally regulated under the *Environmental Protection Act 1986* (EP Act) and its subsidiary legislation. In accordance with the *Environmental Protection Act 1986* (EP Act), a clearing permit is required to authorise any clearing of native vegetation unless an exemption applies. There are two types of exemptions outlined in Schedule 6 of the EP Act (Schedule 6 exemptions) that can be found under the *Environmental Protection (Clearing of Native Vegetation) Regulations 2004* (Clearing Regulations).

Regulation 5 Item 1 of the exemptions allows the owner of a property to clear native vegetation for a building or structure, to the extent necessary for the building or structure, subject to obtaining necessary approvals prior to any clearing occurring. Additionally, the clearing can only be done to the extent necessary for the building or structure itself, and any additional clearing would require a clearing permit or referral unless it meets the requirements of a different exemption. Local governments can refer to the *Department of Water and Environmental Regulation* native vegetation helpline 6364 7098 if requiring information on clearing.

While not applicable to the shortlisted sites, high level assessment revealed the presence of Threatened Ecological Communities (TEC's) in some other locations within the townsites, which are also protected in environmental legislation as 'Environmentally Sensitive Areas' (ESA's).

The exemptions under the Clearing Regulations do not apply in environmentally sensitive areas (ESAs), or Threatened Ecological Communities (TEC's) on any property tenure. Environmentally sensitive areas (ESAs) are classes or areas of native vegetation where the exemptions for clearing vegetation under the *Environmental Protection (Clearing of Native Vegetation) Regulations 2004* (Clearing Regulations) do not apply. The locations of mapped ESAs may be viewed through clearing permit system (and Map Viewer) www.cps.der.wa.gov.au. Threatened ecological communities (TECs) are also protected under Western Australian legislation through the *Environmental Protection Act 1986* and may be considered within an ESA. The *Biodiversity Conservation Act 2016* (BC Act) provides for the statutory listing of TECs by the Minister under the categories critically endangered, endangered or vulnerable. To confirm if the native vegetation is part of a TEC, please search the [Protected Matters Search Tool: Interactive Map \(awe.gov.au\)](http://awe.gov.au).

This advice is provided for future proposals, where development on sites with the presence of ESA's or TEC's should be referred to DWER, EPBC and/or seek an Environmental specialist's advice.

South West Native Title Settlement

The Noongar Land Estate (NLE), a part of the South West Native Title Settlement, and is land that is potentially eligible for inclusion into the Noongar Land Estate. The NLE will be held by the Noongar Boodja Trust (NBT) and is intended to provide significant opportunities for the Noongar community to achieve sustainable economic, social and cultural outcomes. Lands to be allocated include Unallocated Crown Land and some freehold land owned by WA Government agencies (State Government). The process commenced on 12 March 2021 with offers to the Noongar Boodja Trust.

No proposal can proceed on land under consideration for possible inclusion in the Noongar land estate until the allocation has been accepted. State Government owned land under consideration for inclusion in the Noongar Land Estate are included in the overall vacant land assessment and highlighted on the housing plans.

3 Local Housing Plans and Housing Investment Concepts

Local Housing Plans prepared for the Dumbleyung, Williams, Wagin, Lake Grace, Darkan and Woodanilling Townsites are based on the methodology outlined in the 'Purpose and Methodology' section. Each Local Housing Plan indicates the following:

- The extent of developed residential zoned land and vacant residential zoned land (October 2023).
- Power, Water and Sewer infrastructure fronts identified to illustrate available vacant serviced land.
- Vacant state government-owned land under consideration for possible inclusion in the Noongar Land Estate (and therefore, while vacant, is not 'available' for development at this time).
- The location of shortlisted site(s).

The individual 'Local Housing Plans' are described by townsite in the relevant sections below. The descriptions include vacant land statistics and the town's capacity to address each Shire's key worker housing demand.

The shortlisted sites are highlighted on each townsite plan and detailed in Table 5 below. Table 5 summarises the maximum potential dwelling yield and provides high-level service and construction costs for each development site (Chadwick Consulting). The total cost for the provision of the 33 key worker modular homes is estimated to be approximately \$17,500,000, with an average estimated cost for servicing and construction of each dwelling being \$525,971. Site and servicing costs range between \$40K per dwelling for larger developments and upwards of \$50K per dwelling as the development yield reduces. Headworks costs are location specific.

Table 5: Shortlisted Sites to accommodate Housing Investment Concepts

| Site | Address | Average Development Cost per dwelling | Number of Dwellings | Total Cost |
|--------------|---|---------------------------------------|---------------------|----------------------|
| 1 | 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | \$ 534,304 | 6 | \$ 3,205,825 |
| 2 | 25-29 (Lots 72,73 and 74) Hynes Court, Williams | \$ 533,233 | 4 | \$ 2,132,933 |
| 3 | 8-10 (Lots 19 and 18) Khedive Street, Wagin | \$ 532,512 | 3 | \$ 1,597,535 |
| 4 | Portion of Lot 500 Wattle Road, Lake Grace | \$ 533,162 | 6 | \$ 3,198,972 |
| 5 | Portion of Lot 309 Burrowes (West) Street, Darkan | \$ 542,762 | 4 | \$ 2,171,050 |
| 6 | 13 (Lot 129) Cardigan Street, Woodanilling | \$ 474,292 | 2 | \$ 948,585 |
| 7 | Portion of Lot 9002 Griffin Road, Lake Grace | \$ 533,258 | 2 | \$ 1,066,515 |
| 8 | 3 (Lot 19) Omdurman Street Wagin | \$ 524,242 | 6 | \$ 3,145,454 |
| TOTAL | | \$ 525,971 | 33 | \$ 17,466,869 |

Please note the following descriptions, inclusions, and contingencies relative the high-level cost estimates:

- Dwelling construction costs include the pad and house, carport (1 carport for 2-bedroom, 2 carports for 3-bedroom) and driveways.
- Dwellings have been costed to a 'medium' specification, with ample kitchen cabinetry and fit out specifications, medium specification vinyl planking, air-conditioning to living spaces, one ample verandah, upgrades to the facade and external windows, and carports (not garages).
- Dwelling footprints are relatively small to enable modular/flat pack construction methods. See Table 6 below for examples of the dwelling sizes.
- Due to the predominantly level and clear terrain, provision has been made for minor earthworks only. A desktop study only informs this; further investigation is required to confirm earthwork costs. If additional earthwork costs are identified, then Shire works resourcing could be utilised to offset any increased cost.
- A standardised provision is included for onsite drainage. This requirement may differ between sites, but accounting for the relatively small footprints and hard surfaces of the modelled dwellings, it is unlikely these costs will dramatically impact project feasibility.
- Due to these costings' preliminary and indicative nature, a 20% construction contingency is applied.
- An escalation rate of 5.1% to Dec 2024 is included based on Quantity Surveyor advice. While there are signs of market stabilisation in the building sector, any increase in fuel price or disruption to international supply chains could severely impact construction costs and increase this rate, especially in the Wheatbelt. When applying for funding, a generous escalation rate should be applied based on conditions at the time of application and accounting for potential delays in receiving government approvals.
- A 20% Wheatbelt rating is applied to account for the transport costs of labour and materials. Potential cost savings may be achieved if a construction program involving multiple sites is established in collaboration with a builder utilising flat-pack or modular housing products. This method could enable mobilisation and transport costs to be distributed across multiple construction projects and allow for greater certainty of costs due to the ability to purchase a significant portion of the building material up-front.

Table 6: Estimated dwelling size.

| Dwelling footprints (sqm) | 1x1x1 | 2x2x1 | 3x2x2 |
|---------------------------|-----------|------------|------------|
| Dwelling (enclosed area) | 52 | 101 | 126 |
| Verandah | 12 | 12 | 18 |
| Carport | 23 | 23 | 34 |
| Total (sqm) | 87 | 136 | 178 |

Shire of Dumbleyung: Dumbleyung Townsite

Planning and Servicing Context

The Townsite of Dumbleyung is zoned Residential R10/30 under the *Shire of Dumbleyung Local Planning Scheme No.1*, providing a range of housing density options subject to wastewater and water capacity being available. The townsite of Dumbleyung has access to a reticulated sewerage system under the Shire's control and operation. The Shire confirms that the sewer system will have the capacity to service additional development in town subject to the purchase and installation of a wastewater recycling system confirmed for delivery in 2024.

The Water Corporation operates the water scheme in Dumbleyung and provides 188 water services/customers. Dumbleyung is part of the Great Southern Towns Water Supply Scheme (GSTWSS). Dumbleyung townsite receives water from the Wickopin Tank. East Dumbleyung's elevated tank provides the town's water storage. The water reticulation mains serving customers in the townsite area are 100mm in diameter. Mains of this size are typically adequate to provide normal services to low-density residential developments. Any significant development in the town will require further investigation to determine the impact on the scheme.

Dumbleyung Vacant Land Assessment and Key Worker Housing demand

The KWA 2023 reports that the Shire of Dumbleyung population has seen a small increase in population (76 people) in the last ten years and is forecast (WA Tomorrow) to remain relatively stable with a slight decline of around 58 people over the next decade. The KWA 2023 analysis also reports that key worker housing demand for the Shire of Dumbleyung ranges from 28 (low estimate) to 33 (high estimate) additional dwellings by 2031. The lack of available key worker housing is seen as a significant constraint to the growth of the town and surrounding areas.

The KWA demand analysis indicates a current key worker housing supply shortage of 14-15 dwellings, with an additional 9-13 dwellings required in the next five years to address the short-term key worker accommodation needs in the Shire Dumbleyung.

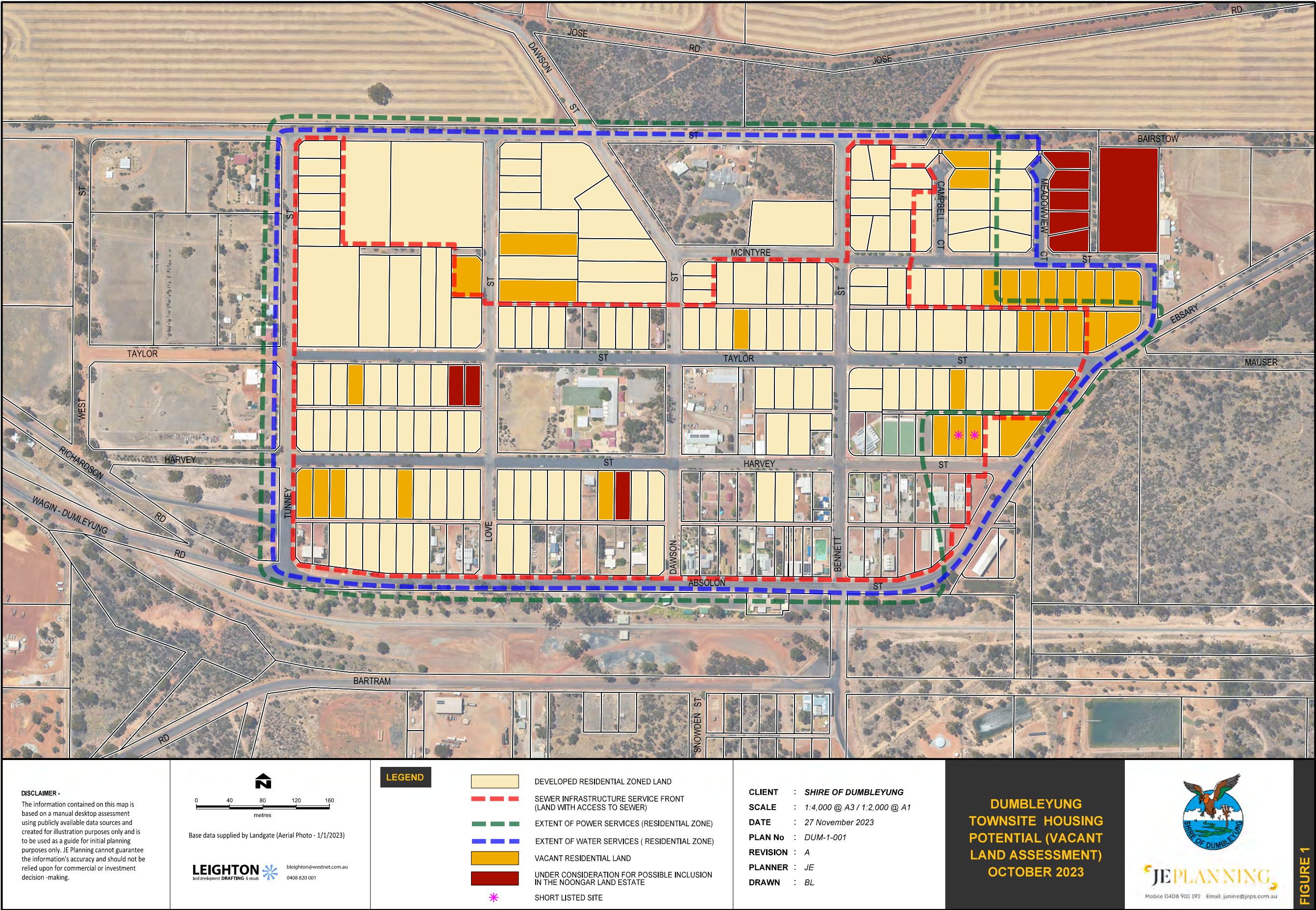
A vacant land assessment has been undertaken for the 4WDL in 2023, revealing the extent of suitably serviced, vacant 'Residential' zoned land available for developing key worker housing products. The findings of the vacant land assessment are in *Table 2: Estimated 4WDL Vacant Residential Zoned Land by Townsite*, and the capacity for the town to accommodate the demand is described in *Table 3: High-level Estimate of Residential Development Potential in 4WDL Townsites*. A Local Housing Plan titled "Dumbleyung Townsite Housing Potential" reveals the location of vacant 'Residential' zoned land.

Recommendation

The townsite of Dumbleyung needs to provide available land for up to 23-28 key worker dwellings to cater to immediate and short-term demand for key worker housing. In summary of the vacant land

assessment, the Dumbleyung townsite has approximately 43 vacant residential lots, of which eight have access to all services. Seven serviced sites have development potential for an average of four grouped dwellings. The Shire of Dumbleyung owns five serviced residential zoned lots, potentially yielding a maximum of 20 grouped dwellings.

Based on these figures, it is possible to cater for the Shire of Dumbleyung immediate and short-term key worker housing needs on serviced sites within the Dumbleyung Townsite. Achieving development potential will require support by the planned upgrade of the town's wastewater recycling system which will be delivered during 2024. In addition, nine partially and unserviced 'Residential sites' can potentially cater to long-term key worker housing demand. *The Shire of Dumbleyung Local Planning Scheme No.1* provides scope within its current zoning to achieve higher densities subject to increasing servicing capacity.



Housing Investment Concept Site #1 (8-10 (Lot 6 and 7) Harvey Street, Dumbleyung)

The Shire of Dumbleyung preferred shortlisted site (the site) for consideration of a 4WDL Housing Investment Concept is local government-owned land located at 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung (see Figure 1: Location Plan). The site is zoned Residential R10/30 under the Shire of Dumbleyung Local Planning Scheme (See Figure 2: Shire of Dumbleyung Local Planning Scheme No.1 Extract) with a combined lot area of 2024m² (See Table 7: Site#1 Details) and has the potential to yield six grouped dwellings.

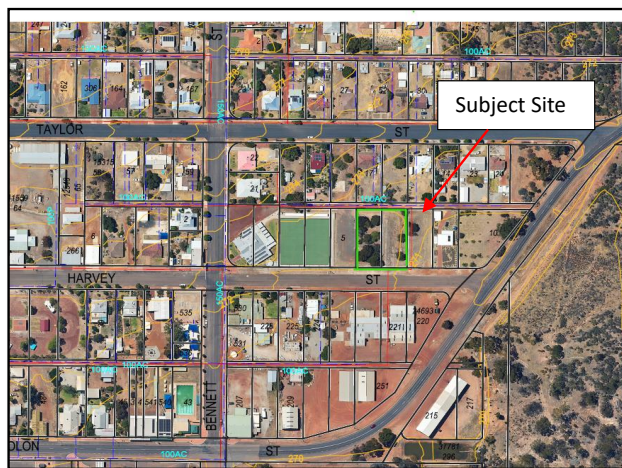


Figure 1: Location Plan

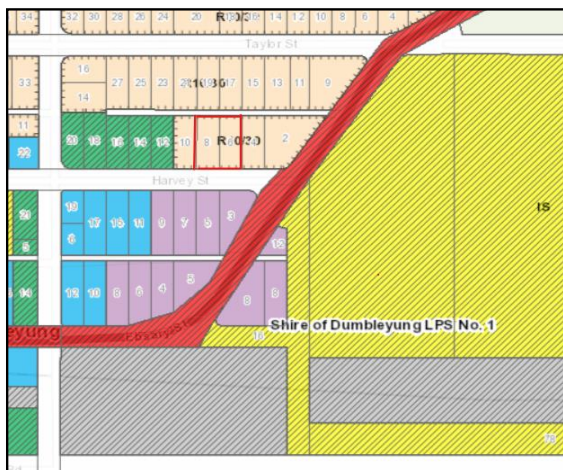


Figure 2: LPS Extract

Table 7: Site #1 Details

| Street # | Lot # | Road | Tenure | Zoning | Area m ² | Water | Sewer | Power | Planning Considerations (Opps and Cons) | Bushfire Prone | Dwelling Yield |
|----------|-------|---------------|--------|--------|---------------------|-------|-------|---------------------------------------|--|--------------------------------|----------------|
| 10 | 6 | Harvey Street | LG | R10/30 | 1012 | ✓ | ✓ | low voltage power lines over the road | Party vegetated; clearing required. Western power extension and capacity to be addressed. Potential grouped site combined with Lot 6 and 7. Lot 8 is not available to form part of the grouped dwelling site. | Yes (south west corner) | 3 |
| 8 | 7 | Harvey Street | LG | R10/30 | 1012 | ✓ | ✓ | low voltage power lines over the road | Cleared land, sparse vegetation. Western power capacity, extension and capacity to be addressed. Potential grouped dwellings site combined with Lot 6. Lot 8 is not available to form part of the grouped dwelling site. | Yes (south west corner of lot) | 3 |

*LG= local government

The desktop site assessment reveals the following about Site #1:

- Sewer is available. The Shire confirms that it will have the capacity to service increased density in town, subject to the purchase and installation of a wastewater recycling system (which is the subject of a current project scoping and delivery plan confirmed for delivery during the 2024/2025 Financial year).
- Reticulated water supply runs along the northern boundary of the subject site within the adjacent right-of-way.
- The site is included in a Bushfire Prone Area.
- A small extension to the power line is required to service the development (~40 m).

The housing investment concept dwelling yield and costings are based on a preliminary desktop analysis. Confirmation of development will be subject to the preparation and approval of an amalgamation application to DPLH, a development application and site plan (unless defined as public works), and a building licence which will include the following considerations:

- Certificate of Title encumbrances (if applicable)
- Site Survey
- Vegetation clearing
- BAL assessment

The estimated servicing and development costs in Table 8 below relate to the development of six modular grouped dwellings comprising two three-bedroom, two-bathroom, and four two-bedroom/two-bathroom dwellings at Site #1.

Table 8: Estimated Servicing and Development Costs

| 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | Costs |
|---|-------------------------------|
| Headworks | \$ 68,985 |
| Site works and servicing | \$ 240,000 |
| Construction | \$ 1,836,000 |
| <i>Four 2-bed, 2-bath</i> | <i>\$291,000 per dwelling</i> |
| <i>Two 3-bed, 2-bath</i> | <i>\$336,000 per dwelling</i> |
| Wheatbelt weighting | 20% |
| Escalation to Dec 2024 | 5.1% |
| Construction contingency | 20% |
| Design and professional fees contingency | 5% |
| TOTAL | \$ 3,205,825 |
| <i>Per dwelling</i> | <i>\$ 534,304</i> |

Shire of Williams: Williams Townsite

Planning and Servicing Context

The desktop assessment reveals residential densities ranging from R2.5 and R5 up to R30 in the Townsite of Williams under the *Shire of Williams Local Planning Scheme No.2*. The most common density in town is R20, with large tracts of undeveloped R12.5 land on the periphery of the townsite. The developed R20 area within the townsite indicates a trend of battle-axe subdivisions occurring to maximise infill development.

The Water Corporation operates both water and wastewater schemes in Williams. Williams Townsite currently has around 206 properties connected to the sewerage network and 307 properties connected to the water network. While there may be some capacity to accept additional sewerage connections onto the existing network, Williams's primary and most significant limiting factor is the treated wastewater storage and reuse capacity of the Wastewater Treatment Plant (WWTP). In wet years/events and when the Shire's reuse Public Open Space irrigation system is not operating (in winter), the storage capacity at the WWTP is inadequate, leading to WWTP overflows. Any significant addition to service numbers (sewer connections and hence flow) in Williams will require the Water Corporation to undertake detailed engineering investigations and to construct additional Treated Waste Water (TWW) storage. These capital works are currently not funded.

Customers in Williams are supplied with drinking water off the Water Corporation's Great Southern Towns Water Supply Scheme (GSTWSS). The main source of water is Harris Dam near Collie. Bulk water is pumped via the GSTWSS trunk main that heads eastwards from Collie and runs through Williams and other towns. Several balancing storage tanks and additional pump stations are along the trunk main. Various branch mains supply towns to the north and south.

Most towns on the GSTWSS have water storage tanks to provide reserve storage and further chlorination at the tank outlet into the towns' water network. Williams does not have a local tank. Supply is directly via an offtake valve on the trunk main directly into the town's mains network.

The water reticulation mains serving customers in the townsite area are 100mm in diameter. Mains of this size are typically adequate to provide normal services to low-density residential developments.

Williams Vacant Land Assessment and Key Worker Housing demand

The KWA 2023 reports that the Shire of Williams population has seen a small increase in population (107 people) in the last ten years and is forecasted (WA Tomorrow) to remain relatively stable, with a slight decline of around 83 people over the next decade. The KWA 2023 analysis reports that key worker housing demand for the Shire of Williams ranges from 26 (low estimate) to 48 (high estimate) additional dwellings by 2031.

The KWA demand analysis indicates a current key worker housing supply shortage of 13-18 dwellings, with an additional 5-17 dwellings required in the next five years to address the short-term

key worker accommodation needs in the Shire Williams. On this basis, it is noted that the townsite of Williams needs to provide between 18-35 key worker dwellings to cater for immediate and short-term demand.

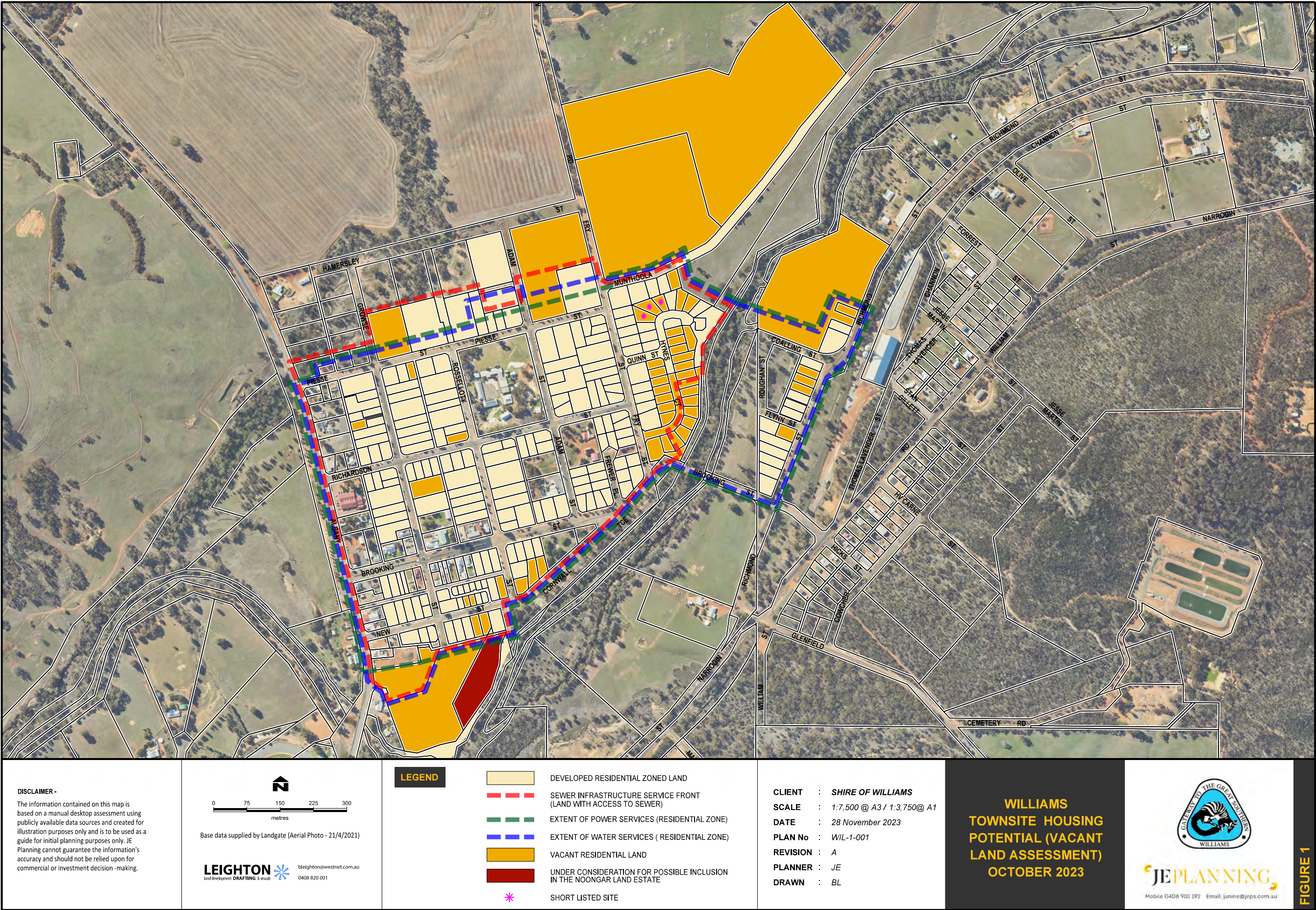
A vacant land assessment has been undertaken for the 4WDL in 2023, revealing the extent of suitably serviced, vacant 'Residential' zoned land available for developing key worker housing products. The findings of the vacant land assessment are in *Table 2: Estimated 4WDL Vacant Residential Zoned Land by Townsite*, and the capacity for the town to accommodate the demand is described in *Table 3: High-level Estimate of Residential Development Potential in 4WDL Townsites*. A Local Housing Plan titled 'Williams Townsite Housing Potential' reveals the location of vacant 'Residential' zoned land.

In summary of this information, the Williams townsite has approximately 35 vacant residential lots, of which 22 have access to all services. One vacant site is considered for inclusion in the Noongar Land Estate. Therefore, 21 serviced sites have development potential for an average of two grouped dwellings. The Shire of Williams owns three serviced residential lots, potentially yielding a maximum of six grouped dwellings. These figures reveal that the Williams townsite does not currently have the capacity to cater to the Shire's immediate and short-term key worker housing needs.

Recommendation

It is recommended that the Shire of Williams earmark sites to accommodate 18 key worker dwellings immediately to address the under provision of key worker housing. Additional sites to accommodate up to 17 key worker dwellings in the short term (2026) will also need to be identified. The following suggestions may support the release of land and increase the capacity for the provision of key worker housing in the Williams townsite:

- Seek access to state government-owned land (11 sites) that may yield approximately 22 grouped dwellings to address the immediate key worker housing need.
- There are approximately 18 vacant sites in town which may accommodate single houses. The possibility of recoding areas in town should be investigated to increase the density and development potential for grouped dwellings.
- While there are limited existing residential sites in the townsite of Williams for the development of grouped dwellings, larger residential zoned sites on the periphery provide an opportunity to address key worker housing needs and have the capacity to service the town's housing needs in the long term. These sites will require significant extension of services and planning processes (structure planning and subdivision) to achieve additional land release.
- Significant upgrades to the townsite wastewater system will be necessary to cater for the extension of servicing to support increased development in existing R12.5 zoned areas on the periphery of the townsite and support any proposals for increasing densities within the town.



Housing Investment Concept Site #2 (5- 29 (Lots 72,73 and 74) Hynes Court, Williams)

The Shire of Williams preferred shortlisted site (the site) for consideration of a 4WDL Housing Investment concept is state government owned land located 25- 29 (Lots 72,73 and 74) Hynes Court, Williams (see Figure 3: Location Plan). The site is zoned Residential R12.5 under the Shire of Williams Local Planning Scheme No.2 (See Figure 4: Shire of Williams Local Planning Scheme (LPS) Extract) with a combined lot area of 3447m² (See Table 9: Site#2 Details) and has the potential to yield four grouped dwellings.

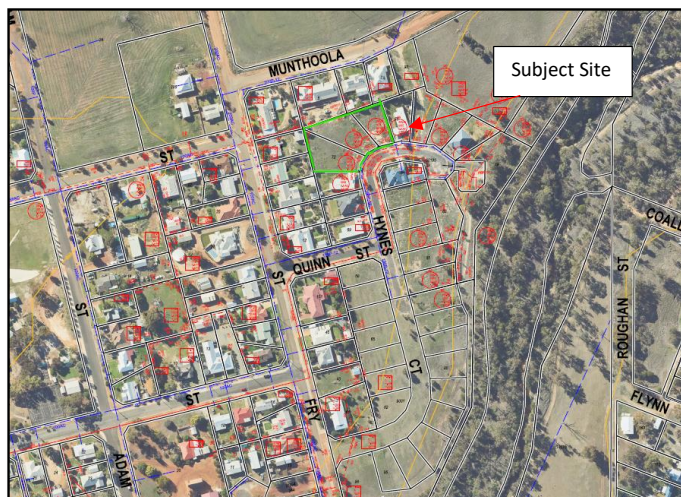


Figure 3: Location Plan

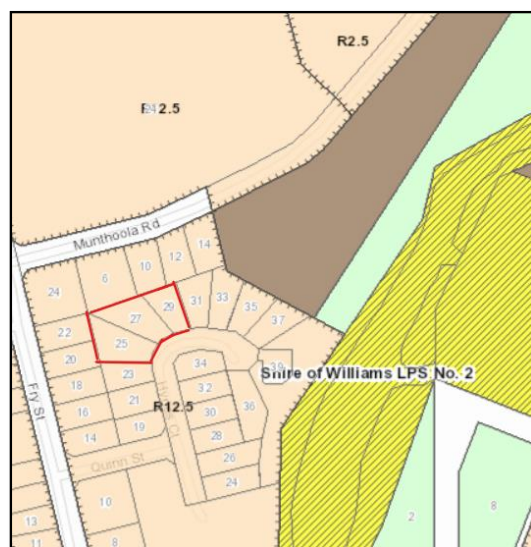


Figure 4: LPS Extract

Table 9: Site #2 Details

| Street # | Lot # | Road Name | Tenure | Zoning | Area m ² | Water | Sewer | Power | Planning Considerations | Bushfire Prone | Dwelling Yield |
|----------|-------|-------------|--------|--------|---------------------|-------|-------|-------|---|----------------|----------------|
| 25 | 72 | Hynes Court | SG | R12.5 | 1303 | ✓ | ✓ | ✓ | New Subdivision. Requires amalgamation with adjacent lots to achieve greater yield. Advantage that land is prepared and serviced. | no | 1 |
| 27 | 73 | Hynes Court | SG | R12.5 | 1275 | ✓ | ✓ | ✓ | | no | 1 |
| 29 | 74 | Hynes Court | SG | R12.5 | 869 | ✓ | ✓ | ✓ | | yes | 1 |

*SG= state government

The desktop site assessment reveals the following about Site #2:

- Sewer is available, and the development can be serviced. Water Corporation advises that the town's wastewater system is near capacity. However, the subdivision is approved and assumes capacity exists for the proposal.
- Water and Power services are available.
- Limited headworks are required.

The housing investment concept costings are based on preliminary desktop analysis. Confirmation of development will be subject to the preparation and approval of an amalgamation of the three lots via application to DPLH, a development application and site plan (unless defined as public works), and a building licence which will need to include the following considerations:

- Certificate of Title encumbrances (if applicable)
- Site Survey
- BAL assessment for Lot 74 Hynes Road. Although part of this site sits in a bushfire-prone area, it is assumed that this could be mitigated without major expense due to the large lot size and low expected yield.

The estimated servicing and development costs provided in Table 10 below relate to the development of four modular grouped dwellings comprising of one, two-bedroom two-bathroom dwelling, and two, two-bedroom/two-bathroom dwellings at Site #2.

Table 10: Estimated Servicing and Development Costs

| 25-29 (Lots 72,73 and 74) Hynes Court, Williams | Costs |
|---|------------------------|
| Headworks | \$ 60,003 |
| Site works and servicing | \$ 160,000 |
| Construction | \$ 1,209,000 |
| Three 2-bed, 2-bath | \$291,000 per dwelling |
| One 3-bed, 2-bath | \$336,000 per dwelling |
| Wheatbelt weighting | 20% |
| Escalation to Dec 2024 | 5.1% |
| Construction contingency | 20% |
| Design and professional fees contingency | 5% |
| TOTAL | \$ 2,132,933 |
| Per dwelling | \$ 533,233 |

Shire of Wagin: Wagin Townsite

Planning and Servicing Context

The desktop site assessment revealed that Wagin Townsite is characterised by Residential R17.5 density with pockets of R30 in the established area of town under the *Shire of Wagin Local Planning Scheme No.2*. The range of densities has resulted in various lot sizes and forms of development through town. Large undeveloped landholdings zoned Residential with an allocated density of R17.5 are located on the northeast of the townsite.

The Water Corporation operates both water and wastewater schemes in Wagin. Wagin townsite currently has around 600 properties connected to the sewerage network, and around 880 properties connected to the water network. While there may be some capacity to accept additional sewerage connections onto the existing network, the primary and most significant limiting factor in Wagin is the capacity of the WWTP, more specifically disposal of excess treated wastewater back into the environment. The treatment plant operates within but is close to its maximum hydraulic capacity.

Any significant addition to service numbers (sewer connections and hence flow) in Wagin may require the Water Corporation to undertake further engineering investigations and capital expenditure to resolve the WWTP capacity constraints.

Customers in Wagin are supplied with drinking water from the Water Corporation's Great Southern Towns Water Supply Scheme (GSTWSS). Wagin supplies bulk water via the 'NK' (Narrogin to Katanning) farmlands extension distribution main. Wagin is served from the Wardelocking Reservoir, about 5km northwest of the townsite. The water reticulation mains serving customers in the townsite area are 100mm in diameter. Mains of this size are typically adequate to provide normal services to low-density residential developments.

Wagin Vacant Land Assessment and Key Worker Housing demand

The KWA 2023 reports that the Shire of Wagin's population has seen a small decline in population (85 people) in the last ten years and is forecast (WA Tomorrow) to remain relatively stable with a slight decline of around 83 people over the next decade. The KWA 2023 analysis reports that key worker housing demand for the Shire of Wagin ranges from 42 (low estimate) to 61 (high estimate) additional dwellings by 2031.

The KWA demand analysis indicates a current key worker housing supply shortage of 16-22 dwellings, with an additional 16-29 dwellings required to address the short-term (2026) key worker accommodation needs in the Shire Wagin. On this basis, it is noted that the townsite of Wagin needs to provide between 32 and 51 key worker dwellings to cater to immediate and short-term demand.

A vacant land assessment has been undertaken for the 4WDL in 2023, revealing the extent of suitably serviced, vacant 'Residential' zoned land available for developing key worker housing products. The findings of the vacant land assessment are in *Table 2: Estimated 4WDL Vacant Residential Zoned Land by Townsite*, and the capacity for the town to accommodate the demand is described in *Table 3: High-level Estimate of Residential Development Potential in 4WDL Townsites*. A

Local Housing Plan titled 'Wagin Townsite Housing Potential' reveals the location of vacant 'Residential' zoned land is included below.

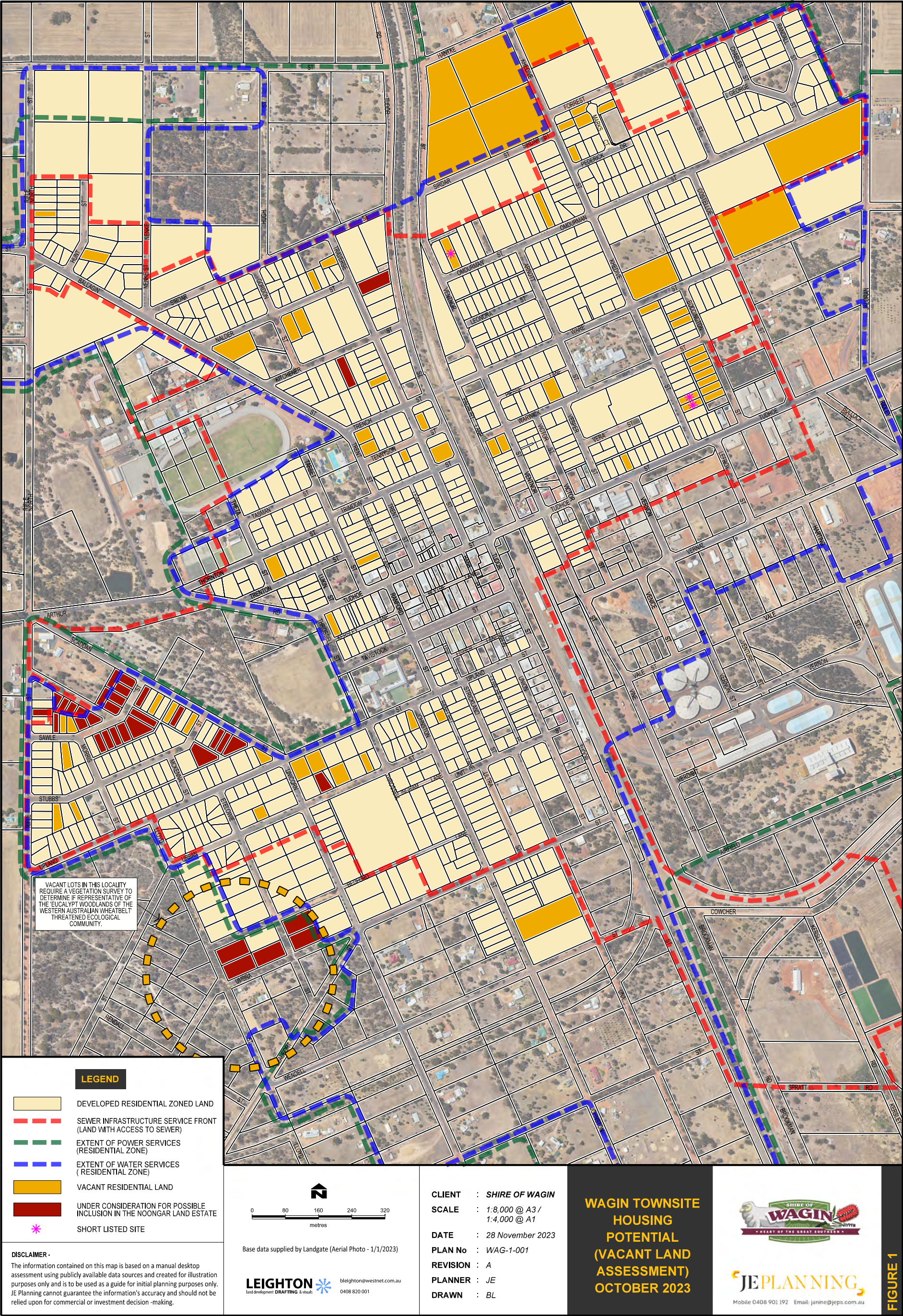
In summary of this information, the Wagin townsite has approximately 109 vacant residential lots, of which 49 lots have access to all services. Approximately 34 vacant sites are considered for inclusion in the Noongar Land Estate, and 22 of these sites are located within serviced areas of town reducing the currently available serviced land to 27 lots. The Shire of Wagin owns 15 residential lots across various densities in town, and further investigation is required to understand cumulative dwelling potential (subject to servicing), which will range from single dwelling potential to three or more grouped dwellings.

These figures indicate that the Shire of Wagin could potentially cater to the immediate key worker housing needs (22 dwellings) on local government-owned land within the Wagin Townsite. The review reveals that Wagin has a mix of vacant residential land in local government, state government and private ownership available to support key worker housing needs in the immediate and short term subject to extension of services and addressing site constraints. Based on the extent of available land, and measurable demand for key worker housing the Wagin townsite was selected to provide two short listed sites for preparation of Housing Investment Concept.

Recommendation

It is recommended that the Shire of Wagin earmark sites to accommodate 22 key worker dwellings immediately to address the under provision of key worker housing. Additional sites to accommodate up to 29 key worker dwellings in the short term (2026) will also need to be identified. The following suggestions may support the release of land and increase the capacity for the provision of key worker housing in the Wagin townsite:

- Accessing State government-owned land may yield additional grouped dwellings to address short-term key worker housing demand, however many sites are currently under consideration for the Noongar land estate. The state government owned land located southeast of town is constrained by the presence of vegetation which may require assessment to determine if land is representative of the 'Threatened Ecological Community of Eucalypt Woodlands of the Western Australian Wheatbelt' and are also nominated in a bushfire prone area.
- Investigate the possibility of recoding areas in town from R17.5 to R30 to increase development potential.
- Larger residential zoned sites coded R17.5 located in the northeast of town provide an opportunity to address key worker housing needs and have capacity to service the towns housing needs in the long term. The availability of these sites requires servicing and planning processes of structure planning and subdivision. If servicing can be addressed, the Shire may potentially look to increasing densities in these areas.
- Upgrades to the wastewater system will be necessary to cater for the extension of servicing to support increased development in existing R17.5 and R30 zoned areas town, and support proposals for increasing densities.



Housing Investment Concept Site #3 (10 (Lots 19 and 18) Khedive Street, Wagin)

The Shire of Wagin first preferred shortlisted site (the site) for consideration of a 4WDL Housing Investment Concept is state government-owned land located at 10 (Lots 19 and 18) Khedive Street, Wagin (see Figure 5: Location Plan). The site is zoned Residential R17.5 under the Shire of Wagin Local Planning Scheme No.2 (See Figure 6: Shire of Wagin Local Planning Scheme (LPS) Extract) with a combined lot area of 2024m² (See Table 11: Site#3 Details) and has the potential to yield three grouped dwellings.

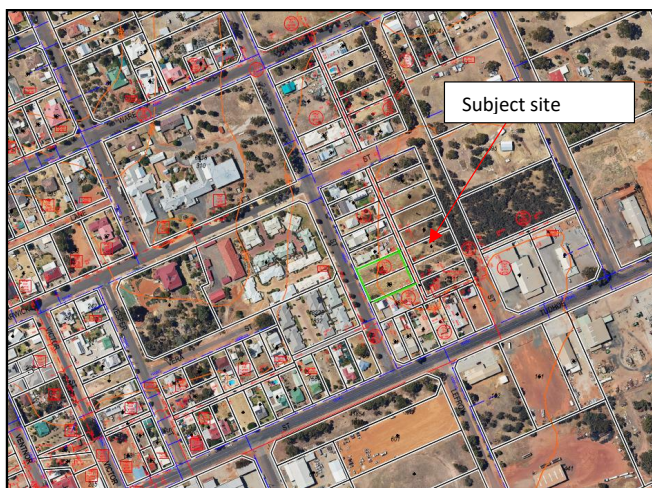


Figure 5: Location Plan

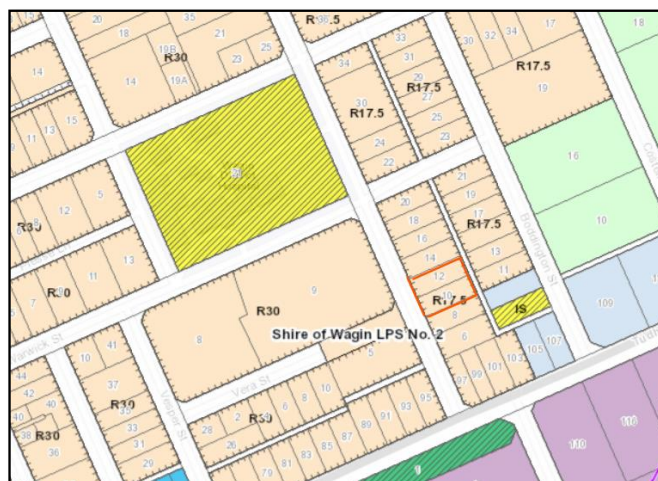


Figure 6: LPS Extract

Table 11: Site#3 Details

| Street # | Lot # | Road Name | Tenure | Zoning | Area m ² | Water | Sewer | Power | Planning Considerations | Bushfire Prone | Dwelling Yield |
|----------|------------------|----------------|--------|--------|---------------------|-------|-------|-------|--|----------------|----------------|
| 10 | Lot 18 Plan 2807 | Khedive Street | LG | R17.5 | 1012 | ✓ | ✓ | ✓ | Cleared land. Combined with adjacent Lot 19 Khedive, provides the opportunity for 3 grouped dwelling site. Potential constraints with vegetation | yes | 1 |
| 8 | Lot 19 Plan 2807 | Khedive Street | LG | R17.5 | 1012 | ✓ | ✓ | ✓ | Low side of road, requires some fill. Fully serviced. Potential for 3 grouped dwellings if amalgamated with Lot 18. | yes | 1 |

**LG=local government

The desktop site assessment reveals the following about Site #3:

- Sewer, Water and Power services are available.
- Vegetation clearing will be required.
- Lot 19 may require earthworks to provide fill.
- Identified as bushfire prone which affects projected development costs.
- Limited headworks required.

The housing investment concept costings are based on preliminary desktop analysis. Confirmation of development will be subject to the preparation and approval of an amalgamation application to DPLH, a development application and site plan (unless defined as public works), and building licences which will need to include the following considerations:

- Certificate of Title encumbrances (if applicable)
- Site Survey
- BAL assessment

The estimated servicing and development costs provided in Table 12 below relate to the development of three modular grouped dwellings comprising two-bedroom/two-bathroom dwellings at Site #3.

Table 12: Estimated Servicing and Development Costs

| 8-10 (Lots 19 and 18) Khedive Street, Wagin | Costs |
|--|------------------------|
| Headworks | \$ 34,002 |
| Site works and servicing | \$ 140,000 |
| Construction | \$ 873,000 |
| Three 2-bed, 2-bath | \$291,000 per dwelling |
| Wheatbelt weighting | 20% |
| Escalation to Dec 2024 | 5.1% |
| Construction contingency | 20% |
| Design and professional fees contingency | 5% |
| TOTAL | \$ 1,597,535 |
| <i>Per dwelling</i> | <i>\$ 532,512</i> |

Housing Investment Concept Site #8 (3 (Lot 19) Omdurman Street, Wagin)

The Shire of Wagin second preferred shortlisted site (the site) for consideration of a 4WDL Housing Investment Concept local government-owned land located at 3 (Lot 19) Omdurman Street, Wagin (see Figure 7: Location Plan). The site is zoned Residential R30 under the Shire of Wagin Local Planning Scheme No.2 (See Figure 7: Shire of Wagin Local Planning Scheme No.2 (LPS) Extract) with a lot area of 1968m² (See Table 13: Site #8 Details) and has the potential to yield six grouped dwellings.



Figure 7: Location Plan



Figure 8: LPS Extract

Table 13: Site #8 Details

| Street # | Lot # | Road Name | Tenure | Zoning | Area m ² | Water | Sewer | Power | Planning Considerations | Bushfire Prone | Dwelling Yield |
|----------|-------|-----------------|------------------|--------|---------------------|-------|-------|-------|---|----------------|----------------|
| 3 | 19 | Omdurman Street | Local Government | R30 | 1968 | ✓ | ✓ | ✓ | The site is partially cleared. The northern boundary is adjacent to an unconstructed road. The site has access to all services. | yes | 6 |

The desktop site assessment reveals the following about Site #8 :

- Sewer, Water and Power services are available.
- Vegetation clearing will be required.
- Identified as bushfire prone.

The housing investment concept costings are based on preliminary desktop analysis. Confirmation of development will be subject to the preparation and approval of a development application and site plan (unless defined as public works), and a building licence which will need to include the following considerations:

- Certificate of Title encumbrances (if applicable)
- Site Survey
- Vegetation clearing
- BAL assessment

The estimated servicing and development costs provided in Table 14 below relate to developing six modular grouped dwellings comprising six two-bedroom/two-bathroom dwellings at Site #8. All services are readily available, reducing the overall cost. To account for setbacks due to the skinny lot configuration and being bushfire prone, six 2-bedroom dwellings have been suggested rather than anything larger. This is a slight cost increase due to being in a bushfire-prone area and the need for long communal driveway and internal servicing.

Table 14: Estimated Servicing and Development Costs

| 3 (Lot 19) Omdurman, Wagin | Costs |
|--|-------------------------------|
| Headworks | \$ 41,405 |
| Site works and servicing | \$ 270,000 |
| Construction | \$ 1,746,000 |
| <i>Six 2-bed, 2-bath</i> | <i>\$291,000 per dwelling</i> |
| Wheatbelt weighting | 20% |
| Escalation to Dec 2024 | 5% |
| Construction contingency | 20% |
| Design and professional fees contingency | 5% |
| TOTAL | \$ 3,145,454 |
| <i>Per dwelling</i> | <i>\$ 524,242</i> |

Shire of Lake Grace: Lake Grace Townsite

Planning and Servicing Context

The townsite of Lake Grace is predominantly characterised by R20 density with a small pocket of R30 density under the *Shire of Lake Grace Local Planning Scheme No 4*. The townsite is largely developed, with an R20 land release currently (2023/2024) occurring to the east of town. An existing site zoned 'Special Use' is vacant (2023) and being considered by the Shire of Lake Grace for rezoning to 'Residential R30' to facilitate development of key worker housing.

The Shire of Lake Grace own and manage the wastewater scheme for the townsite. The wastewater treatment plant (WWTP) is made up of 4 wet wells with two submersible pumps. Currently the main pump station runs for 5.85 hours a day (across the two pumps) which indicates that there is spare capacity for additional development. The Shire of Lake Grace WWTP processes around 42 ML per year. At times when the treatment ponds are at risk of overflowing, the Shire operate a wastewater reuse scheme for open space irrigation.

The Water Corporation operates the water network in Lake Grace. Lake Grace is supplied with water off the Water Corporation's Great Southern Towns Water Supply Scheme (GSTWSS) via the 'WS' extension farmlands distribution main. Lake Grace townsite currently has around 377 properties connected to the water network. Lake Grace has a storage tanks supplying a high pressure area (under gravity) and a separate tank for a low pressure area (service via a booster pump station). Any significant development in the town will require further investigation to determine the impact on the scheme. The water reticulation mains that serve customers in the townsite area are predominantly 100mm diameter. Mains of this size are typically adequate to provide normal services to low density residential developments.

Lake Grace Vacant Land Assessment and Key Worker Housing demand

The KWA 2023 reports that the Shire of Lake Grace population has seen a small decline in population (85 people) in the last ten years and is forecast (WA Tomorrow) to remain relatively stable with a slight decline of around 134 people over the next decade. Conversely, the townsite of Lake Grace has seen a slight increase in population. The KWA 2023 analysis reports that key worker housing demand for the Shire of Lake Grace ranges from 30 (low estimate) to 45 (high estimate) additional dwellings by 2031.

The KWA demand analysis indicates a current key worker housing supply shortage of between 12-15 dwellings, with an additional 18-23 dwellings required to address the short-term key worker accommodation (2026) needs in the Shire Lake Grace. On this basis, it is noted that the townsite of Lake Grace needs to provide between 30-38 key worker dwellings to cater for immediate and short-term demand.

A vacant land assessment has been undertaken for the 4WDL in 2023, revealing the extent of suitably serviced, vacant 'Residential' zoned land available for developing key worker housing products. The findings of the vacant land assessment are in *Table 2: Estimated 4WDL Vacant*

Residential Zoned Land by Townsite, and the capacity for the town to accommodate the demand is described in *Table 3: High-level Estimate of Residential Development Potential in 4WDL Townsites*. A Local Housing Plan titled 'Lake Grace Townsite Housing Potential' reveals the location of vacant 'Residential' zoned land is included below.

In summary of this information, the Lake Grace townsite has approximately 15 vacant residential lots, of which 7 lots have access to all services. Approximately 8 vacant sites are considered for inclusion in the Noongar Land Estate, meaning the townsite has access to 7 vacant residential lots. The Shire of Lake Grace owns 2 vacant serviced residential lots in town, with the potential for single dwellings. The Shire owns a large undeveloped Residential zoned portion of land with a density of R20 located on the east side of town at Lot 9002 Griffin Street, Lake Grace. Lot 9002 Griffin Street has an approved structure plan to accommodate 47 lots (predominantly single dwellings with a grouped dwelling site and associated public open space). The structure plan is valid until 2025, and the subdivision has not yet progressed (2023).

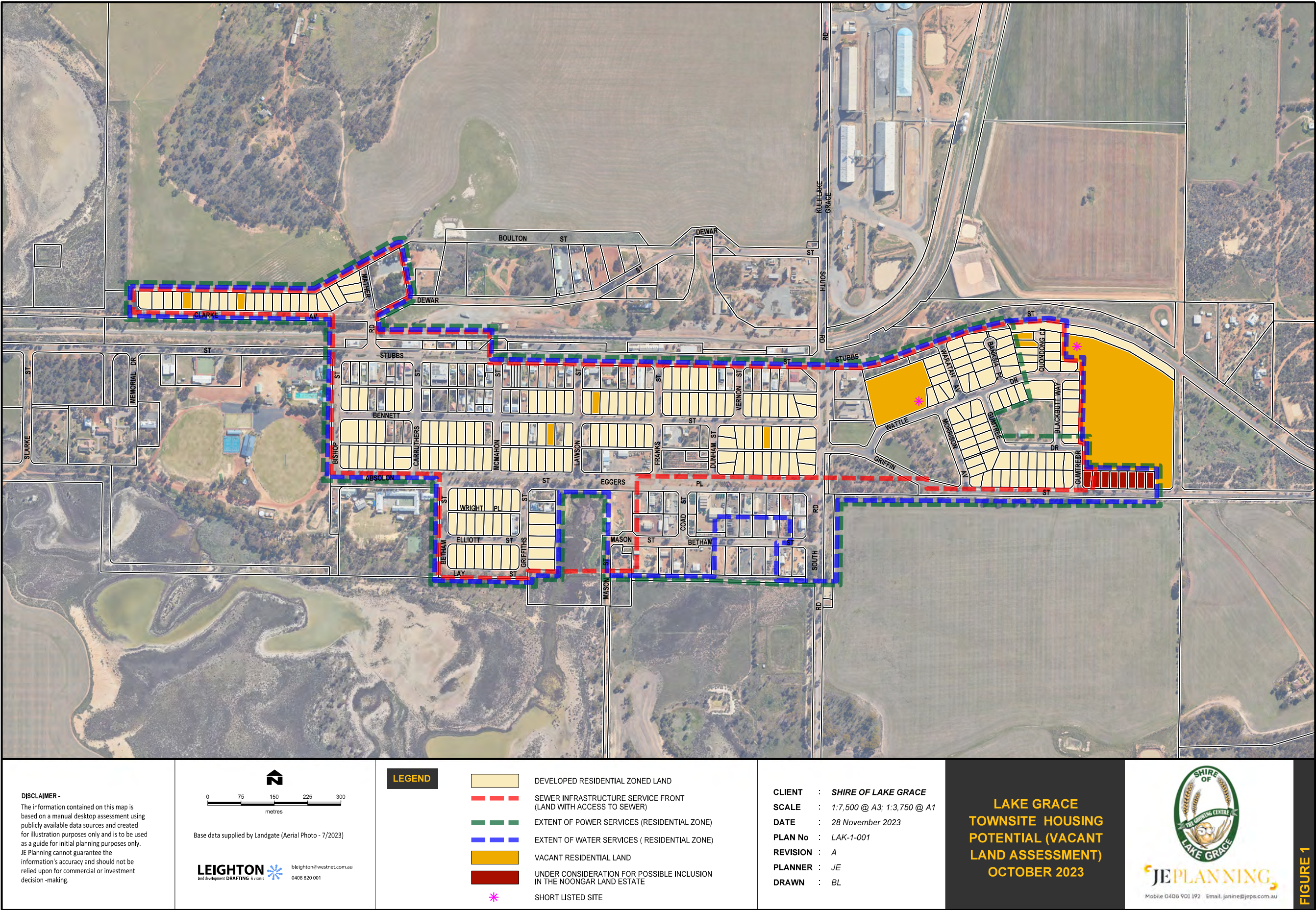
The Shire also owns the 'Special Use' site described above (which is subject to rezoning to 'Residential R30'), that may potentially cater for immediate key worker housing needs (See Housing Investment Concept: Site #4 for further details). The Housing Plan below indicates this site as 'vacant residential land' based on the intention to rezone the site.

The review reveals that Lake Grace townsite has limited vacant land currently available to support key worker housing needs in the medium and longer term. Based on the lack of available land and the requirement to maximise development on existing local government-owned land, Lake Grace townsite was selected to provide two shortlisted sites for consideration of the 'Housing Development Concepts'.

Recommendation

It is recommended that the Shire of Lake Grace earmark sites to accommodate 15 key worker dwellings immediately to address the under provision of key worker housing. Additional sites to accommodate up to 23 key worker dwellings in the short term (2026) will also need to be identified. The following suggestions may support the release of land and increase the capacity for the provision of key worker housing in the Lake Grace townsite:

- Progress rezoning of Lot 500 Wattle Road, Lake Grace, from 'Special Use' to 'Residential R30'.
- Progress subdivision of Lot 9002 Griffin Street, possibly increasing the density in later stages to facilitate a higher dwelling yield.
- Accessing State government-owned land may yield additional sites for key worker housing, and address short-term key worker housing need. However, the state government-owned sites are currently constrained for development. A number of these sites are considered for possible inclusion in the Noongar Land Estate, located in bushfire prone areas, and require further investigation into the vegetation status and suitability for clearing.
- Review of the Local Planning Strategy and Local Planning Scheme to address town site expansion to accommodate long term housing needs.



Housing Investment Concept Site #4 (Portion of Lot 500 Wattle Road, Lake Grace)

The Shire of Lake Grace first preferred shortlisted site (the site) for consideration of a 4WDL Housing Investment concept is local government owned land located at Portion of Lot 500 Wattle Road, Lake Grace (see Figure 9: Location Plan). The site is zoned 'SU12 Roadhouse, Motel, Aged Persons Accommodation' under the Shire of Lake Grace Local Planning Scheme No.4 (See Figure 10: Shire of Lake Grace Local Planning Scheme No.4 (LPS) Extract) with an area of 14,573m². (See Table 15: Site #4 Details). The portion of the site for consideration of development of six grouped dwellings is approximately 2500m².

The Shire of Lake Grace Council initiated an Amendment to change the zoning on the site to 'Residential R30' (October 2023)). Prior to the Special use zoning of the site in 2000, the site was zoned Residential R17.5/30. The special use zone was applied to the site to reflect a specific proposal to accommodate a motel, roadhouse and aged person accommodation which did not eventuate.

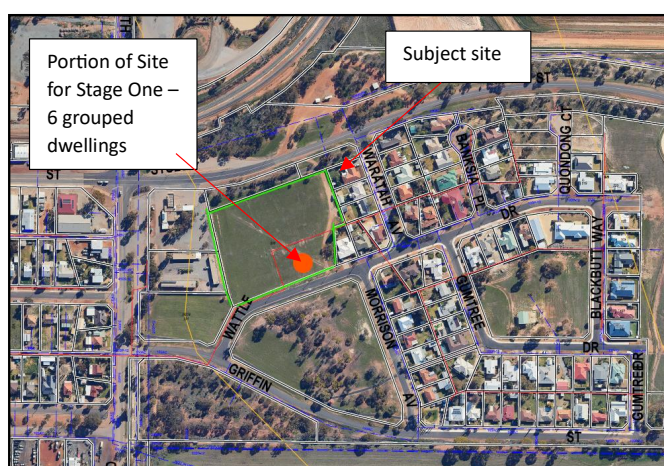


Figure 9: Location Plan

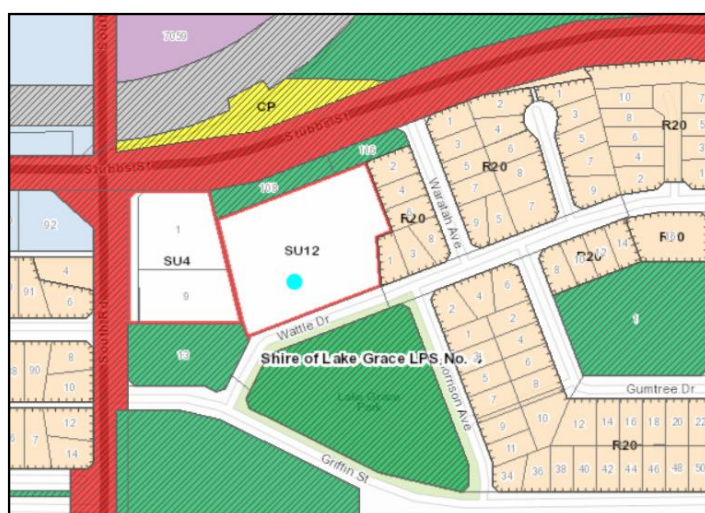


Figure 10: LPS Extract

4WDL Housing Plans and Key Worker Housing Development Concepts 2024

Table 15: Site #4 Details

| Lot # | Road Name | Tenure | Zoning | Area m ² | Water | Sewer | Power | Planning Considerations | Bushfire Prone | Dwelling Yield |
|-------------|--------------|--------|----------------|---------------------|-------|-------|-------|--|----------------|----------------|
| Portion 500 | Wattle Drive | LG | Special Use 12 | 2,500 | ✓ | ✓ | ✓ | Cleared flat serviced land adjacent well located in the town adjacent to Residential Land and Public Open Space. The Shire of Lake Grace Council initiated an Amendment to rezone the site to Residential R30 in October 2023. | No | 6 |

The desktop site assessment reveals that sewer, water and power services are available to service Site #4, however extension will be required to service the entire site. The assumption for the preliminary business case modelling is that the site will be considered 'as if' it is zoned Residential R30. The inclusion of a portion of Lot 500 Wattle Drive, Lake Grace in the Cost Benefit Analysis (CBA) and Preliminary Business case is contingent on the local government ensuring that the status of the planning framework is updated as set out in the assessment. The CBA will not consider the variables in the process required to meet the planning framework.

The housing investment concept costings are based on preliminary desktop analysis for the cost of developing key worker housing and connection to water, sewer and power. Confirmation of development will be subject to (the appropriate zoning as discussed above) the preparation and approval of a development application and site plan (unless defined as public works), and a building licence which will need to include the following considerations:

- Certificate of Title encumbrances (if applicable)
- Site Survey

The estimated servicing and development costs provided in Table 16 below relate to the development of six modular grouped dwellings comprising four- two bedroom/two-bathroom dwellings and two-three bedroom/two bathroom dwellings at Site #4.

Table 16: Estimated Servicing and Development Costs

| Portion of Lot 500 Wattle Road, Lake Grace | Costs |
|--|------------------------|
| Headworks | \$63,717 |
| Site works and servicing | \$240,000 |
| Construction | \$1,836,000 |
| Four 2-bed, 2-bath | \$291,000 per dwelling |
| Two 3-bed, 2-bath | \$336,000 per dwelling |
| Wheatbelt weighting | 20% |
| Escalation to Dec 2024 | 5.1% |
| Construction contingency | 20% |
| Design and professional fees contingency | 5% |
| TOTAL | \$ 3,198,972 |
| Per dwelling | \$ 533,162 |

Housing Investment Concept Site #7 (Portion of Lot 9002 Griffin Street, Lake Grace)

The Shire of Lake Grace second preferred shortlisted site (the site) for consideration of a 4WDL Housing Investment concept is local government owned land located at Portion of Lot 9002 Griffin Street, Lake Grace (see Figure 11: Location Plan). The site is zoned Residential R20 under the Shire of Lake Grace Local Planning Scheme No.4 (See Figure 12: Shire of Lake Grace Local Planning Scheme No.4 (LPS) Extract) with an area of 903m² (See Table 17: Site #7 Details) and has the potential to yield two grouped dwellings.

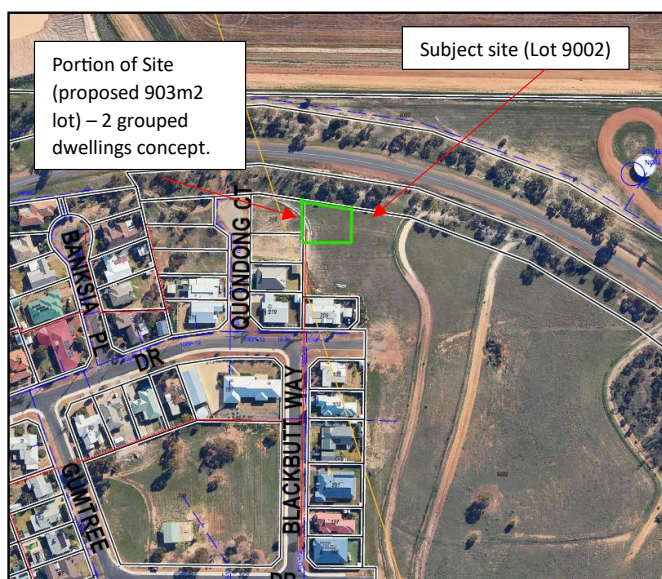


Figure 11: Location Plan

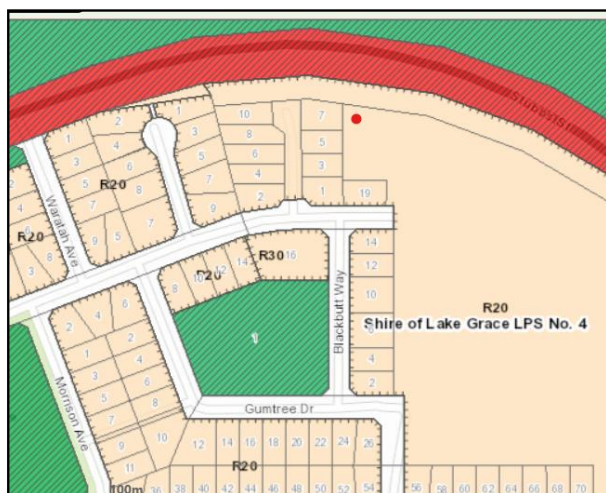


Figure 12: LPS Extract

Table 17: Site #7 Details

| Street # | Lot # | Road Name | Tenure | Zoning | Area m ² | Water | Sewer | Power | Planning Considerations | Bushfire Prone | Dwelling Yield |
|----------|---------------------|----------------|--------|--------|---------------------|---|-------|-------|--|----------------|----------------|
| 18 | Portion of Lot 9002 | Griffin Street | LG | R20 | 903m ² | Services are accessible and will be provided through the overall subdivision process on Lot 9002. | | | Confirmation of a subdivision approval in accordance with the Structure Plan adopted in 2009. Shire of Lake Grace currently pursuing a subdivision for 21 lots on Lot 9002. | No | 2 |

The desktop site assessment reveals the following about Site #7 :

- The creation of the site is required to be confirmed via a subdivision application consistent with an approved Structure Plan approved in 2009.
- Sewer, Water and Power services are accessible and require extension to service the site.

The housing investment concept costings are based on preliminary desktop analysis for the cost of developing key worker housing and connection to water, sewer and power. Confirmation of development will be subject to finalisation of the broader subdivision, and preparation and approval of a development application and site plan (unless defined as public works), and a building licence which will need to include the following considerations:

- Certificate of Title encumbrances (if applicable)
- Site Survey

The estimated servicing and development costs provided in Table 18 below relate to the development of two modular grouped dwellings comprising two- two bedroom/two-bathroom dwellings at Site #7.

Table 18: Estimated Servicing and Development Costs

| Portion of Lot 9002 Griffin Road, Lake Grace | Costs |
|--|------------------------|
| Headworks | \$ 26,001 |
| Site works and servicing | \$ 106,000 |
| Construction | \$ 582,000 |
| Two 2-bed, 2-bath | \$291,000 per dwelling |
| Wheatbelt weighting | 20% |
| Escalation to Dec 2024 | 5.1% |
| Construction contingency | 20% |
| Design and professional fees contingency | 5% |
| TOTAL | \$ 1,066,515 |
| Per dwelling | \$533,258 |

Shire of West Arthur: Darkan Townsite

Planning and Servicing Context

The desktop site assessment reveals that the townsite of Darkan is predominantly zoned Residential R12.5 under the *Shire of West Arthur Local Planning Scheme No. 2* (LPS). LPS2 also includes an exemption to the Residential Codes (R-Codes) under Clause 5.3 which states that:

'The Council may permit a variation to the R12.5 density up to a maximum of R20 for the development of more than one dwelling on a lot but only where:

(a) The Council is satisfied that the lot is suitable for long-term effluent disposal,

(b) the lot is suitably located close to services and facilities; and

(c) the Council after following the advertising procedures in clause 9.4 is satisfied that there will not be adverse impacts on local amenities'

There is no sewerage scheme in the townsite of Darkan and each property is serviced by an onsite effluent sewage system.

The Water Corporation operates the water scheme in West Arthur/Darkan. West Arthur/Darkan is supplied with water via a small farmlands water main that comes off the Water Corporation's Great Southern Towns Water Supply Scheme (GSTWSS) trunk main and runs southwards along Quindanning-Darkan Rd. The Quindanning Rd tank and chlorine dosing point is located 5km northwest of the town. Darkan water reticulation mains are supplied under gravity from the tanks. The Darkan water scheme has around 184 water services (customers). Any significant development in the town will require further investigation to determine the impact on the scheme. The water reticulation mains serving customers in the townsite area are 100mm diameter. Mains of this size are typically adequate to provide normal services to low density residential developments.

Darkan Vacant Land Assessment and Key Worker Housing demand

The KWA 2023 reports that the Shire of West Arthur population has seen a slight decline in population (95 people) in the last ten years and is forecast (WA Tomorrow) to remain relatively stable with a slight decline of around 83 people over the next decade. The KWA 2023 analysis reports that key worker housing demand for the Shire of West Arthur ranges from 21 (low estimate) to 41 (high estimate) additional dwellings by 2031.

The KWA demand analysis indicates a current key worker housing supply shortage of 8 dwellings, with an additional 5-13 dwellings required in the short-term (2026) to address key worker accommodation needs in the Shire West Arthur. On this basis, it is noted that the townsite of Darkan needs to provide between 13-21 key worker dwellings to cater for immediate and short-term demand.

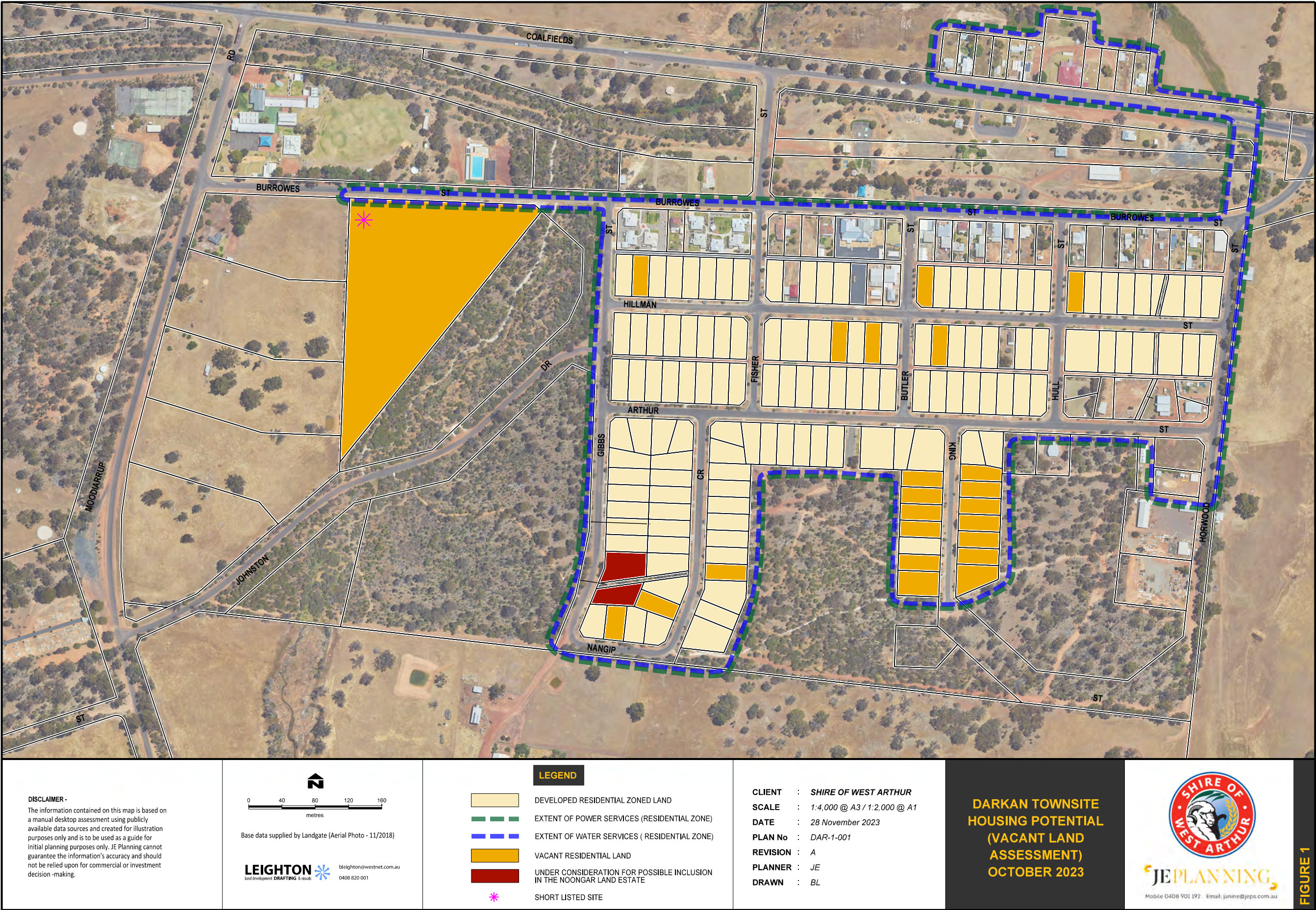
A vacant land assessment has been undertaken for the 4WDL in 2023, revealing the extent of suitably serviced, vacant 'Residential' zoned land available for developing key worker housing products. The findings of the vacant land assessment are in *Table 2: Estimated 4WDL Vacant Residential Zoned Land by Townsite*, and the capacity for the town to accommodate the demand is described in *Table 3: High-level Estimate of Residential Development Potential in 4WDL Townsites*. A Local Housing Plan titled 'Darkan Townsite Housing Potential' reveals the location of vacant 'Residential' zoned land.

In summary of this information, the Darkan townsite has approximately 25 vacant residential lots, of which 23 have access to power and water services. Two vacant sites are considered for inclusion in the Noongar Land Estate (suggesting 21 remaining accessible vacant lots). The majority of the remaining vacant sites (13 lots) are located in the King Street subdivision created by the Shire of West Arthur. These were sold privately with the requirement to be developed within three years, and therefore, they are earmarked for the development of single dwellings. The Shire of West Arthur owns three vacant residential lots, one is earmarked for development of Shire worker accommodation, one is utilised for car parking. However, 22 (Lot 309) Burrowes Street owned by the Shire of West Arthur is available for development and has the potential for the subdivision of multiple lots (between 21-24 lots) with various lot sizes to accommodate a range of single and grouped dwelling sites.

Recommendation

It is recommended that the Shire of West Arthur earmark sites to accommodate 8 key worker dwellings to address immediate demand, with an additional 5-13 dwellings required to accommodate key worker dwellings in the short term (2026). The Shire of West Arthur has one site (Site #5 below) with the potential to cater to the immediate, short and medium term key worker housing needs within the Darkan Townsite and is recommended to progress to subdivision.

Longer term housing needs may require rezoning underutilised reserves in the townsite or expanding the townsite into adjoining rural residential areas.



Housing Investment Concept #5 (Portion of Lot 309 Burrowes (West) Street, Darkan)

The Shire of West Arthur's preferred shortlisted site (the site) for consideration of a 4WDL Housing Investment concept is local government-owned land located on Portion of Lot 309 Burrowes (West) Street, Darkan (see Figure 13: Location Plan). Lot 309 Burrowes Street is zoned Residential R12.5 under the Shire of West Arthur Local Planning Scheme (See Figure 19: Shire of West Arthur Local Planning Scheme Extract) with a total land area of development area of 37,470m² (See Table 18: Site #5 Details). The portion of the site, the subject of the concept is 4000m² with potential to yield four grouped dwellings.

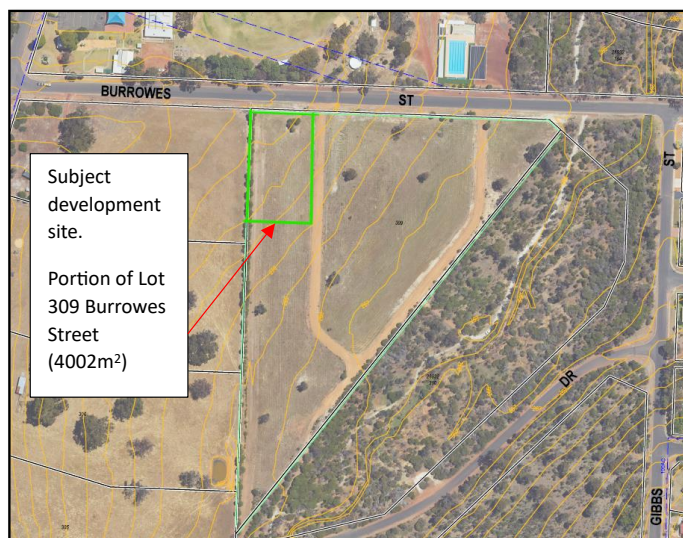


Figure 13: Location Plan



Figure 14: LPS Extract

Table 19: Estimated Servicing and Development Costs

| Street # | Lot # | Road Name | Tenure | Zoning | Area | Water | Power | Planning Considerations | Bushfire prone | Dwelling yield |
|----------|-------|-----------------|--------|--------|----------------------------------|-------|-------|---|----------------|--|
| 22 | 309 | Burrowes Street | LG | R12.5 | 37,470 (total) 4002 (Site #5) | 40m | ✓ | Lot 309 Burrowes Street is a large, cleared site with an existing gravel road layout. The portion of Lot 309 for consideration of the key worker grouped housing site is located on the northwestern corner of the site immediately adjacent to Burrowes Street West. Power services run along Burrowes street. A subdivision of 28 lots has previously been approved across the entire site which has now expired. | No | 4 The lot yield may increase depending on the outcomes of a Site and Soil Evaluation. |

The development potential of Site #5 is based on the minimum lot size of 1000m² for unsewered areas as set out in 5.2.1 of the 'Government Sewerage Policy'. The outcomes of a site and soil evaluation (SSE) will confirm if there is any possibility to consider an R12.5 density development (five grouped dwellings) or an R20 development (eight grouped dwellings) as an exemption to the R-Codes set out in the Shire of West Arthur Local Planning Scheme No.2.

The desktop site assessment reveals the following about Site #5:

- Water and Power services are accessible and require extension to service the site.
- This lot will have full access to utilities as the surrounding subdivision is extended.
- Some fill and earthworks may be required.
- Density greater than R10 can be determined following a site and soil investigation.

The housing investment model costings are based on preliminary desktop analysis for developing key worker housing, connection to water and power services, and provision of onsite effluent disposal system(s). Confirmation of development costs will be subject to the preparation and approval of a development application and site plan (unless defined as public works), and a building licence which will need to include the following considerations:

- Certificate of Title encumbrances (if applicable)
- Site Survey
- Site and Soil Evaluation
- Septic Tank proposal

The estimated servicing and development costs provided in Table 20 below relate to the development of four modular grouped dwellings comprising four- two bedroom/two-bathroom dwellings at Site #5. Site works costs increased due to the infrastructure extension required of approximately 40 metres is required.

Table 20: Estimated Servicing and Development Costs

| Portion of Lot 309 Burrowes (West) Street, Darkan | Costs |
|---|-------------------------------|
| Headworks | \$ 106,607 |
| Site works and servicing | \$ 190,000 |
| Construction | \$ 1,164,000 |
| <i>Four 2-bed, 2-bath</i> | <i>\$291,000 per dwelling</i> |
| Wheatbelt weighting | 20% |
| Escalation to Dec 2024 | 5.1% |
| Construction contingency | 20% |
| Design and professional fees contingency | 5% |
| TOTAL | \$ 2,171,050 |
| <i>Per dwelling</i> | <i>\$ 542,762</i> |

Shire of Woodanilling: Woodanilling Townsite

Planning and Servicing Context

The desktop site assessment revealed a range of low residential densities with codes from R2 – R10 across the townsite under the *Shire of Woodanilling Local Planning Scheme No.1*. The majority of town is zoned R5, with the most intensive development located east of the rail line at a density of R10, adjacent to the town centre. The townsite remains largely undeveloped with large tracts of vegetated R5 and R2 land in the south – east and west of town, which includes vegetation mapped as a Threatened Ecological Community (TEC) - Eucalypt woodlands of the Western Australian Wheatbelt. This TEC is federally protected under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

There is no sewerage scheme for the Woodanilling townsite. The Water Corporation operates the water scheme in West Arthur. Woodanilling is part of the GSTWSS and is supplied from the GSTWS NK Extension. Woodanilling currently has 91 water services. Water reticulation mains are supplied off the NK main via a single Pressure Reducing Valve (PRV). There is no local water storage tank. Any significant development in the town will require further investigation to determine the impact on the scheme. The water reticulation mains serving customers in the townsite area are 100mm in diameter. Mains of this size are typically adequate to provide normal services to low density residential developments.

Woodanilling Vacant Land Assessment and Key Worker Housing demand

The KWA 2023 reports that the Shire of Woodanilling population has seen a small increase in population (29 people) in the last ten years and is forecast (WA Tomorrow) to remain relatively stable population over the next decade. The KWA 2023 analysis reports that key worker housing demand for the Shire of Woodanilling ranges from 16 (low estimate) to 30 (high estimate) additional dwellings by 2031.

The KWA demand analysis indicates a current key worker housing supply shortage of 7-14 dwellings, with an additional 6-13 dwellings required in the next five years to address the short-term key worker accommodation needs in the Shire Woodanilling.

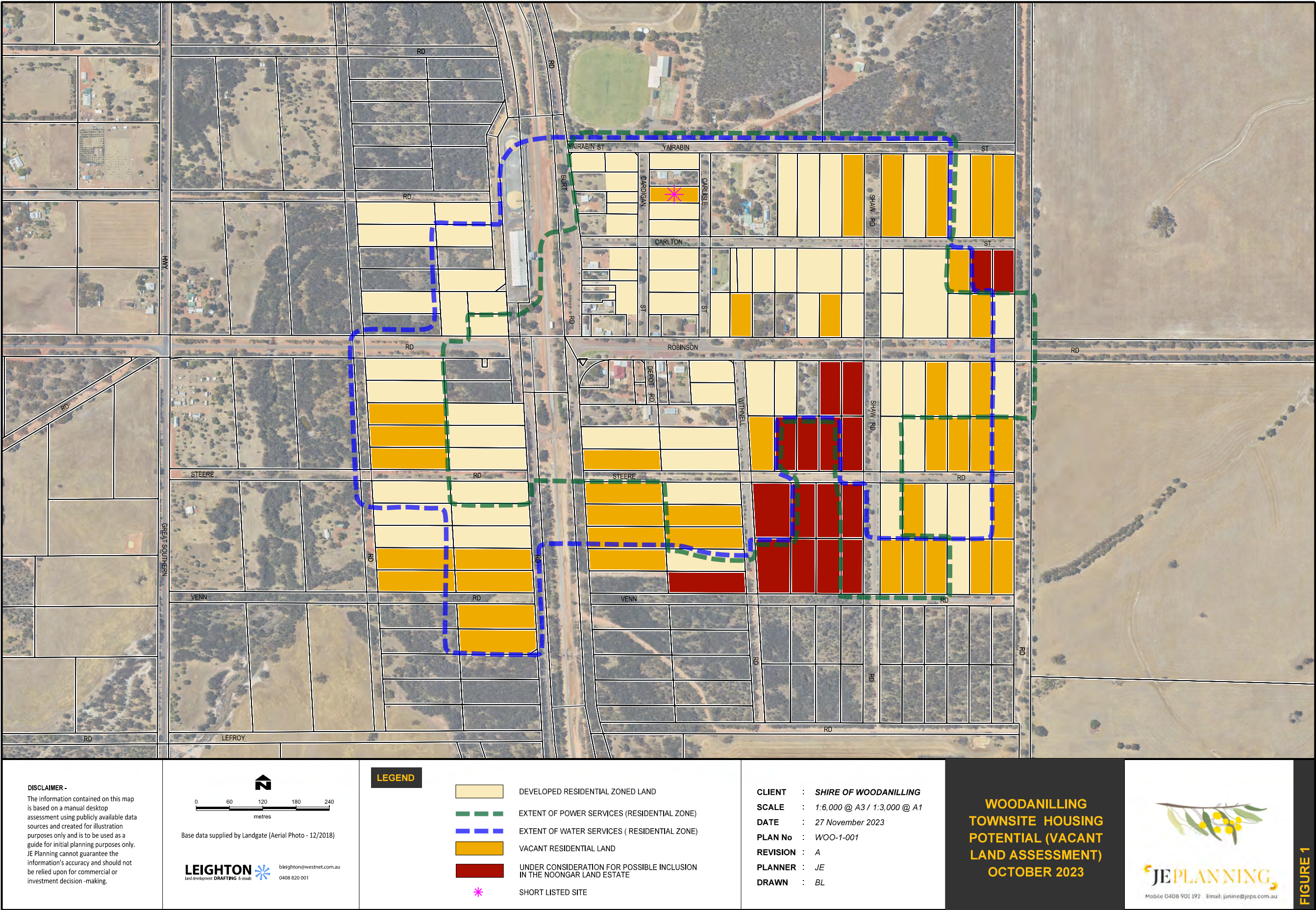
A vacant land assessment has been undertaken for the 4WDL in 2023, revealing the extent of suitably serviced, vacant 'Residential' zoned land available for developing key worker housing products. The findings of the vacant land assessment are in *Table 2: Estimated 4WDL Vacant Residential Zoned Land by Townsite*, and the capacity for the town to accommodate the demand is described in *Table 3: High-level Estimate of Residential Development Potential in 4WDL Townsites*. A Local Housing Plan titled 'Woodanilling Townsite Housing Potential' reveals the location of vacant 'Residential' zoned land is included below.

In summary of this information, the Woodanilling townsite has approximately 60 vacant residential lots, of which 17 have access to all available services. Most unserviced sites include riparian vegetation and many vacant sites are considered for possible inclusion in the Noongar land estate. Most vacant serviced sites are zoned R5, so the development potential is quite low. The Shire of

Woodanilling owns two vacant serviced residential lots, each potentially yielding one additional dwelling with ancillary accommodation. Based on these figures, the Shire of Woodanilling will not be able to provide immediate and short-term key workers within the Woodanilling Townsite.

Recommendation

The townsite of Woodanilling needs to provide available land for up to 13-27 key worker dwellings to cater to immediate and short-term demand (2026). The development of single dwellings with ancillary accommodation may be the best option to cater to key worker accommodation under the current densities; however, will rely on private landowners seeking to develop. Upcoding of the R5 areas, which are characterised by largely cleared land and are close to services, may increase the potential for the provision of key worker housing. To cater for additional development into the future, there may be a need to review and potentially rezone areas for townsite expansion under the Local Planning Scheme.



Housing Investment Concept Site #6 (13(Lot 129) Cardigan Street, Woodanilling)

The Shire of Woodanilling preferred shortlisted site (the site) for consideration of a 4WDL Housing Investment concept is local government owned land located at 13 (Lot 129) Cardigan Street, Woodanilling (see Figure 15: Location Plan). The site is zoned Residential R10 under the Shire of Woodanilling Local Planning Scheme No.1 (See Figure 16: Shire of Woodanilling Local Planning Scheme No.1 (LPS) Extract) with a lot area of 2732m² (See Table 21: Site #6 Details). The site is currently developed with a single house and has the potential for an additional single dwelling with ancillary accommodation.

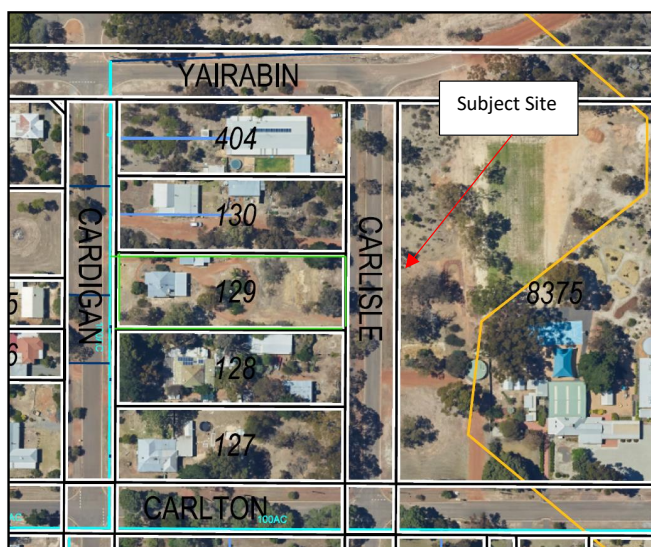


Figure 15: Location Plan



Figure 16: LPS Extract

Table 21: Site #6 Details

| Street# | Lot # | Road Name | Tenure | Zoning | Area | Water | Power | Planning Considerations | Bushfire prone | Dwelling Yield |
|---------|-------|-----------------|--------|--------|------|-------|-------|---|----------------|-------------------------------|
| 13 | 129 | Cardigan Street | LG | R10 | 2732 | ✓ | ✓ | Dual street frontage with an existing dwelling with frontage to Cardigan Street, and the vacant rear portion with frontage to Carlisle Street. Proposal to create a development site on the portion of the lot with frontage to Carlisle Street. Proposed dwelling and ancillary dwelling to have direct access to Carlisle Street | yes | Single and ancillary dwelling |

The desktop site assessment reveals that water is connected and power services are accessible for Site # 6.

The housing investment model costings are based on preliminary desktop analysis for the cost of developing key worker housing and connection to water and power services, and provision of onsite effluent disposal system(s). Potential (not necessary) to apply for green title subdivision to excise the back portion of lot. Development of the site may require consideration of Certificate of Title encumbrances (if applicable). Confirmation of development costs will be subject to the preparation and approval of a development application and site plan (unless defined as public works), and building licence which will need to include the following considerations:

- Certificate of Title encumbrances (if applicable)
- Site Survey
- Septic Tank proposal

The estimated servicing and development costs provided in Table 22 below relate to the development of one single and one ancillary modular dwelling comprising one- two bedroom/two-bathroom dwelling, and one – one bedroom/one bath ancillary dwelling at Site #6. The development requires onsite effluent disposal. It has been assumed the dwellings would share common septic infrastructure to reduce costs. Being in a bushfire prone area, a contingency has been put on to account for likely increased building costs.

Table 22: Estimated Servicing and Development Costs

| 13 (Lot 129) Cardigan Street, Woodanilling | Costs |
|---|-------------------------------|
| Headworks | \$ 37,389 |
| Site works and servicing | \$ 106,000 |
| Construction | \$ 479,000 |
| <i>One 2-bed, 2-bath</i> | <i>\$291,000 per dwelling</i> |
| <i>One 1-bed, 1-bath ancillary</i> | <i>\$188,000 per dwelling</i> |
| Wheatbelt weighting | 20% |
| Escalation to Dec 2024 | 5.1% |
| Construction contingency | 20% |
| Design and professional fees contingency | 5% |
| TOTAL | \$ 948,585 |
| <i>Per dwelling</i> | <i>\$ 474,292</i> |

4 Conclusion

The identification of shortlisted sites for housing investment concepts has led to a combined proposal for 33 dwellings across the 4WDL, to commence addressing the shortage of key worker housing in the region. The total cost for provision of the 33 key worker modular homes as a package is estimated to be approximately \$17,500,000 with an average estimated cost for servicing and construction of each dwelling being \$525,971. Site and servicing costs range between \$40K per dwelling for larger developments and upwards of \$50K per dwelling as the development yield reduces. Headworks costs are location specific.

Analysing near-term solutions for key worker housing revealed trends associated with land capacity and development potential of key towns in the 4WDL to meet housing demand in the short, and medium term is summarised as follows:

- Dumbleyung and Wagin townships offer significant potential for key worker housing on vacant residential-zoned land, contingent on servicing improvements. Both towns exhibit a range of densities under the Local Planning Scheme.
- Darkan and Williams can meet housing demand with service upgrades and planned expansion on large lots on the town periphery, despite limited vacant land in the existing townships.
- Lake Grace faces high unmet demand for key worker housing, constrained by limited vacant land in the township. Limited expansion opportunities exist for immediate and short-term demand, subject to planning process reviews and approvals. Future planning for Lake Grace needs to consider township expansion and rezoning to accommodate future growth.
- Woodanilling is heavily constrained by low densities, bushfire concerns, and environmental factors. Upcoding areas with vacant cleared land offers a potential avenue for additional growth, along with potential to review the scheme to identify township expansion opportunities. Otherwise development within rural residential areas may be considered to address housing demand in Woodanilling.

The broader township development constraints are identified to confirm that unlocking development potential is manageable. These constraints do not impact the short-term delivery of key worker housing on identified sites or other vacant, appropriately zoned serviced sites. Furthermore, they do not hinder confirmation of external funding from the State and/or Federal Government to support short-term key worker housing delivery.

The Local Housing Plans and Housing Investment Concepts presented provide context for the 4WDL Key Worker Housing Preliminary Business Case 2024.

Federal and State Government Key Worker Housing Investment Prospectus



4WDL Key Worker Housing Analysis & Business Case Outcomes 2023-2024



STAGE 1: Housing Needs Analysis
& Preliminary Economic Assessment



STAGE 2: Housing Investment Concepts,
Cost Benefit Analysis & Business Case



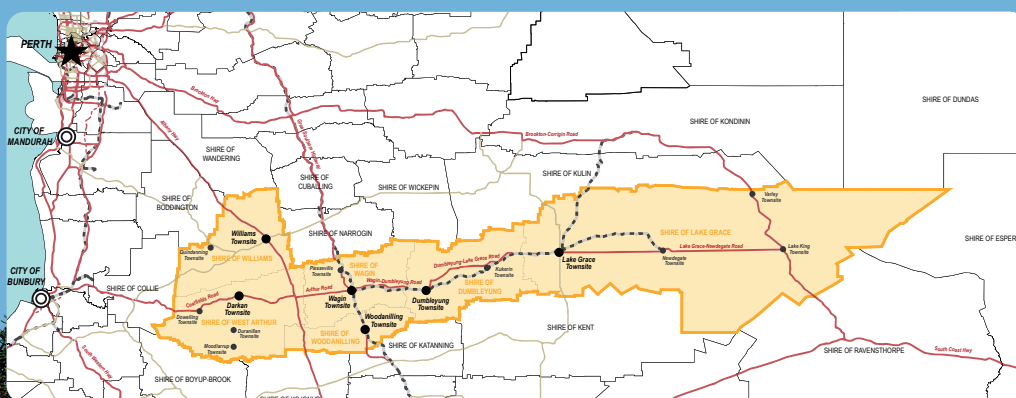
Business Case Outputs
& Recommendations



4WDL is a Southern Wheatbelt and Great Southern group of LGAs (Dumbleyung, Lake Grace, Wagin, Williams, Woodanilling & West Arthur) who have recently completed an extensive (two year) investigation of issues inhibiting investment into key worker housing across the region. The review was initiated in response to significant enquiries received from cross industry sector organisations into available housing for tenancy access or outright purchase use.

The resulting investigation into key worker housing in the 4WDL region identified gaps in housing supply and demand, assessed market conditions and proposed solutions to address these challenges to stimulate housing development and investment.

This prospectus summarises the investigation process, key findings and recommendations, including proposed government funding support required as interventions to deliver on the key worker housing needs for the 4WDL region.





STAGE ONE

Key Worker Housing Needs Analysis
& Economic Assessment

A Housing Needs Analysis was completed which presented quantitative and qualitative evidence to confirm the extent of the housing shortage impacting the region's ability to attract and retain key workers and involved key stakeholder engagement with the following groups:

- **Industry and Business Community Stakeholders**
- **Local Government CEOs (4WDL working group)**
- **State Agency Stakeholders (WA Country Health Service and Government Regional Officer Housing Program)**

The analysis also investigated opportunities and constraints inhibiting new investment in key worker housing across the region, including an economic assessment of existing market conditions.

Key Analysis findings:

- **Stakeholder Insights:** Stakeholder engagement confirmed significant supply/demand gaps in key worker housing in all key townsites across the region.
- **Projected Demand:** Over the next decade, the projected demand for key worker dwellings across the 4WDL region ranges from 158 (low) to 254 (high) dwellings.
- **Opportunities for Development:** Based on conservative demand estimates, there are opportunities (in most towns) to leverage existing vacant and Shire-owned freehold (& Crown) land to develop new housing products.
- **Opportunity Cost:** The opportunity cost of not investing in key worker housing is potentially significant over time, ranging from a loss of economic contribution of \$126,000 to \$265,000 per worker per year.
- **Market Challenges:** Most of the towns currently experience 'failed market' conditions, where a 'negative equity' situation stifles private sector investment (i.e., the cost of a new dwelling is higher than the resulting market value of the final built product).
- **Government Intervention:** Failed housing market conditions can only be resolved by Government (Federal and State) funding support intervention, potentially via a grants assistance program to 'fill the gap' (shortfall).
- **Funding Challenges:** Traditional Government 'headworks' related funding interventions will not be enough to resolve failed market conditions across the 4WDL region as the negative equity situation (investment gap) for 4WDL is higher (requires additional funding) compared with regional centres (where stronger housing markets exist).
- **Cost-Effective Solutions:** The most cost-effective housing product recommended for development is small prefabricated housing via infill grouped dwellings to maximise the available vacant land footprint (yield) and potential subdivision.
- **Collaborative Approach:** Key worker housing investment solutions would likely require LGAs gifting the land as part of a final construction arrangement (deal).



STAGE TWO

Planning for Housing Solutions

Site Selection, Investment Concepts, Cost Benefit Analysis & Business Case

The Stage 2 investigation aimed to respond to the market failure findings in Stage 1 by identifying innovative housing solutions, including targeted planning actions to reposition regional towns' development capacity.

Stage 2 also focused on evaluating the availability of vacant residential land and potential development in the main townsites of the 4WDL region. Eight key worker housing sites were chosen, and housing models were developed, detailing associated development costs for investment and funding (Housing Investment Concepts).

Table 1: 4WDL Shortlisted Sites for Housing Investment Concepts

| Site | Address | Average Development Cost per dwelling | No. of Dwellings | Total Cost |
|-------|--|---------------------------------------|------------------|--------------|
| 1 | 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | \$534,304 | 6 | \$3,205,825 |
| 2 | 25-29 (Lots 72,73 and 74) Hynes Court, Williams | \$533,233 | 4 | \$2,132,933 |
| 3 | 8-10 (Lots 19 and 18) Khedive Street, Wagin | \$532,512 | 3 | \$1,597,535 |
| 4 | Portion of Lot 500 Wattle Road, Lake Grace | \$533,162 | 6 | \$3,198,972 |
| 5 | Portion of Lot 309 Burrows (West) Street, Darkan | \$542,762 | 4 | \$2,171,050 |
| 6 | 13 (Lot 129) Cardigan Street, Woodanilling | \$474,292 | 2 | \$948,585 |
| 7 | Portion of Lot 9002 Griffin Road, Lake Grace | \$533,258 | 2 | \$1,066,515 |
| 8 | 3 (Lot 19) Omdurman Street, Wagin | \$524,242 | 6 | \$3,145,454 |
| TOTAL | | \$525,971 | 33 | \$17,466,869 |





Key Findings and Recommendations

- Constraints in Land Supply:** Vacant residential land supplies are constrained by servicing, tenure, ownership, environmental overlays and suitability for investment. The number of lots across the region meeting the shortlisting criteria is limited to 19. Of these, 33 potential dwellings were identified for development over eight sites across each LGAs, including two sites in Wagin and two sites in Lake Grace 2.
- Preferred Delivery Model:** Local Government Development & Ownership emerged as the preferred model due to feasibility gaps. A development financial subsidy of approximately \$350,000 per dwelling may support market, employer, and community-led housing projects under a co-investment model.
- Cost Estimates:** The Housing Investment Concept analysis identified an average development cost per dwelling of \$525,971, totalling \$17,466,869 for servicing and construction across the 33 dwellings.
- Dwelling Construction Details:** Costs include the pad and house, carport (1 carport for 2-bedroom, 2 carports for 3-bedroom/4-bedroom), and driveways. Dwellings are costed to a 'medium' specification to ensure attraction and long-term habitation, with relatively small footprints enabling modular/flat pack construction methods. 3 and 4 bedroom dwellings aims to attract a family with the worker adding to the population base in each of the 4WDL towns.
- Builder Access:** Initial inquiry and contact with potential prefabricated (Perth based) builder has confirmed residual capacity to deliver these initial 33 dwellings in a timely manner.
- Cost-benefit analysis (CBA):** A completed CBA shows significant economic benefits outweighing project costs. Benefit Cost Ratios and Net Present Values are positive for the 33 dwelling projects at all discount rates, with BCRs exceeding 2.0 at 4% and 7% discount rates.
- Economic Impacts:** The project has the potential to generate \$30.4 million in economic output during the construction phase, supporting approximately 16.5 construction jobs.

Table 2: Cost Benefit Analysis

| Summary | 4% | 7% | 10% |
|--|----------------|----------------|----------------|
| Capital Costs | -\$17.1 | -\$16.9 | -\$16.7 |
| Maintenance | -\$2.2 | -\$1.7 | -\$1.3 |
| Total Costs | -\$19.3 | -\$18.6 | -\$18.0 |
| Construction Supply Chain Benefits | \$1.2 | \$1.2 | \$1.2 |
| Economic Contribution of Key Workers | \$33.0 | \$25.3 | \$19.9 |
| Household Expenditure-Based Economic Impacts | \$6.9 | \$5.3 | \$4.1 |
| Social Benefit of Housing Access | \$5.0 | \$3.8 | \$3.0 |
| Housing Market Normalisation | \$2.2 | \$1.7 | \$1.3 |
| Residual Asset Value | \$1.6 | \$0.9 | \$0.5 |
| Benefits | \$49.9 | \$38.1 | \$30.0 |
| NPV | \$30.5 | \$19.5 | \$12.0 |
| BCR | 2.58 | 2.05 | 1.67 |

Unlocking Economic Growth: Key Worker Housing in the 4WDL Region

The 4WDL Key Worker Housing project can deliver \$30.3m in economic output to the WA economy over the construction phase (assuming 3 years). This includes \$5.1m in direct and indirect economic incomes and \$9.5m of Gross Value Added to the regional economy. Approximately 16.6 construction jobs will be supported during the construction phase (refer to the summary of economic impacts below).

Table 3: Summary of Economic Impact, Construction Phase, Total Impact

| Summary | Initial Impact | First Round Impact | Industry Support Impact | Total Impact (Simple Multipliers) |
|--------------------------------|----------------|--------------------|-------------------------|-----------------------------------|
| Output (\$m) | \$17.5 | \$8.5 | \$4.4 | \$30.3 |
| Income (\$m) | \$2.4 | \$1.8 | \$0.9 | \$5.1 |
| Employment (FTEs) | 8.5 | 5.0 | 3.1 | 16.6 |
| Gross Value Added (\$m) | \$4.6 | \$3.1 | \$1.8 | \$9.5 |



Stage 2 findings highlight the pressing need for innovative housing solutions in the 4WDL region. 4WDL can address housing shortages and stimulate economic growth by leveraging local government involvement and exploring financial support options.



Business Case Outputs & Recommendations

In response to the pressing need for key worker housing in the 4WDL region, the comprehensive business case outlines critical findings and the following actionable recommendations to address this housing shortfall effectively.

1. **Government Investment:** The Business Case and associated analysis and evidence confirm the recommendations that:

State and/or Federal Government investment of \$17.5M will enable the delivery of 33 dwellings across the 4WDL LGAs, which will provide accommodation and housing for key workers and families in the region.

A key aim of this initial State/Federal Government supported investment is to showcase the type of key worker housing product for potential use in regional areas. A prefabricated design solution is being recommended as a means of more effectively accessing residential ready housing using Perth or larger regional centre based suppliers who more readily have access to the core trade skills required to construct each dwelling in a reasonably rapid manner. The final built dwellings would be LGA owned and used as 'display homes' in the initial stages of promoting the following business case recommendation.

2. **Key Worker Housing Subsidy Fund:** State/Federal Government consideration should be given to the establishment of a Key Worker Housing Subsidy Fund to supplement the market failure gap by providing financial support and capital subsidies to market, employer and community-led key worker housing projects in the region based on a co-investment model. This program aims to incentivise private sector investment targeting privately owned land sites in townships or rural farming properties (for farm workers). There would be a risk based approach to awarding each subsidy with commitments only being made when each private party financially commits (under contract) to a new build.

The Business Case recommends the following next steps:

1. **Engagement and Funding Support:** Engage with relevant government Ministers and agencies to secure in-principle support for the projects (outlined in 1 above) and confirm the appropriateness of governance and delivery models.
2. **Seek a design partner:** Secure detailed designs and costings for the project and test the market using already prepared concept designs via a public tender process.
3. **Targeted investment application and funding submission:** Provide these details to the State and/or Federal Government Ministers (or the relevant identified agencies).
4. **Procurement and Project Management:** Upon securing funding, establish a procurement and project management plan to guide further steps in project delivery and implementation.





Shire of Dumbleyung

Mr Gavin Treasure
Chief Executive Officer
PO Box 99 Dumbleyung WA 6350
shire@dumbleyung.wa.gov.au
(08) 9863 4012



Shire of Wagin

Dr Kenneth Parker
Chief Executive Officer
2 Arthur Road Wagin WA 6315
shire@wagin.wa.gov.au
(08) 9861 1177



Shire of Williams

Mr Peter Stubbs
Chief Executive Officer
PO Box 96 Williams WA 6391
shire@williams.wa.gov.au
(08) 9885 1005



Shire of West Arthur

Mr Vin Fordham Lamont
Chief Executive Officer
PO Box 112 Darkan WA 6392
shire@westarthur.wa.gov.au
(08) 9736 2400



Shire of Lake Grace

Mr Alan George
Chief Executive Officer
PO Box 50 Lake Grace 6353
shire@lakegrace.wa.gov.au
(08) 9890 2500



Shire of Woodanilling

Mr Paul Hanlon
Chief Executive Officer
PO Box 99 Woodanilling WA 6316
shire@woodanilling.wa.gov.au
(08) 9823 1506

4WDL Working Group

c/o Shire of Dumbleyung
PO Box 99 Dumbleyung WA 6350
ceo@dumbleyung.wa.gov.au
(08) 9863 4012

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**4WDL SHORT-LISTED KEY
WORKER HOUSING
INVESTMENT
COST BENEFIT ANALYSIS**

Client: Shire of Dumbleyung on behalf of
4WDL Shires

Title: 4WDL HOUSING CBA

Version: FINAL

Date: Friday, 12 April 2024

econisis.com.au

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Prepared for:

Shire of Dumbleyung

Gavin Treasure
CEO

Address: PO Box 99, DUMBLEYUNG WA 6350

T: (08) 9863 4012

E: ceo@dumbleyung.wa.gov.au


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VERSION CONTROL

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|---------|------------------------------|--------|----------|----------|---------------|
| DraftA | Draft for internal review | TC | MW | MW | 14/12/2023 |
| DraftB | Draft for JE Planning review | MW/TC | EW | MW | 13/01/2024 |
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APPROVAL FOR ISSUE

| APPROVER | CONTACT | SIGNATURE | DATE |
|---------------------------|--|--|------------|
| Mark Wallace PRINCIPAL | T: 0431 676 254 E: mark.wallace@econisis.com.au |  | 14/04/2024 |

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1 INTRODUCTION

This section provides an overview of the background and context, scope and structure of the report.

1.1 Background and Context

The Wheatbelt Development Commission (WDC), in partnership with the 4WDL Shires, engaged JE Planning Services and Econisis to analyse key worker housing needs and challenges and highlight opportunities to stimulate housing development and investment in the 4WDL region.

Key worker housing supply and affordability challenges are increasingly common across regional areas in Australia, impacting the ability to attract and retain key workers. The combination of small labour markets, flat and declining populations, comparatively low median housing market prices, and development feasibility issues require coordinated government intervention.

The Key Worker Housing Analysis (KWH) for the 4WDL region presents evidence to confirm the extent of the housing shortage in the Shires of Williams, Wagin, West Arthur, Woodanilling, Lake Grace and Dumbleyung. The KWH includes a Regional Housing Economic Analysis that identifies and tests the key feasibility of local government-led housing delivery, ownership and management models across Australia.

Aggregating data across local government areas in stalled regional markets aims to create sufficient scale for commercially feasible housing development, together with government investment intervention to fund the 'failed market' gap. The KWH establishes the scale of demand for purpose-built and appropriate key worker housing, revealing a lack of accommodation to support lone, small and aged households. The expansive land area of the 4WDL region, combined with the comparatively small size of many communities, impacts the viability (and interest) of private housing construction and supply.

1.2 Report Scope and Structure

- **Introduction** - An overview of the background, scope, and structure of the report;
- **Project Context** - Outlining the key attributes and drivers of the region and the project;
- **Cost Benefit Analysis** - Outlining the methodology, assumptions, and results of a cost benefit analysis;
- **Economic Impact Assessment** - Results of an input-output based regional assessment of the economic impacts of construction and operational expenditure; and
- **Conclusions and Recommendations** - Outlining the key conclusions and recommendations relating to the project.

The 4WDL region (See Figure 1) encompasses a land area of approximately 21,135 km² and comprises the following Local Government Areas (LGAs):

- The Shire of Wagin
- The Shire of Williams
- The Shire of West Arthur
- The Shire of Woodanilling
- The Shire of Dumbleyung
- The Shire of Lake Grace

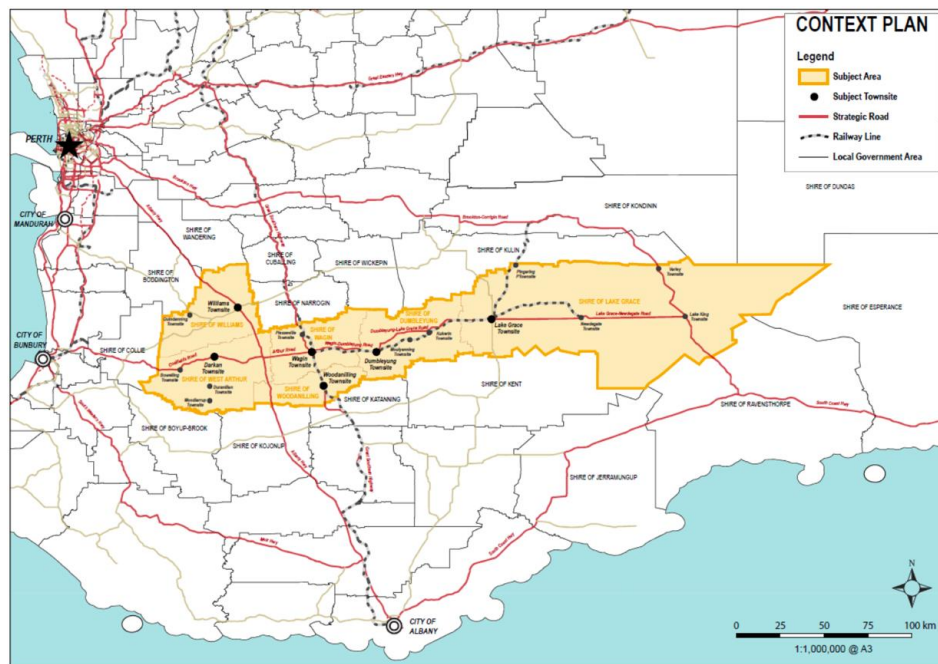


Figure 1 KWAHA Study Area

1.3 Glossary and Abbreviations

The following terms and abbreviations are referenced in this report.

Table 1 Glossary and Abbreviations

| Term/Abbreviation | Definition |
|-------------------|--|
| ABS | Australian Bureau of Statistics |
| BCR | Benefit Cost Ratio |
| CBA | Cost Benefit Assessment |
| EIA | Economic Impact Assessment |
| Externalities | External Costs or Benefits not captured in market prices |
| FTE | Full time equivalent |
| GVA | Gross Value Added |
| IO | Input-output |
| KWHA | Key Worker Housing Analysis |
| LGA | Local Government Area |
| NPV | Net Present Value |
| OBPR | Office of Best Practice Regulation |
| SA2 | Statistical Area 2 |
| WDC | Wheatbelt Development Commission |
| YTD | Year to date |

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2 PROJECT CONTEXT

This section outlines the key attributes and drivers of the region and the project.

2.1 About the Wheatbelt

Covering an area of 154,862 square kilometres, the Wheatbelt has diverse landscapes that stretch from the clear waters of the Central Coast to the highly productive lands of the Central Midlands and Wheatbelt South, the gentle hills and streams of the Avon Valley and the spectacular terrain in the Central East¹.

The Wheatbelt consists of five sub-regions: Avon, Central Coast, Central East, Central Midlands and Wheatbelt South. Each sub-region is serviced by a sub-regional centre (Northam, Jurien Bay, Merredin, Moora and Narrogin) and has unique economic and population drivers.

With a population of 75,000, the Wheatbelt is the third most populous region in the State. This population is highly dispersed with over 200 towns and settlements spread across 154,862 square kilometres. The Region is governed by 42 local governments, with no single dominant regional centre.

With an average annual compound economic growth rate of 8.2% and a diverse economic base, the Wheatbelt is well positioned to make a significant contribution to the State and Nation's growth.

The region has an increasingly diverse economic base with growth in mining, transport and logistics, manufacturing and construction sectors underpinned by a strong agriculture sector.

With abundant renewable energy and a wealth of natural resources, the Wheatbelt is well positioned to capitalise on its competitive advantages. An area that has long benefited from an entrepreneurial spirit, the Wheatbelt is known as a region of innovation. Its proximity to Perth, available land and significant infrastructure see the Wheatbelt poised to build on economic opportunities well into the future².

2.2 Population and Demographic Profile

2.2.1 Population

The total population of the catchment area is 6,117 people.³ It has been slowly declining since 2001 and WA Tomorrow forecasts expect it to decline to 3,612 people by 2031.⁴ Population growth within the region is constrained by the availability of housing to meet the needs of new workers and their families.

¹ WDC (2023) The Wheatbelt, accessed at <https://www.wheatbelt.wa.gov.au/our-region/wheatbelt/>

² WDC (2023) Our Region, accessed at <https://www.wheatbelt.wa.gov.au/our-region/>

³ ABS (2023) Regional Population by Age and Sex, accessed at abs.gov.au

⁴ WAPC (2017) WA Tomorrow No 10 Population Projections accessed at wapc.wa.gov.au

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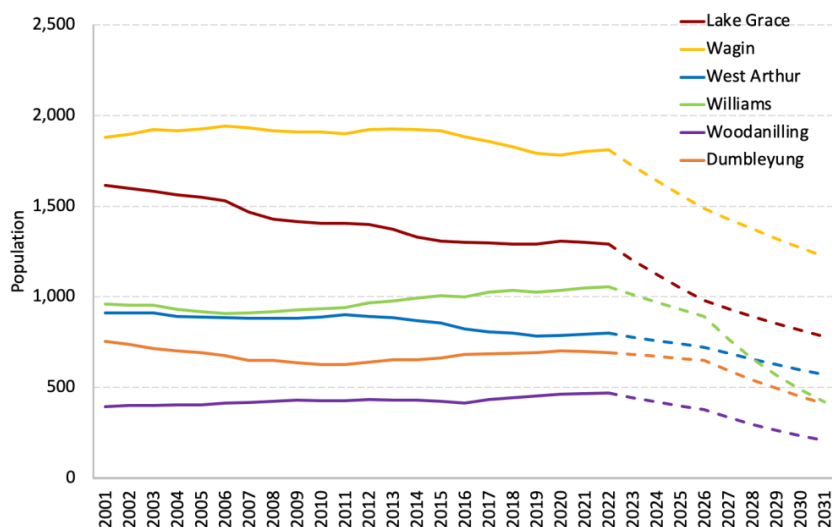


Figure 2 Historical and Projected Population, All LGAs, 2001-2031

2.2.2 Census Profile

A summary of key attributes of the “project location” from the 2021 Census of Population and Housing is provided in the table below.

Table 2 Census Socioeconomic Profile, Catchment Area, 2021⁵

| Indicators | Wagin | West Arthur | Williams | Woodanilling | Lake Grace | Dumbleyung | Western Australia | Australia |
|---|-------|-------------|----------|--------------|------------|------------|-------------------|------------|
| Headline | | | | | | | | |
| Population | 1,761 | 773 | 1,021 | 448 | 1,265 | 681 | 2,660,026 | 25,422,788 |
| Median Age | 49 | 50 | 41 | 45 | 41 | 44 | 38 | 38 |
| Average Household Size | 2.2 | 2.2 | 2.4 | 2.5 | 2.4 | 2.3 | 2.5 | 2.5 |
| Share of Population 0-14 (%) | 15.7% | 17.1% | 21.9% | 21.4% | 19.7% | 20.2% | 19.0% | 18.2% |
| Share of Population 65+ (%) | 27.4% | 23.4% | 29.0% | 21.6% | 16.5% | 19.7% | 16.1% | 17.2% |
| Born in Australia | 72.7% | 76.6% | 77.2% | 77.0% | 78.0% | 73.3% | 62.0% | 66.9% |
| Share of People Attending Educational Institutions | | | | | | | | |
| Pre-School | 17 | 5 | 22 | 8 | 27 | 10 | 45,452 | 484,185 |
| Primary | 114 | 57 | 93 | 34 | 111 | 59 | 222,555 | 2,075,224 |
| Primary - Government | 22.6% | 23.3% | 28.8% | 24.6% | 37.9% | 26.5% | 19.3% | 18.5% |
| Primary - Catholic | 0.9% | 1.9% | 3.3% | 3.0% | 0.0% | 0.0% | 4.5% | 5.2% |
| Primary - other non-Government | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 3.6% | 2.2% |

⁵ ABS (2022) Census of Population and Housing 2021, accessed at abs.gov.au

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| Indicators | Wagin | West Arthur | Williams | Woodanilling | Lake Grace | Dumbleyung | Western Australia | Australia |
|---|---------|-------------|----------|--------------|------------|------------|-------------------|-----------|
| Secondary | 90 | 30 | 38 | 27 | 44 | 23 | 175,841 | 1,629,624 |
| Secondary - Government | 16.7% | 12.0% | 12.3% | 15.7% | 10.1% | 6.1% | 12.7% | 12.2% |
| Secondary - Catholic | 0.0% | 1.9% | 0.0% | 0.0% | 0.0% | 0.0% | 4.5% | 4.8% |
| Secondary - other non-Government | 2.0% | 0.0% | 0.0% | 0.0% | 5.7% | 1.7% | 4.6% | 4.2% |
| Tertiary | 38 | 15 | 31 | 12 | 26 | 12 | 172,239 | 1,789,994 |
| Tertiary - Vocational education (including TAFE and private training providers) | 4.1% | 4.3% | 6.6% | 7.5% | 2.7% | 3.9% | 7.4% | 7.8% |
| Tertiary - University of other higher education | 2.6% | 4.8% | 3.0% | 4.5% | 4.7% | 1.7% | 13.9% | 15.4% |
| Weekly Incomes | | | | | | | | |
| Personal | \$686 | \$804 | \$1,015 | \$741 | \$1,001 | \$802 | \$848 | \$805 |
| Family | \$1,718 | \$1,708 | \$2,243 | \$1,663 | \$2,100 | \$1,670 | \$2,214 | \$2,120 |
| Household | \$1,183 | \$1,325 | \$1,739 | \$1,385 | \$1,715 | \$1,260 | \$1,815 | \$1,746 |
| Share of Household | | | | | | | | |
| Couple family without children | 33.1% | 37.1% | 37.1% | 29.5% | 34.1% | 37.0% | 28.0% | 27.6% |
| Couple family with children | 18.8% | 24.2% | 28.7% | 31.9% | 31.3% | 27.3% | 32.0% | 31.1% |
| One parent family | 9.4% | 6.0% | 6.5% | 7.8% | 3.9% | 2.1% | 11.0% | 11.3% |
| Other family | 0.9% | 1.7% | 0.0% | 0.0% | 0.6% | 0.0% | 1.0% | 1.2% |
| Lone Person Households | 34.8% | 28.5% | 25.7% | 26.5% | 28.5% | 29.8% | 25.0% | 25.1% |
| Group Households | 3.0% | 2.6% | 1.9% | 4.2% | 1.7% | 3.8% | 3.0% | 3.8% |
| Dwelling Type | | | | | | | | |
| Separate house | 93.6% | 97.3% | 95.1% | 100.0% | 93.4% | 95.3% | 79.7% | 72.3% |
| Semi-detached, row or terrace house, townhouse etc | 5.6% | 2.0% | 3.3% | 0.0% | 3.8% | 3.4% | 13.0% | 12.6% |
| Flat or apartment | 0.0% | 0.0% | 1.1% | 0.0% | 0.6% | 0.0% | 6.5% | 14.2% |
| Other dwelling | 0.6% | 0.0% | 0.0% | 0.0% | 0.9% | 0.0% | 0.6% | 0.6% |
| Tenure | | | | | | | | |
| Owned outright | 45.2% | 51.9% | 42.7% | 49.1% | 45.2% | 54.9% | 29.2% | 31.0% |
| Owned with a mortgage | 27.0% | 18.4% | 22.5% | 21.7% | 19.6% | 18.7% | 40.0% | 35.0% |
| Rented | 21.3% | 16.0% | 21.9% | 14.9% | 20.7% | 12.3% | 27.3% | 30.6% |
| Other tenure type | 3.5% | 11.3% | 11.5% | 11.8% | 11.9% | 10.2% | 2.1% | 2.0% |
| Tenure type not stated | 2.2% | 3.4% | 1.9% | 0.0% | 3.2% | 2.1% | 1.4% | 1.5% |

Key findings from the socio-economic profile include:

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- All LGAs have older median ages, and higher shares of people aged 65+.
- Most of the LGA's have lower primary school participation than the WA average, and all LGAs have lower secondary school participation rates than WA.
- Personal Incomes in Williams and Lake Grace are higher than average. Only Williams family income is higher than the WA average. All Household Incomes are lower than the WA average.
- Other than Woodanilling, the most common type of household is Couple Family without Children. There is also a greater share of Lone households in all the LGAs compared to the WA average.
- There is a much higher than WA average share of unoccupied homes in the catchment area.
- Majority of houses are separate dwellings and are most commonly owned outright. The percentage of outright ownership is much higher than the WA average.

2.2.3 Number of Registered Businesses

Lake Grace has the most registered businesses in the catchment area, with 332 as of 2022. This indicates a higher level of commercial activity in this region.

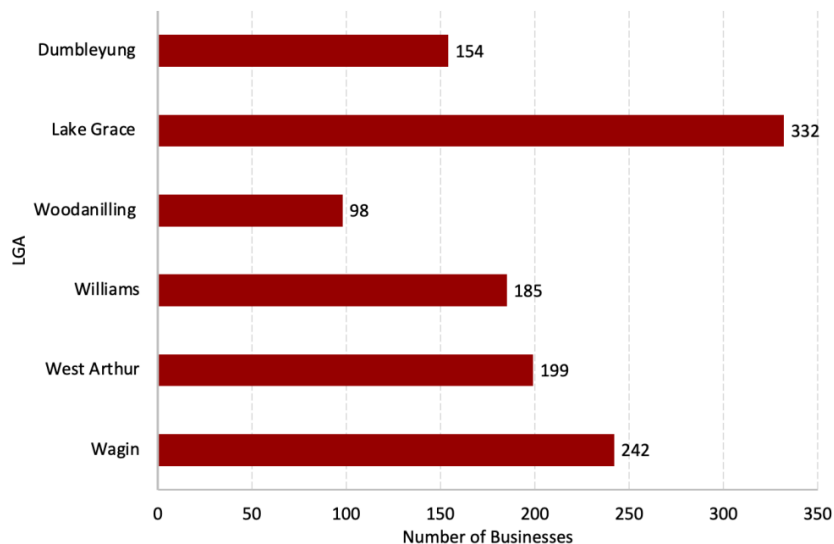


Figure 3 Business Registrations, Catchment Area, 2022⁶

As of June 2022, 716 businesses are in the Agriculture, Forestry and Fishing industry, comprising the vast majority of businesses in the catchment area. Other industries with a larger number of businesses include Rental, Hiring and Real Estate Services and Construction.

⁶ABS (2023) Count of Businesses accessed at abs.gov.au

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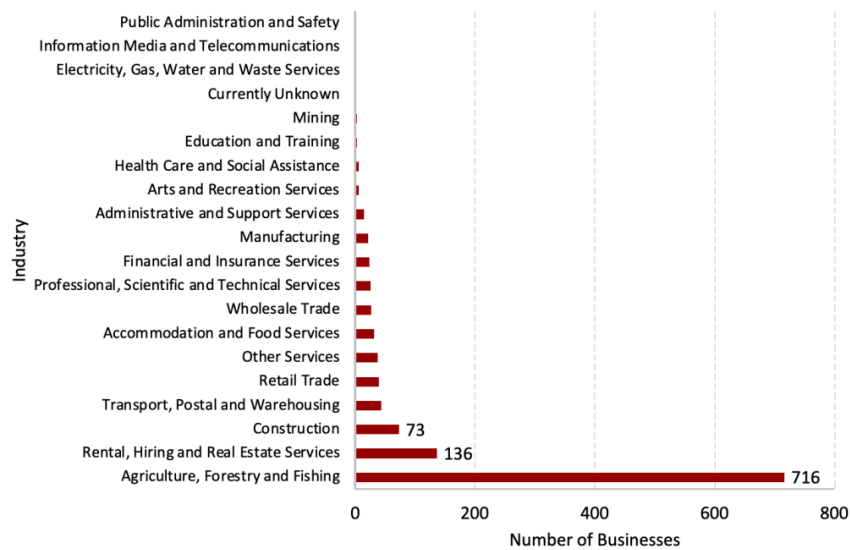


Figure 4 Business Registrations by Industry, Catchment Area, 2022

2.2.4 Unemployment Rate

The most recent unemployment data from June 2022 shows that Woodanilling had the highest unemployment rate of 5.1% and Dumbleyung and Lake Grace had the lowest at 1.7%.

Table 3 Unemployment Rate, Select LGAs, June 2022⁷

| LGA | Unemployment Rate |
|-------------------|-------------------|
| Dumbleyung | 1.7% |
| Lake Grace | 1.7% |
| Woodanilling | 5.1% |
| Williams | 2.7% |
| West Arthur | 2.8% |
| Wagin | 2.7% |
| Western Australia | 3.3% |

2.3 Role of Housing in Key Worker Attraction and Retention

Housing availability in regional and remote areas plays a critical role in supporting the attraction and retention of key workers. This supports the use of “worker productivity” values in monetising the opportunity cost associated with the non-delivery of the housing needed in subject communities. This reflects the fact that without the required housing, the economic and social activity associated with the accommodated workers will not be realised in the region.

2.3.1 What is Worker Productivity?

Worker productivity is the Gross Value Added per Worker in an economy. Gross Value Added is the sum of all value adding activity in the economy and accounts for the vast majority of Gross Product (Regional, State or Domestic).

By dividing GVA by the number of workers in an economy, the relative productivity of an individual worker can be estimated. This same approach can be adopted for individual industries using Industry

⁷ National Skills Commission (2022) Small Area Labour Markets, accessed at <https://www.nationalskillscommission.gov.au/topics/small-area-labour-markets>

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Value Added and the workers within that industry. This approach provides greater level of detail, recognising the different levels of economic productivity associated with different industries.

Using REMPLAN data for Western Australia, Econisis has provided the following worker productivity estimates by industry and for the economy as a whole.

Table 4 Worker Productivity, Western Australia, 2021⁸

| Industry sector | GVA | Workers | Worker Productivity |
|--|--------------------------|------------------|---------------------|
| Accommodation & Food Services | \$4,799,749,445 | 89,363 | \$53,711 |
| Administrative & Support Services | \$5,350,859,121 | 42,251 | \$126,645 |
| Agriculture, Forestry & Fishing | \$4,904,099,902 | 31,176 | \$157,304 |
| Arts & Recreation Services | \$2,024,573,626 | 22,117 | \$91,539 |
| Construction | \$22,692,770,872 | 121,303 | \$187,075 |
| Education & Training | \$13,871,962,665 | 119,759 | \$115,832 |
| Electricity, Gas, Water & Waste Services | \$7,153,527,101 | 15,908 | \$449,681 |
| Financial & Insurance Services | \$12,681,254,944 | 29,233 | \$433,799 |
| Health Care & Social Assistance | \$19,958,837,715 | 186,114 | \$107,240 |
| Information Media & Telecommunications | \$3,131,017,914 | 10,442 | \$299,848 |
| Manufacturing | \$12,788,822,016 | 72,002 | \$177,618 |
| Mining | \$144,061,817,298 | 105,960 | \$1,359,587 |
| Other Services | \$4,349,487,922 | 52,983 | \$82,092 |
| Professional, Scientific & Technical Services | \$15,185,953,841 | 94,061 | \$161,448 |
| Public Administration & Safety | \$15,205,184,273 | 80,903 | \$187,943 |
| Rental, Hiring & Real Estate Services | \$30,614,580,989 | 19,497 | \$1,570,220 |
| Retail Trade | \$9,806,432,828 | 119,926 | \$81,771 |
| Transport, Postal & Warehousing | \$11,343,321,158 | 62,352 | \$181,924 |
| Wholesale Trade | \$7,237,711,213 | 33,449 | \$216,380 |
| Average | \$347,161,964,844 | 1,308,799 | \$265,252 |
| Average Net Real Estate and Mining | \$193,293,714,718 | 1,082,913 | \$178,494 |
| Education, Health, Public Admin/Safety Only Average | \$49,035,984,652 | 386,776 | \$126,781 |

Overall the average worker in WA produces \$265,252 worth of value added each year.

However, this figure is inflated by a small number of high value adding sectors, namely Mining and Rental, Hiring and Real Estate Services. Removing these and the worker productivity value falls to \$178,494 per worker.

Additionally, this estimate continues to include a combination of both public and private sector industries. To get a proxy of public sector, the average worker productivity values of Education and Training, Health Care and Social Assistance and Public Administration and Safety industries can be taken. This reduces the worker productivity value to \$126,781.

These values are for Western Australia as a whole to reflect the data available from sources such as REMPLAN and the ABS.

2.4 Short-Listed Housing Project

The table below lists the identified project-ready shortlisted sites selected to provide key worker housing in the 4WDL region. The shortlisted sites provide a maximum of 33 key worker

⁸ REMPLAN (2023) Economic and Employment, Western Australia accessed at <https://app.remplan.com.au/eda-westernaustralia/economy/industries/employment?state=IGv2sz!elxMC6yQNu3wVNqteKmG0SDHdfP7nrl2ljs3pOpNfPf7yhRfBIGG2qINAZ>

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modular dwellings, conservatively addressing approximately 50% of the current key worker housing deficit. The site's location and maximum dwelling yield potential are also listed. Each site is detailed in the discussion by townsites in the relevant sections below.

Table 5 4WDL Shortlisted Sites for Housing Investment Concepts

| Site # | Local Government | Address | Dwelling yield |
|------------------------|-----------------------|---|---------------------|
| 1 | Shire of Dumbleyung | 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | 6 |
| 2 | Shire of Williams | 25- 29 (Lots 72,73 and 74) Hynes Court, Williams | 4 |
| 3 | Shire of Wagin | 8-10 (Lots 19 and 18) Khedive Street, Wagin | 3 |
| 4 | Shire of Lake Grace | Portion of Lot 500 Wattle Road, Lake Grace | 6 |
| 5 | Shire of West Arthur | Portion of Lot 309 Burrowes (West) Street, Darkan | 4 |
| 6 | Shire of Woodanilling | 13 (Lot 129) Cardigan Street, Woodanilling | 1 + ancillary |
| 7 | Shire of Lake Grace | Portion of Lot 9002 Griffin Road, Lake Grace | 2 |
| 8 | Shire of Wagin | 3 (Lot 19) Omdurman, Wagin | 6 |
| Total Dwellings | | | 33 dwellings |

3 COST BENEFIT ANALYSIS

This section outlines the methodology, assumptions, and results of a cost benefit analysis.

3.1 Methodology

A CBA is the most commonly used, and most comprehensive, of the economic evaluation techniques. Essentially, a CBA compares the monetised benefits and costs of a project to evaluate the desirability of a project. This approach is the most appropriate to assess the net economic benefits that accrue from the two development options.

The CBA steps include:

1. Identify the quantifiable benefits that can be monetised;
2. Calculate the value (in monetary terms) of the quantified incremental benefits and capital costs in net present value (NPV) terms using the discount rates;
3. Calculate the benefit cost ratio (BCR) – the total present value of all net benefits compared to the present value of capital costs to determine the ratio to which incremental net benefits exceed (or undershoot) incremental costs related with the upgrade; and
4. Undertake a sensitivity assessment.

3.1.1 Discount Rates

Discounting is the reverse of adding (or compounding) interest. It reduces the monetary value of future costs and benefits back to a common time dimension – the base date. Discounting satisfies the view that people prefer immediate benefits over future benefits (social time preference), and it also enables the opportunity cost to be reflected (opportunity cost of capital). Recognising the potential for multiple audiences for the business cases, real discount rates of 3, 7 and 10% have been applied. This complies with recommendations set by the Office of Impact Analysis (OIA) at the Federal Government level and Western Australian Treasury guidelines.

Modelling of quantifiable benefits and costs are developed over a 20-year timeframe (post construction phase).

3.1.2 Cost of Capital Approach

The cost benefit assessment undertaken in this report represents a “cost of capital” assessment. This approach focuses primarily on the up-front capital costs of the project with reduced consideration of ongoing costs (beyond basic operational cost impacts). The reason for this approach is twofold:

- Firstly, it reflects the stage of the project design and concept that the Cost Benefit Assessment is testing – early stage concepts typically have a capital cost estimate but may not have detailed cash flow or maintenance cost estimates. As such, the “cost of capital” approach does not consider ongoing cashflow consideration which includes discounting any financial revenues that could be secured by the harbour to offset unknown maintenance costs;
- Secondly, this economic business case specifically seeks to develop or address the validity of potential capital investment in the project. As such, evidence is required, through the CBA, of the potential return on investment (in the form of economic and social benefits) to inform this capital decision.

3.1.3 Comparison with the Base Case

For the purpose of this report, Econisis has undertaken a cost benefit assessment of the net additional benefits and costs above and beyond the “project”. All NPVs and BCRs generated as part of the Cost Benefit Analysis are reflective of the net increase in gross value added and economic and social benefit beyond the “project”

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3.1.4 Key Assumptions

The following assumptions have been considered in the evaluation of the benefits.

Table 6 CBA Assumptions

| Assumption | Details |
|--|------------------------------|
| Annual Maintenance Cost | 1% of Capital Costs annually |
| Length of Construction Phase | 2 year |
| Supply Chain Multiplier | 7.1% ⁹ |
| Average Worker Productivity WA, Education, Health, Public Admin/Safety Industries Only | \$126,781 ¹⁰ |
| Number of New Households | 33 |
| Number of Key Workers per Household | 1.25 |
| Attribution Rate of Productivity to Housing Access | 50% |
| Average Household Yearly Expenditure | \$33,000 ¹¹ |
| GVA to Expenditure Conversion Rate | 50% |
| Enhanced Labour Market Productivity per Household | \$3,770 ¹² |
| Health Cost Savings per Household | \$2,832 ¹³ |
| Reduced Domestic Violence per Household | \$2,462 ¹⁴ |
| Enhanced Human Capital per Household | \$1,838 ¹⁵ |
| Reduced Costs of Crime per Household | \$844 ¹⁶ |
| Education Benefits per Household | \$168 ¹⁷ |
| Annual Value of Normalisation of Housing Market | 1% of Capital Cost |

3.2 Housing Development Costs

The maximum potential dwelling yield and estimated service and construction costs for each short listed development site were prepared by Chadwick Consulting and summarized in the KWHDC Report.

The total cost for the provision of the 33 key worker modular homes is estimated to be approximately \$17,500,000, with an average estimated cost for servicing and construction of each dwelling being \$525,971. Site and servicing costs range between \$40K per dwelling for larger developments and upwards of \$50K per dwelling as the development yield reduces. Headworks costs are location specific.

⁹ Based on WA specific regionalised input/output table of non-residential capital expenditure.

¹⁰ REMPLAN (2021) Economic and Employment, Western Australia accessed at <https://app.remplan.com.au/eda-westernaustralia/economy/industries/employment?state=lgv2sz!elxMC6yQNu3wVNqteKmG0SDHdfP7nrl2ljs3pOpNfPf7yhRfBIGG2qlNAZ>

¹¹ Market Info 2022 (Market Data Systems)

¹² SGS Economics and Planning (2022) Give Me Shelter. Accessed at https://sgsep.com.au/assets/main/SGS-Economics-and-Planning_Give-Me-Shelter.pdf

¹³ See above.

¹⁴ See above.

¹⁵ See above.

¹⁶ See above.

¹⁷ See above.

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Table 7 Short Listed Sites to accommodate Housing Investment Concepts

| Site | Address | Average Development Cost per dwelling | Number of Dwellings | Total Cost |
|--------------|---|---------------------------------------|---------------------|----------------------|
| 1 | 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | \$ 534,304 | 6 | \$ 3,205,825 |
| 2 | 25-29 (Lots 72,73 and 74) Hynes Court, Williams | \$ 533,233 | 4 | \$ 2,132,933 |
| 3 | 8-10 (Lots 19 and 18) Khedive Street, Wagin | \$ 532,512 | 3 | \$ 1,597,535 |
| 4 | Portion of Lot 500 Wattle Road, Lake Grace | \$ 533,162 | 6 | \$ 3,198,972 |
| 5 | Portion of Lot 309 Burrowes (West) Street, Darkan | \$ 542,762 | 4 | \$ 2,171,050 |
| 6 | 13 (Lot 129) Cardigan Street, Woodanilling | \$ 474,292 | 2 | \$ 948,585 |
| 7 | Portion of Lot 9002 Griffin Road, Lake Grace | \$ 533,258 | 2 | \$ 1,066,515 |
| 8 | 3 (Lot 19) Omburman, Wagin | \$ 524,242 | 6 | \$ 3,145,454 |
| TOTAL | | \$ 525,971 | 33 | \$ 17,466,869 |

3.3 Benefits Statement

A range of direct economic and social benefits of the Project have been identified. Those benefits which are capable of being monetised for inclusion in the CBA are outlined in the table below. Refer to the assumptions table in Section 3.1.4 for specific values.

Table 2 Benefits Statement

| Benefit | Theme/Description | Method of Calculation |
|--|--|--|
| Construction Supply Chain Benefits | Benefits to the WA and regional construction industry of the non-residential capital investment. | Applied a first round GVA economic multiplier of 7.1% to the capital expenditure of the program of \$17,466,869. Based on WA specific regionalised input/output transaction table. Assumed a construction phase of 2 years. |
| Direct Economic Contribution of New Key Worker Households | The key workers moving into the houses will be able to be work in the region. This benefit measures their productivity by working in the local economy. | The relative productivity of an individual- worker was calculated by dividing the GVA of the Education, Health and Public Safety/Admin industries in WA by the number of workers in these industries. This was multiplied by the 33 new households. It was assumed that there will be 1.25 key workers per household. An attribution rate of 50% was applied to account for other factors contributing to a worker's productivity e.g. the company they work for. |
| Household Expenditure Benefit | The contribution to the local economy of the new households spending at local retail businesses. | An average household's retail related expenditure is \$33,000 per year ¹⁸ . This was applied to the 33 new households and a GVA to expenditure conversion rate of 50% was applied. |
| Social Benefit of Housing Access | The social benefits of housing access include enhanced labour market productivity, health cost savings, reduced domestic violence, enhanced human capital, reduced costs of crime, and education benefits. | These social benefits were quantified and collated by SGS Economics in their 2022 'Give Me Shelter' report. The combined total of these benefits per household is \$11,914 ¹⁹ . This was applied to the 33 households. |
| Housing Market Normalisation | Benefit relating to housing market normalisation due to no functioning housing market currently. | Multiplied the construction cost of the homes by 1% each year. |

¹⁸ Market Info 2022 (Market Data Systems)

¹⁹ SGS Economics and Planning (2022) Give Me Shelter. Accessed at https://sgsep.com.au/assets/main/SGS-Economics-and-Planning_Give-Me-Shelter.pdf

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| Benefit | Theme/Description | Method of Calculation |
|-----------------------------|--|--|
| Residual Asset Value | A static residual value compares the direct and indirect costs associated with the construction of a dwelling with the notional market value of that dwelling. | Calculated by dividing the construction cost by 25 years and multiplying it by 5. Applied in the final year of the asset lifetime (20 years after construction). |

3.4 Cost Benefit Analysis Results

This section provides an overview of the present value and composition of costs and benefits for the project. It includes an outline of the Benefit Cost Ratios and Net Present Value results for each project.

3.4.1 Costs

The evaluation estimates the present value of costs to range from \$18m at the 10% discount rate to \$19.3m at the 4% discount rate. The majority of this is the capital cost, with the remainder an annual maintenance cost.

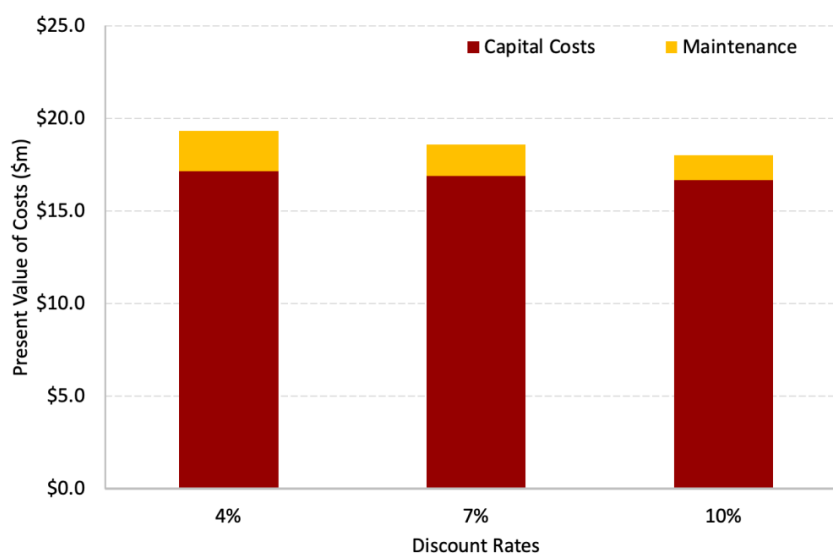


Figure 5 Present Value of Costs

3.4.2 Value of Benefits

Overall, the benefits of the project are approximately \$38.1m at the 7% discount rate. This ranges from \$30m at the 10% discount rate to \$49.9m at 4%.

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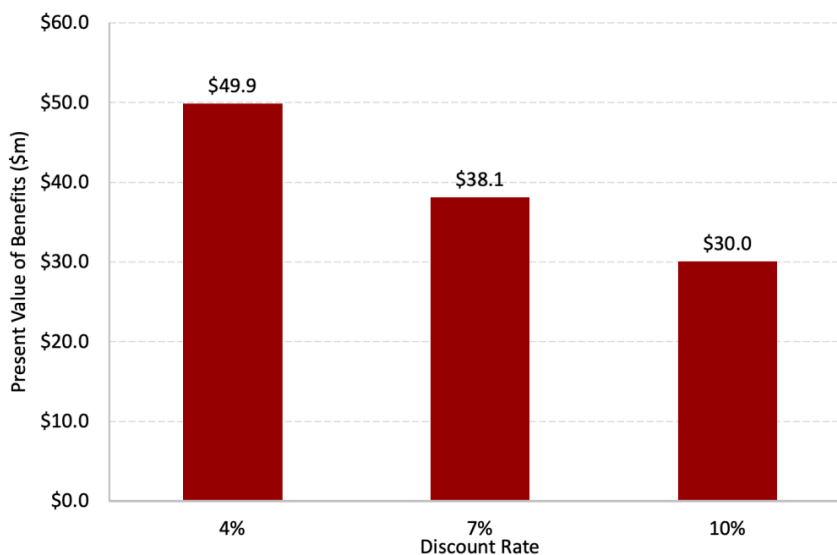


Figure 6 Present Value of Benefits

The largest benefit expected over the 20-year assessment period for the project (at a 7% discount rate) is the economic contribution of key workers, accounting for \$25.26m. Following this are household expenditure-based economic impacts, which account for \$5.26m of benefits and social benefits of housing access, which account for \$3.8m.

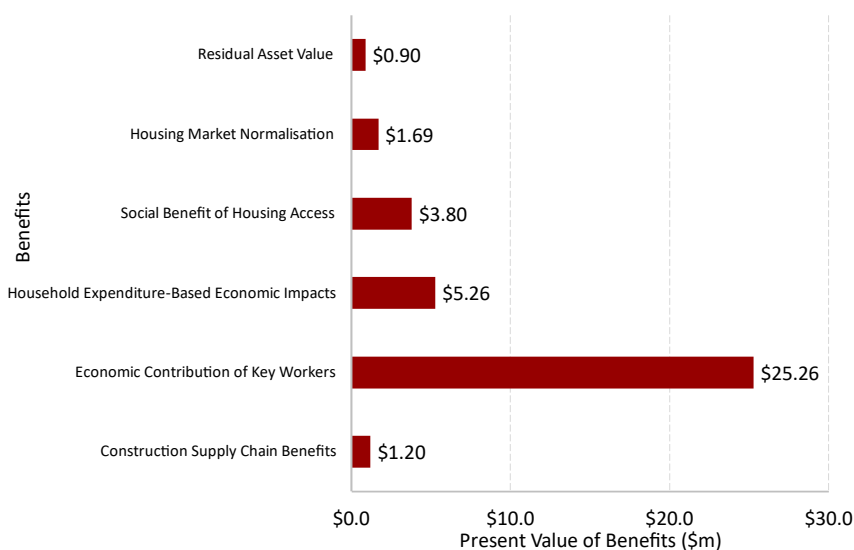


Figure 7 Present Value of Benefits (\$m)

Each benefit was categorised as either social or economic. The majority of the benefit of this project is economic, with 14% of benefits being social. This is due to the significant value of worker contribution benefits.

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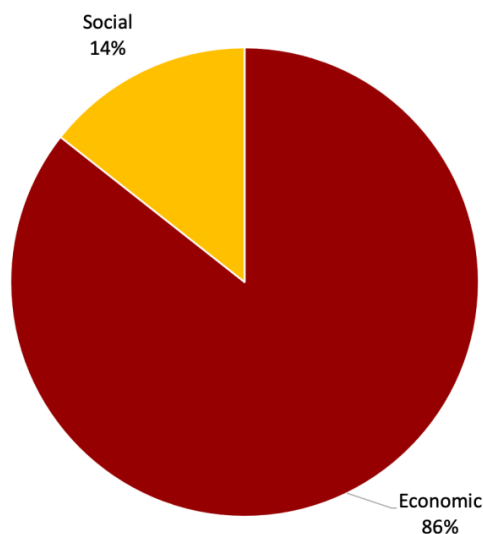


Figure 8 Composition of Benefits, Economic and Social Benefit Categories, at the 7% Discount Rate

3.4.3 NPV and BCR

Comparing the present value of benefits to that of costs, Econisis estimates the project will yield a net present value of between \$30.5m over 20 years at the 4% discount rate and \$12m at the 10% discount rate. All net present value estimates are above \$0, meaning that the present value of the benefits is greater than that of the costs across all discount rates.

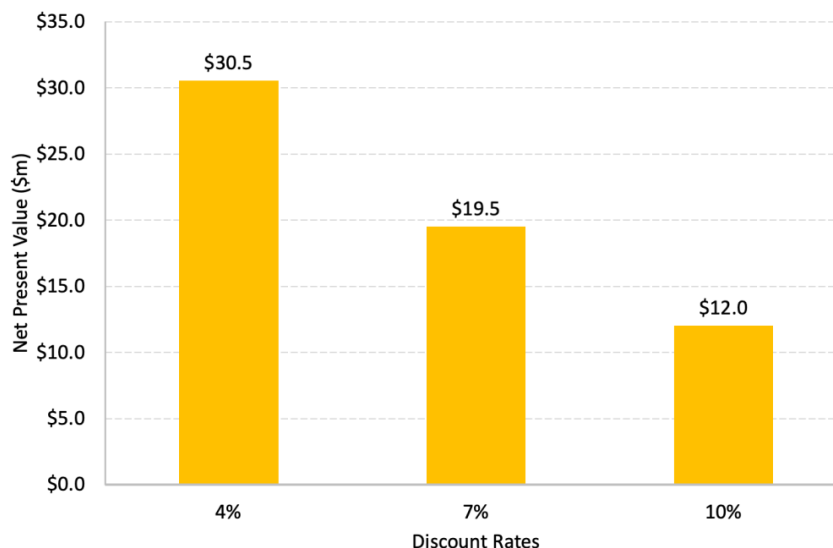


Figure 9 Net Present Value by Discount Rate

The benefit cost ratios ranged from 2.58 at the 4% discount rate to 1.67 at the 10% discount rate. Any BCR above 1.0 is regarded as positive, with BCRs at or approaching 3.0 particularly positive. This reflects the fact that benefits that accrue in the future have a higher degree of uncertainty, and while this is addressed to an extent by the discount rates, a higher BCR provides the project a

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greater “buffer” that it will indeed yield benefits greater than the costs. In this instance, the predominantly economic nature of the assets means that the 7% discount rate is most relevant.

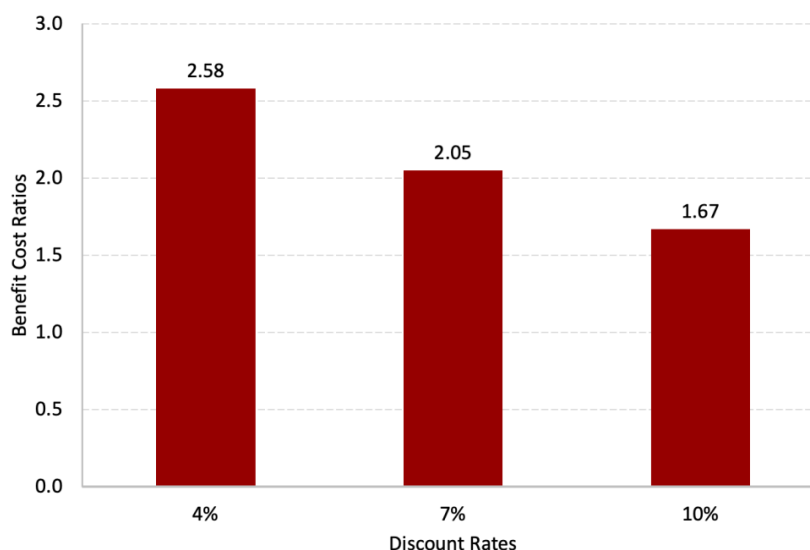


Figure 10 Benefit Cost Ratio by Discount Rate

The below table summarises the results of the cost benefit analysis.

Table 8 Summary of Cost Benefit Analysis Results

| Summary | 4% | 7% | 10% |
|--|----------------|----------------|----------------|
| Total Costs | -\$19.3 | -\$18.6 | -\$18.0 |
| Capital Costs | -\$17.1 | -\$16.9 | -\$16.7 |
| Maintenance | -\$2.2 | -\$1.7 | -\$1.3 |
| Benefits | \$49.9 | \$38.1 | \$30.0 |
| Construction Supply Chain Benefits | \$1.2 | \$1.2 | \$1.2 |
| Economic Contribution of Key Workers | \$33.0 | \$25.3 | \$19.9 |
| Household Expenditure-Based Economic Impacts | \$6.9 | \$5.3 | \$4.1 |
| Social Benefit of Housing Access | \$5.0 | \$3.8 | \$3.0 |
| Housing Market Normalisation | \$2.2 | \$1.7 | \$1.3 |
| Residual Asset Value | \$1.6 | \$0.9 | \$0.5 |
| NPV | \$30.5 | \$19.5 | \$12.0 |
| BCR | 2.58 | 2.05 | 1.67 |

3.4.4 Sensitivity Tests

Three sensitivity tests of the Program were undertaken which examined:

- **Test 1** - Increase Maintenance Costs to 2% per annum
- **Test 2** – Reduced the Number of Key Workers per Household from 1.25 to 1.0.
- **Test 3** – Alternative delivery model in which a financial subsidy of \$350,000 is provided to private and/or community sector housing operators seeking to construct key worker housing

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to compensate for the negative residual value. Assumes a slower delivery over 5 years instead of 2 years with a commensurate delay in benefits.

The results of the BCRs at the 7% discount rate for the main scenario and the three Sensitivity Tests are outlined below.

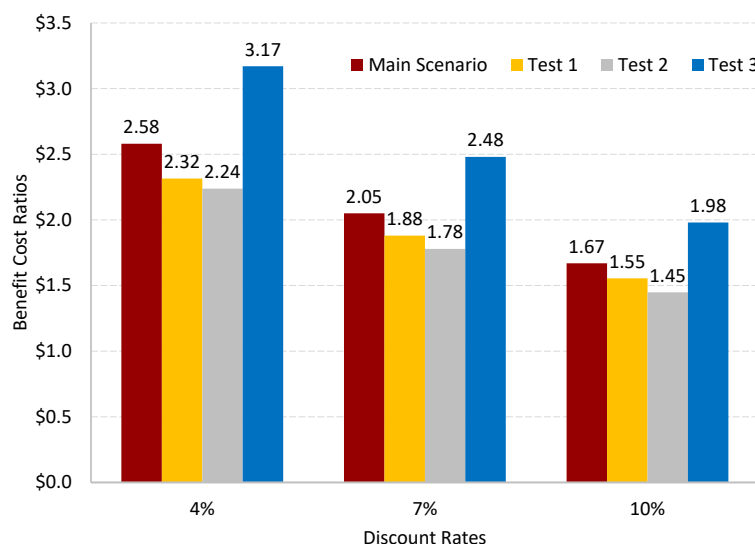


Figure 11 BCRs at 7% Discount Rate by Scenario/Sensitivity Test

Test 1 resulted in the BCR decreasing to between 2.32 at the 4% discount rate and 1.55 at 10%. This is not a significant change and shows that even if maintenance of the dwellings costs twice as much as expected, the project will have a positive return, with every dollar of cost producing at least \$1.55 of benefits.

Test 2 had a slightly bigger effect, reducing the BCR to between 2.24 at the 4% discount rate and 1.45 at 10%. This explains that even if each new household only has one key worker, the project will still deliver a high return, with a BCR well above 1 for all discount rates.

Test 3 saw an increase in the BCRs across all discount rates, reaching 2.48 at 7%. This model is however higher risk, as it is dependent on third parties (i.e. community housing organisations or private sector key worker housing developers) to take on the remainder of the capital costs of the development as well as develop the housing in a reasonable time. If non-financial factors impact feasibility, then this take up may be slower or not occur at all.

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4 ECONOMIC AND EMPLOYMENT IMPACT ASSESSMENT

This section provides an estimate of the direct and indirect economic and employment impacts of the project construction phase.

4.1 Methodology and Approach

At the core of an Economic Impact Assessment is Input–Output (IO) tables. IO tables are part of the national accounts by the ABS and provide detailed information about the supply and use of products in the Australian economy, and the structure of and inter–relationships between Australian industries.

IO tables are converted, through statistical analysis, into a series of Economic Multipliers. These Multipliers represent the relationship between the direct activity (expenditure or production) associated with a Project and the wider economy.

The results of an EIA are generally presented as both direct effects, that is effects from the direct activity of the Project or event, and indirect effects, which are additional effects from further rounds of spending in the supply chain. A third or consumption effect, resulting from rounds of consumer spending generated by the additional income in the region can also be calculated.

There are two broad levels of Multipliers that can be utilised for Impact Assessments:

1. **Simple Multipliers** – including the Direct or Initial Effect, First Round and Industry Supply Chain effects.
2. **Total Multipliers** – including the Simple Multipliers plus subsequent Induced Production and Household Consumptions effects.

Impact Assessments can assess:

- **Output** - the actual dollar amount spent on the Project in the Region.
- **Income** - the number of wages and salaries paid to labour.
- **Employment** - the full-time equivalent (FTE) per annum employment generated by the Project; and
- **Value Added** - the value added to materials and labour expended on the Project.

Econisis has undertaken an Impact Assessment for the WA state economy, focused solely on **Simple Multipliers**. For the WA economic impacts, this entailed the following tasks:

1. Transaction tables were developed from National IO tables for the WA State economy. For the WA economy, the Regional Transaction Table was calculated by applying employment-based location quotients for the Region, based on the results of the 2016/2021 Census of Population and Housing. This has the effect of excluding spending on imports to the Region since they generate no local economic activity.
2. Economic Multipliers were then generated for WA economy across 119 industry categories defined by the ABS.
3. Construction and operational expenditure and production associated with the development were allocated across 119 industry categories.
4. Economic impacts associated with the Project are calculated.

4.1.1 Criticisms of Impact Assessments

Economic Impact Assessments based on IO-tables and Economic Multipliers have been criticised by Government and academia. Econisis recognises Economic Multipliers are based on limited

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assumptions that can result in multipliers being a biased estimator of the benefits or costs of a Project.

Shortcomings and limitations of multipliers for economic impact analysis include:

- **Lack of supply**—side constraints: The most significant limitation of economic impact analysis using multipliers is the implicit assumption that the economy has no supply—side constraints. That is, it is assumed that extra output can be produced in one area without taking resources away from other activities, thus overstating economic impacts. The actual impact is likely to be dependent on the extent to which the economy is operating at or if it is near capacity.
- **Fixed prices**: Constraints on the availability of inputs, such as skilled labour, require prices to act as a rationing device. In assessments using multipliers, where factors of production are assumed to be limitless, this rationing response is assumed not to occur. Prices are assumed to be unaffected by policy and any crowding out effects are not captured.
- **Fixed ratios for intermediate inputs and production**: Economic impact analysis using multipliers implicitly assumes that there is a fixed input structure in each industry and fixed ratios for production. As such, impact analysis using multipliers can be seen to describe average effects, not marginal effects. For example, increased demand for a product is assumed to imply an equal increase in production for that product. In reality, however, it may be more efficient to increase imports or divert some exports to local consumption rather than increasing local production by the full amount.
- **No allowance for purchasers' marginal responses to change**: Economic impact analysis using multipliers assumes that households consume goods and services in exact proportions to their initial budget shares. For example, the household budget share of some goods might increase as household income increases. This equally applies to industrial consumption of intermediate inputs and factors of production.
- **Absence of budget constraints**: Assessments of economic impacts using multipliers that consider consumption induced effects (type two multipliers) implicitly assume that household and government consumption is not subject to budget constraints.
- **Not applicable for small regions**: Multipliers that have been calculated from the national IO table are not appropriate for use in economic impact analysis of Projects in small regions. For small regions multipliers tend to be smaller than national multipliers since the inter—industry linkages are normally relatively shallow. Inter—industry linkages tend to be shallow in small regions as they usually do not have the capacity to produce the wide range of goods used for inputs and consumption, instead importing a large proportion of these goods from other regions.

4.1.2 Adjustments to Improve EIA Reliability

Despite this, IO tables and Economic Multipliers remain popular due to their ease of use and communication of results. Econisis has undertaken a number of steps and made appropriate adjustments to the EIA methodology to address and mitigate these concerns.

Econisis has only used **Simple Multipliers** in the Assessment. This has the effect of discounting Household Consumption impacts from the assessment. By doing so, only those industries with a first round or supply chain connection are considered. This has the effect of making the results of the EIA conservative and suitable to inform decision making.

Additionally, Econisis has developed economic multipliers for the **WA economy only**. This has the effect of internalising and limiting the extent of the economic impact outside of the State.

Econisis regards the use of Economic Multipliers as part of this Assessment as appropriate and reliable. The results of the assessment are conservative, defensible and suitable for informing decision making.

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4.2 Summary of Results

4.2.1 Construction Phase

Econisis has allocated the construction costs for the housing development across the following sectors of the WA economy:

- Heavy and Civil Engineering Construction (10%)
- Residential Building Construction (80%)
- Professional, Scientific and Technical Services
- Public Administration and Regulatory Services.

For the purpose of this assessment, Econisis has assumed a 3 year construction phase.

Based on these industries, Econisis estimates that project will generate a total of \$30.3m in direct and indirect economic outputs, along with \$5.1m in incomes and contribute \$9.5m to the local economy, during the construction phase.

Table 9 Summary of Economic Impact, Construction Phase, Total Impact

| Summary | Initial Impact | First Round Impact | Industry Support Impact | Total Impact (Simple Multipliers) |
|-------------------------|----------------|--------------------|-------------------------|-----------------------------------|
| Output (\$m) | \$17.5 | \$8.5 | \$4.4 | \$30.3 |
| Income (\$m) | \$2.4 | \$1.8 | \$0.9 | \$5.1 |
| Employment (FTEs) | 8.5 | 5.0 | 3.1 | 16.6 |
| Gross Value Added (\$m) | \$4.6 | \$3.1 | \$1.8 | \$9.5 |

Table 10 Summary of Economic Impact, Construction Phase, Average Annual Impact

| Summary | Initial Impact | First Round Impact | Industry Support Impact | Total Impact (Simple Multipliers) |
|-------------------------|----------------|--------------------|-------------------------|-----------------------------------|
| Output (\$m) | \$5.8 | \$2.8 | \$1.5 | \$10.1 |
| Income (\$m) | \$0.8 | \$0.6 | \$0.3 | \$1.7 |
| Employment (FTEs) | 2.8 | 1.7 | 1.0 | 5.5 |
| Gross Value Added (\$m) | \$1.5 | \$1.0 | \$0.6 | \$3.2 |

The project will support a total of 16.6 direct and indirect FTE construction jobs over the three years.

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REPORT

5 CONCLUSION

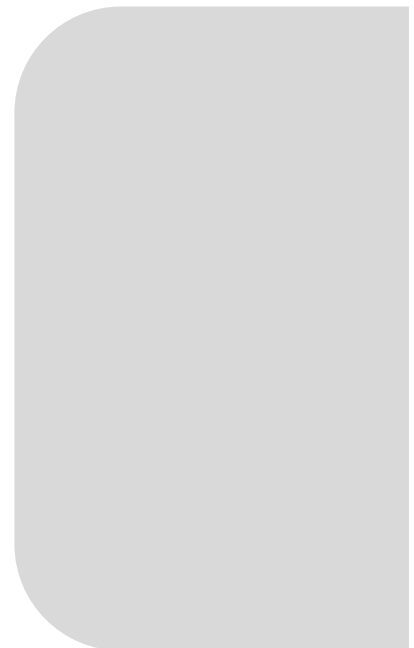
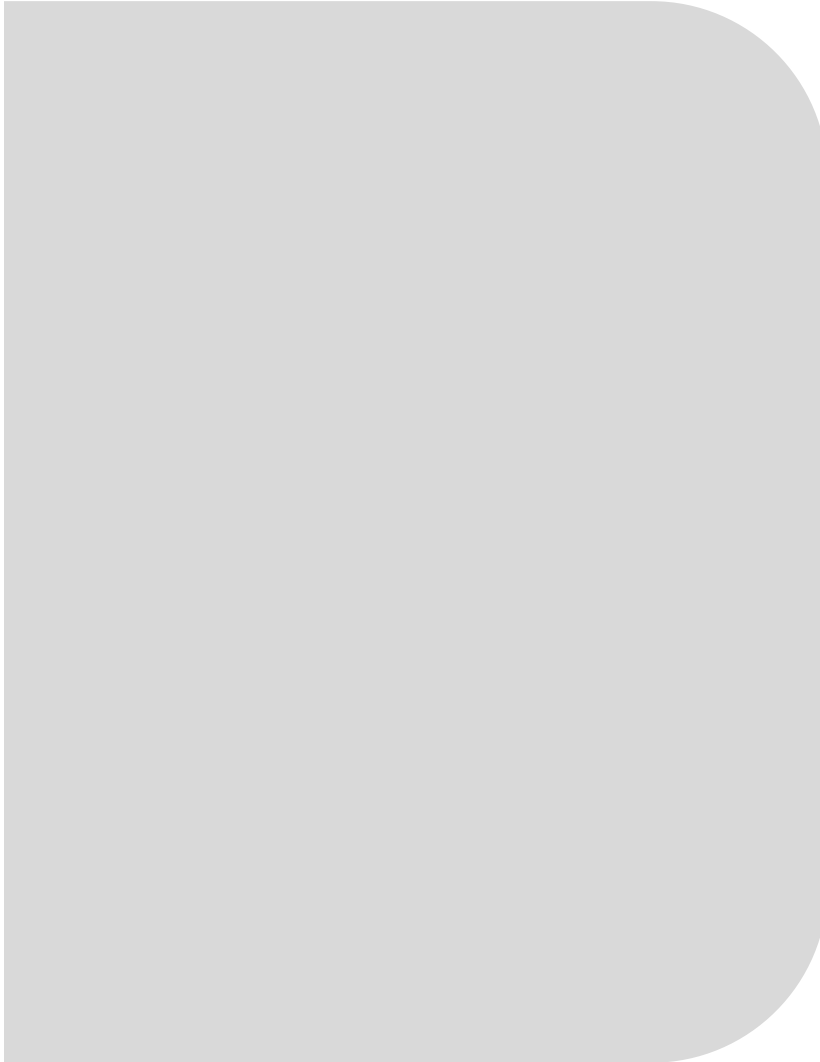
The 4WDL housing project would provide a host of benefits to the region, with the project estimated to have a net present value between \$12m and \$30.5m. The main benefit is the significantly increased economic contributions of key workers. Current housing shortages are preventing key workers from moving into the area, and increasing housing supply would allow for these workers to enter the 4WDL workforce. These new workers would produce significant value added to the local economy, estimated to be between \$19.9m and \$33m.

Another benefit is the household expenditure from these new workers and their households. Increased housing supply brings new families to the region who will spend at local businesses, stimulating the economy. This is estimated to generate between \$4.1m and \$6.9m. There are also social benefits to providing housing supply which include enhanced productivity, health savings, and reduced crime, among others. These benefits are estimated to be between \$3m and \$5m. Other benefits to the project include the initial construction supply chain benefits, a normalisation of the local housing market, and the residual asset value of the constructed dwellings.

This evaluation finds that the sum of these economic and social benefits outweighs the estimated cost of the project. This is reflected in the high NPV and BCR values. At the standard 7% discount rate, the NPV of the project is \$19.5m and the BCR is 2.05. This means that for every dollar spent on the project, there are \$2.05 of benefits produced. The present value of the benefits less the present value of the costs is \$19.5m, representing a net positive value to the community and economy.

In addition, sensitivity tests conducted on the number of key workers per household and the maintenance costs of the project confirm that variation in these figures will not have a significant effect on benefits.

ECONISIS



Contact

Econisis Pty Ltd

A: L38, 71 Eagle Street, Brisbane City,
Qld, 4000

E: mark.wallace@econisis.com.au

T: 0431 676 254



4WDL VROC Shires of Dumbleyung, Lake Grace, Wagin, Williams, Woodanilling and West Arthur

Investment in 33 Key Worker Dwellings in the 4WDL VROC Region of Western Australia

PRELIMINARY BUSINESS CASE

April 2024

VERSION CONTROL

| Version | Date | Issued By | Description | Issued To |
|---------|------------|-----------------------|--|----------------------------------|
| DraftA | 02/02/2024 | Econisis | Internal draft for project team review | JE Planning, Chadwick Consulting |
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CONTACT OFFICER

| Name/Title | Email | Phone |
|--|--------------------------|----------------|
| Gavin Treasure, CEO, Shire of Dumbleyung | ceo@dumbleyung.wa.gov.au | (08) 9863 4012 |

Abbreviations

| Abbreviation | Description |
|--------------|--|
| 4WDL | VROC representing the shires of Wagin, Williams, West Arthur, Woodanilling, Dumbleyung, and Lake Grace |
| BCR | Benefit Cost Ratio |
| CBA | Cost Benefit Analysis |
| EIA | Economic Impact Assessment |
| IO | Input-Output |
| GFA | Gross Floor Area |
| GVA | Gross Value Added |
| HA | Hectare |
| KWHA | 4WDL Key Worker Housing Analysis 2023 Report (JE Planning) |
| KWHDC | 4WDL Housing Plans and Key Worker Housing Development Concepts 2024 Report (JE Planning) |
| NPV | Net Present Value |
| PV | Present Value |
| SQM | Square Metres |
| VROC | Voluntary Regional Organisation of Councils |

List of Appendices

The appendices are included in a separate volume from the Business Case.

| Appendix | Description |
|------------|---|
| Appendix A | 4WDL Key Worker Housing Analysis (KWHA) 2023 Report |
| Appendix B | 4WDL Regional Housing Analysis (Econisis) 2023 Report |
| Appendix C | 4WDL Housing Plans and Key Worker Housing Development Concepts (KWHDC) 2023 Report |
| Appendix D | 4WDL Short-Listed Key Worker Housing Investment Cost Benefit Analysis (CBA) 2024 Report |

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Business Case – Commercial in Confidence

Commercial in Confidence

Business Case – Commercial in Confidence

1 EXECUTIVE SUMMARY

Proposal

Funding for the construction of 33 dwellings across the 4WDL VROC Shires to meet key worker accommodation and housing needs in the regional communities for the benefit of the local economies.

Need

Analysis by JE Planning in the 4WDL Key Worker Housing Analysis 2023 Report confirmed the requirement for between 158 and 254 key worker dwellings across the region over the next decade. This was confirmed through multiple modelling techniques and scenarios drawing on demographic, housing market and survey data and evidence.

Rationale for Investment

Private housing markets in 4WDL communities are experiencing “market failure” conditions due to slowing and declining population growth signals, poor development feasibility attributes (based on traditional development models) and below replacement median house prices. These signals mask significant economic-led demand from public and private sector organisations requiring quality accommodation options for key workers.

This market-failure condition means the region and State are experiencing significant economic opportunity cost due to the lack of suitable housing to accommodate productive and essential workers in the region.

Options

Vacant residential land supplies are constrained by servicing, tenure, ownership, environmental overlays and suitability for investment. The number of lots across the region meeting short-listing criteria limited to 19. Of these 33 potential dwellings were identified for development over 8 sites across each of the LGAs, including 2 sites in Wagin and 2 sites in Lake Grace.

Table 1 4WDL Shortlisted Sites for Housing Investment Concepts

| Site # | Local Government | Address | Dwelling yield |
|------------------------|-----------------------|---|---------------------|
| 1 | Shire of Dumbleyung | 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | 6 |
| 2 | Shire of Williams | 25- 29 (Lots 72,73 and 74) Hynes Court, Williams | 4 |
| 3 | Shire of Wagin | 8-10 (Lots 19 and 18) Khedive Street, Wagin | 3 |
| 4 | Shire of Lake Grace | Portion of Lot 500 Wattle Road, Lake Grace | 6 |
| 5 | Shire of West Arthur | Portion of Lot 309 Burrowes (West) Street, Darkan | 4 |
| 6 | Shire of Woodanilling | 13 (Lot 129) Cardigan Street, Woodanilling | 1 + ancillary |
| 7 | Shire of Lake Grace | Portion of Lot 9002 Griffin Road, Lake Grace | 2 |
| 8 | Shire of Wagin | 3 (Lot 19) Omdurman, Wagin | 6 |
| Total Dwellings | | | 33 dwellings |

Local Government Development and Ownership was identified as the preferred delivery model due to the scale of feasibility gaps rendering more incremental funding or market-led incentives unsuitable. The exception is the potential for a development financial subsidy (of approximately \$350,000 per dwelling) to market, employer and community-led housing projects under a co-investment model. However the depth of market and capacity of private partners to delivery this likely impedes its short-term take up.

Evaluation

Cost estimates from Chadwick Consulting identified an average development cost per dwelling requirement of \$525,971. This represents a total cost, excluding land value of **\$17,466,869 for the servicing of sites and the construction of the 33 dwellings**.

Dwelling construction costs include the pad and house, carport (1 carport for 2-bedroom, 2 carports for 3-bedroom) and driveways. Dwellings have also been costed to a 'medium' specification, to reflect quality requirement for long-term habitation. Additionally, dwelling footprints are relatively small to enable modular/flat pack construction methods. Refer to the table below for examples of the dwelling sizes.

This includes escalation to December 2024 and contingencies.

A Cost Benefit Analysis of the preferred option was undertaken by Econisis. This identified a series of economic and social benefits including:

- Construction Supply Chain Benefits
- Direct Economic Contribution of New Key Worker Households
- Household Expenditure Benefit
- Social Benefit of Housing Access
- Housing Market Normalisation
- Residual Asset Value

The below table summarises the results of the cost benefit analysis.

Table 2 Summary of Cost Benefit Analysis Results

| Summary | 4% | 7% | 10% |
|--|----------------|----------------|----------------|
| Total Costs | -\$19.3 | -\$18.6 | -\$18.0 |
| Capital Costs | -\$17.1 | -\$16.9 | -\$16.7 |
| Maintenance | -\$2.2 | -\$1.7 | -\$1.3 |
| Benefits | \$49.9 | \$38.1 | \$30.0 |
| Construction Supply Chain Benefits | \$1.2 | \$1.2 | \$1.2 |
| Economic Contribution of Key Workers | \$33.0 | \$25.3 | \$19.9 |
| Household Expenditure-Based Economic Impacts | \$6.9 | \$5.3 | \$4.1 |
| Social Benefit of Housing Access | \$5.0 | \$3.8 | \$3.0 |
| Housing Market Normalisation | \$2.2 | \$1.7 | \$1.3 |
| Residual Asset Value | \$1.6 | \$0.9 | \$0.5 |
| NPV | \$30.5 | \$19.5 | \$12.0 |
| BCR | 2.58 | 2.05 | 1.67 |

BCRs and NPVs are positive for the 33 dwelling project at all discount rates, with BCRs exceeding 2.0 at 4% and 7% discount rates.

Sensitivity testing confirmed downside resilience of the results from conservative variable adjustments. A sensitivity test involving a financial subsidy approach and co-investment model (Test 3) was also undertaken and showed strong BCRs and value for money, though is contingent on take up and capacity of partners to fund and delivery under the model.

The project has the capacity to delivery \$30.3m in economic output to the WA economy over the construction phase (assuming 3 years). This includes \$5.1m in direct and indirect economic incomes and \$9.5m over 3 years of Gross Value Added to the regional economy. Approximately 16.6 construction job years will be supported during the construction phase.

Table 3 Summary of Economic Impact, Construction Phase, Total Impact

| Summary | Initial Impact | First Round Impact | Industry Support Impact | Total Impact (Simple Multipliers) |
|--------------------------------|----------------|--------------------|-------------------------|-----------------------------------|
| Output (\$m) | \$17.5 | \$8.5 | \$4.4 | \$30.3 |
| Income (\$m) | \$2.4 | \$1.8 | \$0.9 | \$5.1 |
| Employment (FTEs) | 8.5 | 5.0 | 3.1 | 16.6 |
| Gross Value Added (\$m) | \$4.6 | \$3.1 | \$1.8 | \$9.5 |

Preliminary Implementation Advice

A likelihood and consequences based risk assessment of the project identified no Extreme Risks. Only one Major Risk was identified – that Project-related housing assets have a negative value upon delivery. However, such negative value unlikely to be realized due to own-and-lease model proposed in the delivery model analysis and governance options. Financial contribution by the State Government will also alleviate such impacts.

Governance of the Project, from a procurement, delivery and ongoing operational perspective, can take a number of potential forms. While no recommendation on specific governance model was recommended, options for consideration include:

- Individual Local Government project management and delivery
- Coordinated regional project management and delivery
- Establishment of a regional community housing entity to manage the procurement, delivery and operations
- Engagement of an established Community Housing Organisation as a delivery partner
- Partnership with State Government agencies (Development WA, Department of Communities) in the procurement and delivery of the assets

Each options have positive and negative implementations, though retaining a strong involvement and leadership role of Local Government in the operation of the housing assets was viewed as critical to allowing the specific local key worker housing needs to be responded to in a flexible manner.

The following next steps are recommended for consideration:

- Engage with State Government agencies to secure in principle support for the projects and confirm appropriateness of governance and delivery models.
- Seek an design partner on the market to secure designs and costings for the project
- Provide these details as part of a targeted investment application and funding submission to the State Government (or the relevant identified agencies). This may require minor amendments to financial and CBA elements of this business case.

Upon successfully securing funding, it is recommended that a procurement and project management plan be established to guide further steps in the delivery and implementation of the project.

Recommendations

This preliminary business case and associated analysis and evidence confirms the recommendation that:

State Government investment be provided to enable the delivery of 33 dwellings across the 4WDL Councils for the purposes of providing accommodation and housing for key workers in the region.

Consideration should also be given to the establishment of a ***Key Worker Housing Subsidy Fund*** to provide financial support and capital subsidies to market, employer and community-led key worker housing projects in the region based on a co-investment model.

2 PROJECT PURPOSE

2.1 Introduction

Key worker housing supply and affordability challenges are increasingly common across regional areas in Australia, impacting the ability to attract and retain key workers. The combination of small labour markets, flat and declining populations, comparatively low median housing market prices, and development feasibility issues require coordinated government intervention.

The *4WDL Key Worker Housing Analysis 2023 (KWA) Report (Appendix A)* for the 4WDL region presented evidence to confirm the extent of the housing shortage in the Shires of Williams, Wagin, West Arthur, Woodanilling, Lake Grace and Dumbleyung. The KWA included a Regional Housing Economic Analysis that identifies and tests the key feasibility of local government-led housing delivery, ownership and management models across Australia.

Aggregating data across local government areas in stalled regional markets aims to create sufficient scale for commercially feasible housing development, together with government investment intervention to fund the 'failed market' gap. The KWA established the scale of demand for purpose-built and appropriate key worker housing, revealing a lack of accommodation to support lone, small and aged households. The expansive land area of the 4WDL region, combined with the comparatively small size of many communities, impacts the viability (and interest) of private housing construction and supply.

The *4WDL Housing Plans and Key Worker Housing Development Concepts (KWHDC) Report (Appendix C)* provides a technical analysis and high level housing development concepts to address the KWA recommendations.

This Preliminary Business Case has been prepared in the WA Government Business Case Template for use by the 4WDL working group in engagement with the State Government to seek funding for land development and construction for key worker housing.

2.2 Proposal Background and Context

2.2.1 4WDL VROC

The Wheatbelt Development Commission (WDC), in partnership with the 4WDL Shires, engaged JE Planning Services and Econisis to analyse key worker housing needs and challenges and highlight opportunities to stimulate housing development and investment in the 4WDL region.

The 4WDL region (See Figure 1) encompasses a land area of approximately 21,135 km² and comprises the following Local Government Areas (LGAs):

- The Shire of Wagin
- The Shire of Williams
- The Shire of West Arthur
- The Shire of Woodanilling

- The Shire of Dumbleyung
- The Shire of Lake Grace

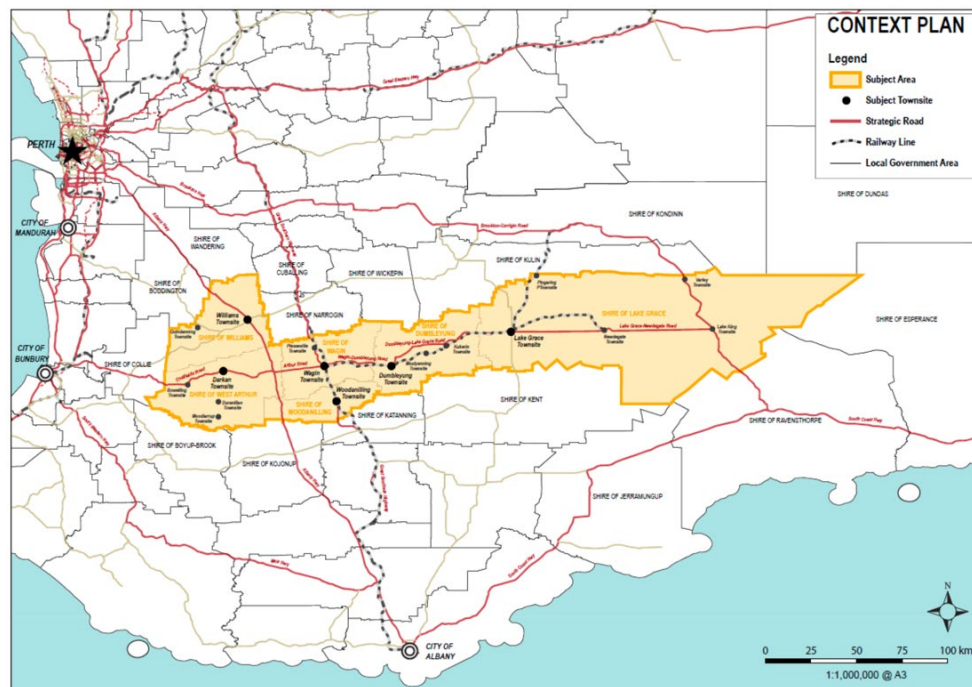


Figure 1 KWA Study Area

The KWA Report identified and quantified housing demand in the six local government areas and identifying key development feasibility constraints, land availability, and potential development models to address future regional key worker housing.

While the region continues to experience economic growth, limited capital gains and lending restrictions in recent years have impacted the construction of new houses. The 4WDL Shires have identified a critical shortage of suitable key worker housing, which is impacting the ability of the private and public sectors to attract and retain skilled workers and their families in the region. Subsequently, this has increased reliance on drive-in-drive-out workers and the need for accommodation investment.

2.2.2 Socio-Demographic and Housing Profile

According to the ABS census data, the 4WDL Shires aggregate population in 2021 was 5949 representing a slight decline in population (63 people) over the decade since 2011. This data also indicates a reduction of 166 total dwellings since 2011.

Table 4 Population and Total Dwellings Trends by Local Government Area (LGA) from 2011-2021

| LGA | Dumpleyung | Lake Grace | Wagin | West Arthur | Williams | Woodanilling | Total |
|-------------|------------|------------|-------|-------------|----------|--------------|-------|
| 2011 | | | | | | | |
| Population | 605 | 1360 | 1846 | 868 | 914 | 419 | 6012 |
| Dwellings | 376 | 754 | 949 | 490 | 460 | 205 | 3234 |
| 2016 | | | | | | | |
| Population | 671 | 1268 | 1852 | 809 | 981 | 409 | 5990 |
| Dwellings | 386 | 745 | 943 | 469 | 455 | 204 | 3202 |
| 2021 | | | | | | | |
| Population | 681 | 1265 | 1761 | 773 | 1021 | 448 | 5949 |
| Dwellings | 339 | 743 | 886 | 376 | 503 | 221 | 3068 |

Source: ABS Census

The Shire of Dumpleyung, Woodanilling and Williams have experienced a small population increase since 2011, while the Shire of Lake Grace, Wagin and West Arthur is experiencing a slight population decline.

Based on the 2021 ABS census data, housing trends across the 4WDL indicates that 78% of the dwellings are occupied (See Table 3), with 96% of housing stock being single dwellings. Census data indicates that 45% of dwellings are owned outright, with a further 22% owned with a mortgage and 32% rented or leased.

Table 5 Number of Houses supplied for Key workers by Agency and LGA

| LGA | Shire Houses | GROH Houses | WACHS Houses | Total |
|--|--------------|-------------|--------------|-------|
| Shire of Wagin | 0 | 13 | 5 | 18 |
| Shire of Williams | 4 | 5 | 0 | 9 |
| Shire of West Arthur | 6 | 3 | 0 | 9 |
| Shire of Woodanilling | 3 | 0 | 0 | 3 |
| Shire of Dumpleyung | 4 | 7 | 2 | 13 |
| Shire of Lake Grace | 11 | 17 | 2 | 30 |
| Public Sector Key Worker Accommodation | 28 | 45 | 9 | 82 |

Source: Stakeholder Engagement Outcomes

It is estimated that 34% of public sector housing is provided by local government, GROH provide 55% (owned and leased) and 11 % by WACHS. These figures indicate the number of houses provided to employees of each sector of the public workforce. Local government owns 73 houses within the 4WDL region and currently rent 44 dwellings to other agencies or the private sector, equating to 60% of local government housing stock. While GROH provides the highest housing proportion to its workers, GROH leases 24% of the properties to house key workers.

Table 6 % Public Sector workers with housing

| LGA | % Public Sector Workers provided with housing currently (2022) | Desired % Public Sector Workers provided with housing based on survey |
|-----------------------|--|---|
| Shire of Wagin | 21% | 33% |
| Shire of Williams | 19% | 29% |
| Shire of West Arthur | 25% | 42% |
| Shire of Woodanilling | 18.75% | 81% |
| Shire of Dumbleyng | 27% | 54% |
| Shire of Lake Grace | 34% | 47% |
| Average | 24% | 48% |

Source: Stakeholder Engagement Outcomes

According to the table above, 24% of public sector workers are provided with accommodation in the 4WDL area, meaning that currently 76% of public sector workers are not provided with accommodation in the region, and therefore likely drive in drive out, or access existing housing stock or lease accommodation from the Shire. Based on survey outcomes of planned or needed accommodation, the current desired supply level would need to accommodate at least 48% of public sector key workers. These trends indicate a significant lack of public sector housing in the region, with strain on local government owned housing stock to accommodate state and private sector key workers. This statistic implies that at best half of public sector employees need to be accommodated, almost double the current provision of public sector housing. This figure also indicates that even when the desired level based on current survey outcomes are addressed, over 50% of public sector workers will need to find their own accommodation.

2.3 Project/Service Need

While the 4WDL region is experiencing declining population trends, and forecasts predict this trend will continue; the decline rate is slow. Conversely, some of the LGAs within the area recorded slight growth over the past ten years. These trends may indicate that each town has the potential to sustain economic activities over time. However, addressing a shortfall in key workers and worker accommodation is vital to sustaining current activities.

Business Community and Local Government surveys were undertaken as part of the development of the KWAH Report.

Survey outcomes and engagement feedback highlight the need for adequate worker accommodation and houses to support families with a yard. Key priorities from business owners regarding housing needs for workers in order of frequency of response included:

1. More short-term worker housing is needed/as short-stay accommodation for seasonal workers.
2. Lack of availability of any housing.
3. Attractive housing options to suit a family and couples with backyards.
4. More rental availability is needed for smaller housing units/townhouses for single workers
5. Replace or upgrade older accommodation. Modernise houses.
6. Housing people in caravan parks or in dongas is undesirable.

Demand forecasts prepared as part of the Key Worker Housing Assessment applied multiple approaches and scenario analyses. Five scenarios demonstrate both Top-Down and Bottom-Up analysis detailed in the sections below. These include:

- Scenarios A, B and C provide a Top-Down analysis using aggregation methods to establish an estimated range of key worker dwelling demand as it applies to the 4WDL area.
- Scenarios D and E provide a bottom-up approach using compositional analysis based on each LGA and housing sector data.

Details on the assumptions and elements of the scenarios are outlined in KWA Report in Appendix A

The results for housing demand projections for the region for the next 5 years by Top-Down and Bottom Up Scenarios are summarized in the tables below.

Table 7 4WDL estimated dwellings demand for Workers – Top Down Scenarios

| Scenario | 4WDL Aggregate Dwelling Demand for Key Workers |
|----------|--|
| A | 299 |
| B | 180 |
| C | 106 |

Table 8 4WDL estimated dwellings demand for Workers – Bottom Up Scenarios

| Demand By LGA assessment | Total Additional dwellings | Total key worker dwelling demand |
|--|----------------------------|----------------------------------|
| Scenario D (high estimated demand) | 322 | 254 |
| Scenario E (Conservative Estimated demand) | 207 | 158 |

Scenarios A and D are comparable as high estimates, Scenarios B and E are comparable as conservative estimates, and Scenario C is the outlier based on current trends which don't necessarily meet the demands addressed in the analysis.

The overall estimated figures reveal that the scale of demand for the 4WDL region sits between 158 (Low) – 254(High) key worker dwellings over the next decade. The high Scenario (D) provides direction for estimated and ongoing land supply requirements to meet dwelling demand over the coming decade, which is at a scale 2.5 times greater than current building activity. The low Scenario (E) guides immediate and short-term key worker housing needs.

The current, short- and longer-term, key workers housing needs by individual LGA/townsite include:

- The Shire of Dumbleyung requires an additional 28-33 key worker dwellings by 2031 with current under provision of 14 key worker dwellings.
- Lake Grace requires an additional 30-45 key worker dwellings by 2031 with current under provision of 12-15 key worker dwellings.
- West Arthur requires an additional 18-31 key worker dwellings by 2031 with a current under provision of 8 key worker dwellings.

- Wagin requires an additional 42-61 key worker dwellings by 2031 with current under provision of 16-22 key worker dwellings.
- Williams requires an additional 26-48 key worker dwellings by 2031 with a current under provision of 13-18 key worker dwellings.

2.4 Rationale for Intervention

While private markets are the preferred method in Australia and most Western countries, for the supply of goods and services to the population, such markets are subject to failure. "Market failure" represents a situation in which, for a diverse range of reasons, the private sector is unable to meet the needs and requirements of a community. Issues of market depth/liquidity, capital intensity and feasibility are common factors in situations where markets fail.

Regional communities such as those in "4WDL" are more susceptible to issues of market failure, due to their comparative remoteness, small size/lack of demand critical mass and labour force constraints. This is particularly the case for housing, where the cost of construction often exceeds the market median price of housing.

Econosis tested the feasibility of development in the region across each of the major towns in the study area using a static residual value approach.

A static residual value is a preliminary approach to feasibility. It compares the direct and indirect costs associated with the construction of a dwelling with the notional market value of that dwelling. Any value that is residual from this comparison represents the maximum value of the land that would be necessary to facilitate a positive feasibility outcome.

The assessments are preliminary in nature due to the fact it is static and does not consider the impacts of cashflows and cost and value appreciation over time. While this limits the capacity of the feasibility assessment to consider issues such as internal rates of return, peak debt and discounted cash flows, static residual value analysis is highly suitable.

Table 9 Residual Value, Single Detached Dwelling, Major Towns

| Town | Total Construction Cost | Sales Price | Residual Value | Notional Value per SQM |
|--------------|-------------------------|-------------|----------------|------------------------|
| Bowellling | \$313,131 | \$150,000 | -\$163,131 | -\$363 |
| Darkan | | \$135,000 | -\$178,131 | -\$396 |
| Dumbleyung | | \$210,000 | -\$103,131 | -\$229 |
| Kukerin | | \$147,500 | -\$165,631 | -\$368 |
| Lake Grace | | \$230,000 | -\$83,131 | -\$185 |
| Lake King | | \$180,000 | -\$133,131 | -\$296 |
| Newdegate | | \$115,000 | -\$198,131 | -\$440 |
| Wagin | | \$226,700 | -\$86,431 | -\$192 |
| Williams | | \$315,000 | \$1,869 | \$4 |
| Woodanilling | | \$259,000 | -\$54,131 | -\$120 |

In order to address the preliminary feasibility issues raised, the dwelling construction would need at least \$200,000 of financial subsidy in addition to the land if the dwelling was to be sold

on the market. This subsidy would also be required if the dwelling is retained and leased to address the write-down in the value of the asset that will be incurred by the asset owner.

Refer to Appendix B for further detail.

2.5 Stakeholders

The following stakeholder groups were engaged as part of the KWA and KWHDC Reports are outlined in the table below.

Table 10 Stakeholder Groups

| Groups | Consultation Level - keywords | Communication Methods/Terms of Reference |
|--|---|--|
| Project Control Group – Wheatbelt Development Commission officers Shire of Dumbleyung CEO Consultants (Project Management) | Involve Collaborate | Confirm Project Process and Content Confirm Objectives Develop Key messages Emails/Phone calls/Teams calls/Meetings Teams Presentation Confirm Recommendations WDC to engage and seek support for State Government agency feedback on key worker housing demand and gaps for the next ten years (immediate and forecast). |
| VROC Working Group Shire of Dumbleyung Shire of Wagin Shire of Lake Grace Shire of West Arthur Shire of Williams Shire of Woodanilling (Steering Group) | Inform Involve Consult Collaborate Empower | Provide data, local knowledge and other technical information. Complete the survey/Questionnaire. All LGA's to engage local businesses and other key workers (& community stakeholders) to seek housing gap and expected key worker housing demand information for the next ten years (immediate and forecast) Emails/ and phone calls Teams Meeting/ Presentation |
| State Agency/ Service Agency Stakeholders WA Country Health Services Department of Community Services - GROH teams (representing WA Police, Education and Community) Western Power Water Corporation Department of Planning Lands and Heritage Development WA (RDAP) | Inform Consult Involve | Building awareness Gather views/information Emails/ and phone calls Feedback |
| Business Community Stakeholders Industry Farming Commercial Not for Profit List to be developed by each Shire | Inform Consult | Gather views/information Survey Emails/phone calls Feedback |

The collection of data informing KWHa was through the following engagement processes:

- Business Community Key Worker and Housing Survey (Business Community Stakeholders)
- Local Government Key Worker and Housing Survey (VROC working group)
- State Agency Stakeholder Questionnaire

3 Strategic Options Identification and Analysis

3.1 Potential Solutions

3.1.1 Vacant Residential Land

The process of preparing the local housing plans and associated data provides contextual and ground-truthing information that underpins the preliminary business case. The analysis further quantifies the KWA 2023 findings for key worker housing demand and land availability.

The KWA 2023 included high-level figures indicating how current housing stock is being used and identified areas of under-utilisation. KWA survey outcomes and Department of Planning Land and Heritage (DPLH) data was analysed an overview of vacant and suitably zoned land that may accommodate key worker housing.

Table 11 DPLH Vacant Residential Lots Data

| Local Government Area | Vacant Residential Lots |
|-----------------------|-------------------------|
| Dumbleyung | 24 |
| Lake Grace | 14 |
| Wagin | 87 |
| West Arthur | 28 |
| Williams | 48 |
| Woodanilling | 35 |
| Grand Total | 236 |

A detailed desktop review of the vacant land in the 4WDL focussed on the main townsites in each Local Government Area (LGA), and included the townsites of Darkan, Dumbleyung, Woodanilling, Williams, Lake Grace and Wagin.

Table 12 Estimated 4WDL Vacant Residential Zoned Land by Townsite

| Townsite | Total Estimated Vacant Residential Zoned Lots | Vacant Lots full services | Vacant Lots Partial Services | Vacant Lots No services | Local Government Tenure | Total State Government Tenure | Vacant State Government owned land Considered for inclusion in Noongar Land Estate | Vacant lots in Bushfire Prone Area | No Lots addressing Short List criteria |
|-------------------|---|---------------------------|------------------------------|-------------------------|-------------------------|-------------------------------|--|------------------------------------|--|
| Dumbleyung | 43 | 8 | 32 | 0 | 19 | 8 | 9 | 31 | 4 |
| Woodanilling | 60 | 17 | 23 | 20 | 4 | 19 | 18 | 55 | 2 |
| Darkan | 26 | 24 | 2 | 0 | 3 | 7 | 2 | 7 | 2 |
| Wagin | 109 | 49 | 55 | 5 | 15 | 44 | 34 | 67 | 8 |
| Lake Grace | 18 | 7 | 11 | 0 | 3 | 12 | 8 | 9 | 1 |
| Williams | 35 | 22 | 10 | 3 | 3 | 12 | 1 | 18 | 2 |
| Totals | 291 | 127 | 133 | 28 | 47 | 102 | 72 | 187 | 19 |
| Percentage | 100% | 44% | 46% | 10% | 16% | 35% | 25% | 64% | 7% |

The assessment of vacant Residential zoned land based on the results of the table above, indicates the following trends across the 4WDL:

- 44% have access to all available services in the town. This figure includes Woodanilling and Darkan, which do not have access to sewer.
- 46% constrained for development due to partial servicing.

- 10% do not have access to any services.
- 51% owned by local (16%) or state government (35%).
- 49% privately owned.
- 25% of vacant land is State Government land currently considered for inclusion in the Noongar land Estate, not available to be considered for development at this time. Therefore 10% of the State government-owned land may have potential for development at this time.
- 26% owned by local land state government may be available for consideration of development at this time.
- 7% owned by Local Government are identified as 'project ready'. This includes local government-owned land with access to full servicing.
- 64% of sites are in 'Bushfire Prone Areas'.

A high-level assessment undertaken in the to gauge the approximate potential for developing housing within each town is presented in the table below. This table highlights potential dwelling yield of vacant serviced Residential zoned areas of the respective 4WDL towns based on current density.

Table 13 Estimated 4WDL Vacant Residential Zoned Land by Townsite

| Townsite | Serviced Residential zoned sites with potential for single houses | Approximate number of serviced Residential sites with development potential for grouped dwellings | Average number of grouped dwellings per site | Sites with potential for multiple lot subdivision/ dwelling yield subject to servicing (Subdivision sites) | Anticipated lot/dwelling yeild on subdivision sites (subject to planning and servicing) |
|--------------|---|---|--|--|---|
| Woodanilling | 5 | 8 | 2 | 0 | 0 |
| Darkan | 24 | 0 | 0 | 1 | 28 |
| Wagin | 30 | 19 | 3 | 8 | 150 |
| Lake Grace | 6 | 1 | 32 | 1 | 38 |
| Williams | 18 | 4 | 2 | 8 | 300 |
| Dumbleyung | 1 | 7 | 3 | 9 | 54 |
| Total | 84 | 39 | 42 | 27 | 570 |

A summary of the development potential assessment reveals the following outcomes:

- 30% of vacant serviced zoned lots (all tenure) may have potential for grouped dwelling development.
- Based on trends observed through the assessment process, the likely yield on standard sites will be between two and four grouped dwellings. Larger or combined sites may allow six grouped dwellings or more.
- The current potential across all available vacant and adequately serviced land is estimated to provide 123 dwellings (estimating potential to provide 42 smaller grouped dwellings/modular).
- The fourth and fifth columns indicate residential-zoned parcels at the extent of larger townsites that may require structure planning for subdivision. Development of these sites will be subject to servicing and development and may yield around 500 residential lots/dwellings for the 4WDL.

3.1.2 Housing Delivery Models

The Regional Housing Analysis undertaken by Econis (Refer to Appendix B) identified a series of alternative housing delivery models and factors for consideration and review in meeting the housing needs of 4WDL. These options extend beyond the traditional construction and ownership of housing by Local Government for key workers in regional Australia (i.e. the core model).

Additional case study research and review of other key worker housing projects nationally has added to this analysis and allowed for the refinement and delineation of 5 potential government-related housing delivery models for the 4WDL area. These include:

- **Local Government Development and Ownership** – the local governments receive capital funding support to development housing for which they retain ownership and enter short- and long-term leases with key worker households.
- **Market/Community Housing Financial Development Subsidy** – the provision of a financial development subsidy to address the net residual value gap in the development of key worker housing by private market, businesses and community and social organisations.
- **Build to Rent Partnership Model** – providing a guarantee of occupancy and tenancy for a build-to-rent housing providers.
- **Local Government Rating Incentives** – providing local government rating incentives that improvement the commercial return on investment of private sector housing development, particularly for build to rent.
- **Headworks and Land Services Contributions** – financial contributions by the State Government to headworks and other infrastructure and servicing costs associated with the development of residential land for key worker housing.

These options all relate specifically to either direct or indirectly facilitating capital investment in key worker housing. They exclude specific models relating to governance and or JVs of the housing once delivered. Advice and recommendations on potential options are included in section 5.0 of the business case.

The delivery options identified have been assessed using a Multi-Criteria Analysis approach in section 3.2.2 of the business case.

3.2 Preferred Project Option

3.2.1 Short-Listed Sites

The table below lists the identified project-ready shortlisted sites selected to provide key worker housing in the 4WDL region. The shortlisted sites provide a maximum of 33 key worker modular dwellings, conservatively addressing approximately 50% of the current key worker housing deficit. The site's location and maximum dwelling yield potential are also listed. Each site is detailed in the discussion by townsites in the relevant sections below.

Table 14 4WDL Shortlisted Sites for Housing Investment Concepts

| Site # | Local Government | Address | Dwelling yield |
|------------------------|-----------------------|---|---------------------|
| 1 | Shire of Dumbleyung | 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | 6 |
| 2 | Shire of Williams | 25- 29 (Lots 72,73 and 74) Hynes Court, Williams | 4 |
| 3 | Shire of Wagin | 8-10 (Lots 19 and 18) Khedive Street, Wagin | 3 |
| 4 | Shire of Lake Grace | Portion of Lot 500 Wattle Road, Lake Grace | 6 |
| 5 | Shire of West Arthur | Portion of Lot 309 Burrowes (West) Street, Darkan | 4 |
| 6 | Shire of Woodanilling | 13 (Lot 129) Cardigan Street, Woodanilling | 1 + ancillary |
| 7 | Shire of Lake Grace | Portion of Lot 9002 Griffin Road, Lake Grace | 2 |
| 8 | Shire of Wagin | 3 (Lot 19) Omdurman, Wagin | 6 |
| Total Dwellings | | | 33 dwellings |

3.2.2 Preferred Delivery Options

The suitability and preferences of the housing delivery and development options identified in section 3.1.2 have been assessed using a Multi-Criteria Analysis (MCA) approach.

3.2.2.1 MCA Approach

A Multi-Criteria Assessment or MCA is an appraisal and evaluation technique that accounts for the role of economic, social and environmental factors in decision-making. Unlike CBA or SROI it does not require the monetization (monetary valuation) of social and environmental outcomes.

An MCA incorporates a series of measures across a criterion with the results of the measures aggregated up to a single result for the criteria as a whole. The results can be weighted or unweighted, with the latter providing a simpler and cleaner output at the potential risk of individual criteria/measures disproportionately impacting the results.

National MCA guidelines identified the following stages for developing an MCA.

Key stages are outlined below.

- Inputs – defining the inputs for the MCA. Includes identifying the scoring methods, key measures and relevant data sets and information capture.
- Design - identifying the criteria and organising structure of the assessment.
- Scenarios – scoring of the measures and scoring of the criterion based on aggregate measures.
- Results and Graphs – presentation of the results of the MCA.

Scoring measures:

- <5: Not suitable
- 5-9: Low level of suitability
- 10-14: Reasonable level of suitability
- 15-20: High level of suitability

3.2.2.2 Suitability Criteria

The assessment has utilised a qualitative unweighted and weighted approach to assessing the fundamental suitability of different delivery models to addressing key constraints and

barriers to the development of key worker housing in 4WDL and the extent to which the models will facilitate housing delivery.

Key Criteria and their weightings include:

- **Residual Value/Feasibility Gap** – the extent to which residual asset values and feasibility gap are addressed (40%)
- **Housing Delivery Certainty** - extent to which the model delivers housing to the market (20%)
- **Market-Failure Solution** - extent to which non-financial barriers causing regional housing market-failure are addressed. This can include infrastructure and servicing (20%)
- **Non-Government Involvement** - extent to which non-government investment is induced or supported (10%)
- **Control of Delivery and Operational Risks** - extent of government has control or management over risks of delivery and operations of the housing (10%)

The results of the MCA are illustrated below and summarised in the following table.

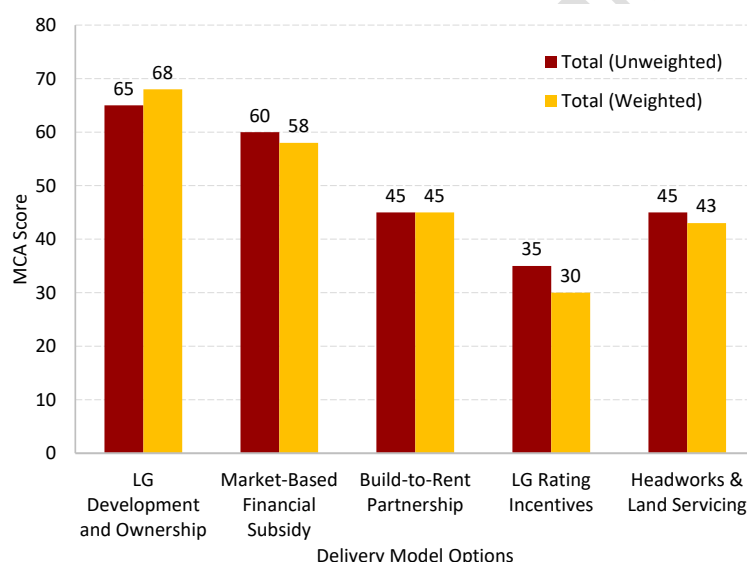


Figure 2 Delivery Option MCA Scores, Weighted and Unweighted

Overall, Local Government Development and Ownership (directly or through a community housing organisation) represents the preferred solution in the 4WDL. Other options struggle in light of the regional and remote nature of the market and the significant gap between market prices and feasibilities. This is particularly the case for options relating to Local Government Rating Incentives, which is unlikely to be sufficient to change fundamental market failure attributes in the area.

While land availability is an issue in some locations, a small number of suitable sites have been identified for development in the short-term, requiring only facilitatory investments in servicing. This reflects the fact that head works, and land servicing costs are only part of the factors that contribute to feasibility challenges in the area.

The provision of a financial subsidy to private sector and community-based key worker housing models does have some potential, particularly based on a co-investment model with market, employer and community housing partners. However, this model heavily dependent on the rate of take up and capacity of organisations within the region to meet the remaining capital requirements of the developments. This model is tested as part of the CBA.

Build-to-Rent models are increasingly attractive where Government and other organisations can provide certainty of long-term leasing and tenancy. This model has potential long-term benefits and there are examples of its implementation in locations in the Pilbara and larger communities where feasibility issues are due to affordability, and not market size and negative residual values. Rental returns are generally positive in the region based on low median house prices according to Regional Economic Analysis research. This is also likely to still require some form of financial or land related contribution to the Project from the public sector to ensure its viability.

Table 15 MCA Options Assessment

| Criteria | LG Development and Ownership | Market-Based Financial Subsidy | Build-to-Rent Partnership | LG Rating Incentives | Headworks & Land Servicing |
|---|------------------------------|--------------------------------|---------------------------|----------------------|----------------------------|
| Residual Asset Value/Feasibility Gap | 15 | 10 | 10 | 5 | 5 |
| Housing Delivery Certainty | 15 | 10 | 5 | 5 | 10 |
| Market-Failure Solution | 10 | 15 | 10 | 5 | 15 |
| Non-Government Involvement | 5 | 20 | 15 | 15 | 10 |
| Control of Delivery and Operational Risks | 20 | 5 | 5 | 5 | 5 |
| Total (Unweighted) | 65 | 60 | 45 | 35 | 45 |
| Total (Weighted) | 68 | 58 | 45 | 30 | 43 |

4 PROJECT EVALUATION

4.1 Evaluation Approach

The preferred option has been evaluated across several domains including:

- Financial Feasibility Analysis of the preferred option.
- WA Treasury and Australian Government Office of Impact Analysis-compliant cost benefit analysis, assessing economic, social and environmental benefits.
- Economic and Employment Impact Assessment, based on WA-specific regional economic multipliers

4.2 Financial Analysis

The maximum potential dwelling yield and estimated service and construction costs for each short listed development site were prepared by Chadwick Consulting and summarized in the KWHDC Report.

The total cost for the provision of the 33 key worker modular homes is estimated to be approximately \$17,500,000, with an average estimated cost for servicing and construction of each dwelling being \$525,971. Site and servicing costs range between \$40K per dwelling for larger developments and upwards of \$50K per dwelling as the development yield reduces. Headworks costs are location specific.

Table 16 Short Listed Sites to accommodate Housing Investment Concepts

| Site | Address | Average Development Cost per dwelling | Number of Dwellings | Total Cost |
|--------------|---|---------------------------------------|---------------------|----------------------|
| 1 | 8-10 (Lot 6 and 7) Harvey Street, Dumbleyung | \$ 534,304 | 6 | \$ 3,205,825 |
| 2 | 25-29 (Lots 72,73 and 74) Hynes Court, Williams | \$ 533,233 | 4 | \$ 2,132,933 |
| 3 | 8-10 (Lots 19 and 18) Khedive Street, Wagin | \$ 532,512 | 3 | \$ 1,597,535 |
| 4 | Portion of Lot 500 Wattle Road, Lake Grace | \$ 533,162 | 6 | \$ 3,198,972 |
| 5 | Portion of Lot 309 Burrowes (West) Street, Darkan | \$ 542,762 | 4 | \$ 2,171,050 |
| 6 | 13 (Lot 129) Cardigan Street, Woodanilling | \$ 474,292 | 2 | \$ 948,585 |
| 7 | Portion of Lot 9002 Griffin Road, Lake Grace | \$ 533,258 | 2 | \$ 1,066,515 |
| 8 | 3 (Lot 19) Omburman, Wagin | \$ 524,242 | 6 | \$ 3,145,454 |
| TOTAL | | \$ 525,971 | 33 | \$ 17,466,869 |

Please note the following descriptions, inclusions, and contingencies relative the high-level cost estimates:

- Dwelling construction costs include the pad and house, carport (1 carport for 2-bedroom, 2 carports for 3-bedroom) and driveways.
- Dwellings have been costed to a 'medium' specification, with ample kitchen cabinetry and fit out specifications, medium specification vinyl planking, air-conditioning to living spaces, one ample verandah, upgrades to the facade and external windows, and carports (not garages).
- Dwelling footprints are relatively small to enable modular/flat pack construction methods. Refer to the table below for examples of the dwelling sizes.

Table 17 Estimated dwelling size

| Dwelling footprints (sqm) | 1x1x1 | 2x2x1 | 3x2x2 |
|---------------------------|-----------|------------|------------|
| Dwelling (enclosed area) | 52 | 101 | 126 |
| Verandah | 12 | 12 | 18 |
| Carport | 23 | 23 | 34 |
| Total (sqm) | 87 | 136 | 178 |

- Due to the predominantly level and clear terrain, provision has been made for minor earthworks only. A desktop study only informs this; further investigation is required to confirm earthwork costs.
- A standardised provision is included for onsite drainage. This requirement may differ between sites, but accounting for the relatively small footprints and hard surfaces of the modelled dwellings, it is unlikely these costs will dramatically impact project feasibility.
- Due to these costings' preliminary and indicative nature, a 20% construction contingency is applied.
- An escalation rate of 5.1% to Dec 2024 is included based on Quantity Surveyor advice. While there are signs of market stabilisation in the building sector, any increase in fuel price or disruption to international supply chains could severely impact construction costs and increase this rate, especially in the Wheatbelt. When applying for funding, a generous escalation rate should be applied based on conditions at the time of application and accounting for potential delays in receiving government approvals.
- A 20% Wheatbelt rating is applied to account for the transport costs of labour and materials. Potential cost savings may be achieved if a construction program involving multiple sites is established in collaboration with a builder utilising flat-pack or modular housing products. This method could enable mobilisation and transport costs to be distributed across multiple construction projects and allow for greater certainty of costs due to the ability to purchase a significant portion of the building material up-front.

For further detail refer to **Appendix A**.

4.3 Cost Benefit Analysis

Refer to **Appendix D 4WDL Short-Listed Key Worker Housing Investment - Cost Benefit Analysis (CBA) Report 2024** for the full CBA analysis.

4.3.1 Benefits

A range of direct economic and social benefits of the Preferred Option have been identified. Those benefits which are capable of being monetised for inclusion in the CBA are outlined in the table below.

Table 18 Benefits Statement

| Benefit | Theme/Description | Method of Calculation |
|---|--|---|
| Construction Supply Chain Benefits | Benefits to the WA and regional construction industry of the non-residential capital investment. | Applied a first round GVA economic multiplier of 7.1% to the capital expenditure of the program of \$17,466,869. Based on WA specific regionalised input/output transaction |

| Benefit | Theme/Description | Method of Calculation |
|--|--|--|
| | | table. Assumed a construction phase of 2 years. |
| Direct Economic Contribution of New Key Worker Households | The key workers moving into the houses will be able to be work in the region. This benefit measures their productivity by working in the local economy. | The relative productivity of an individual-worker was calculated by dividing the GVA of the Education, Health and Public Safety/Admin industries in WA by the number of workers in these industries. This was multiplied by the 33 new households. It was assumed that there will be 1.25 key workers per household. An attribution rate of 50% was applied to account for other factors contributing to a worker's productivity e.g. the company they work for. |
| Household Expenditure Benefit | The contribution to the local economy of the new households spending at local retail businesses. | An average household's retail related expenditure is \$33,000 per year ¹ . This was applied to the 33 new households and a GVA to expenditure conversion rate of 50% was applied. |
| Social Benefit of Housing Access | The social benefits of housing access include enhanced labour market productivity, health cost savings, reduced domestic violence, enhanced human capital, reduced costs of crime, and education benefits. | These social benefits were quantified and collated by SGS Economics in their 2022 'Give Me Shelter' report. The combined total of these benefits per household is \$11,914 ² . This was applied to the 33 households. |
| Housing Market Normalisation | Benefit relating to housing market normalisation due to no functioning housing market currently. | Multiplied the construction cost of the homes by 1% each year. |
| Residual Asset Value | A static residual value compares the direct and indirect costs associated with the construction of a dwelling with the notional market value of that dwelling. | Calculated by dividing the construction cost by 25 years and multiplying it by 5. Applied in the final year of the asset lifetime (20 years after construction). |

4.3.2 CBA Results

This section provides an overview of the present value and composition of costs and benefits for the project. It includes an outline of the Benefit Cost Ratios and Net Present Value results for each project.

¹ Market Info 2022 (Market Data Systems)

² SGS Economics and Planning (2022) Give Me Shelter. Accessed at https://sgsep.com.au/assets/main/SGS-Economics-and-Planning_Give-Me-Shelter.pdf

4.3.2.1 Costs

The evaluation estimates the present value of costs to range from \$18m at the 10% discount rate to \$19.3m at the 4% discount rate. The majority of this is the capital cost, with the remainder an annual maintenance cost.

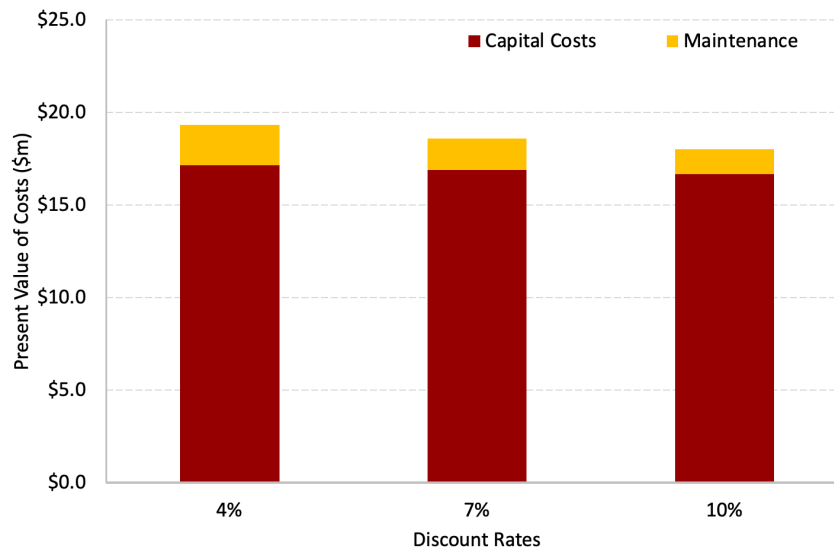


Figure 3 Present Value of Costs

4.3.2.2 Value of Benefits

Overall, the benefits of the project are approximately \$38.1m at the 7% discount rate. This ranges from \$30m at the 10% discount rate to \$49.9m at 4%.

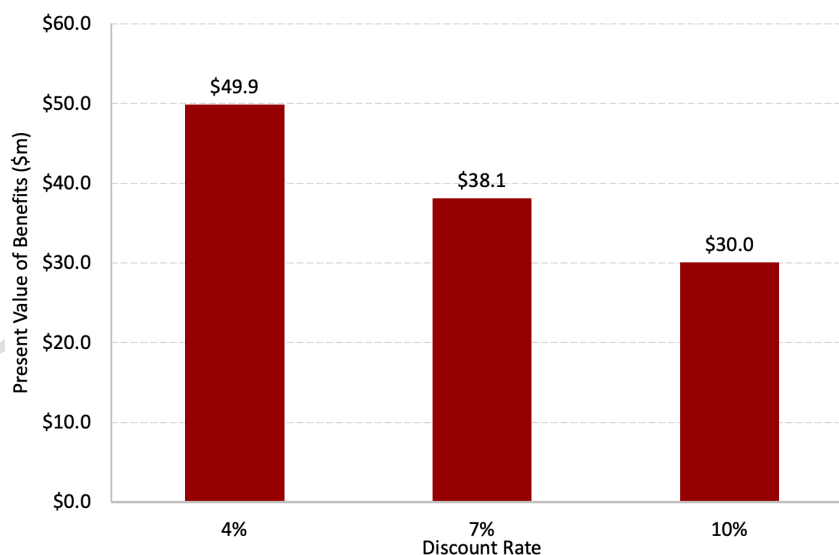


Figure 4 Present Value of Benefits

The largest benefit expected over the 20-year assessment period for the project (at a 7% discount rate) is the economic contribution of key workers, accounting for \$25.26m. Following this are household expenditure-based economic impacts, which account for \$5.26m of benefits and social benefits of housing access, which account for \$3.8m.

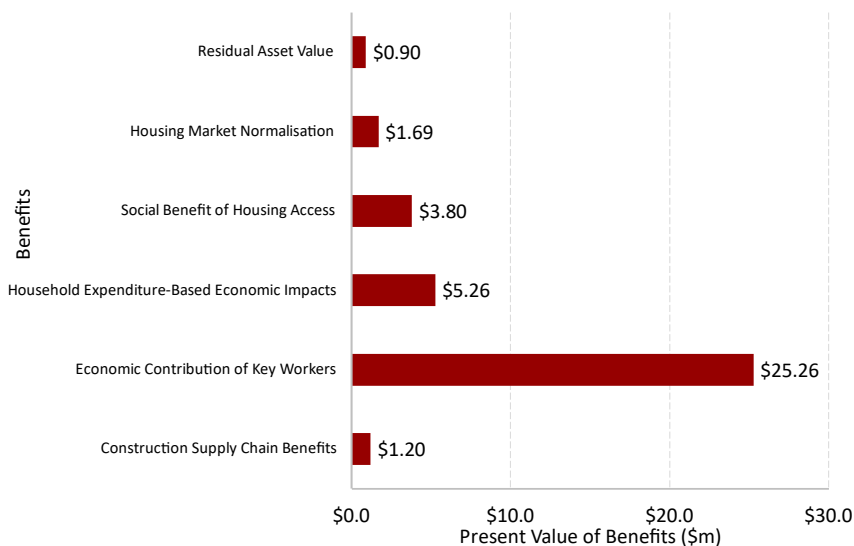


Figure 5 Present Value of Benefits (\$m)

Each benefit was categorised as either social or economic. The majority of the benefit of this project is economic, with 14% of benefits being social. This is due to the significant value of worker contribution benefits.

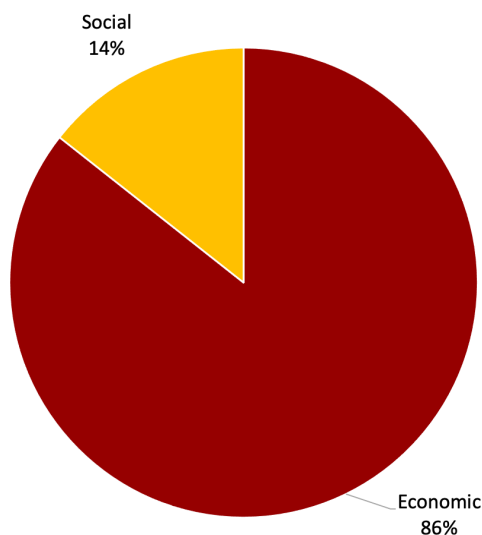


Figure 6 Composition of Benefits, Economic and Social Benefit Categories, at the 7% Discount Rate

4.3.2.3 NPV and BCR

Comparing the present value of benefits to that of costs, Econisis estimates the project will yield a net present value of between \$30.5m over 20 years at the 4% discount rate and \$12m at the 10% discount rate. All net present value estimates are above \$0, meaning that the present value of the benefits is greater than that of the costs across all discount rates.

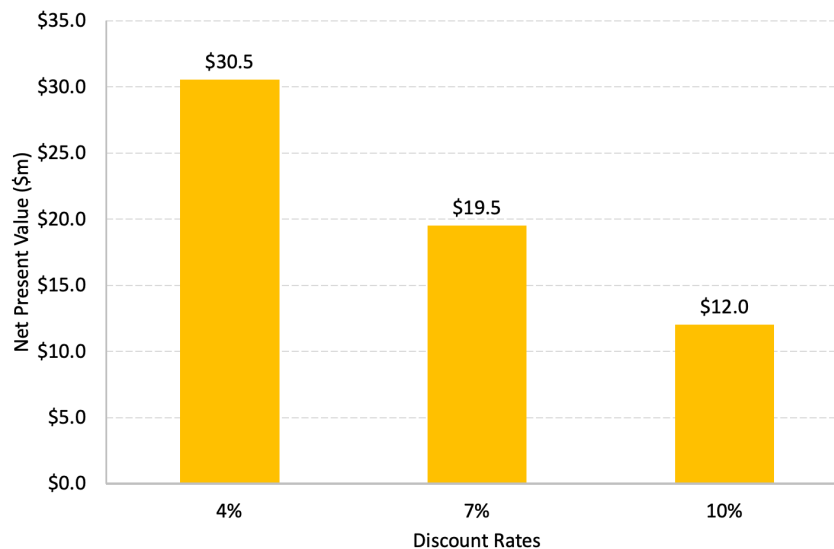


Figure 7 Net Present Value by Discount Rate

The benefit cost ratios ranged from 2.58 at the 4% discount rate to 1.67 at the 10% discount rate. Any BCR above 1.0 is regarded as positive, with BCRs at or approaching 3.0 particularly positive. This reflects the fact that benefits that accrue in the future have a higher degree of uncertainty, and while this is addressed to an extent by the discount rates, a higher BCR provides the project a greater “buffer” that it will indeed yield benefits greater than the costs. In this instance, the predominantly economic nature of the assets means that the 7% discount rate is most relevant.

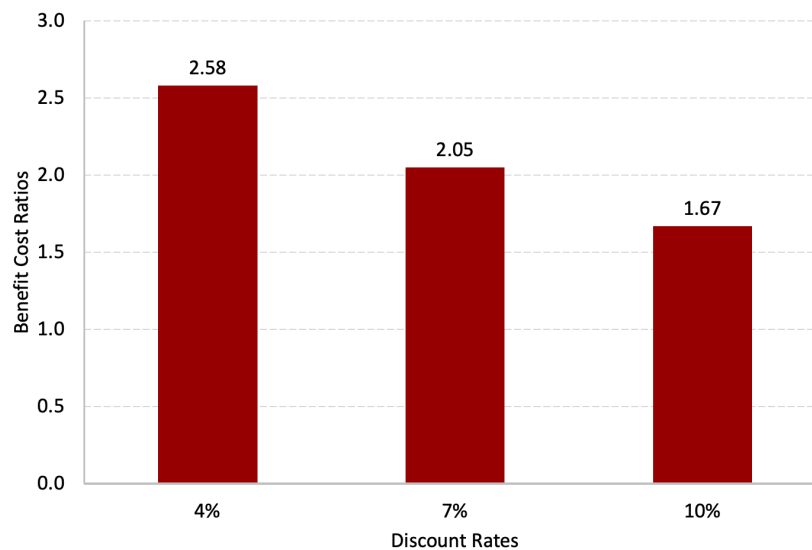


Figure 8 Benefit Cost Ratio by Discount Rate

The below table summarises the results of the cost benefit analysis.

Table 19 Summary of Cost Benefit Analysis Results

| Summary | 4% | 7% | 10% |
|--|----------------|----------------|----------------|
| Total Costs | -\$19.3 | -\$18.6 | -\$18.0 |
| Capital Costs | -\$17.1 | -\$16.9 | -\$16.7 |
| Maintenance | -\$2.2 | -\$1.7 | -\$1.3 |
| Benefits | \$49.9 | \$38.1 | \$30.0 |
| Construction Supply Chain Benefits | \$1.2 | \$1.2 | \$1.2 |
| Economic Contribution of Key Workers | \$33.0 | \$25.3 | \$19.9 |
| Household Expenditure-Based Economic Impacts | \$6.9 | \$5.3 | \$4.1 |
| Social Benefit of Housing Access | \$5.0 | \$3.8 | \$3.0 |
| Housing Market Normalisation | \$2.2 | \$1.7 | \$1.3 |
| Residual Asset Value | \$1.6 | \$0.9 | \$0.5 |
| NPV | \$30.5 | \$19.5 | \$12.0 |
| BCR | 2.58 | 2.05 | 1.67 |

4.3.2.4 Sensitivity Tests

Three sensitivity tests of the Program were undertaken which examined:

- **Test 1** - Increase Maintenance Costs to 2% per annum
- **Test 2** – Reduced the Number of Key Workers per Household from 1.25 to 1.0.
- **Test 3** – Alternative delivery model (i.e. **Key Worker Housing Subsidy Fund**) in which a financial subsidy of \$350,000 is provided to private and/or community sector housing operators seeking to construct key worker housing to compensate for the

negative residual value. Assumes a slower delivery over 5 years instead of 2 years with a commensurate delay in benefits.

The results of the BCRs at the 7% discount rate for the main scenario and the three Sensitivity Tests are outlined below.

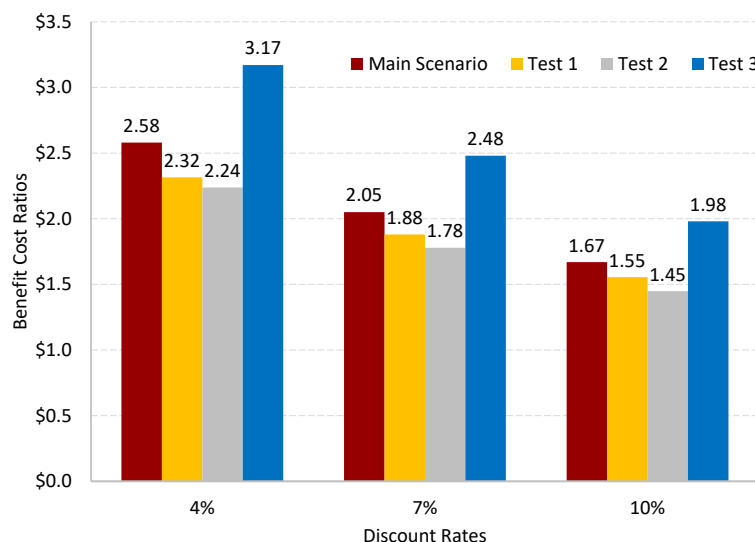


Figure 9 BCRs at 7% Discount Rate by Scenario/Sensitivity Test

Test 1 resulted in the BCR decreasing to between 2.32 at the 4% discount rate and 1.55 at 10%. This is not a significant change and shows that even if maintenance of the dwellings costs twice as much as expected, the project will have a positive return, with every dollar of cost producing at least \$1.55 of benefits.

Test 2 had a slightly bigger effect, reducing the BCR to between 2.24 at the 4% discount rate and 1.45 at 10%. This explains that even if each new household only has one key worker, the project will still deliver a high return, with a BCR well above 1 for all discount rates.

Test 3 saw an increase in the BCRs across all discount rates, reaching 2.48 at 7%. This model is however higher risk, as it is dependent on third parties (i.e. community housing organisations or private sector key worker housing developers) to take on the remainder of the capital costs of the development as well as develop the housing in a reasonable time. If non-financial factors impact feasibility, then this take up may be slower or not occur at all. Nevertheless, this supports consideration of **Key Worker Housing Subsidy Fund**, subsidising the construction of key housing by market, employer and community groups in the region.

4.3.3 Benefits Realisation and Management

The following table outlines the framework for the realisation and management of benefits identified in the CBA.

Table 20 Benefits Realisation Plan

| Benefit | Theme/Description | Responsible Stakeholder | Requirement |
|--|--|--|--|
| Construction Supply Chain Benefits | Benefits to the WA and regional construction industry of the non-residential capital investment. | Proponent | Ensure that procured housing and construction products and solutions are sourced from WA companies. |
| Direct Economic Contribution of New Key Worker Households | The key workers moving into the houses will be able to be work in the region. This benefit measures their productivity by working in the local economy. | Proponents, Housing Managers | Ensure that tenants of housing are actively engaged in sectors requiring key workers in the regional economy. |
| Household Expenditure Benefit | The contribution to the local economy of the new households spending at local retail businesses. | Proponents Local Governments Local Business | Ensure that tenants of housing are able to access key goods and services to support their household's daily functioning. |
| Social Benefit of Housing Access | The social benefits of housing access include enhanced labour market productivity, health cost savings, reduced domestic violence, enhanced human capital, reduced costs of crime, and education benefits. | Proponents GROH Community Housing Providers | Ensure that tenants of housing are unable to access private market housing and that the key worker housing represents the only accommodation option available. |
| Housing Market Normalisation | Benefit relating to housing market normalisation due to no functioning housing market currently. | NA | Incidental benefit linked to new housing supply. |
| Residual Asset Value | A static residual value compares the direct and indirect costs associated with the construction of a dwelling with the notional market value of that dwelling. | Proponent | Ensure ongoing maintenance is undertaken to preserve asset value over the long-term. |

4.4 Employment and Economic Impact

At the core of an Economic Impact Assessment is Input–Output (IO) tables. IO tables are part of the national accounts by the ABS and provide detailed information about the supply and use of products in the Australian economy, and the structure of and inter–relationships between Australian industries.

IO tables are converted, through statistical analysis, into a series of Economic Multipliers. These Multipliers represent the relationship between the direct activity (expenditure or production) associated with a Project and the wider economy.

The results of an EIA are generally presented as both direct effects, that is effects from the direct activity of the Project or event, and indirect effects, which are additional effects from further rounds of spending in the supply chain. A third or consumption effect, resulting from rounds of consumer spending generated by the additional income in the region can also be calculated.

Econisis has undertaken an Impact Assessment for the WA state economy, focused solely on Simple Multipliers. For the WA economic impacts, this entailed the following tasks:

1. Transaction tables were developed from National IO tables for the WA State economy. For the WA economy, the Regional Transaction Table was calculated by applying employment-based location quotients for the Region, based on the results of the 2016/2021 Census of Population and Housing. This has the effect of excluding spending on imports to the Region since they generate no local economic activity.
2. Economic Multipliers were then generated for WA economy across 119 industry categories defined by the ABS.
3. Construction and operational expenditure and production associated with the development were allocated across 119 industry categories.
4. Economic impacts associated with the Project are calculated.

Econisis has allocated the construction costs for the housing development across the following sectors of the WA economy:

- Heavy and Civil Engineering Construction (10%)
- Residential Building Construction (80%)
- Professional, Scientific and Technical Services
- Public Administration and Regulatory Services.

For the purpose of this assessment, Econisis has assumed a 3 year construction phase.

Based on these industries, Econisis estimates that project will generate a total of \$30.3m in direct and indirect economic outputs, along with \$5.1m in incomes and contribute \$9.5m to the local economy, during the construction phase.

Table 21 Summary of Economic Impact, Construction Phase, Total Impact

| Summary | Initial Impact | First Round Impact | Industry Support Impact | Total Impact (Simple Multipliers) |
|--------------------------------|----------------|--------------------|-------------------------|-----------------------------------|
| Output (\$m) | \$17.5 | \$8.5 | \$4.4 | \$30.3 |
| Income (\$m) | \$2.4 | \$1.8 | \$0.9 | \$5.1 |
| Employment (FTEs) | 8.5 | 5.0 | 3.1 | 16.6 |
| Gross Value Added (\$m) | \$4.6 | \$3.1 | \$1.8 | \$9.5 |

Table 22 Summary of Economic Impact, Construction Phase, Average Annual Impact

| Summary | Initial Impact | First Round Impact | Industry Support Impact | Total Impact (Simple Multipliers) |
|--------------------------------|----------------|--------------------|-------------------------|-----------------------------------|
| Output (\$m) | \$5.8 | \$2.8 | \$1.5 | \$10.1 |
| Income (\$m) | \$0.8 | \$0.6 | \$0.3 | \$1.7 |
| Employment (FTEs) | 2.8 | 1.7 | 1.0 | 5.5 |
| Gross Value Added (\$m) | \$1.5 | \$1.0 | \$0.6 | \$3.2 |

The project will support a total of 16.6 direct and indirect FTE construction jobs over the three years.

5 PRELIMINARY IMPLEMENTATION ADVICE

5.1 Risk Evaluation and Management

The following represents a preliminary risk assessment of the Project. This employs a likelihood and consequences based weighted risk assessment methodology to allocate a risk score (1-5 based on the level of certainty of occurring and the severity of the consequences) to each risk assessed. Risks deemed as High or Extreme can then be subject to Project specific mitigation mechanisms to ameliorate the potential impact of those risks.

An overview of the of the risk matrix is outlined below.

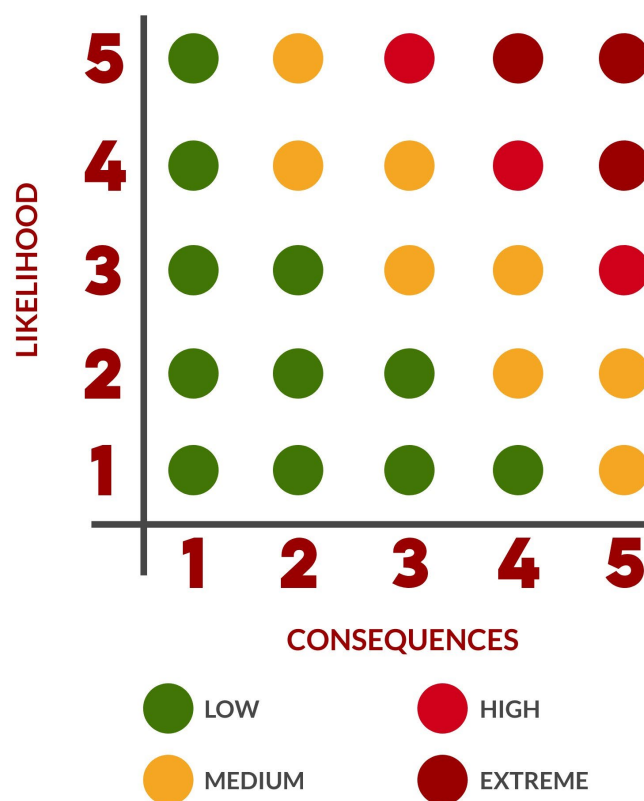


Figure 10 Risk Assessment Matrix

The results of the risk assessment for the Project are summarised in the table below.

Table 23 Preliminary Risk Assessment

| Risk | Description | Likelihood | Consequences | Score | Explanation |
|---|--|------------|--------------|-------|--|
| Project-related housing assets have a negative value upon delivery. | The construction value of housing exceeds that of the market value of the product, resulting in negative values and write downs on the assets. | 5 | 3 | 15 | Mitigated by the intention for the Local Governments to retain ownership of the houses and lease them to key workers. Negative residual value will not be realised as not intention for asset to be sold. Portion of negative value write down offset by financial contribution from State Government |
| Demand for housing by key workers is less than expected | The demand for housing by key workers in the region is less than expected. | 1 | 3 | 3 | Demand analysis provides strong evidence of demand that exceeds proposed supply 10 fold. Expected that demand and need will outstrip project capacity in the short-term. |
| Housing construction costs escalate above expected values | Site specific concept designs or market forces may result in housing construction costs escalating above current estimates. | 3 | 3 | 9 | Construction cost escalation rates are expected to continue to moderate in the short-to-medium terms from recent historical highs, decreasing market-related risks. Modular and prefabricated construction methods analysed as part of the financial analysis provide further opportunity for cost management. Financial cost estimates also include regional and project contingencies. |
| Housing assets devalue over time | Housing assets devalue over time due to use and wear. | 2 | 4 | 8 | Expected that housing will be subject to annualised maintenance. Real 1% maintenance value on assets included as part of whole of lifecycle costings in CBA. Residual asset values based on replacement cost in CBA but included in 20 th year. |
| Economic contribution of workers lower than expected | Economic contribution of key workers accommodated in the housing is lower than expected, reducing economic return on investment | 3 | 3 | 9 | GVA per worker applied in CBA excludes distorting impacts of mining sectors and focuses principally on average worker productivity in sectors linked to key and critical workers. Sensitivity testing confirmed lower key worker yield per dwelling does not undermine value for money of investment. |

| Risk | Description | Likelihood | Consequences | Score | Explanation |
|---|--|------------|--------------|-------|--|
| Local Government capacity to manage housing assets limited | The local government's lack the financial and operational capacity to manage housing tenancies and assets into the long-term. | 2 | 2 | 4 | All local government involved have experience in assets and lease management including maintenance. Strong occupancy rates expected to generate partial revenue streams from housing assets which will enable a degree of self-funding of financial imposts on Councils. |
| Procurement efficiency and scale risks from individual Local Government procurement | Governance options below identify opportunity for each individual Local Government to drive their own procurement process for the dwellings, reducing capacity to capture efficiencies and scale economies from a single collective procurement process. | 2 | 4 | 8 | Managed through the governance of the project in partnership with the State Government. Market-based EOI process covering all Council's as a single project recommended. |

No Extreme Risks were identified in the project. One Major Risk was identified due to prevailing negative value conditions in the region's housing market. However, such negative value unlikely to be realized due to own-and-lease model proposed in the delivery model analysis and governance options. Financial contribution by the State Government will also alleviate such impacts.

5.2 Governance Options

Governance of the Project, from a procurement, delivery and ongoing operational perspective, can take a number of potential forms.

The most direct is that each Local Government that is a party to this project and has specific housing opportunities within the project, is afforded individual and discrete governance responsibility to procure, delivery and operate the dwellings as the owners. This model recognises the spatial distribution of the investments within the project region, as well as provides each Council with the opportunity to manage the risks associated with accommodation solutions in their towns.

This decentralised approach however does result in opportunity costs being incurred relative to more centralised governance models. For example, there is a potential for efficiencies to be gained through the collective procurement of housing construction services from the market, through a single Expression of Interest and design and build process. This would likely

require a single entity (either one of the Council's or a new entity) to be responsible for the engagement and procurement of the housing construction (with proportional financial contributions from each of the Local Governments) with ownership and management then decentralising to the Local Government for tenancing, operations and maintenance.

An further alternative is for a bespoke community housing entity to be established with shareholding by each of the Local Government's to act as a single overarching entity to provide procurement, project management and ongoing operational responsibilities. This would vest the ownership of the dwellings with this regional community housing entity that would then act under instructions and guidance from the Local Government's with the respective product in terms of tenancing and maintenance. This approach provides advantages in centralising administration, procurement and asset management, but would require vesting of land and other Council contributing assets to this entity.

An extension of this model is to partner in the delivery of the housing, namely with an existing Community Housing Organisation. This would represent more of an external management approach, where the assets would vest with the Organisation which would be responsible for management, maintenance and tenancing. This approach would shift some risk from the Local Government's to the CHO but would also reduce the Council's input and influence on matters such as tenancing.

Finally, a potential governance model is for the State Government, through Department of Communities, Development WA or other entities, to build and own the key worker housing in the 4WDL communities. This approach would align the proposed funding contributions of the State with management and governance responsibilities, as well as leverage existing expertise in community housing management. However, it would significantly disconnect key worker housing supply from Local Government influence and need, creating a situation in which the housing is tenanted based on State Government priorities (such as health, justice and education) to the exclusion of other key worker housing needs identified by the Councils. While the priorities of both Local and State Government key worker housing is likely to be highly aligned, particularly relating to public sector housing, it is viewed as critical in the governance model that a strong nexus is maintained with that of the Local Governments involved.

5.3 Next Steps

The following next steps are recommended for consideration:

- Engage with key State Government Ministers and lead agencies to secure in principle support for the projects and confirm appropriateness of governance and delivery models.
- Seek an design partner on the market to secure designs and costings for the project
- Provide these details as part of a targeted investment application and funding submission to the State Government (or the relevant identified agencies). This may require minor amendments to financial and CBA elements of this business case.

Upon successfully securing funding, it is recommended that a procurement and project management plan be established to guide further steps in the delivery and implementation of the project.

6 RECOMMENDATION STATEMENT

This preliminary business case and associated analysis and evidence confirms the recommendation that:

State Government investment be provided to enable the delivery of 33 dwellings across the 4WDL Councils for the purposes of providing accommodation and housing for key workers in the region.

Consideration should also be given to the establishment of a Key Worker Housing Subsidy Fund to provide financial support and subsidies to market, employer and community led key worker housing projects in the region based on a co-investment model.

7 APPENDICES

Attached

Commercial in Confidence

11.2 REQUEST FROM WATER CORPORATION FOR A MANAGEMENT ORDER OVER RESERVE 31088

File Reference: ADM391
Location: Adjacent to Wunnenberg Rd, Bowelling
Applicant: Water Corporation
Author: Vin Fordham Lamont, Chief Executive Officer
Authorising Officer: Vin Fordham Lamont, Chief Executive Officer
Date: 15/07/2024
Disclosure of Interest: Nil
Attachments: 1. Aerial Map/Photo of Reserve 31088 [↓](#)

SUMMARY:

Council is requested to consider a proposal from Water Corporation for a management order in its favour over Reserve 31088.

BACKGROUND:

Water Corporation recently undertook a review of its reserve properties and discovered several where it does not hold a current management order and is only named as the Responsible Agency (RA).

An RA is only responsible for the reserve, meaning that the reserve could be vested in or managed by some other entity (usually another government entity). The holder of a management order, however, is registered on title and becomes the Primary Interest Holder in lieu of the State of Western Australia.

Reserve 31088, in the Shire of West Arthur, is one such reserve. It is situated near Wunnenberg Rd, Bowelling (see attached aerial) with a purpose of "Water Catchment Area". Although Water Corporation is the RA for this reserve, there is currently no management order in place.

Water Corporation has requested that a management order in its favour be issued over Reserve 31088, pursuant to section 46 of the *Land Administration Act 1997* (LAA).

The Department of Planning, Lands and Heritage (DPLH), in accordance with section 14 of the LAA, has referred Water Corporation's proposal to the Shire for comment. Should a response not be received within 42 days from the date of this email, it will be assumed the Shire has no comments.

COMMENT:

The CEO has researched this matter and can see no reason why the Shire of West Arthur should object to Water Corporation's proposal. The current purpose of the reserve, "Water Catchment Area", clearly indicates that the reserve is, and should be, managed by Water Corporation. The fact that it is noted as the RA for the reserve further clarifies the issue. It appears that the failure for a relevant management order to have been issued to Water Corporation is nothing more than an administrative oversight.

CONSULTATION:

Nil

STATUTORY ENVIRONMENT:

Land Administration Act 1997

s14 Minister to consult local governments before exercising certain powers in relation to Crown land

s46 Care, control and management of reserves

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Nil

STRATEGIC IMPLICATIONS:

Shire of West Arthur Strategic Community Plan 2021-2031

Theme: Natural Environment

Outcome: Our water resources are well defined and used sustainably

Strategy: Invest in water security and manage existing water resources in a sustainable manner

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

| Consequence | | Insignificant | Minor | Moderate | Major | Catastrophic |
|----------------|---|---------------|------------|------------|--------------|--------------|
| Likelihood | | 1 | 2 | 3 | 4 | 5 |
| Almost Certain | 5 | Medium (5) | High (10) | High (15) | Extreme (20) | Extreme (25) |
| Likely | 4 | Low (4) | Medium (8) | High (12) | High (16) | Extreme (25) |
| Possible | 3 | Low (3) | Medium (6) | Medium (9) | High (12) | High (15) |

| | | | | | | |
|-----------------|----------|---------|---------|------------|------------|------------|
| Unlikely | 2 | Low (2) | Low (4) | Medium (6) | Medium (8) | High (10) |
| Rare | 1 | Low (1) | Low (2) | Low (3) | Low (4) | Medium (5) |

| | |
|--|---|
| Description of Key Risk | Management order being issued to an inappropriate agency. |
| Risk Likelihood (based on history and with existing controls) | (1) Rare |
| Risk Consequence | (2) Minor |
| Risk Rating (Prior to Treatment or Control): Likelihood x Consequence | (2) Low |
| Principal Risk Theme | Inadequate environmental management |
| Risk Action Plan (Controls or Treatment Proposed) | Approve Water Corporation's proposal as presented. |

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION CO-2024-071

Moved: Cr Karen Harrington

Seconded: Cr Robyn Lubcke

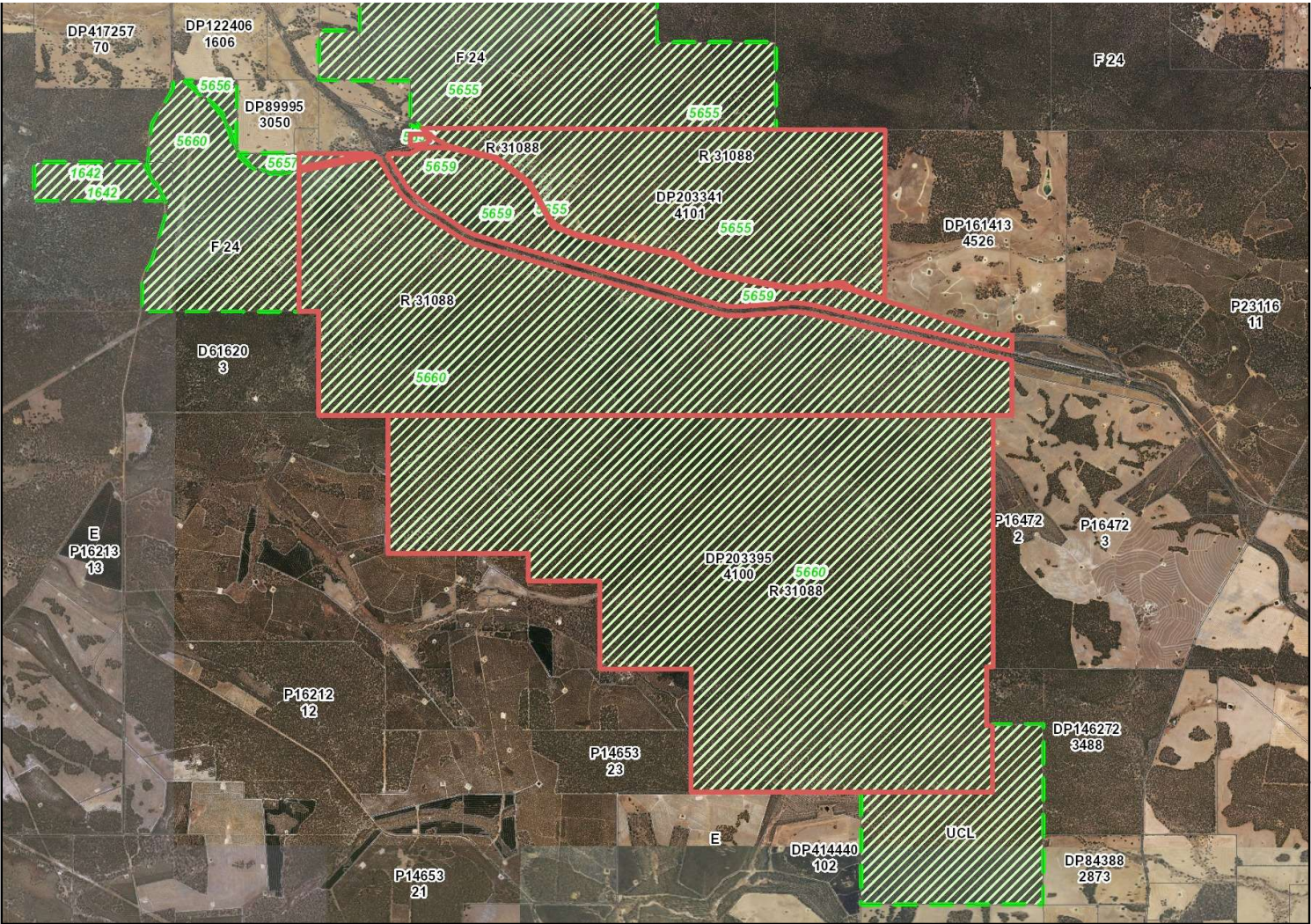
That Council, in accordance with section 14 of the Land Administration Act 1997:

1. Authorise the CEO to advise the Department of Planning, Lands and Heritage within 42 days from 8 July 2024 that the Shire of West Arthur has no objection to a management order over Reserve 31088 being issued to Water Corporation.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0





Department of Planning,
Lands and Heritage

Legend

Cadastre (View 2)

Lodged Layer

Notes:

* The data that appears on the map may be out of date, not intended to be used at the scale displayed, or subject to license agreements. The map should only be used in matters related to Department of Planning, Lands and Heritage business.

* This map is not intended for measurement purposes.

Map was produced using DPLH's InQuery.

Date produced:

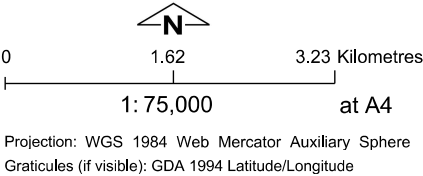
08-Jul-2024

Aerial Reserve 31088

DPLH BUSINESS USE ONLY

Internal Spatial Viewer

Aerial photography © Nearmap and/or © Western Australian Land Information Authority (Landgate).
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11.3 BURROWES STREET WEST SUBDIVISION CONCEPT DESIGN

| | |
|--------------------------------|---|
| File Reference: | ADM398 |
| Location: | Lot 309 Burrowes Street, DARKAN |
| Applicant: | Shire of West Arthur |
| Author: | Kerryn Chia, Projects Officer |
| Authorising Officer: | Vin Fordham Lamont, Chief Executive Officer |
| Date: | 11/07/2024 |
| Disclosure of Interest: | Nil |
| Attachments: | 1. Planning Advice from JE Planning Services ↓ 2. Engineering Opinion of Costs ↓ |

SUMMARY:

Council is requested to consider the concept designs in the attached planning advice and select the most appropriate design for the Burrowes Street West Subdivision

BACKGROUND:

The Shire has been investigating the subdivision of 22 (Lot 309) Burrowes Street West opposite the Darkan Swimming Pool for future development of housing. A Key Worker Housing study has been undertaken with the Shire 4WDL group (Wagin, Williams, West Arthur, Woodanilling, Lake Grace and Dumbleyung) and Wheatbelt Development Commission (WDC) which identified a lack of housing in all shires. It was noted that 23-41 houses will be required in Darkan by 2030. (Refer to attachments from Item 11.1 – 4WDL Key Worker Housing Project for further information if required)

The Shire undertook further town specific investigations with JE Planning Services to understand the planning requirements for the subdivision. The report provided by JE Planning Services is attached here. Three concept designs were prepared as part of that report. As part of this report, David Wills and Associates prepared an Engineering Opinion of Costs associated with the proposed Subdivision. This is also attached.

Following on from this report, a business case was prepared which allowed the Shire to be part of a grant application to the Federal government's Housing Support Program. The Shire successfully applied in collaboration with WDC and the Shires of Victoria Plains, Moora, Toodyay, Dandaragan, and Goomalling for funding to support planning activities associated with the subdivision based on the planning components of the Engineering Opinion of Costs. A total of \$877,065 was awarded to the six shires. West Arthur will receive \$159,765 for planning costs associated with Burrowes Street West and \$17,000 for the initial planning costs associated with the development of the old Bowling Green.

As part of the planning process, Council is required to select one concept design that will be used to progress the detailed subdivision design of the Burrowes Street West block. All three designs are very similar but vary in the width of the road on the eastern side of the subdivision and the proposed exit to Johnson Drive. Of the three concept designs presented, JE Planning recommended Concept Design number 2 as it accommodates the setbacks from Nangip Creek potentially required in the Bushfire Attack Level (BAL) assessment and also a secondary exit in an emergency situation. It also provides a range of various block sizes to accommodate different types of accommodation types.

COMMENT:

It is likely that the concept design will be modified during the subdivision design stage but the concept design can be used for the initial studies that will be required, including Contour and Feature design, Soil and Site Evaluation, and BAL Assessment.

CONSULTATION:

JE Planning Services
Wheatbelt Development Commission

STATUTORY ENVIRONMENT:

Planning and Development Act 2005 Part 10, Division 2
Shire of West Arthur Local Planning Scheme No 2

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Funding supplied by Federal Government's Housing Support Program Stream 1.

STRATEGIC IMPLICATIONS:

Shire of West Arthur Strategic Community Plan 2021-2031

Theme – Our community is safe friendly and inclusive

Outcome: Support available for people of all ages and abilities

Strategy: Provide services and infrastructure for people of all ages and abilities

Theme - Our agricultural industry is stable and sustainable and supported by a dynamic and growing business sector

Outcome: A growing, diverse business community

Strategy: Investigate opportunities for growth within the local economy

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices

- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

| Consequence Likelihood | | Insignificant | Minor | Moderate | Major | Catastrophic |
|------------------------|---|---------------|------------|------------|--------------|--------------|
| | | 1 | 2 | 3 | 4 | 5 |
| Almost Certain | 5 | Medium (5) | High (10) | High (15) | Extreme (20) | Extreme (25) |
| Likely | 4 | Low (4) | Medium (8) | High (12) | High (16) | Extreme (25) |
| Possible | 3 | Low (3) | Medium (6) | Medium (9) | High (12) | High (15) |
| Unlikely | 2 | Low (2) | Low (4) | Medium (6) | Medium (8) | High (10) |
| Rare | 1 | Low (1) | Low (2) | Low (3) | Low (4) | Medium (5) |

| | |
|---|--|
| Description of Key Risk | Insufficient housing available to house key workers in the district |
| Risk Likelihood (based on history and with existing controls) | Likely (4) |
| Risk Consequence | Moderate (3) |
| Risk Rating (Prior to Treatment or Control): Likelihood x Consequence | High (12) |
| Principal Risk Theme | Business disruption |
| Risk Action Plan (Controls or Treatment Proposed) | Undertake planning for the subdivision to allow development to occur |

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION CO-2024-072

Moved: Cr Karen Harrington

Seconded: Cr Duncan South

That Council select Concept Design 2 (described in Attachment 1) as the proposed subdivision design for Lot 309 Burrowes Street West, Darkan to be used to progress the planning of the subdivision.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0

**PLANNING ADVICE FOR THE SHIRE OF WEST ARTHUR BUSINESS CASE (KEY WORKER HOUSING) –
MRS JANINE ERIKSSON (JE PLANNING SERVICES)**

SHIRE OF WEST ARTHUR – 22 (LOT 309) BURROWES STREET WEST, DARKAN

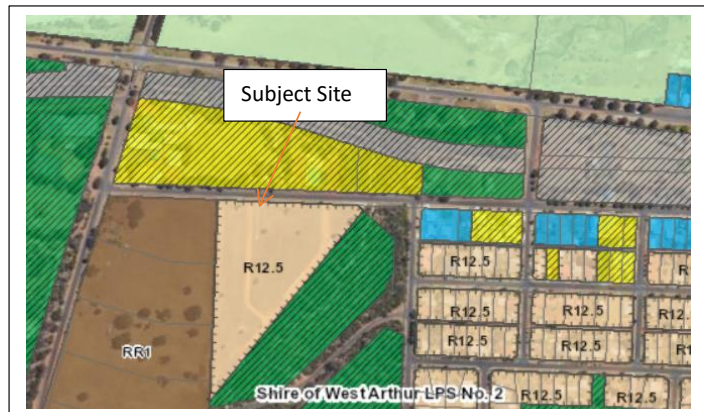
INTRODUCTION

1. The Shire of West Arthur has requested that I provide town planning advice to support preparing a business case submission for developing key worker housing at 22(Lot 309) Burrowes Street, Darkan (the site). In summary, my experience includes positions in statutory and strategic planning in local government and state government and as a consultant since graduating with a Bachelor of Arts in Urban and Regional Planning from Curtin University in 1994.
2. The report aims to outline the site's planning context and suitability in providing key worker housing, overview past planning proposals, present three subdivision options, recommend the preferred subdivision choice for cost assessment, and delineate the planning processes for implementing the subdivision. This report also aims to present the context for demand for key worker housing, summarised from the '4WDL Key Worker Housing Analysis (KWA) 2023' (JE Planning Services and Econosis).
3. This report offers a broad overview of the planning context and crucial factors influencing subdivision design. However, it's important to note that the detailed information and policy review necessary for a subdivision application to the Western Australian Planning Commission (WAPC) or in a reporting officer's recommendation to the decision-maker (WAPC) are beyond the scope of this report. In terms of town planning advice, the document broadly examines planning issues that could affect the final design outcomes for the site while considering three subdivision options.
4. The provision of advice described in paragraphs 3 and 4 above is presented in the report as follows:
 - Planning Context (Location and Site details)
 - Summary of Background
 - Key Worker Housing Demand
 - Site Selection Suitability
 - Subdivision Design Options
 - Preferred Subdivision Option
 - Planning Process and Actions

PLANNING CONTEXT (LOCATION AND SITE DETAILS)

5. Lot 309 Burrowes Street West, Darkan (the site), is located at the western end of the main street of the Darkan townsite. Darkan is the largest townsite in the Wheatbelt Shire of West Arthur, located approximately 200km southeast of Perth and 100km generally east of Bunbury.
6. The site is 3.7475 hectares and zoned 'Residential' with a density of R12.5 under the Shire of West Arthur Local Planning Scheme No.2 (LPS2) (See Figure 1). The site is accessed via Burrowes Street West and directly opposite a 'Public Purpose' reserve, including the *Department of Education's Swimming Pool* and the *Darkan Primary School*. The site is adjacent to a 'Public Open Space and Recreation' Reserve (28932) to the east. The reserve (for drainage and conservation) includes the Nangip Creek and the Darkan Heritage Trail (also known as 35(Lot 310) Johnston Drive, Darkan). The adjacent land west of the site is zoned 'Rural Residential'.

Figure 1: Extract from the Shire of West Arthur Local Planning Scheme No.2



7. The site is cleared, vacant land with several scattered trees. A gravel road is marked on the site in accordance with a previously approved subdivision layout. The site is generally sloping northwest to southeast, with the lowest point in the southeast of the site. Power and telecommunication services run along Burrowes Street, and potable water service points are opposite the site in the Burrowes Street West Road reserve. Two-thirds of the site along the eastern boundary is in a bushfire-prone area.
8. The Shire of West Arthur Local Planning Scheme 2 (LPS2) designates the site as Residential Density R12.5. LPS2 also includes an exemption to the Residential Codes (R-Codes) under Clause 5.3, which states that:

'The Council may permit a variation to the R12.5 density up to a maximum of R20 for the development of more than one dwelling on a lot but only where:

 - (a) The council is satisfied that the lot is suitable for long-term effluent disposal,*
 - (b) the lot is suitably located close to services and facilities; and*
 - (c) the Council after following the advertising procedures in clause 9.4 is satisfied that there will not be adverse impacts on local amenities'*

SUMMARY OF BACKGROUND

9. At the time of creating Lots 309 and 310 Burrowes Street (Reserve 28932) in 1993, an additional 20-metre width was included in Lot 310 along the full length of the lot adjacent to the creek line. Lot 310 was then set aside as a reserve for 'Recreation' under the Shire of West Arthur LPS 2, and assisted in providing a buffer to the Nangip Creek and increasing the horizontal distance from the creek line and future development on Lot 309.
10. The WAPC issued conditional approval (WAPC Reference 99259) on 5 March 1996 for the subdivision of the site. The 31-lot subdivision included 23 single residential lots averaging 800m² and nine larger 'duplex and unit' lots. The land owners were unable to progress the subdivision due to servicing costs and inability to leverage support for development from the government, and they offered the land to the Shire of West Arthur in 1998 to purchase before releasing the land to market. The Shire of West Arthur purchased the land. The subdivision approval (WAPC 99259) expired in 1999.
11. The WAPC issued a second conditional subdivision approval (WAPC Reference 100416) for Lot 309 Burrowes Street on 13 April 2006 for 27 single lots averaging 1000m² and one duplex lot. The Shire of West Arthur could not secure funding for headworks, and the approval lapsed in 2009.

The WAPC did not require the provision of 10% Public Open Space (POS) or cash-in lieu contributions in the subdivision approvals as mentioned above, largely due to the historical process described in paragraph 9 and the provision of adequate POS in the locality.

KEY WORKER HOUSING DEMAND

12. The Wheatbelt Development Commission (WDC), in collaboration with the 4WDL Shires (Shires of Williams, Wagin, West Arthur, Woodanilling, Lake Grace and Dumbleyung), commissioned the preparation of the '4WDL Key Worker Housing Analysis (KWH) 2023' (Econosis and JE Planning Services, 2023) which analysed key worker housing needs and challenges and highlights opportunities to stimulate housing development and investment in the 4WDL Region. The KWH presents quantitative and qualitative (including stakeholder engagement) evidence to confirm the extent of the housing shortage impacting the region's ability to attract and retain key workers.
13. The KWH 2023 presented evidence to confirm the extent of the housing shortages in the 4WDL region and established the scale of demand for purpose-built and appropriate key worker housing. The analysis revealed a lack of accommodation to support lone, small and aged households to be approximately 2.5 times greater than current building trends. The study resolved that the provision of housing stock suitable for key workers and ageing households and a cost-effective model of dwelling delivery is through the construction of infill grouped dwellings and ancillary accommodation (small housing product). The feasibility analysis of small housing indicates an opportunity to value manage key worker accommodation construction costs.
14. The KWH 2023 reports that the Shire of West Arthur population forecast (WA Tomorrow) has a relatively stable population base with a forecast decline of around 83 people over the next decade. However, the KWH analysis reports (based on data review and community and stakeholder engagement outcomes) an estimated demand for the Shire of West Arthur to cater for Public and Private sector key workers and those over 55 will require between 23 (low estimate) – 41 (high estimate) additional dwellings by 2031. See Tables 1 and 2 below.

Table 1: Shire of West Arthur High Estimated Dwelling Demand 2023-2031

| Estimated Dwelling Demand - West Arthur (high) | | | | |
|--|--------------|--------------------------|--------------------------|-----------------------------|
| Housing Sector | Current need | Short term 2024- 2026 | Medium term 2026-2031 | Total Additional Housing |
| Public Sector Worker Housing | 3 | 8 | 5 | 16 |
| Private Sector Worker Housing | 5 | 5 | 5 | 15 |
| Over 55's | 5 | 3 | 2 | 10 |
| Total Demand | 13 | 16 | 12 | 41 |

Table 2: Shire of West Arthur Conservative Dwelling Demand - Shire of West Arthur

| Estimated Dwelling Demand - West Arthur (Conservative) | | | | |
|--|--------------|--------------------------|--------------------------|-----------------------------|
| Housing Sector | Current need | Short term 2024- 2026 | Medium term 2026-2031 | Total Additional Housing |
| Public Sector Worker Housing | 3 | | | 3 |
| Private Sector Worker Housing | 5 | 5 | 5 | 15 |
| Over 55's | 3 | 2 | 0 | 5 |
| Total Demand | 11 | 7 | 5 | 23 |

15. As set out in Tables 1 and 2, the KWA demand analysis indicates a current key worker housing supply shortage of 8 dwellings, with an additional 5-13 dwellings required in the next five years to address the short-term key worker accommodation needs in the Shire of West Arthur. In the medium term, demand will continue to require 2-4 dwellings each year until 2031.
16. Several renewable energy providers have recently contacted the Shire to discuss the potential to locate wind farms in West Arthur. Should one or more renewable energy farm initiatives proceed, the demand for key worker housing (construction phase workers and ongoing operational staff) will increase further. The figures in the KWA focussed on current housing demand for existing service sectors and the agricultural industry. Given the potential additional industry demand, applying the higher demand figures may be relevant. On this basis, the townsite of Darkan needs to provide available land for up to 21 key worker dwellings in the immediate and short-term and an ongoing supply of approximately 2-4 dwellings per annum to potentially cater for up to 41 dwellings by 2031.

SITE SELECTION - SUITABILITY

17. Local government-owned and state government-owned land (not considered for inclusion in the Noongar Land Estate) located close to services are the most accessible sites for near-term development opportunities. In addition, sites that can facilitate grouped dwelling development (to provide the best potential for meeting the key worker housing small product models as set out in the KWA 2023 feasibility analysis) can potentially deliver key worker housing. The townsite of Darkan has access to reticulated water, power and telecommunications. A sewerage system does not service Darkan, and therefore, without detailed site and soil evaluations (SSE) to determine the capacity for development, the majority of the currently accessible vacant residential lots are limited to Residential R10 density (single dwelling construction, possibly with the addition of an ancillary dwelling), except for 22 (Lot 309) Burrowes Street, Darkan (the site).
18. A vacant land assessment was undertaken for the 4WDL region in 2023, revealing the extent of suitably serviced, vacant 'Residential' zoned land available for developing key worker housing products. Based on the vacant land assessment, a townsite map revealing vacant 'Residential' zoned land is in *Attachment A: Darkan Townsite Housing Potential*. In summary of this information it reveals that the Darkan townsite has approximately 25 vacant residential zoned lots, of which 23 vacant lots have access to power and water services described below:
 - Two vacant sites are considered for inclusion in the Noongar Land Estate (suggesting 21 remaining accessible vacant lots).
 - Thirteen single residential vacant sites located in King Street created by the Shire of West Arthur have been sold privately with the requirement for development within three years, and therefore, they are earmarked for development (suggesting 8 remaining available residential lots).
 - One of three vacant State Government lots is available for development. The presence of sheet rock constrains a state government-owned lot on Nangip Crescent, and another state government-owned lot on Hillman Street, although vacant, is purposed for informal parking (suggesting a remaining 6 available lots).
 - 17 (Lot 288) Nangip Crescent is currently privately owned; however, it is due to be transferred to Local Government ownership and has the potential to accommodate a single house.
 - Three vacant Residential zoned lots are local government-owned lots. One lot is earmarked for development for Shire worker accommodation, and one is utilised for car parking. However, 22 (Lot 309) Burrowes Street (the site) is available for development and has the potential for the subdivision of multiple lots with various lot sizes to accommodate a range of single and grouped dwelling sites.

- The site has the potential to meet the forecast, short and medium-term key worker housing needs for the Shire of West Arthur, ideally located on the main street and in proximity to services (as described in paragraph 7).

SUBDIVISION CONCEPT DESIGN OPTIONS

19. Attachment B, Subdivision Concepts, comprises three options for developing the site. These concepts align closely with the road layout of the previous subdivision approval (WAPC Reference 100416), updated to align with current policy requirements, including the *Government Sewerage Policy* and *State Planning Policy (SPP) 3.7 Planning in Bushfire Prone Areas*.
20. Public Open Space (POS) is not expected to be required in the formal subdivision and, therefore, is not included in the design options. Department of Planning Lands and Heritage (DPLH) officer-level advice acknowledges that there is an adequate supply of POS in the Darkan Townsite and would consider justification against the imposition of a POS condition in a future application. Further officer-level advice on all three subdivision concepts stated no major flaws with the options provided. This advice and previous approvals provide a high level of confidence that the plans (or minor variations of the plans) provided will meet WAPC requirements.
21. Despite the LPS density and scheme provisions, all three subdivision options are founded on a minimum lot size of 1000m² for unsewered areas, as Section 5.2.1 of the 'Government Sewerage Policy' stipulated. Under the Government Sewerage Policy, residential development in areas at a density greater than R10 without sewer services mandates the preparation of a 'Site and Soil Evaluation' (SSE) (to assess suitability for onsite effluent disposal). The Health Department has confirmed the site's classification as loam-clay soils. The presence of clay soils may indicate that an R10 density may be applicable. However, the SSE will determine the soil profile and depth to groundwater and appropriate onsite effluent treatment systems for the site. For this reason, and with the outcomes of the SSE unknown, the three subdivision concepts have been formulated, assuming that the minimum lot size and yield adhere to R10 standards. However, as previously stated, the lot yield may increase if an SSE reveals that soils will support treatment systems to satisfy an R12.5 or R20 density, as indicated under LPS2.
22. It is essential to note that the Subdivision Concepts are based on known values and assumptions. The final design, to be prepared for submission to the WAPC, will be shaped by a comprehensive Bushfire Attack Level (BAL) assessment and Site and Soil Evaluation (SSE). Consultation with environmental agencies (DBCA and DWER) will also be required to ensure setbacks and future onsite treatment systems will not impact the Nangip Creek, or significant vegetation on the adjacent reserve. The design also assumes that stormwater drainage is captured in road reserves as in previous designs, which will be verified by preparing a stormwater drainage plan. While it is not anticipated that the technical studies will significantly alter the concepts, they serve to validate the preferred outcome and may result in adjustments to certain lot boundaries or modify the yield. *Table 4 Subdivision Concept Design Considerations* details three subdivision concept options, presents individual considerations and compares strengths and weaknesses to support the preferred option. Items consistent across each subdivision plan described in the report, are not repeated in Table 4. The planning process associated with the future subdivision is outlined in paragraphs 27-29 below.

Table 4: Subdivision Concept Options Considerations

| Subdivision Concept | Specific Items for Review/Assumptions | Strength | Weakness |
|--|--|--|--|
| Option 1 21 Residential R10 Lots comprising: <ul style="list-style-type: none"> 18 Single Residential Lots with an average of 1000m² 3 Grouped dwelling sites <ul style="list-style-type: none"> Stage 1 includes 6 Single Residential Lots and 3 grouped housing sites. Stage 2 includes 12 Single Residential Lots. | <p>Preliminary, informal Bushfire advice states a BAL setback of 27 metres is required from the eastern boundary in the case that the adjacent reserve is classified as "Forrest". This is the most conservative BAL expected for the site. The eastern road reserve is 19.5 metres wide to accommodate the BAL setback. This reserve may include drainage or linear public open space. A formal BAL assessment will determine if this setback is necessary.</p> <p>The eastern road reserve is proposed to extend the length of the site and exit across Reserve R28932 to Johnston Drive to ensure secondary access in case of bushfire. Transport Impact may need to be assessed on entry to the site from Burrowes Street and Johnston Road.</p> | <p>Stage One subdivision provides a mix of grouped dwelling sites, which may collectively yield a minimum of 8 grouped dwellings and 6 single housing lots to accommodate a variety of housing types under the R10 density.</p> <p>Vehicle access to Johnston Drive.</p> | <p>BAL setback may present some limitations for future development.</p> <p>Road reserve width is based on a conservative BAL setback.</p> <p>Tenure and environmental considerations on Reserve R28932 for the road reserve.</p> |
| Option 2 22 Residential R10 Lots comprising: <ul style="list-style-type: none"> 20 Single Residential Lots with an average of 1000m² 2 grouped dwelling sites <ul style="list-style-type: none"> Stage 1 includes 8 Single Residential Lots and 2 Grouped housing sites. Stage 2 includes 12 Single Residential Lots | <p>Preliminary, informal Bushfire advice states a BAL setback of 14 metres may be required from the eastern boundary if the adjacent reserve is classified as "Woodland". The eastern road reserve is shown at 15 metres wide to accommodate WAPC road reserve requirements and a 14-metre BAL setback.</p> <p>The eastern road reserve is proposed to extend the length of the site and exit across Reserve R28932 to Johnston Drive, ensuring secondary access in case of bushfire. Transport Impact may need to be assessed on entry to the site from Burrowes Street and Johnston Road.</p> | <p>Stage One subdivision provides a mix of grouped dwelling sites, which may collectively yield a minimum of 7 grouped dwellings and 7 single housing lots to accommodate a variety of housing types under the R10 density.</p> <p>Vehicle access to Johnston Drive.</p> | <p>Tenure and environmental considerations on Reserve R28932 for the road reserve.</p> |
| Option 3 24 Residential R10 Lots comprising: <ul style="list-style-type: none"> 22 single Residential Lots with an Average of 1000m² Two grouped dwellings sites. <ul style="list-style-type: none"> Stage 1 includes 12 single residential Lots and one grouped housing Site Stage 2 includes 9 single residential lots with one grouped housing site | <p>Preliminary, informal Bushfire advice states a BAL setback of 14 metres may be required from the eastern boundary if the adjacent reserve is classified as "Woodland". The eastern road reserve is shown at 15 metres wide to accommodate WAPC road reserve requirements and a 14-metre BAL setback.</p> <p>The eastern road reserve is extended to a cul-de-sac, with an emergency access way across the adjacent Reserve R28932 to Johnston Drive to ensure secondary access in case of bushfire.</p> | <p>Stage One subdivision provides 12 single residential lots and one grouped housing site.</p> <p>Access to water and power services.</p> | <p>Emergency Access Way to Johnston Road may not be considered suitable under the Bushfire assessment.</p> <p>Limited provision of grouped dwelling sites.</p> |

PREFERRED OPTION – SUBDIVISION CONCEPT 2

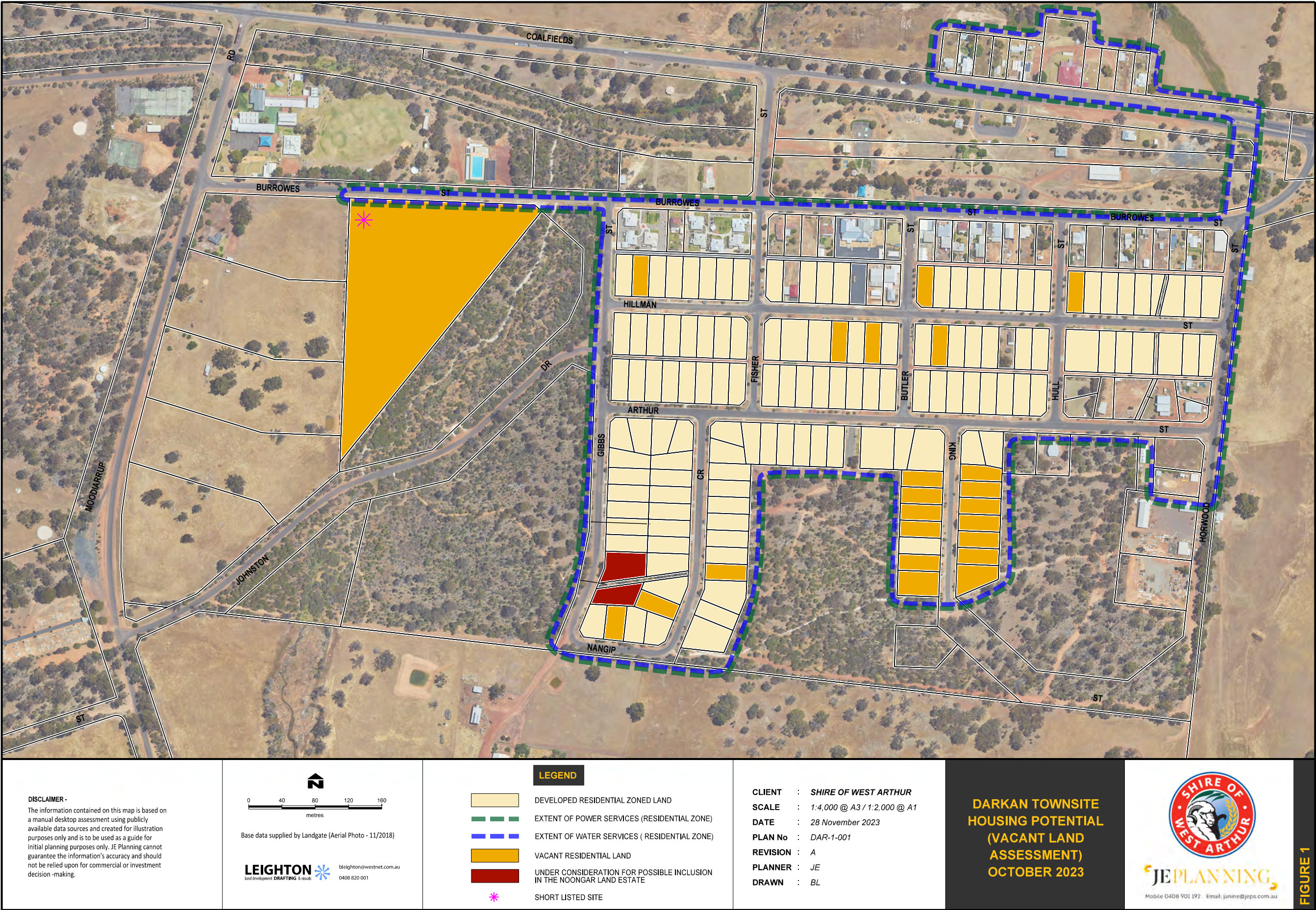
23. The three Subdivision Concept options share similar designs, showcasing the flexibility of subdividing the site to accommodate various outcomes based on technical assessments and agency feedback. Option 3 includes a secondary access to Johnston Drive through a cul-de-sac and emergency access way, addressing potential challenges with placing a road reserve across the adjacent reserve. Option 3 emphasizes single-dwelling development over grouped dwellings, and is considered the least preferred but remains a potential alternative if needed.
24. Option 1 and Option 2 have been designed with a 4002m² grouped dwelling site adjacent to Burrowes Street on the northwest corner. This site has the potential for the Shire of West Arthur to develop a grouped dwelling development as a near term solution to address key worker housing shortages. Given that this development is likely, either Option 1 or Option 2 may be considered as the preferred option. The eastern road reserve width differs between Option 1 and Option 2, and the likely outcome of the road reserve width in the final subdivision design will depend on the BAL assessment. However, the servicing and road layouts are similar, and the lot yield differences are negligible.
25. Option 2 is recommended as the preferred site based on the size and location of the grouped dwelling sites. The overall subdivision concept presents 22 lots that may yield an estimated 27 dwellings. The 4WDL KWAHA, as described in paragraph 10 above, states *'The townsite of Darkan needs to provide available land for up to 21 key worker dwellings in the immediate and short-term, and an ongoing supply of approximately 2-4 dwellings per annum to potentially cater for up to 41 dwellings by 2031.'*
26. Subdivision Concept Option 2 provides approximately 50% of the key workers' housing demand for the Shire of West Arthur toward 2031. Current vacant land in town may cater to a percentage of the housing need over time if constraints to development are addressed. However, Burrowes Street offers the most immediate solution to the key worker housing shortage in the Shire of West Arthur. Stage one of the Subdivision Concept 2 provides ten lots, estimated to yield 15 dwellings that may address immediate and short-term key worker housing needs.

PLANNING PROCESS AND ACTIONS

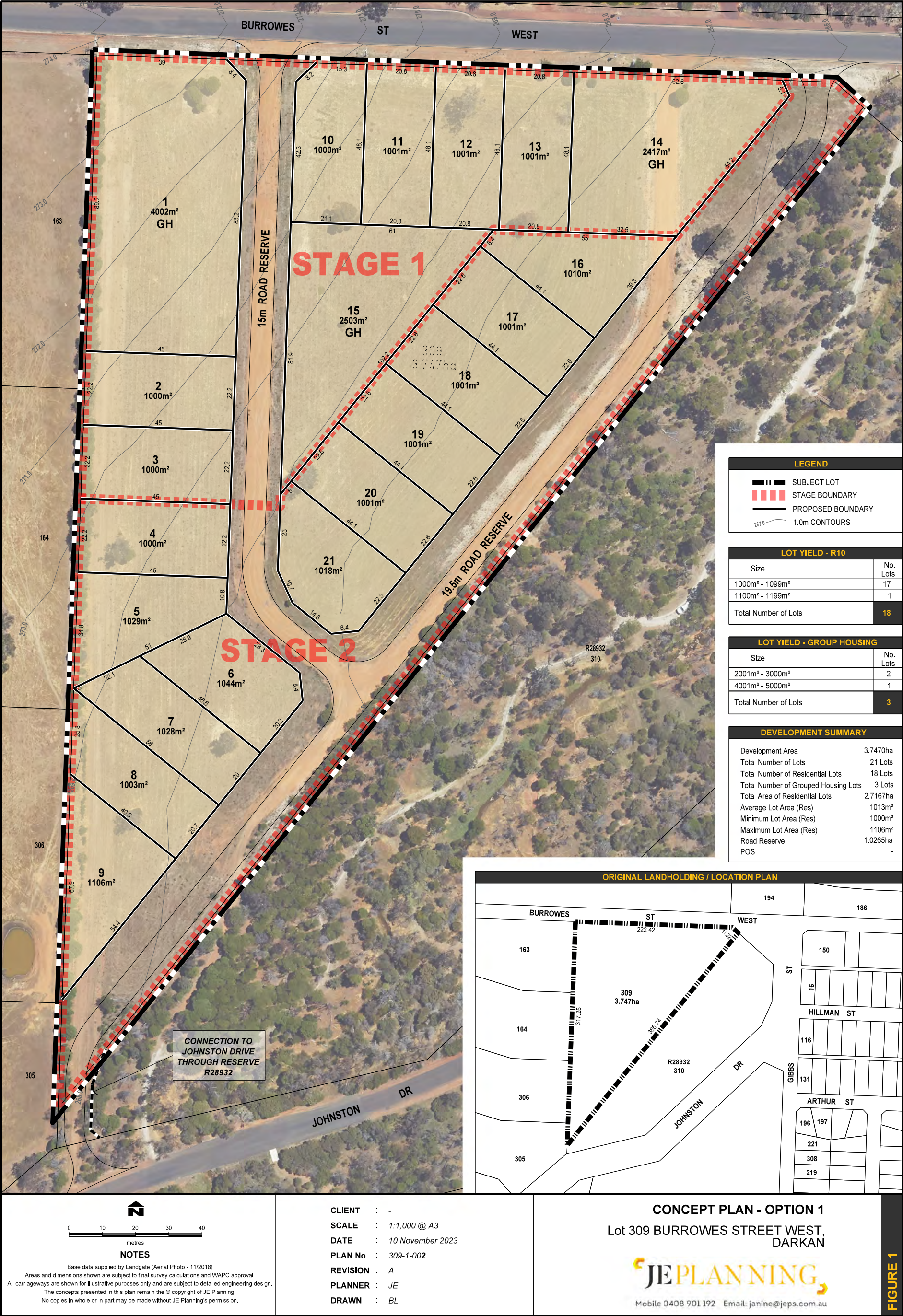
27. The subdivision of Lot 309 Burrowes Street, Darkan, is subject to receiving approval from the WAPC. As outlined in the discussion above, the key matters to inform the final subdivision and any changes to the preferred option include:
 - Bushfire Risk and Management
 - Capability for onsite effluent disposal (influencing lot size and yield)
 - Setback from Nangip Creek (influencing lot size)
28. Preparation of the subdivision design will include the following:
 - Feature Survey
 - BAL assessment (conducted early 2024) (Bushfire Management Plan may be required as a condition of subdivision)
 - A Site and Soil evaluation (to be conducted in July/August 2024)
 - Servicing and Engineering reports (including Stormwater Drainage Plan and Transport impact statement) (early 2024)
 - Request advice from the Department of Health, Department of Planning Lands and Heritage and the Department of Water and Environmental Regulation.
29. The Shire of West Arthur commenced technical studies in late 2023 (soil sampling) and intends to finalise the Site and Soil evaluation after the winter rains, specifically in July/August 2024. The studies will form the basis for the subdivision proposal, which may be submitted to the WAPC in

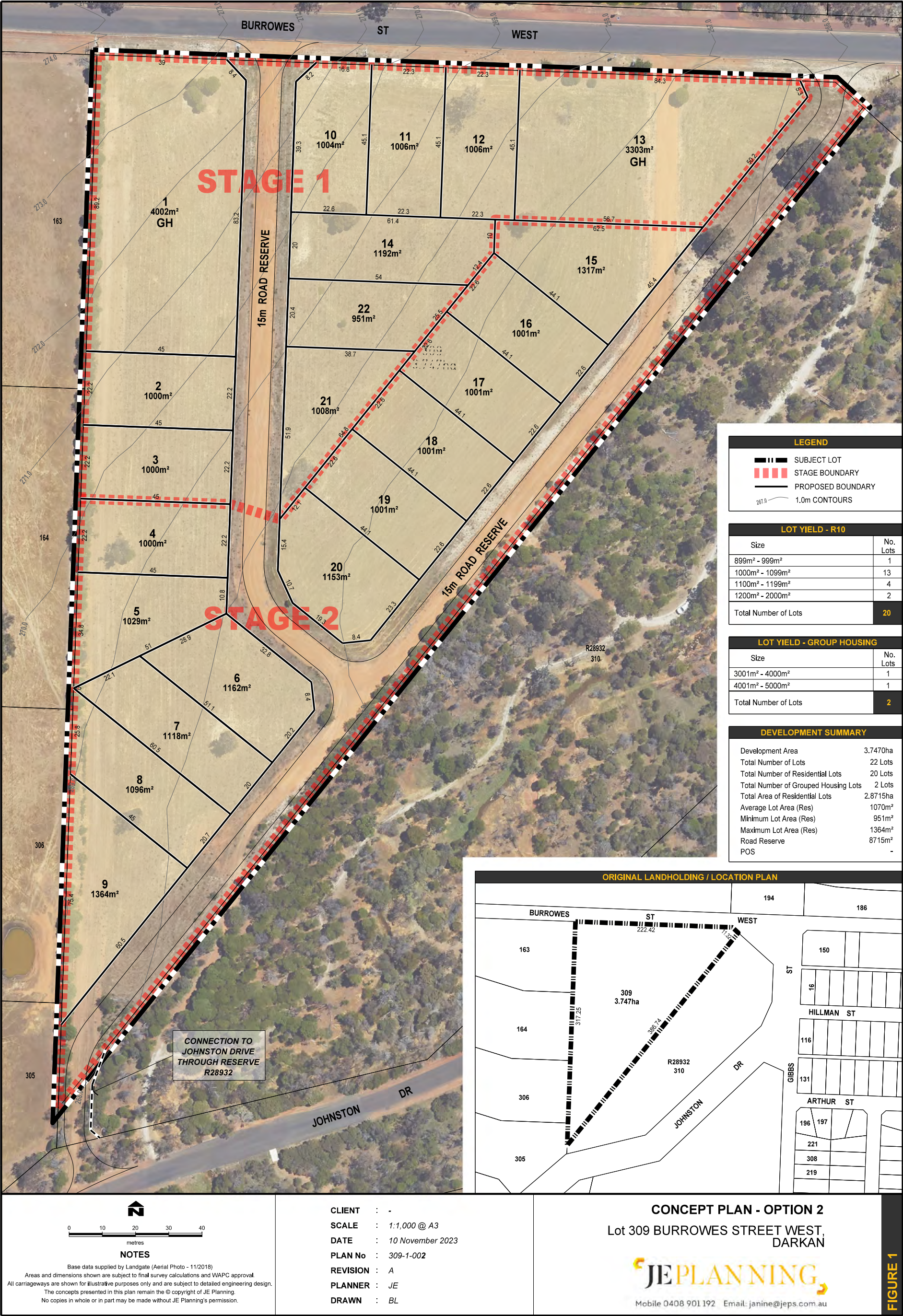
July/August 2024. The Shire of West Arthur may apply to subdivide more immediately. However, the Shire are waiting until the SSE is complete to inform the lot design and potential dwelling yield, and potentially reduce future subdivision revisions. Adhering to a statutory decision time frame of 90 days for subdivision applications, the WAPC is expected to grant conditional approval by November/December 2024. Following conditional approval, the Shire of West Arthur will address specified subdivision conditions, aiming for the first release of lots by late 2025.

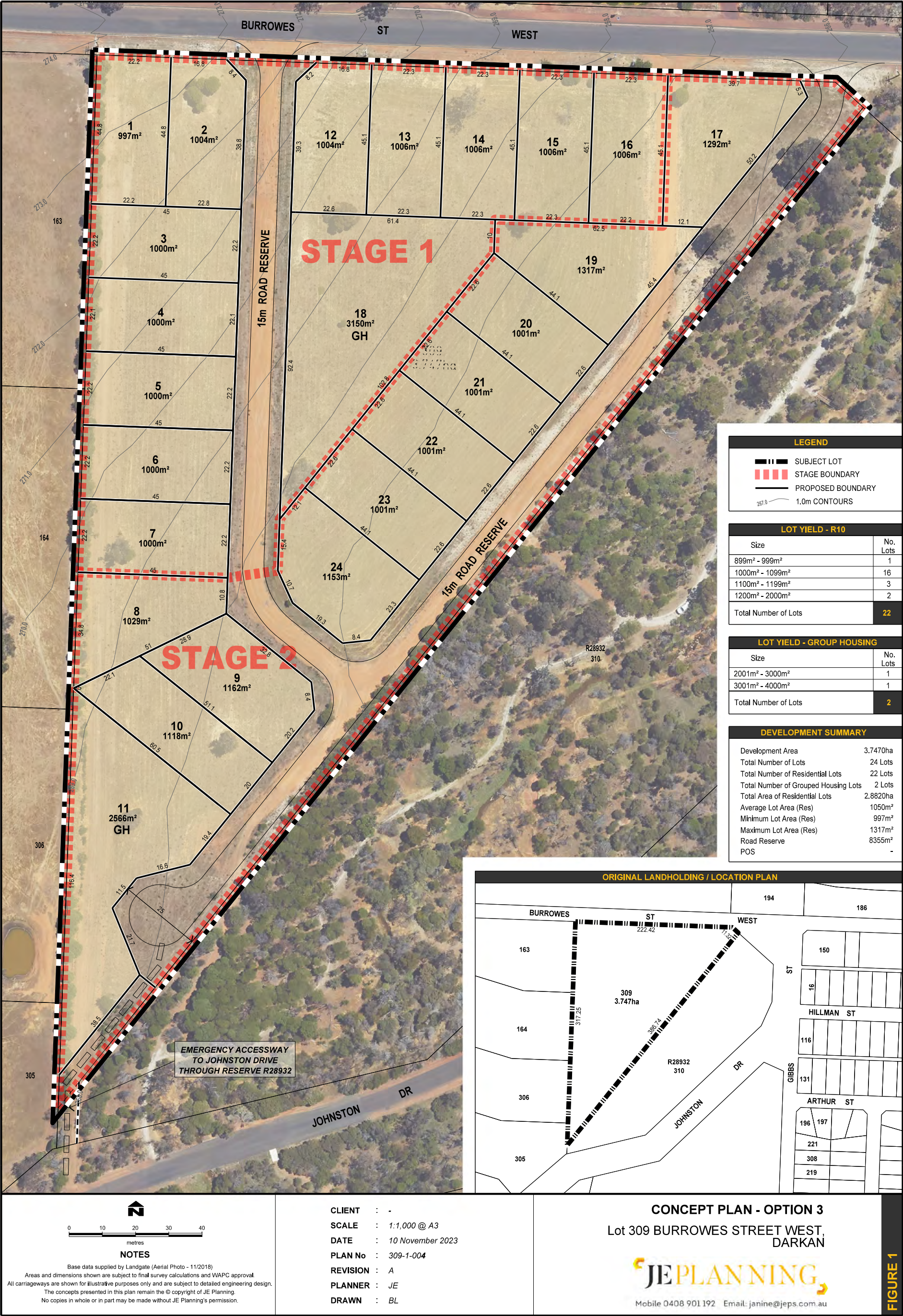
Attachment A: Darkan Vacant Land Assessment 2023



Attachment B: Subdivision Concepts (Options 1-3)









Project #: 06041.09

Engineering Order of Costs
Lot 309 Burrowes St West, Darkan - Subdivision

22 lots

| Item | Description | Detail | Amount | GST applicable | GST |
|--|--|---|-----------------|----------------|---------------|
| 1.0 Local Government Statutory Fees and Charges (GST exclusive) | | | | | |
| 1.1 | WAPC planning application | \$3346 plus \$79 per lot (2-100 lots) - rounded | \$ 5,100.00 | No | \$ - |
| 1.2 | Deposited plan fees | \$645 plus \$8 per lot (2-100 lots) - rounded | \$ 900.00 | No | \$ - |
| 1.3 | Clearance fees | \$73 per lot for the first 5 lots and then \$35 per lot - rounded | \$ 1,000.00 | No | \$ - |
| 1.4 | Council Engineering supervision fees | 1.5% of R&D construction estimate - rounded | \$ 9,765.00 | No | \$ - |
| 1.5 | Council Engineering maintenance bond (refundable) | 5% of R&D construction estimate - rounded | \$ 32,595.00 | No | \$ - |
| 1.6 | Public Open Space contribution (cash in lieu) | Not included | \$ - | No | \$ - |
| 1.7 | Council Developer Contributions fees | Estimated \$1500/lot | \$ 33,000.00 | No | \$ - |
| 2.0 Water Corporation Fees and charges | | | | | |
| 2.1 | Water contributions | Standard infrastructure charge for water \$2,489/lot (20 new) - rounded | \$ 49,800.00 | No | \$ - |
| 2.2 | Drainage contributions | Standard infrastructure charge for drainage \$61/lot (6 new) - rounded | \$ - | No | \$ - |
| 2.3 | Water Corporation maintenance bond (refundable) | Not included | \$ - | No | \$ - |
| 3.0 Infrastructure Works | | | | | |
| 3.1 | Construction (Earthworks, Roads, Drainage, Water only) | Developer funded construction - refer breakdown attached | \$ 1,008,200.00 | Yes | \$ 100,820.00 |
| 3.2 | Construction cost Contingency | 20% surplus on construction works estimate | \$ 201,600.00 | Yes | \$ 20,160.00 |
| 3.3 | Electrical Services | Refer to: 06010.09 - 3E24003-R-01 Servicing Report (Rev A) | \$ 365,000.00 | Yes | \$ 36,500.00 |
| 3.4 | Communications Services | Refer to: 06010.09 - 3E24003-R-01 Servicing Report (Rev A) | \$ 55,000.00 | Yes | \$ 5,500.00 |
| 4.0 Professional Services Fees | | | | | |
| 4.1 | Town Planning | WAPC/Council application - estimate | \$ 5,000.00 | Yes | \$ 500.00 |
| 4.2 | Surveyor | Subdivision fees including peg & repeg - estimate | \$ 25,000.00 | Yes | \$ 2,500.00 |
| 4.3 | | Feature Survey | \$ 10,000.00 | Yes | \$ 1,000.00 |
| 4.4 | Acoustic Engineer | Not included | \$ - | Yes | \$ - |
| 4.5 | Traffic Engineer | Not included | \$ - | Yes | \$ - |
| 4.6 | Flora & Fauna | Not included | \$ - | Yes | \$ - |
| 4.7 | Arborist | Not included | \$ - | Yes | \$ - |
| 4.8 | Archaeological & Heritage | Not included | \$ - | Yes | \$ - |
| 4.9 | Landscape Architecture | Not included | \$ - | Yes | \$ - |
| 4.10 | Geotechnical Engineer | Inspection, testing and reporting | \$ 6,000.00 | Yes | \$ 600.00 |
| 4.11 | Civil Engineer | Design, Tender and Contract Administration | \$ 70,000.00 | Yes | \$ 7,000.00 |
| 4.12 | Electrical Engineer | estimate | \$ 15,000.00 | Yes | \$ 1,500.00 |
| 4.13 | Structural Engineer | Not included | \$ - | Yes | \$ - |
| 4.14 | Project Manager | Not included | \$ - | Yes | \$ - |
| 5.0 Reimbursements | | | | | |
| 5.1 | Council roadworks maintenance bonds | | \$ - | No | \$ - |
| 6.0 Total | | | | | |
| | Subtotal | | \$ 1,892,960.00 | | |
| | GST | | \$ 176,080.00 | | |
| | Total | | \$ 2,069,040.00 | | |

Assumptions, Exclusions and Clarifications

- An "engineering order of cost" is an opinion only. No liability is accepted by DWA for any variance in actual costs. If a more accurate cost estimate is required, a qualified Quantity Surveyor should be commissioned.
- The costing is based on the proposed subdivision of Lot 309 Burrowes St West, Darkan, to be subdivided into 22 lots. Refer to attached plan showing outline of proposed lots.
- This construction costing is a preliminary estimate only, based on rates extracted from Rawlinsons Australian Construction Handbook 2023 and is only within an accuracy of plus or minus 20%, and therefore a 20% contingency is allowed.
- The costing is based on the entire project undertaken as a single contract.
- A 6m wide road has been assumed for the subdivision with a 15m wide road reserve
- The following items are excluded:
 - Gravity sewer reticulation
 - Any earthworks other than within the road reserve
 - Fencing, landscaping, site re-vegetation
 - Excavation in rock
 - Construction of retaining walls
 - Upgrade of Burrowes St and Johnston Dr

Project #: 06041.09

Engineering Order of Costs
Lot 309 Burrowes St West, Darkan - Subdivision



| Item | Description | Unit | Qty | Rate | Price |
|--------------------------|---|------|-----|-------------|--------------------|
| 1.0 | General | | | | |
| 1.1 | Comply with Conditions of Contract | Item | 1 | \$5,000.00 | \$5,000.00 |
| 1.2 | Insurances and CTF Levy | Item | 1 | \$10,000.00 | \$10,000.00 |
| 1.3 | Site establishment, site stabilisation, dust control - mobilisation, fortnightly site meetings and de-mobilisation of equipment, project management | Item | 1 | \$35,000.00 | \$35,000.00 |
| 1.4 | Location and protection of all existing services within & adjacent to the site | Item | 1 | \$5,000.00 | \$5,000.00 |
| 1.5 | Survey control and setout | Item | 1 | \$15,000.00 | \$15,000.00 |
| 1.6 | Submit Traffic Management to Local Authority | Item | 1 | \$5,000.00 | \$5,000.00 |
| 1.7 | Traffic Management for the duration of the works. | Item | 1 | \$10,000.00 | \$10,000.00 |
| Subtotal General: | | | | | \$85,000.00 |

| Construction | | Unit | Qty | Rate | Price |
|--|---|----------------|--------|-------------|--------------------|
| 2.0 | Siteworks and Earthworks | | | | |
| 2.1 | Remove and dispose of existing vegetation within road reserve | Item | 1 | \$10,000.00 | \$10,000.00 |
| 2.2 | Remove topsoil and stockpile 4265m ² x 150mm average thickness (Road Reserve only) | m ³ | 1422 | \$18.50 | \$26,307.00 |
| 2.3 | Cut to subgrade for road pavement and verges | m ³ | 1762.2 | \$29.30 | \$51,693.00 |
| Subtotal Siteworks and Earthworks | | | | | \$88,000.00 |

| | | | | | |
|----------------------------|--|----------------|------|------------|---------------------|
| 3.0 | Roadworks | | | | |
| 3.1 | Sub-grade preparation for roadworks., compact to 92% MMDD | m ² | 4895 | \$6.93 | \$33,924.40 |
| 3.2 | Insitu density testing of subgrade by registered NATA testing organisation | Item | 1 | \$3,500.00 | \$3,500.00 |
| 3.3 | Supply materials, place and compact road base course 250 thick, trim to line and level | m ² | 4895 | \$22.62 | \$110,724.90 |
| 3.4 | Insitu density testing of base course by registered NATA testing organisation | Item | 1 | \$3,500.00 | \$3,500.00 |
| 3.5 | Supply and install primer seal to full width of road formation. | m ² | 4265 | \$12.83 | \$54,719.95 |
| 3.5 | Supply, lay and compact 30mm Thick Black Asphalt, SMA 7, M.B.50. Tie into existing | m ² | 4265 | \$35.05 | \$149,488.25 |
| 3.7 | Install kerbing, tie into existing kerb | m | 1260 | \$45.00 | \$56,700.00 |
| 3.8 | Backfill kerb and grade verges | m ² | 4585 | \$10.50 | \$48,142.50 |
| Subtotal Roadworks: | | | | | \$460,700.00 |

| | | | | | |
|------------|---|------|-----|-------------|-------------|
| 4.0 | Stormwater Drainage | | | | |
| 4.1 | Supply, excavate, install and backfill manholes | Item | 2 | \$4,550.00 | \$9,100.00 |
| 4.2 | Supply, excavate, install and backfill Side Entry Pits | No. | 5 | \$4,650.00 | \$23,250.00 |
| 4.3 | Supply, excavate, lay and backfill with sand 300mm dia. RC stormwater drainage pipe | m | 375 | \$200.00 | \$75,000.00 |
| 4.4 | Supply and install drainage headwall | No. | 1 | \$10,000.00 | \$10,000.00 |
| 4.5 | Supply and install swale Drain inc stone pitching | No. | 1 | \$25,000.00 | \$25,000.00 |
| 4.6 | Supply and Install timber bollards along reserve boundary | m | 384 | \$105.00 | \$40,350.00 |
| 4.7 | Provide "As-Constructed" information of completed stormwater drainage | Item | 1 | \$3,500.00 | \$3,500.00 |
| 4.8 | Provide compaction test results | Item | 1 | \$3,400.00 | \$3,400.00 |

Subtotal Drainage: \$189,600.00

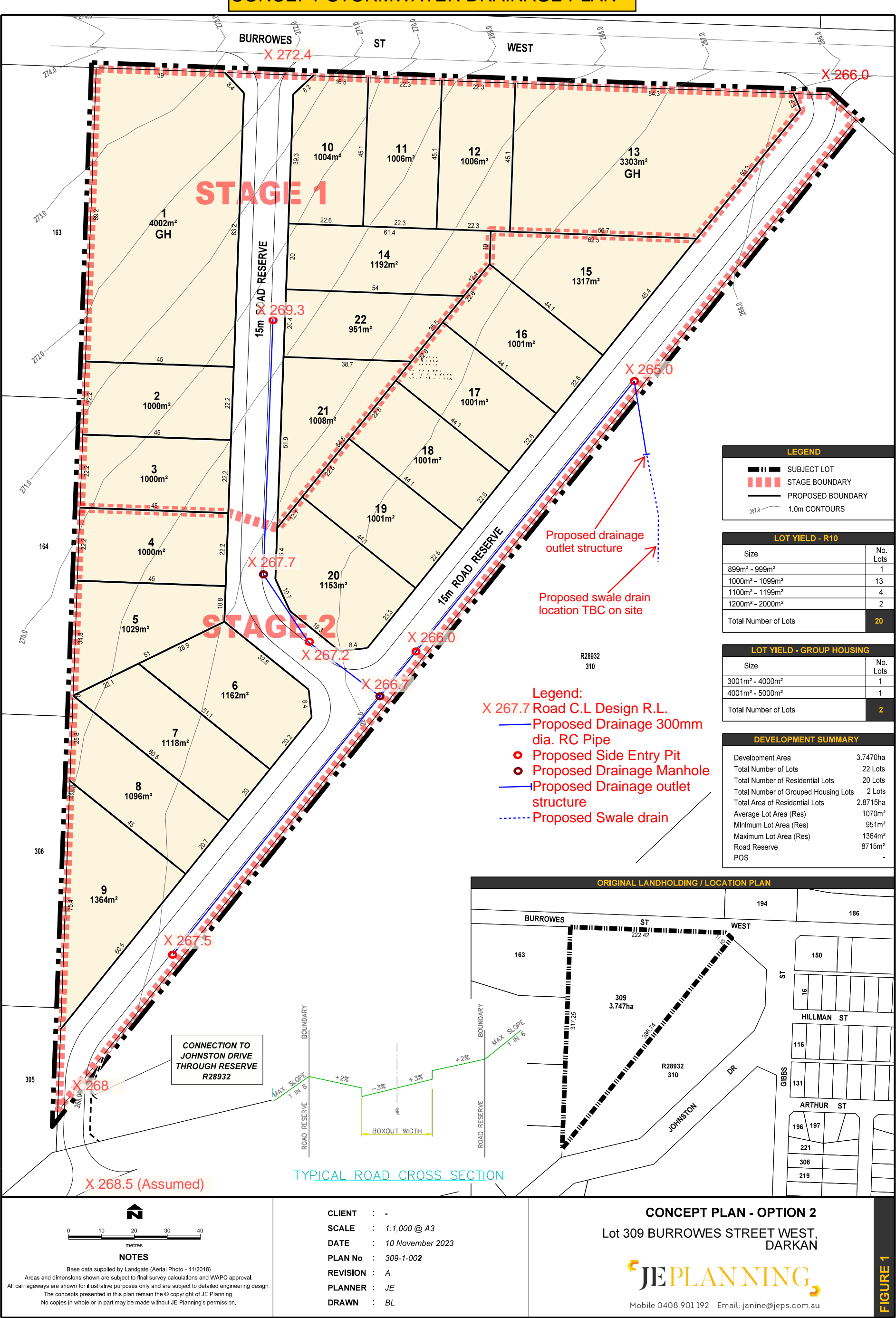
| | | | | | |
|------------|---|------|-----|-------------|-------------|
| 5.0 | Water Reticulation | | | | |
| 5.1 | Excavate, supply, install and backfill with sand DN100 PVC water main | m | 584 | \$110.00 | \$64,240.00 |
| 5.2 | Excavate, supply, install and backfill with sand DN150 PVC water main | m | 245 | \$185.00 | \$45,360.00 |
| 5.3 | Supply and install fittings to Water Corporation requirements, including hydrants, valves, bends, reducers and tees as shown on drawings. | No. | 1 | \$40,000.00 | \$40,000.00 |
| 5.4 | Install long dual service connections and connect with the new main. | No. | 2 | \$2,000.00 | \$4,000.00 |
| 5.5 | Install short single and dual service connections and connect with the new mains. | No. | 18 | \$1,000.00 | \$18,000.00 |
| 5.6 | Connect to existing water main | Item | 1 | \$4,000.00 | \$4,000.00 |
| 5.7 | Pressure testing | Item | 1 | \$1,500.00 | \$1,500.00 |
| 5.8 | Water disinfectant | Item | 1 | \$1,800.00 | \$1,800.00 |
| 5.9 | Provide compaction test results | Item | 1 | \$3,500.00 | \$3,500.00 |
| 6 | Provide "As-Constructed" information of completed water reticulation | Item | 1 | \$2,500.00 | \$2,500.00 |

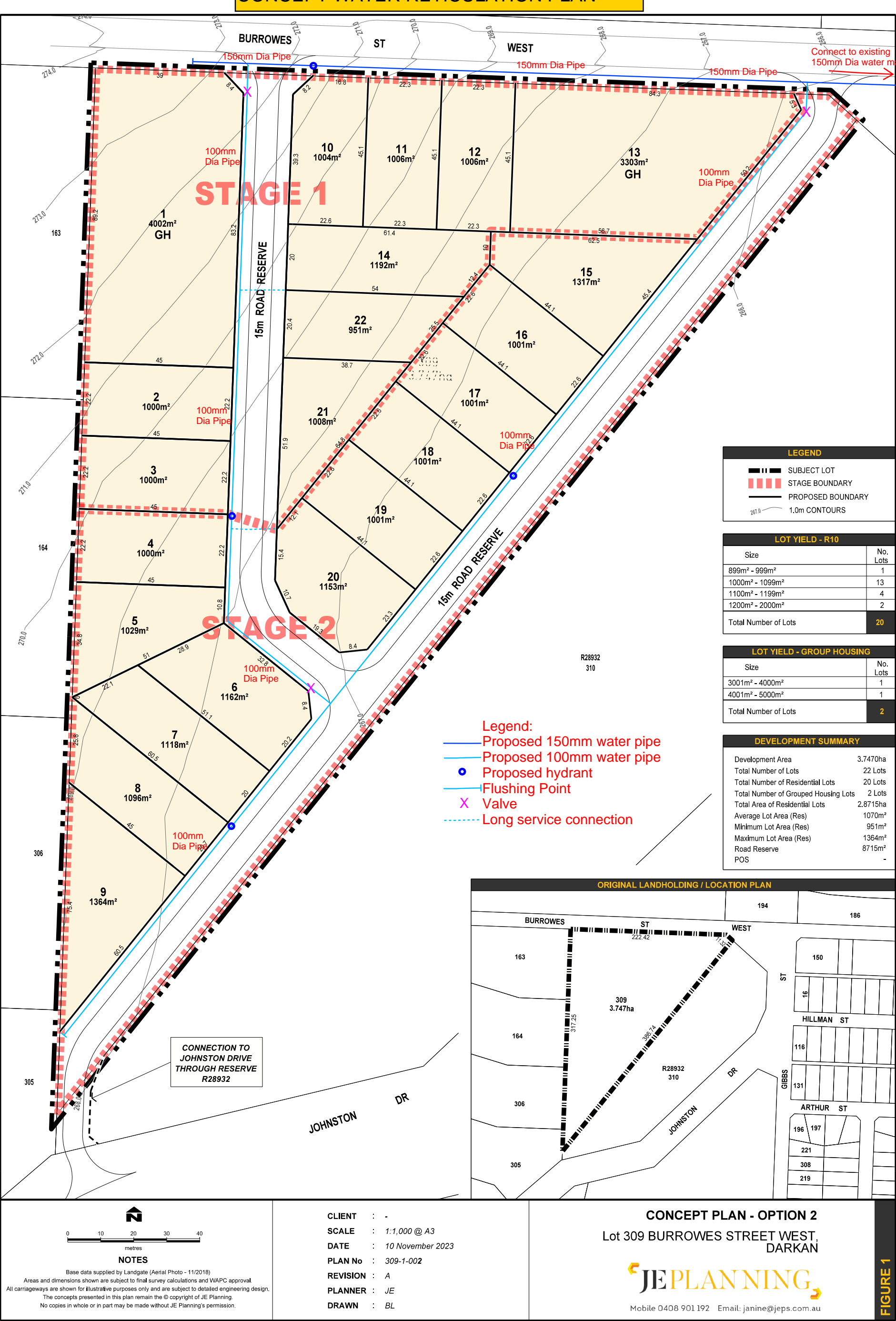
Subtotal Water Reticulation: \$184,900.00

| | |
|---------------------|-----------------------|
| TOTAL excluding GST | \$1,008,200.00 |
| Contingency 20% | \$201,600.00 |
| GST | \$120,980.00 |
| TOTAL | \$1,330,780.00 |

Assumptions, Exclusions and Clarifications

1. An "engineering order of cost" is an opinion only. No liability is accepted by DWA for any variance in actual costs. If a more accurate cost estimate is required, a qualified Quantity Surveyor should be commissioned.
2. The costing is based on the proposed subdivision of Lot 309 Burrowes St West, Darkan, to be subdivided into 22 lots. Refer to attached plan showing outline of proposed lots.
3. This construction costing is a preliminary estimate only, based on rates extracted from Rawlinsons Australian Construction Handbook 2023 and is only within an accuracy of plus or minus 20%, and therefore a 20% contingency is allowed.
4. The costing is based on the entire project undertaken as a single contract.
5. A 6m wide road has been assumed for the subdivision with a 15m wide road reserve
6. The following items are excluded:
 - a) Gravity sewer reticulation
 - b) Power costs
 - c) Any earthworks other than within the road reserve
 - d) Fencing, landscaping, site re-vegetation
 - e) Excavation in rock
 - f) Construction of retaining walls
 - g) Upgrade of Burrowes Street and Johnston Drive.





12 CORPORATE SERVICES**12.1 FINANCIAL REPORTS - JUNE 2024**

File Reference: ADM339
Location: N/A
Applicant: N/A
Author: Renee Schinzig, Administration Officer
Authorising Officer: Vin Fordham Lamont, Chief Executive Officer
Date: 18/07/2024
Disclosure of Interest: Nil
Attachments: Nil

Council is advised that, due to conflicting work commitments, the Monthly Financial Report for the period ending 30 June 2024 will be presented at the August 2024 Ordinary Meeting of Council.

12.2 ACCOUNTS FOR PAYMENT - JUNE 2024

File Reference: ADM338
Location: N/A
Applicant: N/A
Author: Kylie Whitaker, Finance Officer
Authorising Officer: Vin Fordham Lamont, Chief Executive Officer
Date: 18/07/2024
Disclosure of Interest: Nil
Attachments: Nil

Council is advised that, due to conflicting work commitments, the Accounts for Payment Listing for the period of June 2024 will be presented at the August 2024 Ordinary Meeting of Council.

12.3 LOCAL ROADS AND COMMUNITY INFRASTRUCTURE PHASE 4

| | |
|--------------------------------|--|
| File Reference: | ADM402 |
| Location: | N/A |
| Applicant: | N/A |
| Author: | Kerryn Chia, Projects Officer |
| Authorising Officer: | Vin Fordham Lamont, Chief Executive Officer |
| Date: | 8/07/2024 |
| Disclosure of Interest: | Nil |
| Attachments: | Nil |

SUMMARY:

Council is requested to consider revising the allocation of Phase 4 funding according to the following:

Part A - \$366,694

- Darkan Toddler's Playground (Playground) - \$140,000
- CCTV - \$78,647
- Footpaths in the Railway Reserve - \$54,700
- Shade Structure over kid's playground and landscaping - \$16,288
- Pump and tanks for town dam - \$28,000
- Glenorchy Bridge repairs - \$49,059

Part B - \$211,517

- Clarke Road resheeting - \$90,108
- Darkan South white line marking - \$35,609
- Asphalt in front of the Pub – \$70,000
- Footpaths connecting Burrowes Street and Coalfields Hwy - \$15,800

BACKGROUND:

The Local Roads and Community Infrastructure (LRCI) Program is a Federally funded program that has run since 2020. In Phase 4 of the program the Shire was allocated a total of \$578,211. This is split into Part A (\$366,694) which can be allocated to either roads or community infrastructure and Part B (\$211,517) which is for roads only. Eligible projects under Part B include:

- traffic signs;
- traffic calming/control equipment;
- street lighting equipment;
- a bridge or tunnel;
- a facility off the road used by heavy vehicles in connection with travel on the road (for example, a rest area or weigh station);
- facilities off the road that support the visitor economy; and
- road and footpath maintenance, where additional to normal capital works schedules.

COMMENT:

A work schedule has been submitted to the funding body for approval and construction needs to be completed by June 2025. A number of projects have changed and Council is asked to reallocate funds according to the following:

Part A - \$366,694

- Darkan Playground (Playground) - \$140,000 (No change. Playground to be installed end of July/early August)
- CCTV - \$78,647 (increase in cost from \$13,000 of which \$10,000 was to be from LRCI4. This funding will cover cameras in the railway reserve, gym, caravan park, depot, Burrowes Street, mobilisation and demobilisation costs and the yearly subscription cost)
- Glenorchy Bridge repairs - \$49,059 (completed and on budget)
- Shade Structure over kids playground and landscaping - \$16,288
- Pump for town dam - \$28,000
- Footpaths in the Railway Reserve - \$54,700 (new project - costing for footpaths associated with Burrowes street will require substantial design work and there would be insufficient funds in the LRCI funding for this therefore footpaths in the railway reserve are considered the next most important to repair due to trip hazards).

Part B - \$211,517

- Clarke Road resheeting - \$90,108 (completed and under budget)
- Darkan South white line marking - \$35,609 (completed and under budget)
- Asphalt in front of the Pub and white line marking – \$70,000 (new project)
- Footpaths from Burrowes Street to Coalfields Hwy - \$15,800 (new project)

A new work schedule needs to be submitted to the funding body for approval prior to work commencing.

CONSULTATION:

Shire Staff –Manager Works and Services, CEO, Manager Corporate Services, Projects Officer, Community Development Officer

STATUTORY ENVIRONMENT:

Local Government Act 1995

s6.8 Expenditure from municipal fund not included in annual budget

POLICY IMPLICATIONS:

C5 - CCTV & Data Management

F29 – Purchasing Policy

FINANCIAL IMPLICATIONS:

No change to the funding received, monies will be reallocated.

STRATEGIC IMPLICATIONS:

Shire of West Arthur Strategic Community Plan 2021-2031

Theme: Built Environment

Strategy: Our roads, towns and facilities are well maintained and reflect our rural identity and heritage.

Outcome 4.2 – Our built infrastructure is well maintained, attractive and inviting

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the

need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

| Consequence Likelihood | | Insignificant 1 | Minor 2 | Moderate 3 | Major 4 | Catastrophic 5 |
|---------------------------|---|--------------------|------------|---------------|--------------|-------------------|
| Almost Certain | 5 | Medium (5) | High (10) | High (15) | Extreme (20) | Extreme (25) |
| Likely | 4 | Low (4) | Medium (8) | High (12) | High (16) | Extreme (25) |
| Possible | 3 | Low (3) | Medium (6) | Medium (9) | High (12) | High (15) |
| Unlikely | 2 | Low (2) | Low (4) | Medium (6) | Medium (8) | High (10) |
| Rare | 1 | Low (1) | Low (2) | Low (3) | Low (4) | Medium (5) |

| | |
|--|--|
| Description of Key Risk | Risk of losing funding due to inability to get the projects undertaken within required timeframe |
| Risk Likelihood (based on history and with existing controls) | Likely (4) |
| Risk Consequence | Moderate (3) |
| Risk Rating (Prior to Treatment or Control): Likelihood x Consequence | High (12) |
| Principal Risk Theme | Inadequate project or change management |
| Risk Action Plan (Controls or Treatment Proposed) | Decide on redistribution of funds and submit Work Schedule in a timely manner. |

VOTING REQUIREMENTS:

Absolute Majority

OFFICER RECOMMENDATION:

That Council, by absolute majority, approve the reallocation of Local Roads and Community Infrastructure Phase 4 funding according to the following:

Part A - \$366,694

- Darkan Toddler's Playground (Playground) - \$140,000
- CCTV - \$78,647
- Footpaths in the Railway Reserve - \$54,700
- Shade Structure over kids playground and landscaping - \$16,288
- Pump for town dam \$28,000
- Glenorchy Bridge repairs - \$49,059

Part B - \$211,517

- Clarke Road resheeting - \$90,108
- Darkan South white line marking - \$35,609
- Asphalt in front of the Pub – \$70,000
- Footpaths from Burrowes Street to Coalfields Hwy - \$15,800

The Author made a minor change to the Officer Recommendation prior to this item being discussed.

RESOLUTION CO-2024-073

Moved: Cr Robyn Lubcke

Seconded: Cr Graeme Peirce

That Council, by absolute majority, approve the reallocation of Local Roads and Community Infrastructure Phase 4 funding according to the following:

Part A - \$366,694

- Darkan Toddler's Playground (Playground) - \$140,000
- CCTV - \$78,647
- Footpaths in the Railway Reserve - \$54,700
- Shade Structure over kids playground and landscaping - \$15,288
- Pump for town dam \$29,000
- Glenorchy Bridge repairs - \$49,059

Part B - \$211,517

- Clarke Road resheeting - \$90,108
- Darkan South white line marking - \$35,609
- Asphalt in front of the Pub – \$70,000
- Footpaths from Burrowes Street to Coalfields Hwy - \$15,800

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0 BY ABSOLUTE MAJORITY

13 WORKS AND SERVICES

Late Item under section 16.

14 REGULATORY SERVICES

14.1 DRAFT LOCAL PLANNING STRATEGY

| | |
|--------------------------------|---|
| File Reference: | ADM205 |
| Author: | Vin Fordham Lamont, Chief Executive Officer |
| Authorising Officer: | Vin Fordham Lamont, Chief Executive Officer |
| Date: | 12/07/2024 |
| Disclosure of Interest: | Nil |
| Location: | Entire Shire |
| Applicant: | N/A |
| Owner: | N/A |
| Proposal: | Accept and advertise draft strategy |
| Attachments: | 1. Draft Local Planning Strategy ↓ |

SUMMARY:

Council is requested to consider accepting the draft joint Local Planning Strategy (LPS) developed in collaboration with the Shires of Williams and Wagin and to approve it for public advertising.

BACKGROUND:

The *Planning and Development Act 2005* and related *Planning and Development (Local Planning Schemes) Regulations 2015* require that Local Governments establish local planning strategies. The cost of having these documents developed by a consultant can be up around the \$100,000 mark.

In 2023, the CEO approached the Department of Planning, Lands and Heritage to enquire whether DPLH would be willing to develop the LPS on our behalf. DPLH agreed to undertake the project for free on the condition that a joint LPS be developed to cover multiple local governments so that it “gets bang for its buck”.

In July 2023, the Shires of Wagin, West Arthur, and Williams agreed to collaborate to create a joint LPS to guide future development and land use in their districts and to meet their statutory obligations.

COMMENT:

DPLH has completed the draft mapping and text of the LPS for the purposes of the required public advertising. Further consideration of the text and maps will be given after public comments are received. The Shire’s planning consultant, Joe Douglas, has provided input into the draft.

A Council decision to commence the public advertising is sought. Subject to Councils consent, DPLH will then recommend the Western Australian Planning Commission certify the Local Planning Strategy for advertisement, with advertising to commence thereafter.

The Local Planning Schemes Regulations require that each local government advertise the draft Strategy for a period not less than 21 days. It must be advertised by:

1. Publishing a notice, along with the draft Strategy, on the website of the local government.

2. Making a copy of the draft Strategy available for public inspection during normal business hours throughout the advertising period.
3. Publishing a notice in the local newspaper setting out the details of the draft Strategy, including:
 - how the draft Strategy will be made available to the public; and
 - the manner and form in which submissions on it may be made; and
 - the period for making submissions and the last day of that period.
4. Giving a copy of the notice to each public authority that the local government considers is likely to be affected by the draft Strategy.

By approving the strategy for public advertising, the Shire ensures that community members and stakeholders have the opportunity to provide feedback, thereby enhancing the strategy's effectiveness and community acceptance.

CONSULTATION:

Joe Douglas – Planning Consultant

Executive Staff

STATUTORY ENVIRONMENT:

Planning and Development Act 2005

s171H(1) Terms used

Planning and Development (Local Planning Schemes) Regulations 2015

Part 3 — Local planning strategies

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Mapping and advertising costs will be picked up under town planning general allocations in the Shire's 2024-2025 annual budget.

STRATEGIC IMPLICATIONS:

Shire of West Arthur Strategic Community Plan 2021-2031

Theme: Built Environment

Outcome: Appropriate Planning and Development

Strategy: Implement the town planning scheme and policies to ensure any planning and development is appropriate through the Shire

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

| Consequence Likelihood | | Insignificant | Minor | Moderate | Major | Catastrophic |
|---------------------------|---|---------------|------------|------------|--------------|--------------|
| | | 1 | 2 | 3 | 4 | 5 |
| Almost Certain | 5 | Medium (5) | High (10) | High (15) | Extreme (20) | Extreme (25) |
| Likely | 4 | Low (4) | Medium (8) | High (12) | High (16) | Extreme (25) |
| Possible | 3 | Low (3) | Medium (6) | Medium (9) | High (12) | High (15) |
| Unlikely | 2 | Low (2) | Low (4) | Medium (6) | Medium (8) | High (10) |
| Rare | 1 | Low (1) | Low (2) | Low (3) | Low (4) | Medium (5) |

| | |
|--|--|
| Description of Key Risk | Failure to develop and approve a Local Planning Strategy as legislated |
| Risk Likelihood (based on history and with existing controls) | (3) Possible |
| Risk Consequence | (3) Moderate |
| Risk Rating (Prior to Treatment or Control): Likelihood x Consequence | (9) Medium |
| Principal Risk Theme | Compliance failure |
| Risk Action Plan (Controls or Treatment Proposed) | Approve draft plan for advertising as recommended |

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION CO-2024-074

Moved: Cr Robyn Lubcke

Seconded: Cr Duncan South

That Council:

1. Request the CEO to arrange for the supply of a copy of the Draft Local Planning Strategy to the Western Australian Planning Commission for its certification to proceed to advertising.
2. Subject to the Western Australian Planning Commission's certification, approve public advertising of the Draft Local Planning Strategy for the Shire of West Arthur for public comment for a period of 21 days.
3. Request the CEO to arrange the supply of the Draft Local Planning Strategy to all relevant Agencies for their comment for a period of 21 days.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

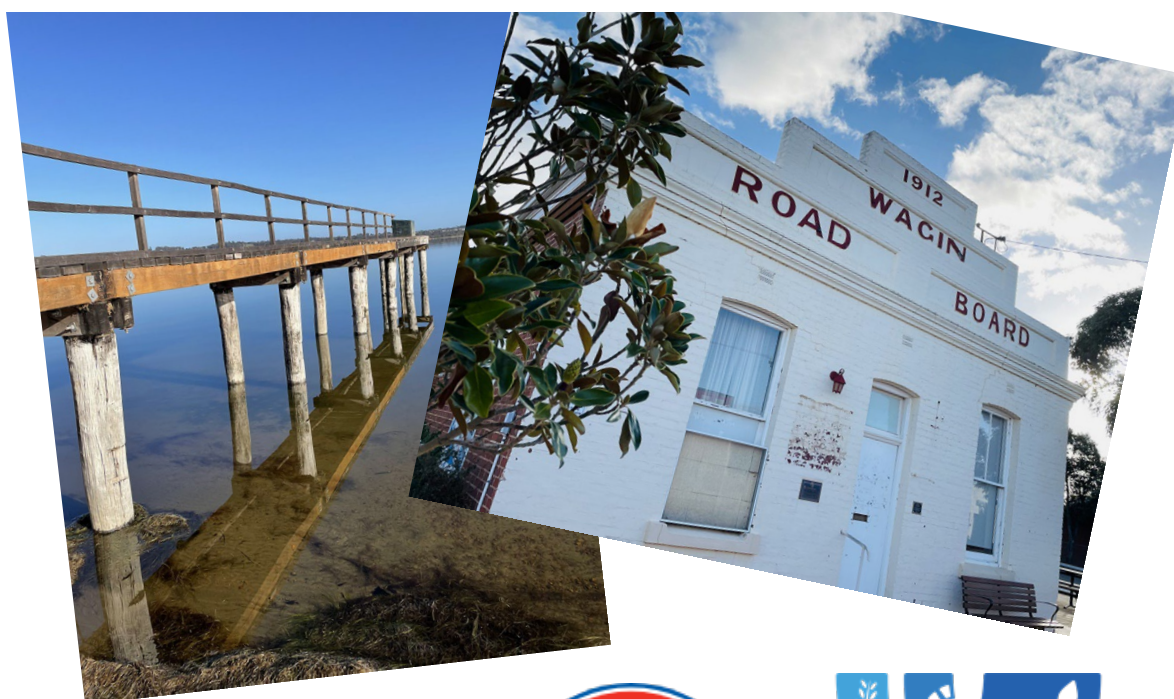
Against: Nil

CARRIED 6/0

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Shires of Wagin, West Arthur and Williams Joint Local Planning Strategy



August 2024

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Amendments

| Reference | Version | Date |
|-----------|---------------------------------|--------------|
| Version 0 | Draft for Council Consideration | 11 July 2024 |
| | Draft for WAPC Certification | |
| | Draft for Advertising | |
| | Draft for WAPC Endorsement | |
| | Final Strategy | |
| | Amendment X | |

Preparation

The Shires of Wagin, West Arthur and Williams Joint Local Planning Strategy has been prepared in accordance with Part 3 of the *Planning and Development (Local Planning Scheme) Regulations 2015*.

The Shires of Wagin, West Arthur and Williams have worked together to prepare the Strategy with assistance from the:



Department of Planning,
Lands and Heritage

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PART 1 Strategy

1.0 Introduction

The Shires of Wagin, West Arthur and Williams Local Planning Strategy comprises:

- Part 1 – Strategy; and
- Part 2 – Background Information and Analysis.

This Local Planning Strategy is a joint strategy which applies to the Shires of Wagin, West Arthur and Williams (the 'Strategy Area') as on the Shires of Wagin, West Arthur and Williams Strategy Map (Figure 1 - Page 40).

This Local Planning Strategy comes into operation on the day on which it is endorsed by the Western Australian Planning Commission (WAPC).

As required by Regulation 11 of the *Planning and Development (Local Planning Schemes) Regulations 2015*, a local planning strategy must:

- (aa) be prepared in a manner and form approved by the WAPC; and
- (a) set out the long-term planning directions for the local government; and
- (b) apply any State or regional planning policy that is relevant to the local planning strategy; and
- (c) provide the rationale for any zoning or classification of land under the local planning scheme.

The Local Planning Strategy forms the strategic basis for the preparation, implementation and review of each of the Shires of Wagin, West Arthur and Williams local planning schemes.

The Shires of Wagin, West Arthur and Williams occupy the south-west corner of the Wheatbelt region and are predominantly driven by the agricultural sector. A joint strategy is useful to address long-term planning directions across local government boundaries in a coordinated manner.

1.1 Vision

The vision of the Local Planning Strategy outlines the 15-year vision for how land use change and development will occur within the Shires of Wagin, West Arthur and Williams. The vision has regard to the strategic community plan of each shire, but recognises that any community aspirations for future land use change and development is balanced with the requirements of planning legislation and policy. This Local Planning Strategy will provide for the expression of how broader State planning requirements can be applied and ultimately implemented at a local level.

The vision of the local planning strategy is:

“To foster sustainable growth and development within the Shires of Wagin, West Arthur and Williams by embracing our rich agricultural heritage, enhancing our vibrant communities, and preserving our unique natural landscapes. Together, we will cultivate economic opportunities, improve infrastructure, and promote a high quality of life for all residents, ensuring a resilient and prosperous future.”

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1.2 Issues/opportunities

1.2.1 Overview

Consistent with the State Planning Framework, planning issues and opportunities of relevance to each shire are presented under the following themes:

- Community, urban growth and settlement
- Economy and employment
- Environment
- Infrastructure

For each identified planning theme, planning directions and actions have been outlined. Planning directions are short statements that specify what is to be achieved or desired to address the relevant issues/opportunities under each theme. Each planning direction is supported by an action(s), that outlines what is proposed and how it may be undertaken.

The Local Planning Strategy includes planning directions and actions specific to each shire, and particularly their primary settlements which are Wagin, Darkan and Williams. These directions and actions will guide planning outcomes for the Strategy Area and the townsites. Directions and actions which are specific to places and locations are visually represented on the following strategy maps:

- Figure 1 - Shires of Wagin, West Arthur and Williams Strategy Map (page 40)
- Figure 2 - Wagin Townsite Strategy Map (page 41)
- Figure 3 - West Arthur townsites Strategy Map (Darkan, Bowelling and Duranillin) (page 42)
- Figure 4 - Williams townsites Strategy Map (Williams and Quindanning) (page 43)

CONTENTS

1.2.2 Community, urban growth and settlement

Key issues/opportunities for the Strategy Area:

The Shires of Wagin, West Arthur and Williams shall pursue opportunities which assist to increase population inflow and maintain vibrant and prosperous townsites. To achieve this planning shall facilitate the development of high amenity settlements prioritising development outcomes which improve local sense of place, while also encouraging the retention of important community services. To support this planning will need to:

- Provide suitable and affordable housing in settlements to meet the needs of new and existing residents, key workers, and a broader growing workforce.
- Provide attractive, high quality and well-functioning town centres which foster a sense of place and encourage new residents and investment into the Strategy Area's primary towns.
- Support the protection of Aboriginal and historic heritage in recognition of its value to the Strategy Area's cultural identity and local sense of place.
- Leverage the mutually beneficial development outcomes afforded to the traditional landowners and each shire through the establishment of the Noongar Land Estate.
- Maintain and enhance community service programs and infrastructure, including: health, education, family, sport, recreation, arts, culture and leisure infrastructure.
- Mitigate the impact of natural disasters on the community and local economy including ensuring that land use and development addresses bushfire and flood risk.

Directions and actions

| Item | Theme | Planning Direction | Action | Time frame |
|---------|--|---|--|---------------------------|
| 1.2.2.1 | Residential land supply and housing | Ensure sufficient unencumbered suitably zoned and serviced residential land is available in each of the primary settlements supporting a wide variety of lot sizes and housing types to suit the needs of all sectors of the community. | Each shire to provide for the zoning and coding of land for residential use in local planning schemes as broadly guided by the strategy maps (see Figures 1 - 4). <i>Rationale: Refer to Part 2 items 2.2.1; 2.2.5; 2.3.2; and 2.4.1.</i> | Short term (1-5 years) |
| 1.2.2.2 | | | Each shire to undertake planning and explore funding opportunities, including grants, for the subdivision and development of suitable residential zoned land in the Strategy Area's primary townsites. <i>Rationale: Refer to Part 2 items 2.2.1; 2.2.5; 2.3.2; 2.4.1, and 2.7.</i> | Ongoing |

STRATEGY

| | | | | |
|---------|---|--|--|---------------------------|
| 1.2.2.3 | | Support the provision of housing to increase available stock, quality, and diversity. | <p>Each shire to ensure local planning schemes provide for a diverse mix of housing land uses, facilitating alternative typologies, including:</p> <ul style="list-style-type: none"> • Park home park • Ancillary dwelling • Workforce accommodation • Grouped dwelling • Multiple dwelling • Residential aged care facility • Independent living complex <p><i>Rationale: Refer to Part 2 items 2.2.1; 2.2.5; 2.3.2; and 2.4.1.</i></p> | Short term (1-5 years) |
| 1.2.2.4 | Built form and character | Support development which enhances local sense of place, providing attractive, active and vibrant townscapes and streetscapes. | <p>Each shire to provide land use classifications and development requirements in local planning schemes to support development which enhances and/or preserves valued built form character in townsites.</p> <p><i>Rationale: Refer to Part 2 item 2.4.2 and 2.4.4.</i></p> | Short term (1-5 years) |
| 1.2.2.5 | | | <p>Each shire to undertake planning and explore opportunities for the funding, including grants, of streetscape upgrades in the Strategy Area's primary townsites.</p> <p><i>Rationale: Refer to Part 2 item 2.4.2, 2.4.4 and 2.5.4.</i></p> | Ongoing |
| 1.2.2.6 | South West Native Title Settlement | Support and provide opportunities for the use of land within the Noongar Land Estate for development and cultural purposes. | <p>Each shire to engage with the trustee of the Noongar Land Estate to identify development opportunities, zone land in local planning schemes and facilitate land development to support the aspirations of the Noongar Boodja Trust.</p> <p><i>Rationale: Refer to Part 2 item 2.4.3.</i></p> | Ongoing |

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| | | | | |
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| 1.2.2.7 | Heritage | Support the protection and conservation of sites with significant heritage and cultural values and continue to reflect each shire's unique heritage. | Each shire, where necessary, to review its local planning framework to provide town planning controls for heritage places, which may include the preparation of a heritage list. <i>Rationale: Refer to Part 2 item 2.4.4.</i> | Short term (1-5 years) |
| 1.2.2.8 | | | Each shire to ensure that land use planning and development activities occur in a manner which respect and protect Aboriginal heritage sites and objects. <i>Rationale: Refer to Part 2 item 2.4.4.</i> | Ongoing |
| 1.2.2.9 | Community facilities and public open space and | Provide education and health services and infrastructure to meet the needs of a diverse population. | Each shire to ensure its local planning framework facilitates development and expansion of health services to benefit families, the elderly, those with disabilities and the Aboriginal community. <i>Rationale: Refer to Part 2 item 2.4.6.</i> | Short term (1-5 years) |
| 1.2.2.10 | | Facilitate the provision of and access to a range of education facilities and childcare services to meet the ongoing demands of the community. | Each shire to ensure local planning schemes support existing educational establishments, and provide opportunities for new facilities in the event demand necessitates their delivery. <i>Rationale: Refer to Part 2 item 2.4.6.</i> | Ongoing |
| 1.2.2.11 | | | Each shire to provide for the expansion and ongoing operation of existing childcare services, while ensuring planning frameworks contemplate childcare land uses in appropriate locations. <i>Rationale: Refer to Part 2 item 2.4.6.</i> | Ongoing |

CHIEF

| | | | | |
|----------|----------------|--|--|---------------------------|
| 1.2.2.12 | | Maintain and provide public open spaces, community facilities and services to meet the needs of the community. | Each shire to ensure that land use planning supports the delivery of community services and facilities and recreational areas which cater to emerging trends and community needs including young people, those who are aging, and people with a disability. <i>Rationale: Refer to Part 2 item 2.4.6.</i> | Ongoing |
| 1.2.2.13 | Hazards | Mitigate the occurrence of significant impacts from natural disasters and hazards. | Each shire to review its local planning framework and implement controls which require bushfire risk assessment and mitigation where development intensification or rezoning is considered in bushfire prone areas. <i>Rationale: Refer to Part 2 item 2.4.7.</i> | Short term (1-5 years) |
| 1.2.2.14 | | | Each shire to ensure its local planning framework prohibits development within any identified floodway, while also implementing development controls for any development at risk of impacts from a 100 year average recurrence interval (ARI) flood event. <i>Rationale: Refer to Part 2 item 2.4.7.</i> | Short term (1-5 years) |

CONTENTS

1.2.3 Economy and employment

Key issues/opportunities for the Strategy Area:

The Shires of Wagin, West Arthur and Williams shall endeavour to promote development outcomes which strengthen the local economy, particularly outcomes which support the ongoing resilience and growth of the agricultural sector. To promote business and employment opportunities planning will need to:

- Prioritise rural land for agricultural use, while providing flexibility for alternative uses which do not undermine existing primary production on surrounding land.
- Identify and enable the attraction of businesses which value add to the Strategy Area's agricultural base while ensuring a suitable supply of land for primary production is maintained.
- Support a diverse range of land uses in appropriate locations contributing to economic output.
- Encourage the accommodation of the 'permanent and temporary workforce' in the primary townsites, providing the opportunity for flow-on economic and development benefits in settlement areas.
- Enhance infrastructure and services to support the growth of the tourism economy.

Directions and actions

| Item | Theme | Planning Direction | Action | Time frame |
|---------|--------------------------------|--|--|-------------------------------|
| 1.2.3.1 | Agriculture and rural industry | Ensure continued protection of rural land from incompatible land uses, noting their economic, natural resource, food production, environmental and landscape values. | Each shire to introduce the 'Rural' zone to its local planning scheme with model zone objectives that elevate the protection of broadacre agricultural activities and ongoing maintenance of environmental qualities. <i>Rationale: Refer to Part 2 item 2.4.5 and 2.5.1.</i> | Short term (1-5 years) |
| 1.2.3.2 | | | Each shire to limit the fragmentation of rural land by only supporting subdivision in the Rural zone in exceptional circumstances and limit the introduction of sensitive land uses that may compromise existing and future potential primary production. <i>Rationale: Refer to Part 2 item 2.4.5 and 2.5.1.</i> | Ongoing |

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| Item | Theme | Planning Direction | Action | Time frame |
|---------|-------|--|--|---------------------------|
| 1.2.3.3 | | | Subject to its identification by the Government department responsible for agriculture, 'High Quality Agricultural Land' should be prioritised in the local planning scheme for traditional agricultural land uses including extensive and intensive agricultural operations. <i>Rationale: Refer to Part 2 item 2.4.5 and 2.5.1.</i> | Ongoing |
| 1.2.3.4 | | | Each shire to introduce the 'Industry - rural' land use into its local planning scheme and contemplate this use in the Rural zone to provide for industry which supports and/or is associated with primary production. <i>Rationale: Refer to Part 2 item 2.4.5 and 2.5.1.</i> | Short term (1-5 years) |
| 1.2.3.5 | | Promote the flexible use of rural land in appropriate locations to support a wide range of land uses which can provide economic benefit. | Where water and other natural resources permit, each shire to ensure its local planning scheme facilitates more intensive and diverse use of rural land for the production of higher value agricultural products. <i>Rationale: Refer to Part 2 item 2.4.5 and 2.5.1.</i> | Ongoing |
| 1.2.3.6 | | | Each shire, where appropriate, to contemplate non-rural land uses with regional benefits on rural land, including facilities for renewable energy production, cultural pursuits, and tourism, in its local planning scheme and include criteria to guide their siting and compatibility with surrounding land uses and natural resources. <i>Rationale: Refer to Part 2 item 2.4.5 and 2.5.1.</i> | Short term (1-5 years) |

COUNCIL

| Item | Theme | Planning Direction | Action | Time frame |
|---------|------------------------------|--|--|---------------------------|
| 1.2.3.7 | | | <p>Each shire to ensure its local planning scheme provides provisions to control the development of renewable energy facilities, ensuring these land uses are:</p> <ul style="list-style-type: none"> • suitably setback from sensitive land uses to mitigate offsite impacts; and • located close to the electricity network grid; and • developed on cleared land, and without unacceptable impacts on environmental, cultural or visual landscape values; and • able to coexist with the agricultural operations present on the land, or otherwise occur on land with low agricultural value. <p><i>Rationale: Refer to Part 2 item 2.1.5, 2.4.5 and 2.7.6.</i></p> | Short term (1-5 years) |
| 1.2.3.8 | Commerce and industry | Support a diverse range of local business and employment opportunities within settlements. | <p>Each shire to support and facilitate the orderly planning and redevelopment of vacant commercial floor space within the Wagin, Darkan and Williams townsites and actively encourage rejuvenation through flexible development requirements and guidelines.</p> <p><i>Rationale: Refer to Part 2 item 2.1.2, 2.2.1, 2.4.2 and 2.5.5.</i></p> | Ongoing |

COUNCIL

| Item | Theme | Planning Direction | Action | Time frame |
|----------|----------------|--|--|---------------------------|
| 1.2.3.9 | | | Each shire to ensure its local planning scheme includes provisions and contemporary land use definitions to control and contemplate uses which are complimentary to agricultural industry, particularly workforce accommodation and forestry uses. <i>Rationale: Refer to Part 2 items 2.1.5, 2.2.1, 2.4.1, 2.4.5, 2.5.1, 2.5.3 and 2.5.5.</i> | Ongoing |
| 1.2.3.10 | | | Each Shire to ensure its local planning scheme includes provisions and contemporary land use definitions to control and contemplate uses to attract industry, particularly those industries seeking opportunities outside of the Perth Metropolitan Region and with synergies to agriculture, including but not limited to manufacturing, freight and mechanical servicing. <i>Rationale: Refer to Part 2 item 2.2.1, 2.2.5, 2.5.1 and 2.5.3.</i> | Ongoing |
| 1.2.3.11 | Tourism | Encourage the growth of a diversified tourism economy, including providing a diverse offering of short-term accommodation types. | Each shire to review land use permissibility in its local planning scheme to ensure it is sufficiently flexible to support tourism land uses, particularly short-term accommodation (including 'short-term rental accommodation') type uses, in compatible zones. <i>Rationale: Refer to Part 2 item 2.1.5, 2.1.6, 2.2.1, 2.2.5, 2.4.5 and 2.5.4.</i> | Short term (1-5 years) |

COUNCIL

| Item | Theme | Planning Direction | Action | Time frame |
|----------|-------|--------------------|--|-----------------------------|
| 1.2.3.12 | | | <p>Explore opportunity for collaboration between all three shires to develop an integrated cycling and walking 'rail trail' utilising redundant railway reserves. Staged delivery has the potential to link Wagin and Williams via Bowelling and Darkan, with long-term potential to join with neighbouring shires in the region.</p> <p><i>Rationale: Refer to Part 2 item 2.1.6, 2.2.1, 2.4.6 and 2.5.4.</i></p> | Medium term (5-10 years) |
| 1.2.3.13 | | | <p>Each Shire to consider the value of its visual landscapes and, where necessary, ensure its planning framework provides suitable protections from development which might compromise the unique visual characteristics that are highly valued by the community and tourism economy.</p> | Short term (1-5 years) |

COUNCIL

1.2.4 Environment

Key issues/opportunities for the Strategy Area:

The Shires of Wagin, West Arthur and Williams place significant value on the natural environment afforded to the Strategy Area. Accordingly, the broad planning direction sought shall promote best practice development and management practices to continue to protect natural resources. To preserve and enhance the natural environment planning will need to:

- Maintain the integrity of the water resources in the Strategy Area, including surface water catchments, waterways, wetlands and underground water assets.
- Support the protection, regeneration and long term preservation of natural habitats through appropriate land uses classification and development control.
- Provide for the development of renewable energy sources in appropriate locations and where agricultural output is not compromised.
- Balance the need to support opportunities for mining and basic raw material extraction with the need to preserve the Strategy Area's environmental qualities.

Directions and actions

| Item | Theme | Planning Direction | Action | Time frame |
|---------|---|---|---|---------------------------|
| 1.2.4.1 | Natural areas and rural landscapes | Protect, conserve and enhance environmental and landscape values for the benefit of current and future generations. | Each shire to introduce the 'Environmental Conservation' zone/reserve into its local planning scheme and, where appropriate, classify land with identified environmental values for conservation purpose. <i>Rationale: Refer to Part 2 item 2.1.2, 2.1.3, 2.4.5, 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |
| 1.2.4.2 | | | Each shire to ensure the objectives of the 'Rural' zone in its local planning scheme elevate the protection and maintenance of environmental qualities. <i>Rationale: Refer to Part 2 item 2.1.2, 2.1.3, 2.4.5, 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |

COUNCIL

| Item | Theme | Planning Direction | Action | Time frame |
|---------|---------------------------------------|---|---|---------------------------|
| 1.2.4.3 | Water resources | Manage land use to protect water resources for drinking water, amenity, environmental management, recreation, tourism, agriculture, mining, industry and cultural heritage. | Each shire to review its local planning scheme and, where appropriate, classify Crown Land containing major waterways, lakes and wetlands to protect natural resource values consistent with the classifications established under the Model Provisions of the Planning and Development (local Planning Schemes) Regulations 2015. <i>Rationale: Refer to Part 2 item 2.1.2, 2.1.3, 2.4.5, 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |
| 1.2.4.4 | | | Each shire to implement provisions in its local planning scheme which require the impact of land use proposals on water resources to be considered. This may include putting in place measures to ensure there is no impact from run-off, effluent release or increase to nutrient/salinity levels. The planning framework should also consider groundwater resources with a view to ensuring proposals for abstraction are sustainable. <i>Rationale: Refer to Part 2 item 2.1.2, 2.1.3, 2.4.5 and 2.6.2.</i> | Short term (1-5 years) |
| 1.2.4.5 | Basic raw materials and Mining | Support the responsible extraction and use of known basic raw material resources and minerals. | Each shire to recognise in its local planning scheme the right to inform the Ministers for Planning and Mines in writing that the granting of a mining or general purpose lease is contrary to the provisions of the local planning scheme and review scheme permissibility of mining operations to reflect right to mine under the <i>Mining Act 1978</i> . <i>Rationale: Refer to Part 2 item 2.1.2, 2.1.3, 2.4.5 and 2.6.3.</i> | Short term (1-5 years) |

COUNCIL

| Item | Theme | Planning Direction | Action | Time frame |
|---------|-------|--------------------|--|---------------------------|
| 1.2.4.6 | | | <p>Each shire to review and, where necessary, introduce a special control area(s) to its local planning scheme to protect known basic raw material resources from encroachment by incompatible land uses.</p> <p><i>Rationale: Refer to Part 2 item 2.1.2, 2.1.3, 2.4.5 and 2.6.3.</i></p> | Short term (1-5 years) |

COUNCIL

1.2.5 Infrastructure

Key issues/opportunities for the Strategy Area:

The Shires of Wagin, West Arthur and Williams recognise the critical importance of providing, protecting and maintaining infrastructure which services the ongoing and future needs of the community and industry in a sustainable manner. Planning in relation to infrastructure will need to:

- Ensure zoning, subdivision and development is coordinated with the provision of local and regional infrastructure.
- Provide for the long term protection of key essential service infrastructure.
- Support the development and use of renewable energy sources.
- Provide for the safe and efficient operation of key transport infrastructure including its ongoing maintenance and repair.
- Support appropriate long-term local and regional waste management strategies.

Directions and actions

| Item | Theme | Planning Direction | Action | Time frame |
|---------|-----------------------|---|---|---------------------------|
| 1.2.5.1 | Roads and rail | Provide a safe, efficient and effective movement network for people and freight that is integrated with land uses to provide for better accessibility and sustainability. | <p>Each shire to identify the location and extent of all existing and proposed transport infrastructure on the local planning scheme maps including 'primary and other regional roads', significant local government roads, and railway corridors and, where appropriate, apply suitable reserve classifications as established under the Model Provisions of the Planning and Development (local Planning Schemes) Regulations 2015.</p> <p>Where necessary, local planning schemes should implement development controls to protect the role of 'primary and other regional roads' and railways for the conveyance of vehicular traffic, and/or passengers and freight.</p> <p><i>Rationale: Refer to Part 2 item 2.7.1, and 2.7.2.</i></p> | Short term (1-5 years) |

COUNCIL

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| 1.2.5.2 | | | Each shire to investigate measures, where relevant and necessary, for the delivery of new or upgraded infrastructure, including via the provision of monetary contributions, to support the orderly development of an area. Any such provisions shall be consistent with the objectives and measures established under State Planning Policy 3.6 – Infrastructure Contributions. <i>Rationale: Refer to Part 2 item 2.1.2, 2.2.1, 2.5, and 2.7.</i> | Short term (1-5 years) |
| 1.2.5.3 | | | Each shire to identify and zone unconstructed roads deemed surplus to requirements to support potential amalgamation into adjoining properties. <i>Rationale: Refer to Part 2 item 2.7.1.</i> | Short term (1-5 years) |
| 1.2.5.4 | Utility services | Provide for efficient and equitable access to public utilities by all of the community. | Each Shire, in collaboration with State service providers (Water Corporation, Western Power, etc.), to determine future utility service capacity needs and identify suitable sites for the construction of new infrastructure. <i>Rationale: Refer to Part 2 item 2.2.1 and 2.7.</i> | Short term (1-5 years) |
| 1.2.5.5 | | | Each shire to implement controls in its local planning scheme to ensure that development outside of the primary townsites of Wagin, Darkan and Williams is required to provide a suitable fit-for-purpose on-site water supply. <i>Rationale: Refer to Part 2 item 2.7.4.</i> | Short term (1-5 years) |

STRATEGY

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|---------|--------------------------------|---|---|----------------------------|
| 1.2.5.6 | | | Each shire to define telecommunications infrastructure in its local planning scheme, and provide for this use to be contemplated in appropriate locations to support improved digital connectivity. <i>Rationale: Refer to Part 2 item 2.7.7.</i> | Short term (1-5 years) |
| 1.2.5.7 | | Ensure that all future use and development of land within the buffer areas of existing or proposed major infrastructure is compatible with the long term operation of these facilities. | Each Shire, where appropriate, to identify suitable buffers in the planning framework to protect existing and proposed utility infrastructure, including waste water treatment plants and water treatment facilities. <i>Rationale: Refer to Part 2 item 2.2.1 and 2.7.</i> | Short term (1-5 years) |
| 1.2.5.8 | Regional infrastructure | Plan for strategic regional infrastructure which supports the ongoing sustainable development in the Strategy Area and surrounding region. | Each shire to define renewable energy facility in its local planning scheme, and provide for this use to be contemplated in appropriate locations. <i>Rationale: Refer to Part 2 item 2.1.5, 2.4.5 and 2.7.6</i> | Short term (1-5 years) |
| 1.2.5.9 | | | Explore opportunity for collaboration between all three shires to develop a regional waste management approach, including the identification of potential future waste sites, and once identified, put in place measures in the local planning framework to support a regional waste initiative. <i>Rationale: Refer to Part 2 item 2.2.1 and 2.7.8.</i> | Long term (10-15 years) |

COUNCIL

1.3 Planning areas

1.3.1 Wagin

Key issues/opportunities for the Shire of Wagin:

- Encouraging population growth and economic diversification, to reduce the dependency on agriculture and increase the resilience of the community.
- Balancing the needs of the agricultural sector, which is the main economic activity in the area, with the protection of the natural environment and biodiversity.
- Providing adequate interface between residential land in the Wagin townsite and surrounding rural land to ensure a sustainable coexistence between sensitive and rural land uses.
- Enhancing the liveability and attractiveness of the Wagin townsite, while preserving its heritage and rural character.

Shire of Wagin directions and actions

| Item | Theme | Planning Direction | Action | Time frame |
|---------|-------------------------------------|---|---|------------------------|
| 1.3.1.1 | Residential land supply and housing | Support the provision of housing to increase available stock, quality, and diversity. | Shire of Wagin to review the residential density codes in its local planning scheme and, where appropriate, introduce R10/17.5 dual coding to encourage reticulated sewer uptake consistent with Government Policy and to support medium density development, including aged and affordable housing. <i>Rationale: Refer to Part 2 item 2.1.2, 2.4.1, and 2.7.5.</i> | Short term (1-5 years) |
| 1.3.1.2 | | | Shire of Wagin to review its local planning scheme and introduce a Rural Residential zone, supporting the preservation of lifestyle lots greater than one hectare while also providing a buffer between the Rural and Residential zones. <i>Rationale: Refer to Part 2 item 2.3.2, 2.4.1, 2.4.2, and 2.4.5.</i> | Short term (1-5 years) |

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| Item | Theme | Planning Direction | Action | Time frame |
|---------|------------------------------|--|---|--------------------------|
| 1.3.1.3 | | | <p>Shire of Wagin to review its local planning scheme and introduce a Rural Smallholdings zone, supporting the preservation of lifestyle lots greater than four hectares, providing a buffer between the Rural and Residential zones, and assisting the conservation of landscape attributes.</p> <p><i>Rationale: Refer to Part 2 item 2.3.2, 2.4.1, 2.4.2, and 2.4.5.</i></p> | Short term (1-5 years) |
| 1.3.1.4 | | | <p>Shire of Wagin to facilitate the reclassification of Rural zoned lots within the Wagin townsite boundary to Rural Residential and/or Rural Smallholdings zones, as is depicted on Figure 2.</p> <p><i>Rationale: Refer to Part 2 item 2.3.2, 2.4.1, 2.4.2, and 2.4.5.</i></p> | Short term (1-5 years) |
| 1.3.1.5 | Commerce and industry | Support a diverse range of local business and employment opportunities within settlements. | <p>Shire of Wagin to facilitate the reclassification of Lots 449 and 450-452 Tudhoe Street, Lots 5 and 207 Stewart Road, and Lot 201 Wagin-Dumbleyung Road, Wagin from Rural to General Industry zone to accommodate industrial activities requiring large lots.</p> <p><i>Rationale: Refer to Part 2 item 2.5.3 and 2.7.3.</i></p> | Medium term (5-10 years) |

OFFICE

| Item | Theme | Planning Direction | Action | Time frame |
|---------|-------|--------------------|--|------------------------|
| 1.3.1.6 | | | <p>Subject to verified demand, Shire of Wagin to provide for the reclassification of Lots 1,17-19 and 22 Kersley Road, Wagin to Light Industry to accommodate light industrial activities associated with the Wagin Airfield.</p> <p><i>Rationale: Refer to Part 2 item 2.5.3 and 2.7.3.</i></p> | Short term (1-5 years) |
| 1.3.1.7 | | | <p>Shire of Wagin to undertake planning and explore opportunities for the funding, including grants, to extend the reticulated sewerage service to support the ongoing development of the Wagin townsite's industrial area.</p> <p><i>Rationale: Refer to Part 2 item 2.1.2, 2.5.3 and 2.7.5.</i></p> | Ongoing |
| 1.3.1.8 | | | <p>Shire of Wagin, subject to community consultation, to facilitate the reclassification of Lot 32 Trent Street, Wagin (Reserve 9247) in the local planning scheme to a suitable zone/reserve with a view to supporting land uses which assist to activate the streetscape (restaurant, café, etc.).</p> <p><i>Rationale: Refer to Part 2 item 2.2.1, 2.4.2 and 2.5.5.</i></p> | Short term (1-5 years) |

COUNCIL

| Item | Theme | Planning Direction | Action | Time frame |
|----------|------------------------------------|--|--|--------------------------|
| 1.3.1.9 | Tourism | Encourage the growth of a diversified tourism economy, including providing a diverse offering of short-stay accommodation types. | Shire of Wagin to review the land use classification applied to Lot 404 on DP 107051 and Lot 1802 on DP 211978 with a view to applying a mix of Tourism zone and Public Open Space reserve, supporting a range of short-term tourist accommodation land uses and the rehabilitation of the existing open space and drainage area. <i>Rationale: Refer to Part 2 item 2.4.6 and 2.5.4.</i> | Short term (1-5 years) |
| 1.3.1.10 | Natural areas and rural landscapes | Protect, conserve and enhance environmental and landscape values for the benefit of current and future generations. | Shire of Wagin to facilitate the reclassification of Rural zoned Crown Land lots within the Wagin townsite boundary to Public Open Space and/or Conservation reserve, as is depicted on Figure 2. <i>Rationale: Refer to Part 2 item 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |
| 1.3.1.11 | Built form and character | Support development which enhances local sense of place, providing attractive, active and vibrant townscapes and streetscapes. | Shire of Wagin to prepare a local planning policy to guide development in the Wagin townsite to provide an identifiable character which capitalises on its historic streetscapes and supports integration with the surrounding rural locality. <i>Rationale: Refer to Part 2 item 2.4.2.</i> | Medium term (5-10 years) |
| 1.3.1.12 | | | Shire of Wagin to include guidance in its local planning framework for private signage in the Wagin townsite and local surrounds. <i>Rationale: Refer to Part 2 item 2.4.2.</i> | Short term (1-5 years) |

COUNCIL

| Item | Theme | Planning Direction | Action | Time frame |
|----------|--------------------------------|---|--|-------------------------|
| 1.3.1.13 | Roads and rail | Provide a safe, efficient and effective movement network for people and freight that is integrated with land uses to provide for better accessibility and sustainability. | Shire of Wagin to recognise the importance of the road and rail freight network to industry and the local economy when considering land use proposals within planning trigger distances of operating railway lines. <i>Rationale: Refer to Part 2 item 2.7.1 and 2.7.2.</i> | Ongoing |
| 1.3.1.14 | | | Shire of Wagin to undertake investigation into the viability, including an assessment of the economic, social and environmental implications, of a heavy vehicle route as part of a potential multiple use corridor utilising the historic railway reserve south of the Wagin townsite's primary residential areas. <i>Rationale: Refer to Part 2 item 2.7.1.</i> | Long term (10-15 years) |
| 1.3.1.15 | | | Shire of Wagin to investigate the use of a portion of Lot 436 (on DP 223181) Tudhoe Street, Wagin as a "truck rest stop". <i>Rationale: Refer to Part 2 item 2.7.</i> | Short term (1-5 years) |
| 1.3.1.16 | Regional infrastructure | Plan for strategic regional infrastructure which supports the ongoing sustainable development in the Strategy Area and surrounding region. | Shire of Wagin to provide opportunities for the flexible use and development of land forming part of the Wagin Airfield supporting land use classifications in the local planning scheme which allow for development with synergies to aviation activities. <i>Rationale: Refer to Part 2 item 2.5.3 and 2.7.3.</i> | Short term (1-5 years) |

OFFICIAL

| Item | Theme | Planning Direction | Action | Time frame |
|----------|----------------|--|---|--------------------------|
| 1.3.1.17 | | | Shire of Wagin to implement mechanisms in its local planning scheme to protect the air space near the Wagin Aerodrome from development which might risk the ongoing viability of the aerodrome. <i>Rationale: Refer to Part 2 item 2.7.3.</i> | Short term (1-5 years) |
| 1.3.1.18 | | | Shire of Wagin to assess options for the expansion of the Wagin Cemetery. <i>Rationale: Refer to Part 2 item 2.7.</i> | Medium term (5-10 years) |
| 1.3.1.19 | Hazards | Mitigate the occurrence of significant impacts from natural disasters and hazards. | Shire of Wagin, with the advice of the Government department responsible for water and rivers, to implement development provisions into the local planning scheme to control development at risk of flooding from Dorderyemunning Creek, Colblinine River and Wagin Lake during a 100 year ARI flood event. Generally, development should achieve a minimum 0.50 metre freeboard above the 100 year ARI flood level. <i>Rationale: Refer to Part 2 item 2.2.5 and 2.4.7.</i> | Short term (1-5 years) |

COUNCIL

1.3.2 West Arthur

Key issues/opportunities for the Shire of West Arthur:

- Increasing the resilience and sustainability of the local economy, while also encouraging population growth, by providing opportunities for economic diversification.
- Enhancing the liveability and attractiveness of the Shire's townsites and rural areas.
- Balancing the competing demands and expectations of different land uses and stakeholders, such as broadacre agriculture, intensive agriculture, conservation, tourism, renewable energy facilities, forestry, and industry.
- Providing adequate and affordable reticulated infrastructure and services to the Shire's townsites, particularly water and sewer.

Shire of West Arthur directions and actions

| Item | Theme | Planning Direction | Action | Time frame |
|---------|--|---|---|--------------------------|
| 1.3.2.1 | Residential land supply and housing | Support the provision of housing to increase available stock, quality, and diversity. | Shire of West Arthur to reclassify Lot 186 Burrowes Street (Reserve 26311), Lot 267 Hull Street and Lot 268 Arthur Street (Reserve 33042), Darkan from Recreation and Open Space reserve to Residential zone with an R10 density code. <i>Rationale: Refer to Part 2 item 2.3.2 and 2.4.1.</i> | Short term (1-5 years) |
| 1.3.2.2 | | | Shire of West Arthur to provide for the reclassification of Lots 265, 266, 269, 270, 272 Arthur and Horwood Streets, Darkan from Industrial to Residential zone with an R10 density code. <i>Rationale: Refer to Part 2 item 2.3.2 and 2.4.1.</i> | Medium term (5-10 years) |

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| Item | Theme | Planning Direction | Action | Time frame |
|---------|------------------------------|--|---|--------------------------|
| 1.3.2.3 | | | Shire of West Arthur to provide for, subject to verified demand, the long-term reclassification of the cleared north-eastern portion of Lot 361 Moodiarrup Road, Darkan (Reserve 15837) from Recreation and Open Space reserve to Residential zone with an R10 density code. <i>Rationale: Refer to Part 2 item 2.3.2 and 2.4.1.</i> | Long term (10-15 years) |
| 1.3.2.4 | Commerce and industry | Support a diverse range of local business and employment opportunities within settlements. | Shire of West Arthur to review its local planning scheme and investigate the reclassification of Lots 276, 277, 280, 298 and 306 Arthur Street and Horwood Street, Darkan from Industry to Light Industry zone. <i>Rationale: Refer to Part 2 item 2.1.2 and 2.5.3.</i> | Medium term (5-10 years) |
| 1.3.2.5 | | | Shire of West Arthur to prioritise the development of commercial land uses on Commercial zoned land within the Darkan and Duranillin townsites, with residential uses to be permitted where they do not compromise the provision of retail and other services to the community. <i>Rationale: Refer to Part 2 item 2.3.2, 2.4.1 and 2.5.3.</i> | Ongoing |
| 1.3.2.6 | | | Shire of West Arthur to review its local planning scheme and investigate the reclassification of Lots 1-4, 6-8, 48, 49 and 54 Farrell Street, Duranillin from Commercial to Rural Townsite zone and provide greater flexibility in land use to support the viability of the settlement. <i>Rationale: Refer to Part 2 item 2.5.5.</i> | Short term (1-5 years) |

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| Item | Theme | Planning Direction | Action | Time frame |
|---------|-------|--------------------|---|------------------------|
| 1.3.2.7 | | | <p>Shire of West Arthur to review its local planning scheme and introduce provisions to address the transition of the forestry industry, specifically to provide for the sustainable development of 'tree farms'. Key considerations should include:</p> <ul style="list-style-type: none"> • encouraging planting of endemic tree species; • avoiding tree farms in areas identified as high quality agricultural land; • the control of pests, including the provision of vermin proof fencing; • the management and mitigation of bushfire risk; • confirming that the establishment of tree farms does not warrant the creation of new or smaller rural lots; and • proportionate contributions by proponents of tree farm developments towards road construction and/or upgrade costs to accommodate the movement of heavy vehicles, particularly where trees are proposed to be harvested. <p><i>Rationale: Refer to Part 2 item 2.4.5.</i></p> | Short term (1-5 years) |

COUNCIL

| Item | Theme | Planning Direction | Action | Time frame |
|----------|------------------------------------|--|--|------------------------|
| 1.3.2.8 | Tourism | Encourage the growth of a diversified tourism economy, including providing a diverse offering of short-stay accommodation types. | Shire of West Arthur to review the land use classification applied to Lots 420 and 421 on DP 77655, Darkan (Reserves 37824 & 10341) with a view to applying a Tourism zone, supporting a range of short-term tourist accommodation land uses. <i>Rationale: Refer to Part 2 item 2.5.4.</i> | Short term (1-5 years) |
| 1.3.2.9 | | | Shire of West Arthur to implement mechanisms in its local planning scheme to protect the air space near the Hillman Farm Aerodrome on Lot 9975 Hillman-Dardadine Road, Darkan from development which might risk the ongoing viability of Hillman Farm Skydiving's commercial operations, along with any other related aviation activities occurring in the vicinity of the Aerodrome. <i>Rationale: Refer to Part 2 item 2.5.4 and 2.7.3.</i> | Short term (1-5 years) |
| 1.3.2.10 | Natural areas and rural landscapes | Protect, conserve and enhance environmental and landscape values for the benefit of current and future generations | Shire of West Arthur to facilitate the reclassification of Rural Residential zoned Crown Land lots within the Duranillin and Bowelling townsites to Public Open Space, Public Purposes (Recreational), and/or Environmental Conservation reserve, as is depicted on Figure 3. <i>Rationale: Refer to Part 2 item 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |

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| Item | Theme | Planning Direction | Action | Time frame |
|----------|---------------------------------|--|---|------------------------|
| 1.3.2.11 | | Each shire to review its local planning scheme and, where appropriate, classify Crown Land containing major waterways, lakes and wetlands to protect natural resource values consistent with the classifications established under the Model Provisions of the Planning and Development (local Planning Schemes) Regulations 2015. | Shire of West Arthur to facilitate the reclassification of Rural zoned land in State ownership, including land owned by State bodies, Unallocated Crown Land and Crown Reserves, to an appropriate reserve for public purpose (i.e. State Forest, Environmental Conservation, Public Open Space, Public Purposes, etc.). <i>Rationale: Refer to Part 2 item 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |
| 1.3.2.12 | | | Shire of West Arthur to facilitate the reclassification of Rural zoned land in Shire ownership, along with redundant road reserves, adjacent Lake Towerrinning to Public Open Space reserve. <i>Rationale: Refer to Part 2 item 2.4.6, 2.5.4, 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |
| 1.3.2.13 | Built form and character | Support development which enhances local sense of place, providing attractive, active and vibrant townscapes and streetscapes. | Shire of West Arthur to include guidance in its local planning framework for private signage in townsites and local surrounds. <i>Rationale: Refer to Part 2 item 2.4.2.</i> | Short term (1-5 years) |
| 1.3.2.14 | Heritage | Support the protection and conservation of sites with significant heritage and cultural values and continue to reflect each shires unique heritage. | Shire of West Arthur to facilitate the reclassification of State and Shire owned land forming part of the Arthur River Heritage Precinct fronting Albany Highway from Rural zone and Local Road reserve to Heritage reserve. <i>Rationale: Refer to Part 2 item 2.4.4 and 2.5.4.</i> | Short term (1-5 years) |

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| Item | Theme | Planning Direction | Action | Time frame |
|----------|--|--|--|-------------------------|
| 1.3.2.15 | Water, sewer, electricity and telecommunications | Ensure future residential subdivision and development occurs in a manner which protects the environment, land and water resources, along with public health and local amenity. | <p>Shire of West Arthur, in the absence of a reticulated sewerage network, to review density coding in Darkan's Residential zone to ensure minimum site areas are consistent with the State's policy requirements relating to on-site sewage disposal.</p> <p>This may include the introduction of a R10/20 dual coding to encourage reticulated sewer uptake, and/or provide for the development of grouped dwellings serviced by on-site sewage treatment system suitable for strata schemes.</p> <p><i>Rationale: Refer to Part 2 item 2.1.2 and 2.7.5.</i></p> | Short term (1-5 years) |
| 1.3.2.16 | | Provide for future population growth and continued diversification of the economy by supporting the protection and delivery of necessary reticulated infrastructure. | <p>Shire of West Arthur to investigate, identify and secure suitable land to facilitate the delivery of a reticulated sewerage service to the Darkan townsite.</p> <p><i>Rationale: Refer to Part 2 item 2.1.2 and 2.7.5.</i></p> | Long term (10-15 years) |
| 1.3.2.17 | | | <p>Shire of West Arthur to ensure its planning framework facilitates sustainable water supply outcomes for the Duranillin townsite, prioritising fit-for-purpose on-site supply for all development.</p> <p><i>Rationale: Refer to Part 2 item 2.7.4.</i></p> | Short term (1-5 years) |

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1.3.3 Williams

Key issues/opportunities for the Shire of Williams:

- Enhancing the liveability and attractiveness of the Williams and Quindanning townsites to encourage continued population growth while preserving its rural character and heritage.
- Providing for the delivery of adequate and affordable reticulated infrastructure and services to the Williams townsite to support potential future population growth.
- Encouraging economic diversification by supporting opportunities for the development of new industry in the Williams district, while managing potential land use conflicts.
- Consider the impacts of climate change, such as potential floods and bushfires of increasing frequency and severity, on the Shire's residential population when reviewing and determining planning proposals.
- Balancing the competing demands and expectations of different land uses and stakeholders, such as broadacre agriculture, intensive agriculture, conservation, tourism, renewable energy facilities, mining, and industry.

Shire of Williams directions and actions

| Item | Theme | Planning Direction | Action | Time frame |
|---------|--|---|---|------------------------|
| 1.3.3.1 | Residential land supply and housing | Support the provision of housing to increase available stock, quality, and diversity. | Shire of Williams to facilitate the reclassification of Rural Residential lots within the Williams townsite boundary to Residential zone, as is depicted on Figure 4. <i>Rationale: Refer to Part 2 item 2.3.2 and 2.4.1.</i> | Short term (1-5 years) |
| 1.3.3.2 | | | Shire of Williams to contemplate the "up-coding" of Residential zoned lots in the Williams townsite which are afforded the necessary reticulated services (electricity, water and sewer), to support the creation of new lots where it is demonstrated to improve the Townsite's street amenity and local character. <i>Rationale: Refer to Part 2 item 2.2.1, 2.4.1, and 2.7.</i> | Ongoing |

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| Item | Theme | Planning Direction | Action | Time frame |
|---------|-----------------------|--|---|--------------------------|
| 1.3.3.3 | Commerce and industry | Support a diverse range of local business and employment opportunities within settlements. | Shire of Williams to facilitate the reclassification of Residential lots within the Williams townsite boundary to Commercial zone, as is depicted on Figure 4, to provide development flexibility and improve land use interface. <i>Rationale: Refer to Part 2 item 2.4.2 and 2.5.6.</i> | Short term (1-5 years) |
| 1.3.3.4 | | | Shire of Williams to contemplate the <i>shop - small</i> land use on Lots 4, 5, 210 and 211 Brooking Street, Williams through the application of an 'additional use' in its local planning scheme. <i>Rationale: Refer to Part 2 item 2.4.2 and 2.5.6.</i> | Short term (1-5 years) |
| 1.3.3.5 | | | Shire of Williams to review its local planning scheme and investigate the reclassification of Lot 12074 on DP 201729 Albany Highway, Williams from Rural to General Industry zone. <i>Rationale: Refer to Part 2 item 2.5.3.</i> | Short term (1-5 years) |
| 1.3.3.6 | | | Shire of Williams to review its local planning scheme and investigate the reclassification of portion of the lot west of Albany Highway in the Williams townsite, on Certificate of Title 2057/309 (PIN: 552550), from Rural to Commercial zone, to support potential retail and commercial uses servicing the townsite and passing trade, as is depicted on Figure 4. <i>Rationale: Refer to Part 2 item 2.2.1 and 2.5.</i> | Medium term (5-10 years) |

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| Item | Theme | Planning Direction | Action | Time frame |
|----------|---------|--|--|------------------------|
| 1.3.3.7 | | | Shire of Williams to facilitate the reclassification of Lot 1 on DP 39669 Albany Highway, Williams from Industrial to Rural zone, as is depicted on Figure 4, to provide for its ongoing use in support of rural industry. <i>Rationale: Refer to Part 2 item 2.1.2, 2.4.5 and 2.5.3.</i> | Short term (1-5 years) |
| 1.3.3.8 | | | Shire of Williams to investigate and provide for the reclassification of Reserve 32740 and Lot 556 on DP 405626, along with the adjacent railway reserves and redundant local road reserves, Mixed Use zone, as depicted on Figure 4, to support investigations and adaptive reuse of the land. <i>Rationale: Refer to Part 2 item 2.4.2, 2.5.4, and 2.5.5.</i> | Short term (1-5 years) |
| 1.3.3.9 | | | Shire of Williams to facilitate the reclassification of all privately owned Industrial zoned lots fronting Narrogin Road and Cowcher Street in the Williams townsite to Rural Enterprise zone, as is depicted on Figure 4, providing for their ongoing use for light industry with ancillary residential uses. <i>Rationale: Refer to Part 2 item 2.1.2, 2.4.5 and 2.5.3.</i> | Short term (1-5 years) |
| 1.3.3.10 | Tourism | Encourage the growth of a diversified tourism economy, including providing a diverse offering of short-stay accommodation types. | Shire of Williams to review the land use classification applied to Lots 4 and 51 Williams Street, Williams with a view to applying a Tourism zone, supporting a range of short-term accommodation land uses. <i>Rationale: Refer to Part 2 item 2.5.4.</i> | Short term (1-5 years) |

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| Item | Theme | Planning Direction | Action | Time frame |
|----------|---|---|--|------------------------|
| 1.3.3.11 | | | Shire of Williams to review the land use classification applied to Lots 6, 7, 352 Pinjarra-Williams Road, Williams with a view to applying a Tourism zone, supporting a range of tourism and attractor land uses, including short-term accommodation. <i>Rationale: Refer to Part 2 item 2.5.4</i> | Short term (1-5 years) |
| 1.3.3.12 | Natural areas and rural landscapes | Protect, conserve and enhance environmental and landscape values for the benefit of current and future generations. | Shire of Williams to facilitate the reclassification of Rural zoned land in State ownership, including land owned by State bodies; Unallocated Crown Land and Crown Reserves, containing natural and environmental assets to Public Purposes reserve as appropriate (State Forest, Public Open Space, or Conservation). <i>Rationale: Refer to Part 2 item 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |
| 1.3.3.13 | | | Shire of Williams to facilitate the reclassification of the western portion of Lot 550 on DP 422656 from Rural zone to Public Purpose reserve, as is depicted on Figure 4, to provide for the conservation of vegetated areas and ensure appropriate buffers are maintained to the wastewater facility. <i>Rationale: Refer to Part 2 item 2.6.1 and 2.7.5.</i> | Short term (1-5 years) |

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| Item | Theme | Planning Direction | Action | Time frame |
|----------|---------------------------------|--|---|------------------------|
| 1.3.3.14 | | | Shire of Williams to facilitate the reclassification of the northern portion of Lot 360 on DP 192072 from Rural Residential zone to Public Purpose reserve, as is depicted on Figure 4, to provide for the conservation of vegetated areas and protect the Williams River. <i>Rationale: Refer to Part 2 item 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |
| 1.3.3.15 | | | Shire of Williams to facilitate the reclassification of State and Local Government owned Industrial zoned lots, including Reserves and Unallocated Crown Land, within the Williams townsite boundary to Public Open Space and/or Public Purpose reserve, as is depicted on Figure 4. <i>Rationale: Refer to Part 2 item 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |
| 1.3.3.16 | | | Shire of Williams to facilitate the reclassification of Reserve 48750 from Rural to Public Open Space and/or Public Purpose reserve, as is depicted on Figure 4, to continue to provide for the maintenance of the Williams River foreshore. <i>Rationale: Refer to Part 2 item 2.6.1 and 2.6.2.</i> | Short term (1-5 years) |
| 1.3.3.17 | Built form and character | Support development which enhances local sense of place, providing attractive, active and vibrant townscapes and streetscapes. | Shire of Williams to include guidance in its local planning framework for private signage in townsites and local surrounds. <i>Rationale: Refer to Part 2 item 2.4.2.</i> | Short term (1-5 years) |

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| Item | Theme | Planning Direction | Action | Time frame |
|----------|---------|--|--|------------------------|
| 1.3.3.18 | Hazards | Mitigate the occurrence of significant impacts from natural disasters and hazards. | <p>Subject to the advice of the Government department responsible for water and rivers, the Shire of Williams to ensure its local planning framework contemplates mitigation measures to be applied to new development in the Williams townsite which may be at risk of flooding from the Williams River and its tributaries.</p> <p><i>Rationale: Refer to Part 2 item 2.4.7.</i></p> | Short term (1-5 years) |

1.4 Strategy Maps

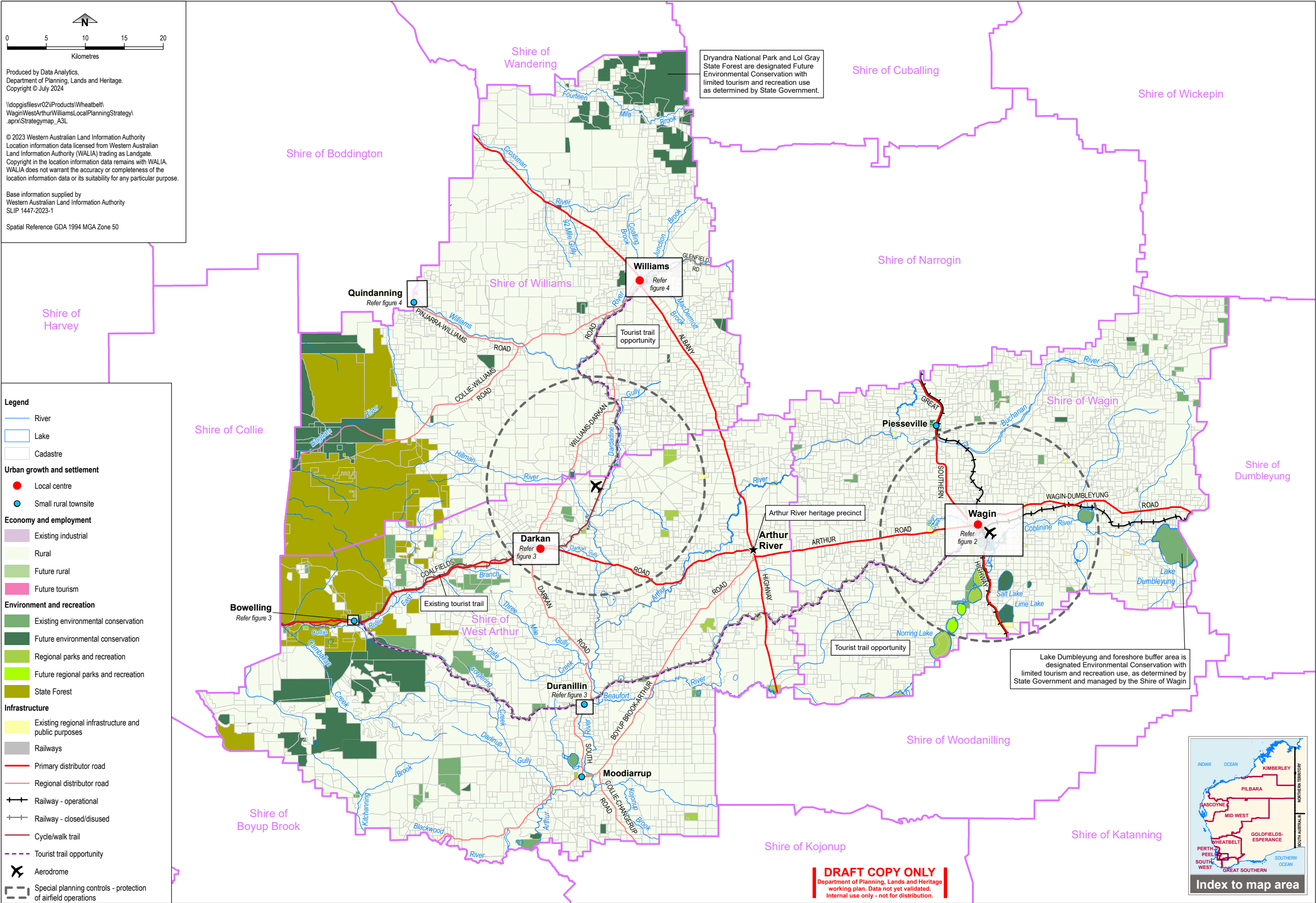


Figure 1 Shires of Wagin, West Arthur and Williams Strategy Map

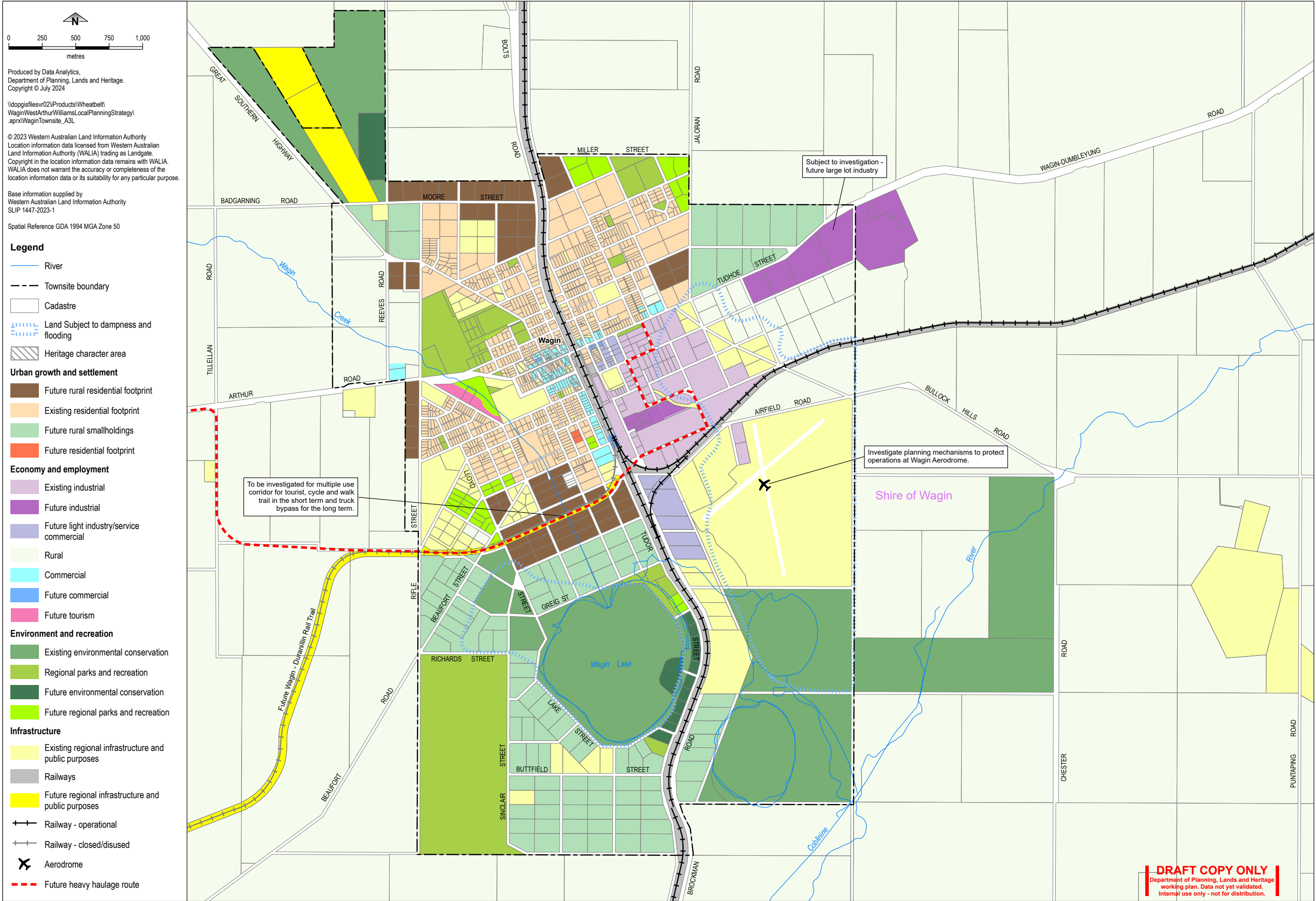


Figure 2 Wagin Townsite Strategy Map



Figure 3 West Arthur townsites Strategy Map

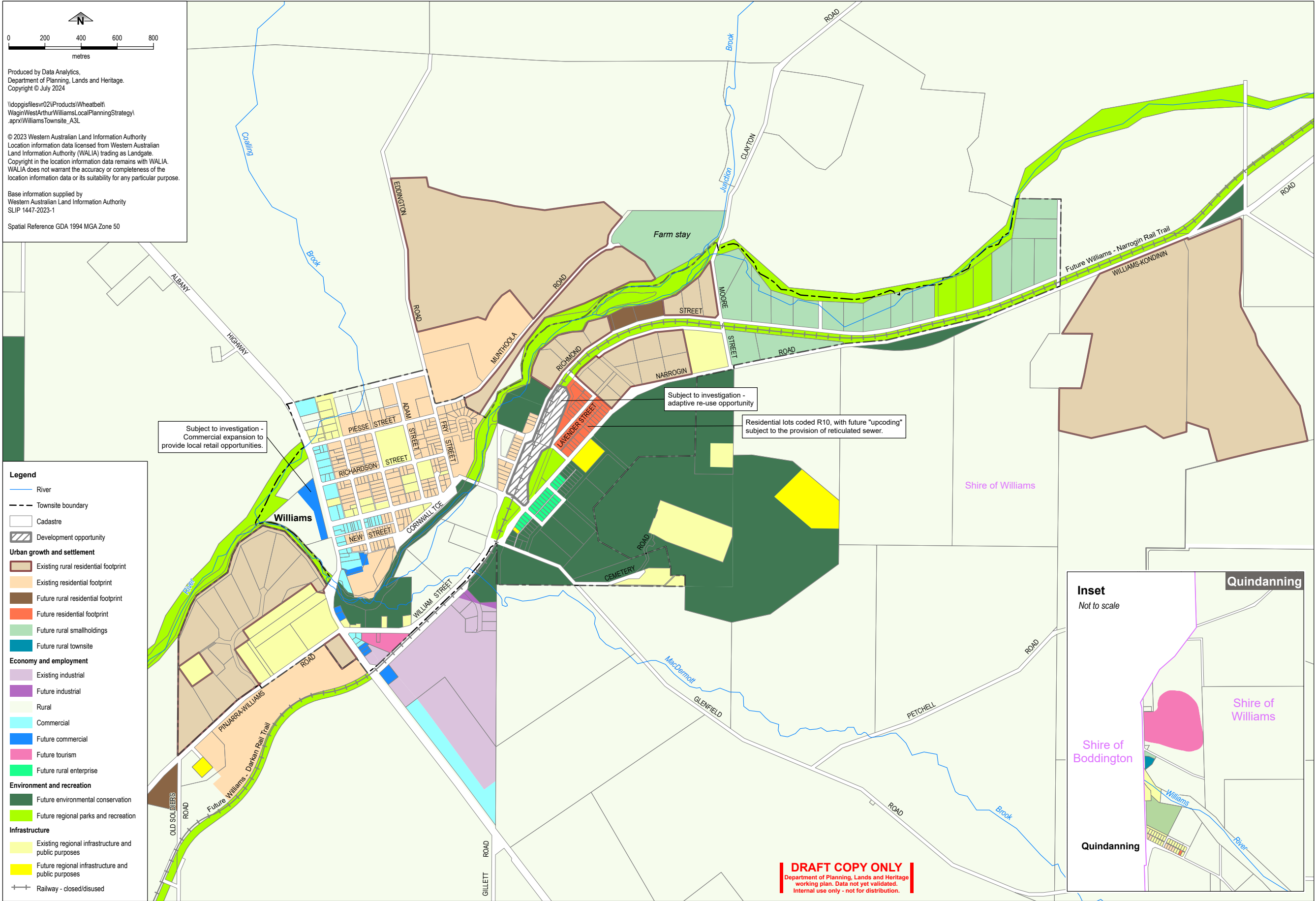


Figure 4 Williams townsites Strategy Map

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1.5 Implementation and review

The Shires of Wagin, West Arthur and Williams will guide the implementation of the Local Planning Strategy including the setting of priorities, generating and allocating resources and ongoing monitoring and review.

The local governments will regularly monitor the performance of the Local Planning Strategy and undertake a comprehensive review of the Strategy within five (5) years of gazettal of any new local planning scheme. The review will precede the major review of any local planning scheme which is required to be undertaken every five (5) years pursuant to the requirements of the *Planning and Development Act 2005*.

The review of the Local Planning Strategy will audit the success of the Strategy in achieving the vision and planning directions for the relevant Shire and seek to reflect changed circumstances and/or changed community aspirations and needs. This provision for regular review will ensure the Local Planning Strategy remains relevant and continues to effectively shape development within each Shire over the next ten (10) to fifteen (15) years.

It should also be noted the Local Planning Strategy may also be reviewed within the proposed five (5) year review period at the discretion of the impacted local government should this be required to respond to any major changes or other unforeseen circumstances or needs. All modifications to the Strategy will be undertaken in consultation with the affected local governments and in accordance with the procedures and processes prescribed by the *Planning and Development (Local Planning Schemes) Regulations 2015*.

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PART 2

Background information and analysis

2. Introduction

The purpose of Part 2 is to provide the rationale and evidence base for the strategic directions and actions presented in Part 1. Part 2 provides the relevant background information and analysis and provides a summary of the relevant State, regional and local planning contexts and their implications for this Strategy. A profile for each local government area is also included to provide an analysis of information relating to the current demographic profile of each shire and the key planning themes influencing future development and land use.

2.1 State and regional planning context

2.1.1 State Planning Strategy 2050

The State Planning Strategy provides the strategic context and basis for the coordination and integration of land use planning and development across Western Australia. It contemplates a future in which high standards of living, improved public health and an excellent quality of life are enjoyed by present and future generations of Western Australians.

The State Planning Strategy proposes that diversity, liveability, connectedness and collaboration is central to achieving the vision of sustained growth and prosperity, and establishes principles, strategic goals and directions to ensure the development of the State progresses towards this vision.

The Strategy is aligned with the State Planning Strategy's vision of sustained growth and prosperity by guiding planning outcomes which sustain the agricultural industry as the core economy for Wagin, West Arthur and Williams, while supporting diversification into new and emerging economic pursuits. It recognises the value of community and the natural environment in planning decision making, and seeks to uphold Wagin, West Arthur and Williams position in the Wheatbelt's Southern Region.

2.1.2 State Planning Policies

State Planning Policies (SPP's) are prepared under Part 3 of the *Planning and Development Act 2005* and provide the highest level of planning control and guidance in Western Australia. SPPs relevant to each of the Shires are outlined in Table 1.

Table 1: State Planning Policy overview and Strategy implications and responses

| State Planning Policy | Overview | Strategy Implications and Responses |
|---------------------------------------|---|--|
| SPP 1 State Planning Framework | SPP 1 expands on the key principles of the State Planning Strategy in planning for sustainable land use and development. It brings together existing State and regional policies, strategies and guidelines within a central framework, which provides a context for decision making on land use and development in Western Australia. SPP 1 informs the WAPC, local government and others involved in the planning process on State | <ul style="list-style-type: none"> • Ensure the Strategy and provisions for future development within each Shires local planning framework is consistent with the principles of SPP 1. • Strategic planning within each Shire to consider the regional |

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| | <p>level planning policy which is to be taken into consideration, and given effect to, to ensure integrated decision-making across all spheres of planning.</p> <p>SPP 1 identifies relevant policies and strategies used by the WAPC in making decisions and which may be amended from time to time. SPP 1 is the overarching SPP with additional SPPs setting out the WAPC's policy position in relation to aspects of the State Planning Strategy principles.</p> | <p>planning instruments that are established under SPP 1.</p> |
| SPP 2 Environment and Natural Resources Policy | <p>SPP 2 provides guidance for the protection, management, conservation and enhancement of the natural environment. SPP 2 integrates environment and natural resource management with broader land use planning and decision-making.</p> <p>SPP 2 outlines general measures for matters such as water, air quality, soil and land quality, biodiversity, agricultural land and rangelands, basic raw materials, landscapes and energy efficiency. These general measures should be considered in conjunction with environmentally-based, issue-specific State planning policies which supplement SPP 2.</p> | <ul style="list-style-type: none"> • Ensure key environmental and natural resources within each of the Shires is considered in the development of the Strategy. This includes protecting native vegetation particularly threatened vegetation communities and fauna and preventing land degradation, salinity and impacts on water resources. |
| SPP 2.4 Planning for Basic Raw Materials | <p>SPP 2.4 seeks to ensure basic raw materials (BRM) and extractive industry matters are considered during planning and development decision-making, to facilitate the responsible extraction and use of the State's BRM resources.</p> <p>SPP 2.4 establishes objectives relating to recognising the importance of BRM early in the planning process; protecting BRM through avoiding encroachment from incompatible land uses; efficient use of BRM; identifying BRM extraction opportunities through sequential land use and ensuring BRM extraction avoids, minimises or mitigates impacts on the community and the environment.</p> | <ul style="list-style-type: none"> • Plan and provide for ongoing BRM extraction where applicable. • Ensure existing BRM operations and known resources are protected from encroachment by sensitive land uses. |
| SPP 2.5 Rural Planning | <p>SPP 2.5 seeks to protect and preserve Western Australia's rural land assets due to the importance of their economic, natural resource, food production, environmental and landscape values. SPP 2.5 applies to rural land and rural land uses as well as land that may be impacted by rural land uses. SPP 2.5 includes policy measures aimed at protecting rural land while encouraging a diversity of compatible rural land uses.</p> | <ul style="list-style-type: none"> • Ensure planning in each Shire provides for continued agricultural production capabilities. • Ensure that land use and development does not compromise agricultural production. • Provide for ongoing BRM extraction where applicable on rural land. • Each Shire should identify all existing Offensive Trades and land uses with off-site risks |

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| | | regulated under the <i>Public Health Act 2016 and Health (Miscellaneous Provisions) Act 1911</i> and consider implementing controls in their respective planning frameworks to protect from encroachment by sensitive land uses. |
| SPP 2.7 Public Drinking Water Source | <p>SPP 2.7 informs decision-makers of those aspects concerning the protection of Public Drinking Water Supply Areas throughout the State.</p> <p>It is intended that this be implemented through the preparation of strategic plans, regional and local planning schemes, conservation and management strategies, and other relevant plans or guidelines, as well as through decision-making on subdivision and development applications.</p> | <ul style="list-style-type: none"> • Ensure potable water supply sources are protected. • Liaise with Water Corporation and Department of Water and Environmental Regulation regarding water resources within each Shire where land use and development have the potential to impact these resources. • Identify opportunities and constraints for water supply in each Shire and ensure rezoning and development requirements are reflective of this. |
| Draft SPP 2.9 Planning for Water | Draft SPP 2.9 seeks to ensure that planning and development considers water resource management and includes appropriate water management measures to achieve optimal water resource outcomes. Draft SPP 2.9 establishes objectives relating to improving environmental, social, cultural and economic values of water resources; protecting public health through appropriate water supply and waste water infrastructure; sustainable use of water resources and managing the risk of flooding and water related impacts of climate change on people, property and infrastructure. | <ul style="list-style-type: none"> • Reflect any available flood modelling in the Strategy and Scheme. • Reflect the location and buffers of each shires Wastewater Treatment Plant (where applicable) in the Strategy and Scheme. • Protect and, where necessary, reserve water assets in the Strategy Area. • Consider water supply reliably as part of land use planning, and encourage the sustainable use of water supplies, including through on-site rainwater harvesting. • Ensure the Strategy and Scheme respond to the management principles which apply to effluent disposal. |
| SPP 3 Urban Growth and Settlement | SPP 3 sets out the principles and considerations which apply to planning for urban growth and settlement in Western Australia. SPP 3 seeks to facilitate sustainable patterns of urban growth and settlement by setting out the requirements of sustainable settlements and communities and the broad policy for accommodating growth and change. | <ul style="list-style-type: none"> • Ensure each Shires townsites can provide for a variety of uses to support the concentration of commercial activities. • In settlement areas prioritise the use of vacant and underutilised land over the subdivision and |

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| | <p>SPP 3 outlines general measures to create sustainable communities, plan liveable neighbourhoods, coordinate services and infrastructure, manage rural-residential growth and plan for aboriginal communities. These general measures should be considered in conjunction with issue-specific urban growth and settlement state planning policies which supplement SPP 3.</p> | <p>development of new sites where feasible.</p> <ul style="list-style-type: none"> • Provide for housing that reflects the needs of the community accounting for each Shires demographic profile and prevailing business trends. |
| <p>SPP 3.4</p> <p>Natural Hazards and Disasters</p> | <p>SPP 3.4 encourages local governments to adopt a systemic approach to the consideration of natural hazards and disasters. SPP 3.4 seeks to include planning for natural disasters as a fundamental element in the preparation of planning documents, and through these planning documents, minimise the adverse impacts of natural disasters on communities, the economy and the environment.</p> <p>SPP 3.4 sets out considerations for decision makers in relation to hazards including flood, bushfire, landslides, earthquakes, cyclones and storm surges. Consideration of these hazards should be undertaken in conjunction with issue-specific state planning policies which supplement SPP 3.4.</p> | <ul style="list-style-type: none"> • Planning should address the primary hazards likely to impact each shires community and infrastructure. Bushfire is a hazard affecting each Shire, while flood primarily impacts the Shires of Williams and Wagin. • Land use and development outcomes in designated bushfire prone areas are to address the requirements of SPP 3.7 and associated guidelines. • The planning framework should only allow for land use and development in flood prone areas where it is safe and an adequate level of flood protection can be provided and on the advice of the Department of Water and Environmental Regulation. |
| <p>SPP 3.5</p> <p>Historic Heritage Conservation</p> | <p>SPP 3.5 sets out the principles for the conservation and protection of Western Australia's historic heritage. SPP 3.5 seeks to conserve places and areas of historic heritage significance and to ensure development does not adversely affect the significance of heritage places and areas.</p> <p>SPP 3.5 primarily relates to historic cultural heritage noting that aboriginal heritage and natural heritage are protected by other legislative instruments. Historic cultural heritage includes heritage areas, buildings and structures, historic cemeteries and gardens, manmade landscapes and historic or archaeological sites with or without built features.</p> <p>SPP 3.5 contains development control principles and considerations for decision-makers for where development is proposed within a heritage place and heritage area. SPP 3.5 also states that care should be taken by decision-makers to minimise the extent to which land use zoning and other planning controls conflict with, or undermine, heritage conservation objectives.</p> | <ul style="list-style-type: none"> • The State and local heritage policies/list should be reviewed to ensure local planning controls are sufficient to protect identified heritage places. • Each Shire to prepare and adopt a heritage list consistent with the requirements of the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i>. |

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| SPP 3.6 Infrastructure Contributions | SPP 3.6 sets out the principles and requirements that apply to the establishment and collection of infrastructure contributions in new and established areas. SPP 3.6 establishes objectives to coordinate the efficient and effective delivery of infrastructure to support population growth and development; provide clarity on the acceptable methods of collecting and coordinating contributions for infrastructure and provide the framework for a transparent, equitable, and accountable system for apportioning, collecting and spending contributions. | <ul style="list-style-type: none"> Where relevant and necessary, the Shires may make arrangements for development contributions to be sought to allow for the orderly development of an area and/or the delivery/upgrade of community infrastructure. |
| SPP 3.7 Planning in Bushfire Prone Areas | <p>SPP 3.7 provides a framework in which to implement effective, risk-based land use planning and development outcomes to preserve life and reduce the impact of bushfire on property and infrastructure. SPP 3.7 emphasises the need to identify and consider bushfire risks in decision-making at all stages of the planning and development process whilst achieving an appropriate balance between bushfire risk management measures, biodiversity conservation and environmental protection.</p> <p>SPP 3.7 applies to all land which has been designated as bushfire prone by the Fire and Emergency Services Commissioner as well as areas that may have not yet been designated as bushfire prone but are proposed to be developed in a way that introduces a bushfire hazard.</p> | <ul style="list-style-type: none"> Review areas designated as bushfire prone to determine bushfire risk and implications for zoning and development opportunities. Planning proposals in bushfire prone areas which result in the intensification of land use or introduce a bushfire hazard should only be supported where they are consistent with the WAPC's Guidelines for Planning in Bushfire Prone Areas. |
| SPP 4.1 Industrial Interface | <p>SPP 4.1 aims to protect the long-term future operation of industry and infrastructure facilities, by avoiding encroachment from sensitive land uses and potential land use conflicts. SPP 4.1 encourages the use of statutory buffers; facilitating industrial land uses with offsite impacts within specific zones and compatible interface between strategic/general industry zones and sensitive zones.</p> <p>SPP 4.1 supports land use conflict being addressed as early as possible in the planning process. It is also expected that land use conflict will be subsequently considered at each stage of the planning framework, increasing in detail at each level.</p> <p>SPP 4.1 recognises the overlap of various environmental, health and safety regulations and guidelines and outlines considerations for decision-makers in this regard.</p> | <ul style="list-style-type: none"> Industrial land in the Strategy Area is focused on servicing the broader region and, particularly, the agricultural sector. Existing and future land for industrial land uses should be clearly identified, with a compatible interface between these areas and sensitive zones provided. Each Shire should identify all existing Prescribed Premises and land uses with off-site risks regulated under the <i>Dangerous Goods Safety Act 2004</i> and <i>Petroleum and Geothermal Energy Resources Act 1967</i> and consider implementing controls in planning frameworks to protect from encroachment by sensitive land uses. |
| SPP 5.2 | SPP 5.2 recognises telecommunications infrastructure as an essential service and aims to balance the need for this infrastructure and | <ul style="list-style-type: none"> Provide for telecommunications infrastructure necessary to |

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| Tele-communications Infrastructure | <p>the community interest in protecting the visual character of local areas. SPP 5.2 aims to provide clear guidance pertaining to the siting, location and design of telecommunications infrastructure and sets out specific exemptions for where the policy requirements do not apply.</p> <p>Decision-makers should ensure that telecommunications infrastructure services are located where it will facilitate continuous network coverage and/or improved telecommunications services to the community whilst not comprising environmental, cultural heritage, social and visual landscape values.</p> | <p>service each Shire in a manner consistent with SPP 5.2.</p> <ul style="list-style-type: none"> • Support the deployment of fixed wireless network under the Federal Government's Regional Connectivity Program consistent with the requirements of SPP 5.2. |
| SPP 5.4 Road and Rail Noise | <p>SPP 5.4 provides guidance for the performance-based approach for managing and mitigating transport noise associated with road and rail operations.</p> <p>SPP 5.4 applies where noise sensitive land uses are located within a specified distance of a transport corridor, new or major road or rail upgrades are proposed or where works propose an increase in rail capacity resulting in increased noise. SPP 5.4 also sets out specific exemptions for where the policy requirements do not apply.</p> <p>SPP 5.4 supports noise impacts being addressed as early as possible in the planning process to avoid land use conflict and achieve better land use planning outcomes. Considerations for decision-makers include ensuring that the community is protected from unreasonable levels of transport noise, whilst also ensuring the future operations of transport corridors.</p> <p>SPP 5.2 is supplemented by the <i>Road and Rail Noise Guidelines</i>.</p> | <ul style="list-style-type: none"> • This policy applies to development within various trigger distances from major roads and railways, including Albany Highway and the Southern Railway. • Important freight routes should be identified and classified to ensure noise impacts are addressed as early as possible in the planning process. |
| SPP 7.0 Design of the Built Environment | <p>SPP 7.0 sets out the objectives, measures, principles and processes which apply to the design and assessment of built environment proposals through the planning system. It is intended to apply to activity precinct plans, structure plans, local development plans, subdivision, development and public works.</p> <p>SPP 7.0 contains 10 design principles which set out specific considerations for decisionmakers when considering proposals. These include, context and character, landscape quality, built form and scale, functionality and build quality, sustainability; amenity, legibility, safety, community and aesthetics. SPP 7.0 also encourages early and on-going discussion of design quality matters and the use of design review.</p> <p>These principles should be considered in conjunction with the range of supporting State Planning Policies that provide design quality</p> | <ul style="list-style-type: none"> • All planning proposals, particularly those within the settlement areas, should result in design outcomes which contribute to, protect and reinforce the identity and character of the locality. |

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| | guidance for specific types of planning and development proposals. | |
| SPP 7.3 Residential Design Codes Volume 1 (the R-Codes) | <p>The R-Codes provide the basis for the control of residential development throughout Western Australia for single houses, grouped dwellings and multiple dwellings and the assessment of residential subdivision proposals. The R-Codes address emerging design trends, promote sustainability, improve clarity and highlight assessment pathways to facilitate better outcomes for residents.</p> <p>The R-Codes outlines various objectives for residential development, planning governance and development process and sets out information and consultation requirements for development proposals. It also makes provision for aspects of specified design elements to be varied through the local planning framework.</p> | <ul style="list-style-type: none"> Planning proposals for residential development should be consistent with the relevant design principles and deemed-to-comply elements of the R-Codes. |
| Government Sewerage Policy (GSP) | <p>The GSP outlines the State Government's position regarding the provision of sewerage services in Western Australia through land planning and development. It guides strategic planning, subdivision, and development related to sewage disposal. It emphasises the need for secondary treatment systems with nutrient removal in specific areas, addresses implementation challenges, and aligns with water-related provisions. The goal is to balance public health, environmental protection, and regional development while ensuring compliance with standards.</p> <p>Note, the GSP may be superseded by SPP 2.9 in the future.</p> | <ul style="list-style-type: none"> Reticulated sewerage is the preferred method for sewage disposal in settlement areas. The Wagin and Williams townsites are served by reticulated sewer, whereas all other settlements are not. In areas without reticulated sewer, minimum lot sizes shall generally accord with those specified by the GSP. In areas where soils have low nutrient retention capacity and lots less than 1 hectare are proposed, the use of secondary treatment systems with nutrient removal is recommended, with these systems to comply with the performance standards outlined in the <i>Australian/New Zealand Standards 1546:3 for On-site Domestic Wastewater Treatment Unit</i>. The Strategy Area does not have many designated sewage sensitive areas under the GSP. Notwithstanding, there are rivers, creeks and wetlands throughout the Strategy Area which need to be considered with respect to the disposal of sewerage effluent on-site. |

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2.1.3 Regional planning context

The WAPC prepares various regional planning instruments to guide land use and development at the regional and sub-regional level, including Regional and Sub-regional planning strategies and structure plans and Regional Planning Schemes.

Regional planning instruments relevant to each of the shires are outlined in Table 2.

Table 2: Regional planning instrument overview and Strategy implications and responses

| Regional Planning Instrument | Overview | Strategy Implications and Responses |
|--|--|--|
| Draft Wheatbelt Regional Planning Strategy | <p>The Draft Wheatbelt Regional Planning Strategy (Wheatbelt Strategy) has been prepared for the WAPC by the Department of Planning, Lands and Heritage following significant consultation with key stakeholders in the region and the wider Wheatbelt community.</p> <p>The intent is that the Wheatbelt Strategy set the high-level strategic direction for land-use planning in the Wheatbelt region. It seeks to identify high level planning issues and opportunities for the region; provide direction to guide sub-regional and local planning processes; and support subsequent planning process including the preparation of local planning strategies and schemes.</p> <p>Following the WAPC's endorsement, the Wheatbelt Strategy shall be recognised as a Regional Strategy under State Planning Policy 1: State Planning Framework (SPP 1). The Strategy will form a second-tier strategic planning instrument.</p> | <p>The Wheatbelt Strategy sets out various strategic directions, those of relevance to the Strategy Area include:</p> <ul style="list-style-type: none"> • Planning for sufficient residential, commercial and industrial zoned land within settlements to cater for future populations; • Encouraging the development of suitable and affordable housing options for those aging members of the community. • Protecting and managing cultural heritage, including significant indigenous places, historic places and landscapes of significance. • Acknowledging the importance of the diversity of agricultural activities in the Region, and support its continuation as a major land use. • Encourage the continued establishment of renewable energy industries. • Support measures to improve the feasibility of industrial land development, particularly with regards to the coordinated provision of utility and service infrastructure. • Protecting and managing the significant natural assets, such as significant landscapes, waterways and estuaries, and native vegetation. |

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| Regional Planning Instrument | Overview | Strategy Implications and Responses |
|--|---|---|
| Wheatbelt Regional Planning and Infrastructure Framework (December 2015) | <p>The Wheatbelt Regional Planning and Infrastructure Framework provides guidance on land use, land supply, land development, environmental protection, infrastructure and priorities for the delivery of physical and social infrastructure for the Wheatbelt region.</p> <p>The framework informs the decisions of the WAPC by establishing the regional context for the preparation of sub-regional and local planning strategies and outlines the WAPC's position on planning for population growth, transport, agriculture, conservation estate, remnant vegetation, mineral prospectivity, and significant basic raw materials for the Wheatbelt.</p> | <ul style="list-style-type: none"> • Planning in the Shires principal townsites should seek to facilitate future population and economic growth. • Establish appropriate controls to guide the consideration and development of environmentally sustainable power generation projects to feed into the South-West Interconnected System. • Ensure appropriate controls are in place to guide the consideration of forestry related development proposals. • The planning framework and infrastructure provision should support the growth of knowledge-based and home-based businesses in settlement areas. • Support development of the aviation sector. • Provide for the conservation of environmentally significant areas and landscapes. |

2.1.4 Operational policies

Operational policies guide decision-making in relation to subdivision and development applications. Those operational policies considered relevant to each of the shires are outlined in Table 3.

Table 3: Operational policies

| Operational Policy | Overview | Strategy Implications and Responses |
|--|---|--|
| Draft Operational Policy 1.12 - Planning Proposals Adjoining Regional Roads in Western Australia (Draft OP 1.12) | The WAPC's Draft OP 1.12 aims to provide decision makers, proponents, and the community with a consistent approach to land use planning for areas adjacent to regional roads. It covers aspects such as vehicular access, road reserve widening, scenic route considerations, and road truncations as they relate to the subdivision and development of land. | <ul style="list-style-type: none"> • The proponent of a planning proposal is responsible for satisfactorily demonstrating that the proposed subdivision and/or development will not adversely impact upon Regional Road safety or efficiency. • The WAPC, in consultation with Main Roads WA and/or local government may, where it considers that the safety and capacity of existing abutting |

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| Operational Policy | Overview | Strategy Implications and Responses |
|--|--|---|
| | | <p>and surrounding Regional Roads are either substandard or inadequate to accommodate additional traffic generated from a subdivision and/or development, require as a condition of subdivision and/or development approval, the upgrading of the road network.</p> |
| <p>Development Control Policy 3.4 - Subdivision of Rural Land (DC 3.4)</p> | <p>DC 3.4 sets out the principles that will be used by the WAPC in determining applications for the subdivision of rural land.</p> <p>DC 3.4 has been prepared consistent with the objectives of SPP 2.5 - Rural Planning.</p> | <ul style="list-style-type: none"> • Broadly, rural zoned land should be maintained for rural land uses. • Proposals for the use and development of rural zoned land for alternative land uses, such as residential, must be appropriately planned for. • The creation of new or smaller lots in the Rural zone will be by exception. |
| <p>Development Control Policy 5.1 - Regional Roads (Vehicular Access) (DC 5.1)</p> | <p>DC 5.1 sets out essential principles for evaluating proposals related to vehicle access from or to developments adjacent to regional roads in Western Australia. It aims to enhance traffic flow, safety, and efficient road networks by guiding decision-makers, land use planners, and developers. The policy emphasises collaboration with Main Roads WA, local governments, and the Department of Planning, Lands, and Heritage to ensure well-managed access and safety on regional roads.</p> | <ul style="list-style-type: none"> • In considering applications for access to/from regional roads, the effects of the proposals on traffic flow and road safety will be the primary consideration. In general, decision makers should seek to minimise the creation of new driveways on regional roads and rationalise existing access arrangements. • In determining applications for development involving the formation, laying out or alteration of a means of access to regional roads, the following must be considered: <ul style="list-style-type: none"> ○ the effects of the development on traffic flow and safety, the character and function of the road, the volume and speed of traffic, the width of the carriageway and visibility; and ○ the volume and type of traffic generated by the development. |

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2.1.5 Position Statements and Guidelines

Position Statements are prepared by the WAPC to set out its policy position or advice on a particular planning practice or matter. Guidelines provide detailed guidance on the application of WAPC policies. Those WAPC position statements or guidelines relevant to each of the shires are outlined in Table 4.

Table 4: Position Statement and Guidelines

| Position Statements and Guidelines | Overview | Strategy Implications and Responses |
|------------------------------------|---|--|
| Rural Planning Guidelines | The Rural Planning Guidelines provide explanatory detail to assist the implementation of SPP 2.5 and DC 3.4. Importantly, the Guidelines include interpretation relevant to the subdivision of rural zoned land, for development proposals on rural zoned land and for rural land uses on land zoned for other purposes, in accordance with region and local scheme requirements. | <ul style="list-style-type: none"> • Investigate identifying priority agricultural land to provide for its protection in consultation with the Department of Primary Industries and Regional Development. • Small Rural zoned landholdings, generally four hectares or less, adjacent primary townsites should be reclassified to Rural Residential zone to ensure appropriate land use controls are in place to preserve lifestyle qualities. Lots from 4 to 40 hectares should be reclassified to Rural Smallholdings zone including appropriate land use controls. • New Rural Residential zoning proposals should be located where reticulated water and electricity utilities can be supplied and not encroach upon priority agricultural land and/or strategic industry. • New Rural Smallholding zoning proposals should be located where electricity utilities can be supplied and not encroach upon priority agricultural land and/or strategic industry. • Identify the areas/districts where tree farming is most suitable and implement controls in the planning framework to ensure they are suitably developed and managed (fire management, vermin proof fencing, heavy vehicle road access and contributions towards road upgrades etc.). |

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| Position Statements and Guidelines | Overview | Strategy Implications and Responses |
|---|---|---|
| Position Statement - Renewable energy facilities | <p>The key intent of the Position Statement is to facilitate growth of the evolving renewable energy industry in Western Australia through implementation of policy measures via planning instruments administered by local government.</p> <p>The Position Statement will apply to the redevelopment of existing, as well as new renewable energy facilities. The Position Statement supports the State Government's <i>State Energy Transformation Strategy (March 2019)</i> to maintain a secure and reliable electricity supply and reduce energy sector emissions.</p> | <ul style="list-style-type: none"> Large renewable energy facilities should be located close to the network grid and preferably on cleared rural land with low agricultural value. Broadly, areas with high visual landscape and environmental values will be deemed unsuitable for large scale renewable energy facilities. |
| Position Statement - Workforce accommodation | <p>The Position Statement outlines the development requirements for workforce accommodation under the <i>Planning and Development Act 2005</i> and associated regulation; and provides guidance to local governments on the role of the local planning framework in the planning and development of workforce accommodation.</p> <p>In certain circumstances the development of workforce accommodation shall be governed by the <i>Mining Act 1978</i> and/or State Agreement Acts.</p> | <ul style="list-style-type: none"> Land use flexibility should be provided to allow for appropriately planned workforce accommodation developments required to service agriculture, mining and other existing and emerging industries. Notwithstanding the above, workforce accommodation should, where feasible, be established in the Shire's main settlement areas. The development of workforce accommodation should be serviced by reticulated utility services (i.e. electricity, water, sewer). The development of workforce accommodation in the Williams townsite should occur outside of identified flood hazard areas. |
| Position Statement - Residential Accommodation for Ageing Persons (2020) | <p>The Position Statement outlines the requirements to support the provision of residential accommodation for ageing persons within Western Australia. It seeks to achieve consistent planning consideration of residential accommodation needs for ageing persons in local planning strategies and consistent statutory planning guidance to standardise land-use definitions and zoning permissibility for residential accommodation for ageing persons in local planning schemes.</p> | <ul style="list-style-type: none"> The planning framework should provide flexibility in land use to support the delivery of accommodation for ageing persons in the primary townsites. |
| Position Statement - Planning for Tourism and Short-term rental accommodation | <p>This Position Statement guides the appropriate location and management of tourism and short-term rental accommodation land uses through the planning framework. It is intended that it facilitate acceptable development of new and</p> | <p>The planning framework should:</p> <ul style="list-style-type: none"> encourage a range of tourist accommodation, including short-term rental |

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| Overview of relevant state or regional strategies, plans and policies | Strategy Implications and Responses |
|---|--|
| <p>The Wheatbelt South Economic Strategy provides economic analysis and evidence based guidance to assist in investment and decision making, with relevance to local planning. The Strategy also establishes a framework for the promotion and facilitation of economic and population growth across all towns in the Sub-region.</p> | <ul style="list-style-type: none"> • <i>Aerodrome project development, including provision for residential, commercial and recreational land use.</i> • <i>Support the modification of the Shire's Planning Policy to enable renewal of heritage buildings for retail and commercial occupancy.</i> • <i>Site identification to continue development of aged care units, including attraction initiatives for 'Lifestyle Village' development.</i> • <i>Investigate potential tourism projects, notably caravan park redevelopment.</i> <p><u>West Arthur</u></p> <ul style="list-style-type: none"> • <i>Investigate and support food processing activities.</i> • <i>Investigate tourism enhancement projects, including signage to improve walk trails and caravan park redevelopment.</i> <p><u>Williams</u></p> <ul style="list-style-type: none"> • <i>Identification of suitable land for residential development and infill.</i> • <i>Support the modification of the Shire's Planning Policy to enable renewal of heritage buildings for retail and commercial occupancy.</i> • <i>Investigate the redevelopment and facilitate upgrades at the recreation centre.</i> |
| <p><i>Western Australian Climate Policy (November 2020)</i></p> <p>The Western Australian Climate Policy sets out the State Government's plan for a climate-resilient community and a prosperous low-carbon future. The policy underscores a commitment to adapting to climate change and working with all sectors of the economy to achieve net zero greenhouse gas emissions by 2050.</p> <p>The policy sets out the high-level priorities the State Government will implement to support a more climate-resilient community.</p> | <p>The Wheatbelt Region, particularly Wagin, West Arthur and Williams, shall play a role in assisting the State's goals to continue to adapt to climate change. The Strategy Area's planning frameworks should seek to enable the development of low-carbon industries and the transformation of the energy generation network, while also supporting the storage of carbon and the ongoing care for our landscapes.</p> <p>The Strategy Area is likely to see new opportunities in the form of evolving agricultural industries seeking to reduce carbon impacts; the rise of renewable energy projects seeking to feed into the south-west interconnected electricity network; and proposals for farms to integrate environmental plantings into existing farming systems for land management and carbon sequestration purposes. Meanwhile, local transport and energy generation transition is also likely to evolve, an example being the growth of hybrid and microgrid electricity generation systems to shift to off-grid renewable energy power solutions which reduce carbon emissions and energy costs.</p> |

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2.2 Local planning framework

2.2.1 Strategic Community Plan

Each Shire has adopted a strategic community plan identify goals and outcomes of relevance to land use planning. The below tables provide an overview of each strategic community plan, highlight activities, goals and objectives which have implications for strategic planning.

Strategic Community Plan Summary

Table 6: Wagin 2020-2030

| Key activities/Goals | Outcomes Relevant to Planning | Strategy Implications and Responses |
|--|--|--|
| <i>Economic Development</i> | <ul style="list-style-type: none"> <i>Further planning and development of facilities at the Aerodrome.</i> <i>Support the attraction and retention of small business and housing of key workers in the region.</i> | <ul style="list-style-type: none"> The Shire's local planning framework must be positioned to support the ongoing operation of the airfield, limiting encroachment by incompatible land uses, while providing flexibility to support complimentary development. The planning framework should provide for the delivery of accommodation for new permanent residents and a seasonal workforce. |
| <i>Buildings and Infrastructure</i> | <ul style="list-style-type: none"> <i>Development of CBD.</i> <i>Plan for the future accommodation of tourist attractions.</i> <i>Investigate Truck parking and showering facility in Wagin.</i> | <ul style="list-style-type: none"> The local planning framework should implement land uses zoning and development provisions which: <ul style="list-style-type: none"> encourage the activation of underutilised sites and buildings in the town centre; support streetscape improvements; and allow for a diverse range of businesses. Ensure the local planning framework provides zoning and land use provisions which support opportunities for new tourism ventures. Ensure the local planning framework provides for Commercial vehicle parking in appropriate locations. |
| <i>Community Services and Social Environment</i> | <ul style="list-style-type: none"> <i>Support development initiatives for housing options for residents from all age groups.</i> | <ul style="list-style-type: none"> Ensure the local planning framework supports a range of housing related land uses in suitable locations. |
| | <ul style="list-style-type: none"> <i>Finalise Sport and Recreation Facility Master Plan including the Community Recreational Hub.</i> | <ul style="list-style-type: none"> The master plan should guide the progression of the local planning framework to enable the delivery of community, sport and recreation facilities. |
| <i>Town and Natural Environment</i> | <ul style="list-style-type: none"> <i>Continue improvements to town CBD amenity</i> | <ul style="list-style-type: none"> The local planning framework should provide development provisions which support improvement to the townsites |

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| | | amenity, including increasing the green tree canopy. |
| <i>Council Leadership</i> | <ul style="list-style-type: none"> <i>Review of Integrated Planning and Reporting Process and Plans.</i> | <ul style="list-style-type: none"> Ensure the local planning framework is consistent with State planning legislation and policy. |

Table 7: West Arthur 2017-2027

| Key activities/Goals | Outcomes Relevant to Planning | Strategy Implications and Responses |
|--|--|---|
| <i>The Shire of West Arthur will be a safe and enabling place to live with a strong sense of identity and a thriving, active culture.</i> | <ul style="list-style-type: none"> <i>Seniors will be valued, and their needs met to enable them to stay in the Shire and participate in the community for as long as they desire.</i> <i>Affordable housing will be available to enable people to live in our community.</i> <i>A range of health and support services will be available to all in the community.</i> | <ul style="list-style-type: none"> The local planning framework should facilitate the provision of range of housing types supporting all segments of the community, with a focus on facilitating opportunities for aging in place. Ensure the planning framework provides for the number of health services available to be maintained or increased. |
| <i>The Shire of West Arthur will be a vibrant, sustainable and growing community with active business and agricultural sectors and well maintained infrastructure.</i> | <ul style="list-style-type: none"> <i>Light industrial land and infrastructure will be developed to promote light industry development.</i> <i>Support approaches to eco-tourism and tourism development.</i> <i>There will be a range of short stay accommodation options for visitors to use encouraging them to stay in and explore the Shire.</i> <i>There will be a range of residential and lifestyle options available.</i> | <ul style="list-style-type: none"> Provide opportunities for the expansion of industrial land east of Darkan between Coalfields Road and Growden Place. The planning framework should facilitate the development of range of tourism land uses, with flexibility in rural zones to allow for uses such as nature based camping and short-term rental accommodation in appropriate locations. Planning for the Shire should support a diverse accommodation offering for visitors including short-term accommodation land uses such as, caravan park, nature based camping, holiday house, tourist development, etc. The local planning framework should facilitate the provision of range of residential accommodation options, including accommodation to support seasonal workers and those who may be temporarily employed on other projects (infrastructure, mining, etc.). |
| <i>The Shire of West Arthur will have well maintained infrastructure that supports the community and the economy.</i> | <ul style="list-style-type: none"> <i>Complete townscape projects to continue to improve the appearances of townsites and localities.</i> <i>Review, amend and implement the town planning scheme and policies to ensure any planning</i> | <ul style="list-style-type: none"> The local planning framework should implement land uses zoning and development provisions which: <ul style="list-style-type: none"> encourage the activation of underutilised sites and buildings in the town centre; |

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| | <i>and development is appropriate through the Shire.</i> | <ul style="list-style-type: none"> ○ support streetscape improvements; and ○ allow for a diverse range of businesses. • The Shire's local planning framework is reviewed and updated to ensure consistency with State planning legislation and policy, community aspirations, emerging trends and associated demand. |
| <i>The Shire of West Arthur will maintain its natural biodiversity and built heritage, and ensure responsible land and water use to preserve the environment for future generations.</i> | <ul style="list-style-type: none"> • <i>Biodiversity and protection of bushland will be considered as part of all land use applications and developments.</i> • <i>Sustainability of rural operations and economic viability.</i> | <ul style="list-style-type: none"> • The local planning framework, including reserve and zoning classifications and use of land, shall prioritise the maintenance of biodiversity and environmental qualities of land. |
| <i>Through strong leadership and responsible, ethical management the best outcomes will be achieved in partnership with the people of the Shire.</i> | <ul style="list-style-type: none"> • <i>Compliance with regulations and best practice standards will drive good decision making by staff and Council.</i> • <i>Community engagement strategies will be integrated into planning and decision making.</i> | <ul style="list-style-type: none"> • The Shire's local planning framework is reviewed and updated consistent with the requirements of State legislation and shall be guided by community engagement policy. |

Table 8: Williams 2022 - 2032

| Key activities/Goals | Outcomes Relevant to Planning | Strategy Implications and Responses |
|---|--|---|
| <i>To support industry and business development through the development of sustainable infrastructure and investment opportunities.</i> | <ul style="list-style-type: none"> • <i>Develop infrastructure and investment that is sustainable and an ongoing legacy to the Shire.</i> • <i>To have appropriate levels of housing to cater for population retention and growth.</i> | <ul style="list-style-type: none"> • The local planning framework should implement land uses zoning and development provisions which: <ul style="list-style-type: none"> ○ support the delivery of accommodation for new permanent residents, visitors and a seasonal workforce; ○ supports the establishment of Brooking Street as a main street to attract visitors; ○ promotes the ongoing development of the industrial estate; and ○ considers appropriate locations for future urban expansion of the Williams townsite, particularly for residential purposes. |
| <i>To be a safe and welcoming community where everyone is valued and has the</i> | <ul style="list-style-type: none"> • <i>To provide community infrastructure and facilities that meet the needs of the population.</i> | <ul style="list-style-type: none"> • The local planning framework should provide opportunities for the upgrade and expansion of community infrastructure and services. |

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| <p><i>opportunity to contribute and belong.</i></p> | <ul style="list-style-type: none"> • <i>To support a safe and healthy community with a strong sense of community pride.</i> • <i>To recognise the vibrant history of the Shire and its rich, varied cultural heritage and natural environment is valued, respected, promoted and celebrated.</i> | <ul style="list-style-type: none"> • Continue to support health service provision to meet the ongoing needs of the community (Doctor, Allied Health, Medical Centre). • Review the local planning framework to ensure cultural heritage is preserved and celebrated. • Provide opportunities to leverage heritage and cultural asset to support tourism. |
| <p><i>To have a balanced respect for our natural assets and built environment, maintaining our lifestyle, values and community spirit.</i></p> | <ul style="list-style-type: none"> • <i>To enhance, promote, rehabilitate and leverage the natural environment so it continues to be an asset to the community.</i> • <i>Natural assets and public open spaces are accessible, well utilised and managed.</i> • <i>To have safe and well maintained transport network that supports the local economy.</i> • <i>Recognising and implementing sustainability measures.</i> | <ul style="list-style-type: none"> • The planning framework should identify flood prone areas of the townsite and introduce mitigation measures where required. • Facilitate a walking trail from Williams Lions Park to Williams Nature Reserve if Council deems feasible. • Investigate opportunities for establishment of waste facilities to support the region. |
| <p><i>To have a shire council that is an innovative, responsive partner to the community with strong civic leadership engaging in effective partnerships which reflect the aspirations of the community as a whole.</i></p> | <ul style="list-style-type: none"> • <i>The Shire is efficient in its operations; actively listens to the community and anticipates and responds to the community needs.</i> • <i>The revenue needs of the Shire are managed in an equitable, proactive and sustainable manner.</i> • <i>Effective collaboration and shared services with other relevant Local, State and Federal Government agencies, industry and community organisations.</i> • <i>A strategically focused, unified Council functioning effectively ensuring compliance within the regulatory framework.</i> | <ul style="list-style-type: none"> • Ensure the planning framework is reviewed and updated to be consistent with State legislation and policy. • Maximise and leverage grant funding opportunities which support land use planning outcomes. |

2.2.2 Local planning schemes

Shire of Wagin

The Shire of Wagin Local Planning Scheme No. 2 (Wagin Scheme 2) was gazetted in 1999, undergoing amendment on four occasions since.

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The Scheme was amended in 2017 to broadly conform with the Model provisions for local planning schemes of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

Shire of West Arthur

The Shire of West Arthur Local Planning Scheme No. 2 (West Arthur Scheme 2) was gazetted in 2007. The Scheme has been amended once, in 2012, to introduce and define several additional land uses.

In 2022 the Shire of West Arthur undertook a review of Local Planning Scheme No. 2. The Western Australian Planning Commission supported the Shire's findings that a new local planning strategy be prepared and Local Planning Scheme No. 2 updated to be consistent with *Planning and Development (Local Planning Schemes) Regulations 2015* by way of an omnibus amendment.

Shire of Williams

The Shire of Williams Local Planning Scheme No. 2 (Williams Scheme 2) was gazetted in 1994, and has been amended on 18 occasions since.

In 2020 the Shire undertook a review of Local Planning Scheme No. 2. The Western Australian Planning Commission supported the Shire's review findings that the local planning scheme should undergo amendment to be consistent with *Planning and Development (Local Planning Schemes) Regulations 2015*.

2.2.3 Local planning policies

Local planning policies can be prepared in accordance with Division 2 of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015* in respect of a particular class or classes of matters specified in the policy; and may apply to the whole Scheme area or part of the Scheme area. An overview of the local planning policies in operation within each shire and implications for the Strategy is outlined below.

Shire of Wagin

The Shire of Wagin has adopted 16 local policies into its policy manual to control planning and development proposals. The Shire's most recently adopted local planning policy was prepared in 2015 to address the development of outbuildings in the Wagin Townsite, while the oldest dates to 1999.

The Shire's local planning policies in many instances are no longer consistent with the State's overarching planning framework, with several relating to development types which broadly do not require development approval through the operation of cl. 61 of the Deemed Provisions for local planning schemes under the *Planning and Development (Local Planning Schemes) Regulations 2015*. Meanwhile, other policies seek to address matters which may be better regulated through the application of current State Planning Policy.

The Shire's policy framework has evolved over time to address matters which might otherwise be better controlled through contemporary development requirements in Wagin Scheme 2. A comprehensive review of the Shire's local planning policies is required to ensure all policies do not duplicate existing State Planning Policy or legislation; are consistent with the Scheme, including Deemed Provisions; and are necessary to control future anticipated development.

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Shire of West Arthur

The Shire of West Arthur undertook a review of its policy framework in September 2022. A new local policy manual was adopted by Council in May 2023, establishing three local planning policies. Two additional local planning policies have also been prepared.

The Shire's local planning policies address the following matters:

- clarifying what forms of development require Council's approval;
- establishing planning requirements for rural sheds;
- establishing the Shire's Heritage List and relating development requirements to ensure the conservation of heritage;
- guidance for the development of residential outbuildings; and
- guidance for the development of windfarms in appropriate locations.

The Shire's local planning policies address contemporary planning matters and provide clarity to the public on development requirement relevant to the local government area. Local Planning Scheme No.2 could elevate the planning policy requirements by updating the supplemental provisions with detail to compliment the matters relating to the need, or otherwise, for development approval.

Shire of Williams

The Shire of Williams adopted its policy framework in May 2018, with a review conducted in April 2021. The Policy Manual establishing three local planning policies to address:

- the development of outbuildings in the Residential zone;
- the development of relocatable dwellings;
- the use of sea containers and transportable structures.

The Shire's outbuildings policy provides alternative deemed to comply requirements to those specified by the Resident Design Codes, allowing for the development of an outbuilding to occur without the need for development approval where it is in line with the policy. This policy is largely consistent with the broader planning framework.

The current policies that relate to relocatable dwellings and sea containers and transportable structures require review, and potentially supporting detail to be included in Williams Scheme 2, to ensure that they are consistent with cl. 61 of the of the Deemed Provisions for local planning schemes under the *Planning and Development (Local Planning Schemes) Regulations 2015*.

2.2.4 Structure plans

Structure plans can be prepared in accordance with Division 2 of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015* for land within the Scheme area. A structure plan provides the basis for zoning and subdivision of land.

The Shires of Wagin and West Arthur have no active structure plans. An overview of the current structure plans in the Shire of Williams, and the implications of these are provided in Table 9.

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Table 9 - Shire of Williams Structure plans

| Name | Purpose | Strategy Implications and Responses |
|--|--|--|
| Portion of Lot 12070 Albany Highway - Outline Development Plan (ODP) | The ODP was endorsed on 29 April 2010. It provides for the creation of 43 residential and rural residential lots immediately south-west of the Williams townsite. | The ODP is a dated planning instrument, providing only high-level development guidance. Development of the land is likely to require further guiding studies, while the delivery of reticulated services may also be required. The ODP will expire on 19 October 2025. |
| Lots 51 and 52 Eddington Road – Outline Development Plan | The ODP was endorsed on 4 June 2008 following Amendment No. 13 to the Shire of Williams Local Planning Scheme No. 2. It provides for the creation of as many as 134 residential and rural residential lots adjacent the Williams townsite. | The ODP is a dated planning instrument, providing only high-level development guidance. Detailed studies may be required to be undertaken to support ongoing development of the land in the future. The provision of reticulated services will also likely be necessary. The ODP will expire on 19 October 2025. |

2.2.5 Other relevant strategies, plans and policies

From time to time each Shire may prepare other strategies, plans and policies which are relevant to land use planning and development. An overview of other relevant strategies, plans and policies, along with their potential implications for land use planning are provided in Table 10.

Table 10: Other relevant strategies, plans and policies

| Other relevant strategies, plans and policies | Overview | Strategy Implications and Responses |
|--|---|---|
| 4WDL Key Worker Housing Analysis 2023 and Local housing Plans and Key Worker Housing Investment Concepts | <p>The 4WDL local government alliance (Shires of Wagin, West Arthur, Woodanilling, Williams, Dumbleyung and Lake Grace) has commissioned this work to understand and identify solutions to supply suitable housing to meet the demand from key workers.</p> <p>The documents define key workers as: <i>"Anyone employed or self-employed to undertake a role in childcare, retail, service industry, tourism and agricultural workforces either for the public service, or private business which contributes to the economy".</i></p> <p>The Key Worker Housing Analysis establishes the scale of demand for purpose-built and appropriate key worker housing, revealing a lack of accommodation to support lone, small and aged households. The expansive land area of the 4WDL region, combined with</p> | <p>While broadly speaking there is sufficient zoned residential land in each of the shires to cater for existing and future population needs, it is recognised that providing suitable housing for workers and small households is challenging.</p> <p>As noted by the Key Worker Housing Analysis document, <i>"construction feasibility analysis confirms that most towns within the 4WDL Region experience a failure of the private market to deliver housing to the extent that justifies public sector intervention."</i></p> <p>To assist to address the housing issues identified, the planning framework should provide flexibly to allow for a diverse</p> |

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| Other relevant strategies, plans and policies | Overview | Strategy Implications and Responses |
|---|--|--|
| | the comparatively small size of many communities, impacts the viability (and interest) of private housing construction and supply. | range of housing typologies to be delivered, while also supporting efforts to for the renewal of the existing underutilised dwelling stock. |
| Wagin Economic Development Strategy - Draft Synopsis of Strategic Initiatives (January 2013) | <p>The Shire's draft list of strategic economic initiatives sets out several development priorities to provide for economic growth and development. Broadly, initiatives relevant to land use planning seek to advance development relating to the following:</p> <ul style="list-style-type: none"> • <i>the aerodrome precinct;</i> • <i>CBD heritage rejuvenation;</i> • <i>caravan park upgrades;</i> • <i>water harvesting;</i> • <i>medical, health and aged care services;</i> • <i>affordable housing;</i> • <i>youth employment;</i> • <i>food and fibre hub;</i> • <i>Waste management;</i> • <i>Aquaculture;</i> • <i>Indigenous perspective; and</i> • <i>Visitors and tourists.</i> | <p>The Shire's planning framework should advance the implementation relevant economic development initiatives confirmed as being in the interest of the Shire. Of particularly relevance shall be:</p> <ul style="list-style-type: none"> • land use planning outcomes for the Wagin airfield; • putting in place measures to support physical improvements to benefit local amenity and vibrancy in the Wagin townsite; • providing for a range of accommodation options for visitors and tourists, particularly within the Shire's existing caravan park site; • putting in place zoning and development provisions which support the improvement and expansion of the existing housing stock; and • putting in place zoning and development provisions which support the diversification of agricultural industry. |
| Shire of West Arthur Economic development Strategy 2023-2033 | <p>The Economic Development Strategy seeks to set out initiatives to assist the Shire to become a destination of choice for business, lifestyle, tourism and investment.</p> <p>The main priorities identified by the Shire relevant to land use planning are:</p> | <p>The local planning framework should assist to support the Shire to achieve the objectives of its Economic Development Strategy, with a focus on:</p> <ul style="list-style-type: none"> • ensuring that planning aids and guides physical improvements to benefit local amenity |

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| Other relevant strategies, plans and policies | Overview | Strategy Implications and Responses |
|--|--|--|
| | <ul style="list-style-type: none"> • a desire to implement placemaking and activation initiatives in Darkan; • the provision of infrastructure which will meet the needs of the community and support local amenity and liveability; • tourism development which leverages the Shire's natural and heritage assets; and • support industry diversification. | <p>and vibrancy in the Shire's townsites;</p> <ul style="list-style-type: none"> • supporting the delivery and upgrade of critical infrastructure, particularly housing and digital infrastructure; • providing opportunities for the growth of the tourism industry, including the provision of new accommodation and attractions; • providing for the delivery of new industrial sites; • leveraging while also protecting local heritage. |
| <p>Our Plan to develop the Hotham Williams Regional Economy (June 2016)</p> <p>(Economic Development Implementation Strategy for the Hotham Williams Region)</p> | <p>This regional economic plan has been prepared by the Hotham Williams Economic Development Alliance. While not prepared by the Shire of Williams specifically, it assists to outline potential strategies for the advancement of the local economy. Broadly it identifies actions to:</p> <ul style="list-style-type: none"> • increase the critical mass and diversity of residents in communities; • promote better population and worker retention, including both youth and aged cohorts; • better leverage access to Albany Highway to promote transport and logistics; • promote revitalisation of major town centres including leveraging built heritage; • encourage greater tourist visitation and associated economic activity in the region; and • increase supplies of appropriate and affordable housing. | <p>Broadly, the Shire of Williams local planning framework can assist to promote some of the outcomes sort by the regional economic plan by:</p> <ul style="list-style-type: none"> • providing land use and development provisions which support the diversification of the agricultural economy; • contemplating the workforce accommodation land use in appropriate locations; • providing for a range of tourism and short-stay accommodation land uses; and • promoting the ongoing uptake of industrial land in the new industrial estate south of Williams. |
| <p>Wagin Airfield Study (2011)</p> | <p>In 2010, the Shire of Wagin was awarded a Regional Airports Development Scheme</p> | <p>The Wagin Aerodrome serves as an important potential commercial point of difference</p> |

COUNCIL

| Other relevant strategies, plans and policies | Overview | Strategy Implications and Responses |
|---|--|---|
| | <p>(RADS) grant to develop an Airfield Masterplan.</p> <p>The Wagin Airfield Study was prepared to outline the initial findings of investigations into the aerodrome, its linkages to the community and the potential of the airfield to support and develop the community.</p> <p>Broadly, the study recommends:</p> <ul style="list-style-type: none"> • various runway and aviation infrastructure upgrades; • the provision of sewerage infrastructure; • that the continued operation of the aerodrome be provided protection through land use planning controls; • the promotion of fly-in fly-out tourism; and • the Shire consider the development of a residential airpark. | <p>between the Shire and neighbouring local government areas. Accordingly, land use planning actions should ensure that aviation activities on the site are protected from incompatible development into the future.</p> <p>The Shire of Wagin may wish to support the development of an 'airpark' through its planning framework. This may include the preparation of a local development plan and/or draft design guidelines to ensure that development is undertaken in accordance with the principles of orderly and proper planning.</p> |
| Wagin Townsite Flood Study/Wagin Industrial Area Flood Study (2008) | <p>The Wagin Townsite and Industrial Area Flood studies were undertaken by the Department of Water in 2008. These investigations were conducted to address the potential flooding impact caused by overflows from the Dorderyemunning Creek, Cobline River and Wagin Lake.</p> <p>Both documents make recommendations in order to reduce the flood risk to existing and future development in Wagin, including floodplain management measures, being:</p> <ul style="list-style-type: none"> • appropriate land use planning - zoning restrictions according to flood risk; • development and building controls setting minimum habitable floor levels, floodproofing and house raising; • the provision of infrastructure for flood storage and conveyance; and • emergency response measures, including flood forecasting, flood warning, evacuation and recovery plans. | <p>The Shire of Wagin Local Planning Scheme No. 2 acknowledges some of the existing flood risks by indicating at risk areas on the Scheme Map. However, Scheme 2 does not implement specific controls to ensure development mitigates flood risks, stating only that <i>"the local government may impose conditions of development approval to ameliorate any potential flood and/or inundation risk"</i>.</p> <p>The Shire, with advice from the Department responsible for water and rivers, may seek to investigate detailed land use planning controls to mitigate flood impacts through its local planning scheme.</p> |

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| Other relevant strategies, plans and policies | Overview | Strategy Implications and Responses |
|---|--|--|
| Shire of West Arthur Water Supply Security Strategy | <p>The Shire of West Arthur's community sees water security as a significant issue for rate payers. The Water Supply Security Strategy has been prepared with a view to securing water resources to ensure retention of population; ensure agriculture remains the main economic activity of the district; and identify opportunities to minimise the financial impact to ratepayers.</p> <p>The main objectives for the water strategy include:</p> <ul style="list-style-type: none"> • <i>An estimate of water demand for a 10-year planning horizon (to 2030).</i> • <i>An audit of current available water supplies including identification of known ground water and surface water supplies and the amount of water that could be drawn from these supplies.</i> • <i>Identification of areas where water supplies need to be developed.</i> • <i>Identification of alternate water supply options.</i> • <i>A proposed plan for development of additional water supplies.</i> | <p>Declining rainfall is a challenge for all Wheatbelt communities and, should a drying trend persist, could present water supply issues if water resources are not managed appropriately.</p> <p>The planning framework should seek to ensure that water resources, particularly those potable sources which supply townsites, are protected and appropriately managed to ensure the ongoing sustainable development of the Shire.</p> <p>To support a sustainable water supply the planning framework may look to implement planning measures to support:</p> <ul style="list-style-type: none"> • water use efficiency; • where appropriate, the construction of rural dams to support farming operations; and • the expansion of the reticulated water network. |

2.3 Local government profile

2.3.1 Demographic profile and population forecast

Strategy Area and surrounds

The Shires of Wagin, West Arthur and Williams in the 15 year period incorporating the 2006, 2011, 2016 and 2021 Census years had a relatively stable population. Over the period there was a total loss of 12 persons for a combined population of 3,555 in 2021.

The Shire of Williams experienced growth at 1% per annum adding 158 persons for a 2021 population of 1,021 persons. The Shire of Wagin experienced slight decline of -0.3% per annum for a 2021 population of 1,761 persons. The Shire of West Arthur saw the net loss of 78 people between 2006 and 2021 for a population of 773 persons.

For comparison, it is noted that surrounding Shires largely had stable populations, though some standout growth was experienced in the Shires of Wandering (50% population growth), Boddington (23% population growth), and Boyup Brook (23% population growth).

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Shire of Wagin

The Shire of Wagin's population is generally concentrated in the Wagin townsite. Over 74% of the population lives in town for a population of 1,311 persons, the highest townsite population of the three Shires. The Wagin townsite is the only settlement in the Shire and the seventh largest in the Wheatbelt region. The townsite is centrally located, with most properties in the Shire located within 25km of town. Narrogin and Katanning are the nearest major centres, while Dumbleyung approximately 35 kilometres to the east provides limited services which may attract some of the Shire's eastern residents.

Key statistical observations for the Shire of Wagin at the 2021 census when compared with State averages include:

- A median age of 49, compared with the State's median age of 38.
- Aboriginal and/or Torres Strait Islander people make up 2.8% of the population, compared with 3.3% for the State.
- The average household size is 2.2 people, compared with 2.5 for the State.
- More than 27% of the population is aged over 65 years, compared with up 16% for the State.
- The labour force participation rate is 51%, compared with 64% for the State.
- Higher employment rates in agriculture, aged care services and local government administration sectors.

Shire of West Arthur

The Shire of West Arthur has the most dispersed population of the three shires with only 25% of people living in the main townsite of Darkan, which has a population of 194 persons. The remaining population is dispersed in various smaller gazetted townsites and the surrounding hinterland. Darkan's population has remained relatively stable over the previous 15 year period, with a net loss of seven people over this time. Meanwhile the Shire has seen the population decrease by 78 people over the same period.

Darkan is not centrally located within the Shire, with people located in the Shire's southern and western locales potentially better serviced by other towns including Collie, Kojoonup and Williams.

Key statistical observations for the Shire of West Arthur at the 2021 census when compared with State averages include:

- A median age of 50, compared with the State's median age of 38.
- Aboriginal and/or Torres Strait Islander make up 3.5% of the population, compared with 3.3% for the State.
- The average household size is 2.2 people, compared with 2.5 for the State.
- More than 20.5% of the population is aged over 65 years, compared with up 16% for the State.
- The labour force participation rate is 60.7%, compared with 64% for the State.
- Higher employment rates in agriculture, local government administration and primary education sectors.

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Shire of Williams

The Shire of Williams population is dispersed between the Williams townsite and the Shire's surrounding hinterland, with 41% of the population living in town for a townsite population of 424 persons. The Shire's small townsite of Quindanning, approximately 30km east of Williams, has a population of 43 persons.

The Williams townsite is not central to the Shire, with residents located in the Shire's western areas potentially better serviced by Collie.

Key statistical observations for the Shire of Williams at the 2021 census when compared with State averages include:

- A median age of 41, similar to the State's median age of 38.
- Aboriginal and/or Torres Strait Islander make up 1.8% of the population, compared with 3.3% for the State.
- The average household size is 2.4 people, compared with 2.5 for the State.
- More than 18.8% of the population is aged over 65 years, compared with up 16% for the State.
- The labour force participation rate is 67.5%, compared with 64% for the State.
- Higher employment rates in agriculture, gold mining and primary education sectors.

Population

The WAPC, in its function as the State Demographer, predicts continued modest aggregate population decline across the three shires to 2031 in its median population model scenario.

The established rate of change and potential population during the 15-year life of the Strategy for each shire is as follows:

| | |
|--------------------|---|
| <u>Wagin</u> | Using a rate of change of -15.5 persons per year, the Shire's population could reduce to 1,496 persons. |
| <u>West Arthur</u> | Using a rate of change of -5 persons per year, the Shire's population could reduce to 695 persons. |
| <u>Williams</u> | While it is noted that Williams experienced population increase between 2016 and 2021, calculations informed by WA Tomorrow indicates a long-term rate of change of -4 persons per year. This scenario would see the Shire's population reduced to 943 persons during the life of the Strategy. |

Modelling by the Western Australia Tomorrow Population Report No. 11 (WA Tomorrow) provides an indication of the potential population scenarios as per Tables 11, 12 and 13 below:

Table 11: Shire of Wagin Population Scenarios – WA Tomorrow

| Year | <i>Forecast WA Tomorrow population bands</i> | | | | |
|-------------|--|----------------------|-----------------------------|----------------------|----------------------|
| | A | B | C (median) | D | E |
| 2016 | 1,865 (ABS 1,852) | 1,865 (ABS 1,852) | 1,865 (ABS 1,852) | 1,865 (ABS 1,852) | 1,865 (ABS 1,852) |
| 2021 | 1,345 (ABS 1,761) | 1,655 (ABS 1,761) | 1,770 (ABS 1,761) | 1,860 (ABS 1,761) | 2,225 (ABS 1,761) |
| 2026 | 1,180 | 1,520 | 1,685 | 1,840 | 2,235 |

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| | | | | | |
|----------------------------|---------|---------------------|--------------|-------|-------|
| 2031 | 1,100 | 1,450 | 1,620 | 1,770 | 2,190 |
| Pop. Difference 2016-2031 | Formula | 1,852 – 1,620 | -232 | | |
| Average annual increase | Formula | -232/15 | -15.5 | | |
| Estimated pop. 2039 | Formula | 1,620 + (8 x -15.5) | 1,496 | | |

Table 12: Shire of West Arthur Population Scenarios – WA Tomorrow

| Year | Forecast WA Tomorrow population bands | | | | |
|----------------------------|--|----------------|------------------------|---------------|-----------------|
| | A | B | C (median) | D | E |
| 2016 | 815 (ABS 809) | 815 (ABS 809) | 815 (ABS 809) | 815 (ABS 809) | 815 (ABS 809) |
| 2021 | 510 (ABS 773) | 695 (ABS 773) | 790 (ABS 773) | 855 (ABS 773) | 1,090 (ABS 773) |
| 2026 | 425 | 655 | 770 | 855 | 1,135 |
| 2031 | 400 | 625 | 735 | 825 | 1,100 |
| Pop. Difference 2016-2031 | Formula | 810 – 735 | -75 | | |
| Average annual increase | Formula | -75/15 | -5 | | |
| Estimated pop. 2039 | Formula | 735 + (8 x -5) | 695 | | |

Table 13: Shire of Williams Population Scenarios – WA Tomorrow

| Year | Forecast WA Tomorrow population bands | | | | |
|----------------------------|--|------------------|--------------------------|---|-------------------|
| | A | B | C (median) | D | E |
| 2016 | 1,000 (ABS 981) | 1,000 (ABS 981) | 1,000 (ABS 981) | 1,000 (ABS 981) | 1,000 (ABS 981) |
| 2021 | 680 (ABS 1,021) | 880 (ABS 1,021) | 970 (ABS 1,021) | 1,080 (ABS 1,021) | 1,310 (ABS 1,021) |
| 2026 | 560 | 830 | 930 | 1,080 | 1,385 |
| 2031 | 550 | 800 | 915 | 1,050 | 1,360 |
| Pop. Difference 2016-2031 | Formula | 915 – 980 | -65 | | |
| Average annual increase | Formula | -65/15 | -4 | | |
| Estimated pop. 2039 | Formula | 1021 + (18 x -4) | 943 | Note: calculation prepared to account for the 18 year period 2021-2039. | |

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Note: The WA Tomorrow forecast comprises five population model bands; Band A – low, Band B – medium-low, Band C – median, Band D – medium-high and Band E – high. The forecasts show a single number for each band, these are the average values across all models run in the band. They represent probability levels of 10%, 30%, 70% and 90%.

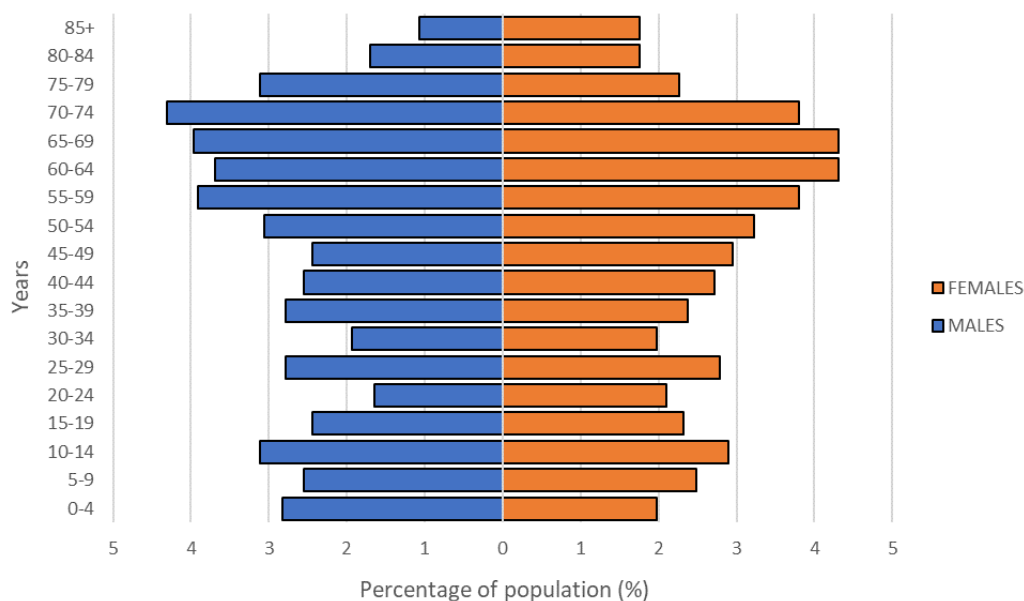
This means 'Band A' represents a 10% probability that the actual number will be less than this, and a 90% probability that it will be higher. Conversely, 'Band E' represents a 10% chance that the number will be higher, and a 90% chance of it being lower. The same applies for Bands B and D, only as 30% and 70% respectively. 'Band C' represents the median and most likely population scenario.

Age/gender profile

According to the ABS the median age of people in the Strategy Area in 2021 was 47 years. This indicates an aging trend in comparison to the median age of 41 in 2006. Children aged 0-14 years made up 17.2% of the total population, while people aged 65 years and over made up 22.1%.

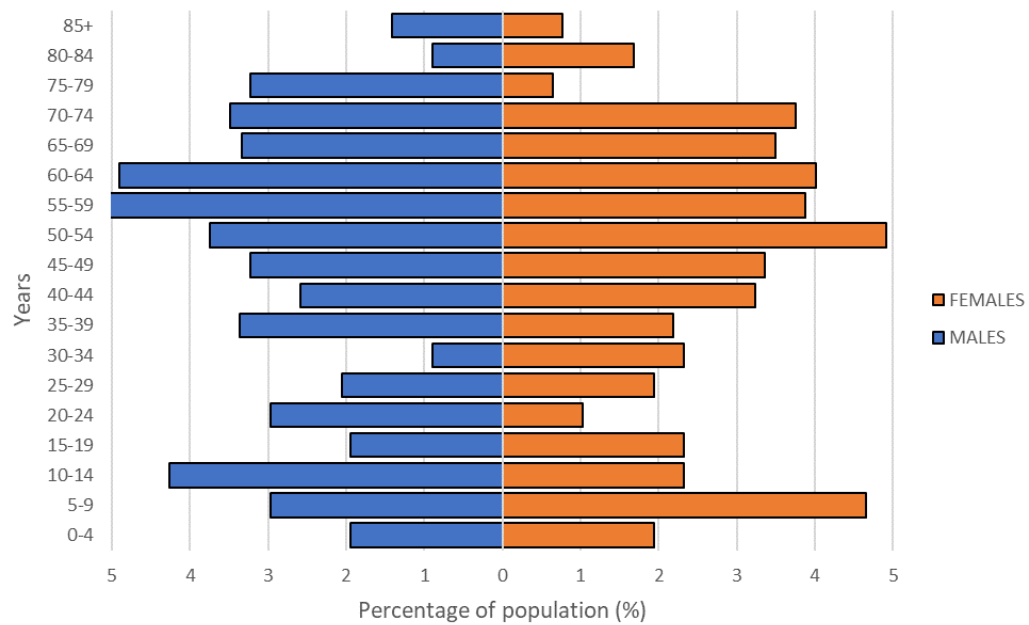
Graphs 1, 2 and 3 below show that for the population groups between 15-40, particularly in the Shire of Wagin and West Arthur, are underrepresented. This may reflect a demographic trend often observed in regional locations, where younger cohorts leave to seek education and employment opportunities in metropolitan cities following the completion school based education. The Shire of Williams shows a spike in the 35-39 cohort, potentially reflecting a drive-in drive out workforce from Perth and the Boddington mine site.

Graph 1: Wagin - Demographic mix by age and gender 2021 Census

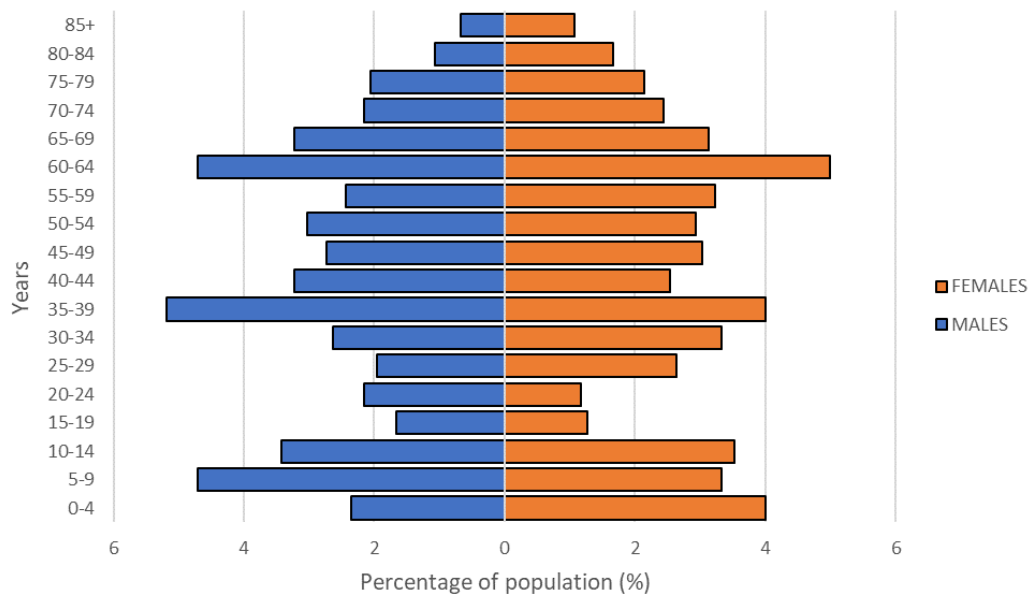


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Graph 2: West Arthur - Demographic mix by age and gender 2021 Census



Graph 3: Williams - Demographic mix by age and gender 2021 Census



CONTENTS

Occupation and income profile

The 2021 Census data indicates that across the Shires 1,695 people were employed in the labour force. Of these 58% were employed full time and 30% were employed part-time, meanwhile 3% were unemployed. Of those people in the workforce, 16% worked in “Grain-Sheep or Grain-Beef Cattle Farming”. Other major industries of employment included “Other Grain Growing”, “Primary Education”, “Local Government Administration” and “Sheep Farming (Specialised)”.

The median weekly personal income averaged across the Shires for people aged 15 years and over was \$835. This is slightly less than the Western Australian average of \$848 per week. However, when broken down between each shire, Williams stood out with a median weekly income of \$1,015 compared to Wagin and West Arthur with \$686 and \$804 respectively.

Local Aboriginal community profile

According to the ABS, Aboriginal and/or Torres Strait Islander people made up 2.7% of the population across the Shires in 2021. This is slightly less than the Western Australian representation of 3.3%, and the Australia-wide proportion of 3.2%. The ABS data indicates that the majority of First Nations People live in the primary townsites, except for West Arthur which sees some dispersal of the Aboriginal and/or Torres Strait Islander community.

Strategy Implications

The Shires would benefit from putting strategies in place to stem population outflow. Maintaining and growing the working age population base, particularly those aged between 15 and 40, shall be critical to maintaining vibrant and economically stable towns and communities. Meanwhile, with an aging population, the provision of suitable housing, health and community services will be vital into the future.

2.3.2 Dwelling supply/dwelling yield analysis

Table 14 below provides a supply and demand analysis for housing in each Shire. It indicates that, if fully occupied, there is sufficient existing dwelling supply to cater for population change over the life of the Strategy.

Table 14: Existing dwelling supply and demand over life of Strategy

| Local Government | No. dwellings as of 2021 Census | No. dwellings required to house 2039 population (based on 2.5 people per dwelling) | Excess/(shortfall) in supply |
|------------------|---------------------------------|--|------------------------------|
| Wagin | 808 | 685 | 123 |
| West Arthur | 333 | 299 | 34 |
| Williams | 452 | 416 | 36 |
| Total | 1,593 | 1,400 | 193 |

Notwithstanding, it must be acknowledged that the Census data confirms significant underutilisation of the existing housing stock. The statistics show that 15% of dwellings in the Shire of Wagin are unoccupied, 12% were unoccupied in West Arthur, while approximately 20% of all dwellings in Williams were vacant. As a point of comparison, 11% of all dwellings across Western Australia were unoccupied on census night.

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The underutilisation of the existing housing stock is a complex issue, and does not necessarily reflect the true housing needs of each local government. Providing housing to support community growth and economic sustainability remains critical. Research commissioned by the 4WDL alliance shows significant unmet demand for accommodation to support lone, small, and aged households, with 'key workers' housing in critical need.

Dwelling yield analysis

There is adequate zoned residential land available to meet the needs of the Strategy area should there be demand resulting from population growth. The maximum potential dwelling yield, assuming no development constraints, is estimated as follows:

| | |
|--------------------|---|
| <u>Wagin</u> | The Shire of Wagin has more than 460,000m ² of zoned Residential land available for development. Coded R17.5, this land could provide for an estimated 650 additional residential land parcels. |
| <u>Williams</u> | The Shire of Williams is estimated to have zoned Residential land available to provide over 300 additional land parcels. Historic planning for much of this land has occurred through the Lots 51 and 52 Eddington Road, Williams and Lot 12070 Albany Highway, Williams Outline Development Plans. |
| <u>West Arthur</u> | Lot 309 Burrowes Street West in Darkan is the main residential land parcel available for development in the Shire of West Arthur. Historic subdivision approval provided for the creation of an additional 28 lots on this site. |

Strategy Implications

The above analysis suggests there is sufficient existing dwelling supply to cater for current local population needs. If all dwellings in the Strategy Area were available and habitable, it is feasible that there would be a suitable supply of housing for the life of the Strategy, with an excess of 193 dwellings providing for an additional 480 residents.

However, assuming a continued average rate of underutilisation across all three Shires of 15%, there is an estimated potential dwelling supply shortfall of 46 dwellings in 2039. Underutilisation of the existing housing stock is common across regional localities, with 21% of dwellings outside of Perth metropolitan area unoccupied during the 2021 Census. The likely reasons for this are varied, and will be different from locality to locality, but may reflect the transient nature of some regional workforces and dwelling occupiers; the reallocation of dwellings from the long-term rental market to short-stay accommodation; or a dwelling stock which is no longer suitable for habitation (eg. abandoned farm dwellings).

Market failure to provide adequate housing is an issue impacting much of the Wheatbelt, with many towns having factors that compound to discourage investment in the existing housing stock to ensure it remains of a standard suitable for habitation. For the Shires of Wagin, West Arthur and Williams, the local planning framework should seek to continue to encourage the development of townsites with high levels of amenity to encourage continued investment in the existing dwelling stock.

Meanwhile, if the existing dwelling supply is unable to meet demand, all three Shires are well placed to support the delivery of new residential land parcels. The potential estimated net dwelling gain for each local government could accommodate populations beyond that predicted under the most optimistic scenario of the WA Tomorrow forecast. Wagin's

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residential land supply could accommodate over 1,600 additional residents, while the Williams townsite could provide for more than 750 new residents. Notwithstanding, development feasibility is impacted by lower land values relative to infrastructure servicing costs, potentially constraining the delivery of new housing lots. A whole-of-government response may be necessary to address this.

The Shire of West Arthur's residential land supply is comparatively limited, though the Darkan townsite could still provide for an additional 70 residents supporting a 2039 population of 843 people, well in excess of a predicted population of 749 people. In the event there was a need to provide additional residential land supply in Darkan over the long-term, reclassification of Rural Residential zoned land fronting Moodiarrup Road to Residential could support this.

2.4 Community, urban growth and settlement

2.4.1 Housing

Housing across the three Shires comprises primarily of separate houses (95.3%). According to the 2021 Census most dwellings have 3 or more bedrooms. There are some examples of smaller built strata development, primarily to support aged and depended persons living. These have largely been developed and delivered through local government investment, with Wagin Cottage Homes Incorporated and West Arthur Cottage Homes Incorporated providing smaller scale strata developments as aged housing in both the Wagin and Darkan townsites. The Shire of Williams has also delivered units in the Williams townsite.

All three local governments recognise the need to provide housing and services to support aged and depended persons living through their Strategic Community Plans. Strategic documents prepared by the Wheatbelt Development Commission also recognise the need to provide alternative housing types to separate single houses to support the needs of various members of the community and the diversifying workforce.

Strategy Implications

Given there is already a sufficient supply of housing, and residential land, to meet the needs of new residents, strategies should be put in place to facilitate housing renewal and support alternative dwelling types which might support housing transition for ageing residents who wish to remain part of their community. Where it is available, strategies should also be put in place to encourage the continued uptake of reticulated sewer infrastructure as part of the housing renewal process.

Additionally, the planning framework should seek to ensure that workforce accommodation can be provided in townsites to support the expansion and diversification of the local economy.

2.4.2 Built form and character

Wagin townsite

Wagin's development began from the 1890s following the construction of the Great Southern Railway. The first post office and telegraph building was built in 1893 and replaced in 1912. Wagin maintains numerous examples of buildings from the early 20th century. Historic buildings in the townsite include St George's Anglican Church (1900), the former Federal Hotel (1906), Moran's Wagin Hotel (1912), the former National Bank (1912), and the Wagin

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Town Hall (1928). Most of Wagin's older architecture can be found fronting Tudhoe and Tudor Streets.

Wagin's commercial and residential areas have expanded in a grid pattern both west and east of the railway line. Residential development consists predominantly of single-story detached dwellings. Commercial development comprises both double and single-story buildings in the townsite's core. Industrial development is generally confined to the eastern side of the railway south of Tudhoe Street and includes warehouses, sheds, hardstand areas and structures for grain storage/receival.

The streetscape is generally characterised by wide road reserves with wide verges. Street trees are maintained in some verges, though a large proportion of the townsite's tree canopy is maintained within private lots. There are numerous well-maintained parks and gardens throughout the townsite.

The south-western edge of the Wagin townsite consists of predominantly rural living type development, with single houses on large land parcels.

Darkan townsite

The Darkan area was originally settled for farming 1860, with the townsite developing around the turn of the 20th Century following the Collie to Narrogin Railway being built. The townsite was gazetted in 1906. Buildings with heritage character include the Darkan Hotel (1906), the Former Darkan Road Board Office (1929), and the buildings forming the Railway Station Precinct (1908-1965).

The townsite has developed in a grid pattern immediately south of the former Collie to Narrogin Railway. The built form predominately consists of single-story houses. There is evidence of housing renewal in the townsite, with many dwellings appearing to have been built during the latter years of the 20th Century and into the early 2000s. Streets and properties are generally very well maintained and benefit from a well-established tree canopy. Land on the townsite's western edge is predominated by rural living style development.

Darkan's primary commercial area fronts Burrowes Street which supports a pedestrian friendly environment, though it's separation from Coalfields Road, may impact the town's ability to capture passing trade. Land for commercial purposes is also located on the northern side of Coalfields Road but, aside from the Darkan Hotel and a service station, is largely underutilised.

Two separate locations support industrial development. One at the south-eastern corner of the townsite, and another located north east on Growden Place effectively fronting the former Collie to Narrogin Railway. The small industrial area attached to the townsite contains some small warehouse/workshops and the Shire depot, though much of the land appears underutilised. The area north east of town contains larger sites more practical for contemporary industry. The most significant development in this area includes CBH's grain facility, earmarked to provide surge storage overtime, and some larger warehouse/workshops.

Williams townsite

The development of Williams occurred around the time of the construction of the Albany Highway in the 1850s to connect Perth with the Albany settlement at King George Sound. Williams became a stopping point for passengers and the changing of horses, with the Williams Road Board convened in 1877. Due to flooding much of the early townsite was relocated to the northern bank of the Williams River circa 1905. Buildings with historic character include the Williams Hotel (1912), the Williams Post Office (1923), and the General Store on Brooking Street (1910).

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The townsite has expanded in a grid pattern predominantly on the northern side of the Williams River. Built form is typically characterised by single-story buildings, including separate houses and small commercial premises. The majority of structures have been constructed in the 20th and 21st Centuries. Streetscapes are characterised by wide roads with footpaths. The townsite's tree canopy is generally within private properties. Rural living land uses are located both on the western and eastern edges of town.

Williams' commercial land generally fronts Albany Highway, with a small pocket also on Brooking Street. While not conducive to supporting a pleasant pedestrian environment, Albany Highway benefits commercial business through visibility to capture passing trade.

Industrial land uses have historically occurred on land fronting Narrogin Road and Richmond Street. The largest site capable of being used for industry supports a disused grain storage facility. The remaining industrial land in this area is typically characterised by small lots which are not conducive to industrial uses, while two larger vacant sites exist within what was a historic railway reserve. The Shire and Development WA are delivering new land suitable for contemporary industrial uses south of the Williams townsite adjacent Narrogin Road and Albany Highway.

Other townsites

The primary settlements of Wagin, Darkan and Williams contain most of the Strategy Area's population. However, there are several other gazetted townsites scattered throughout the Shires, particularly in the Shire of West Arthur.

In Wagin, aside from the main townsite, there is the sparsely inhabited townsite of Piesseville, largely consisting of several rural lifestyle lots and three privately owned small rural lots. Other than some land for public purposes, there is very little public infrastructure in the townsite.

West Arthur contains the bulk of the small rural townsites, though only three are inhabited. Bowelling, 20 kilometres west of Darkan, contains five privately owned residential lots, several rural living lots, and land for public purposes. Moodiarrup, 30 kilometres south of Darkan, has a single uninhabited privately owned residential land parcel, three commercial land parcels, and land for public purpose and open space. Arthur River, while not a gazetted townsite, acts as a node for the surrounding rural community with a hall, roadhouse and several heritage buildings present.

Duranillin, 20 kilometres south of Darkan, is the largest of the Shire of West Arthur's small rural townsites. It consists of 17 private residential lots, nine commercial lots with general store, several lots for public purpose, and many large rural living land parcels.

The Shire of Williams oversees the small townsite of Quindanning, consisting of six private residential lots and several land parcels reserved for public purposes. The Quindanning Hotel is a popular landmark for people travelling the back roads from Perth.

Strategy Implications

All three Shires identify the need to provide for a built environment which prioritises a high standard of amenity to the public realm. The built environment, particularly in commercial spaces, should be people focused and support economic vibrancy. The role of green infrastructure (such as park and public open space networks, street trees, and naturally responsive drainage systems) shall also increasingly play an important part in ensuring the primary townsites remain liveable and help to mitigate the heat effects from climate change.

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Meanwhile, the Wheatbelt Development Commission recognises the importance of providing a diversity of retail trade options to maintaining townsites populations. It further recognises that *"retail viability and sustainability can be enhanced through improvements to local public realm amenity"*.

In light of the above, each shires planning framework should endeavour to maintain and enhance the local streetscape, pedestrian amenity and public spaces for its primary townsites. This includes, particularly in Wagin's case, maintaining and enhancing heritage assets, along with being flexible in considering their adaptive reuse. Open space and the increased provision of vegetation in townsites should be championed through the local planning framework, with investment in green infrastructure seen as critical to promoting climate-resilience and improving local sense of place.

2.4.3 South West Native Title Settlement Agreement

The South West Native Title Settlement brings together six Indigenous land use agreements (ILUA) negotiated between the Noongar people and the WA Government. The Settlement commenced on 25 February 2021 and shall, among other things, provide for the creation of the Noongar Land Estate and the recognition, in statute, of the Noongar peoples as the Traditional Owners of the South West Region of WA.

The State has entered into agreements with the Noongar people under *Land Administration (South West Native Title Settlement) Act 2016* for the settlement of all claims by the Noongar people in pending and future applications under the *Native Title Act 1993* (Commonwealth). Compensation to the Noongar people is in the form of the South West Native Settlement land base strategy for the allocation of a selection of unallocated Crown land (not subject to a lease to a third party), unmanaged Crown reserves and Aboriginal Lands Trust properties.

The eastern part of the Shire of Wagin, including the area containing the town of Wagin, is subject to the Ballardong ILUA, with the remainder of the Shire falling under the Gnaala Karla Booja and Wagyl Kaip ILUA. The Shires of West Arthur and Williams are subject to the Gnaala Karla Booja ILUA.

The Noongar Boodja Trust has been established with the responsibility of managing the Noongar Land Estate. The Noongar Land Estate will initially comprise up to 300,000 hectares of land allocated as reserve or leasehold, along with an additional 20,000 hectares allocated as freehold for cultural or economic development use, which includes housing. The Trust will own and manage freehold land like any other private land owner, and be subject to the statutory planning laws and processes relating to rezoning, structure planning, subdivision and development. Where land is allocated for development purposes this shall occur in consultation with the Noongar Regional Corporations and an investment committee, in a manner that will generate financial benefits for the Noongar Boodja Trust Future Fund.

Strategy Implications

The Noongar Land Estate shall provide for the release of Crown land for both cultural and development pursuits by the Traditional Owners. The allocation to the Estate of underutilised Crown land in key townsites, in particular Williams and Wagin, and possibly the smaller settlements of Quindanning, Bowelling, Moodiarrup and Duranillin, may present opportunities for partnership between the local government and the Noongar Boodja Trust for housing and tourism. Darkan contains a few unallocated Crown land lots, though these are somewhat constrained by the presence of remnant vegetation and, in some cases, function as a land use buffer and public recreation area.

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Where appropriate, the planning framework should provide flexibility to realise a diverse range of development outcomes to support the highest and best use of land allocated to the Noongar Land Estate.

2.4.4 Cultural Heritage

Aboriginal Heritage

Land within the Shire of Wagin is part of Wilman Noongar boodja country, while land within the Shires of West Arthur and Williams is part of Wilman and Kaneang Noongar boodja country. The Wilman and Kaneang people have cared for and lived in the region for more than 45,000 years.

There are many sites within the respective Shires which have cultural heritage value as shown on Figure 5 - Heritage Map. The registered sites of cultural heritage significance to Aboriginal people for the respective Shires as of October 2023 are:

Wagin

- Lake Dumbleyung - Registered site no. 5836;
- Puntapin Rock - Registered site no. 35759;
- Lake Wagin - Registered site no. 4481;
- Lake Parkeyerring - Registered site no. 5834;
- Arthur River - Registered site no. 37754;
- Dead Man's Gnamma Hole - Registered site no. 5692;
- Dellyanine Siding – Registered site no. 5691;
- Bellyanine Siding – Registered site no. 5694.

West Arthur

- Arthur River and Carperdine Pool (3 sites) - Registered sites no. 37754, 5690 and 16886;
- Arthur River/Watkins Farm – Registered site no. 5828;
- Arthur River Inn – Registered site no. 4609;
- Kylie Siding – Registered site no. 5719;
- East Arthur cluster/Old Homestead/Wagin Spring (8 sites) - Registered site no. 5719, 5720, 5703, 5704, 5827, 5829 and 5830;
- Duranillin cluster (3 sites) - Registered sites no. 4538, 4539 and 16002;
- Towerrinning Lake – Registered site no. 964;
- Blackwood River and tributaries – Registered site no. 20434;
- Wild Horse Swamp cluster (2 sites) – Registered site no. 4625 and 4626;
- Haddleton tree – Registered site no. 4623;
- Collie River Waugal and tributaries – Registered site no. 16713;

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- Lake Ngartiminny – Registered site no. 18681;
- Griffin coal mining lease 7 – Registered site no. 5308;
- Lily Pool Camp - Registered site no. 4577;
- South of Bowelling cluster (3 sites) - Registered site no. 39049 and 39050;
- Lover's Hill (Bowelling) - Registered site no. 35976
- Bowelling Camp Area - Registered site no. 4576
- Varis Road Scarred Tree - Registered site no. 4574
- Ironstone Rock Hole - Registered site no. 4575;
- Black Wattle - Registered site no. 4501.

Williams

- Dryandra National Park (portion of R53976) - Registered site no. 3273;
- Hotham River and tributaries - Registered site no. 27935;
- Fourteen Mile Brook Gravesite - Registered site no. 29167;
- Williams Reserve No.18042 - Registered site no. 4424;
- Axel Grease Reserve No.1791 - Registered site no.500;
- Batalling Lizard trap - Registered site no. 4573;
- Kangaroo Print Pool (Jennamarta) cluster (2 sites) - Registered site no. 30064;
- Koolakin Burials - Registered site no. 4648;
- Albany Highway – Marradong Road One - Registered site no.18555.

Strategy Implications

There is a possibility that additional sites of Aboriginal heritage significance will be identified within the Shires upon the completion of heritage surveys undertaken by the State Government over the next ten years. Land use and development must occur in accordance with State law which protects registered Aboriginal heritage places. As of November 2023 the *Aboriginal Heritage Act 1972* (AH Act) applies in the protection of Aboriginal Cultural Heritage.

The AH Act's proposed primary purpose, as it relates to land use planning, is *"to make provision for the preservation of places and objects customarily used by or traditional to the original inhabitants of Australia or their descendants, or associated therewith, and for other incidental purposes incidental thereto."*

Historic Heritage

The State's heritage database contains records for 92 heritage places in the Shire of Wagin, 60 heritage places in the Shire of West Arthur and 322 places in the Shire of Williams as of October 2023. Most of these sites are in and around the main townsites. The places with the highest heritage value are listed on the State Register of Heritage Places (see Figure 5 - Heritage Map), while other sites may be under assessment by the Heritage Council of WA for entry to the State Register.

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Places on the State Register of Heritage Places for the respective Shires as of October 2023 are:

Wagin

- ABC Transmission Station, Minding (c.1936) - Heritage place no. 2649
- Federal Hotel, Wagin (c. 1896) - Heritage place no. 2630;
- Wagin Post Office (c. 1913) - Heritage place no. 2640;
- Moran's Wagin Hotel (c. 1904) - Heritage place no. 2637;
- Wagin Town Hall (c.1896) - Heritage place no. 2642;
- Hitching Post, Wagin (c.1904) - Heritage place no. 2636;
- National Bank (c.1904) - Heritage place no. 2638;
- Butterick's Building, Wagin (c.1906) - Heritage place no. 2634.

West Arthur

- Old Tillellan's (Piesse's) Shearing Quarters (c. 1912) - Heritage place no. 23459;
- Old Tillellan's (Piesse's) Shearing Shed (c. 1912) - Heritage place no. 23458;
- "The Arthur" Wool Shed Group (Old Tillellan's and Piesse's Shearing Shed and Quarters (c. 1910) - Heritage place no. 8804.

Williams

- Quindanning Hotel (c.1908) Heritage Place no.16215;
- Sherry's House and Wayside Inn site (c.1926), Quindanning Hotel - Heritage Place no. 2739.

Strategy Implications

The deemed provisions for Local Planning Schemes of the *Planning and Development (Local Planning Schemes) Regulations 2015* require local governments to establish and maintain a Heritage List and for applications for development approval to have due regard to places of cultural heritage significance. All places on the State Register should be placed on each shires Heritage List, though heritage lists may identify other places within the Scheme area that are considered of cultural heritage significance and worthy of built heritage conservation.

The Shire of Wagin adopted a Heritage list in 2018 and has undertaken a review through a Local Heritage Survey in July 2023. The Shire of West Arthur completed a Local Heritage Survey in 2022 and has adopted a Heritage List.

The Shire of Williams has prepared a Municipal Heritage Inventory on 30 June 2000. The Shire will be required to initiate preparation of a Heritage List following review of its heritage inventory and publish the list in accordance with the requirements of the Deemed Provisions.

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2.4.5 Rural land use

General

The Strategy Area encompasses over 709,000 hectares of land, more than 90% of which is zoned for rural land uses. The Strategy Area's agricultural base broadly lies in the ongoing use of rural land for agriculture - extensive land uses (broadacre livestock and grain growing), while growth in agriculture - intensive uses is also being observed. The economic success of these forms of agriculture broadly rely on economies of scale and therefore contemporary planning seeks to limit the creation of new rural lots through ad hoc, unplanned subdivision; and avoid and minimise land use conflicts.

It is also recognised that rural zones should be seen as flexible and able to accommodate a wide range of land uses that may support primary production, regional facilities, environmental protection and cultural pursuits. Accordingly, other land uses which may be contemplated include those relating to rural industry, tourism, forestry, mining, renewable energy generation and environmental asset management.

Strategy Implications

The purpose of the rural zoning is to provide for the sustainable use of rural land which primarily accommodates a range of rural pursuits compatible with the capability of the land and which retains the rural character and amenity of the locality within each Shire.

The ad hoc fragmentation of rural land is generally discouraged because it risks the introduction of additional sensitive land uses. Rural land fragmentation undermines the ability to sustain changing agricultural and other rural land uses, while also inhibiting potential future growth and development. SPP 2.5 and DC 3.4 establish the circumstances in which rural subdivision may be supported. The Shires of Wagin, West Arthur and Williams will not encourage or support the further subdivision of agricultural land, except for where it meets the exceptional circumstances outlined by DC 3.4.

Each shires planning framework should continue to prioritise rural land for rural land use by limiting the introduction of sensitive land uses. Alternative land uses, including rural industry, forestry and renewable energy proposals, should be carefully considered to ensure that high quality rural land is not removed from the agricultural estate. However, providing some flexibility for the use of rural land will be important to supporting business diversification where appropriate and beneficial to the economy.

Shire of Wagin

The Shire of Wagin is characterised by expansive areas of rural land used for extensive agriculture. It comprises 190,303 hectares of agricultural land, making up 97% of the total local government area. These areas are interspersed with lakes, scattered nature reserves, a small quantity of timber reserves, and areas for recreation.

The Shire's Rural zoned land parcels range in size, with the largest lots being around 1,000 hectares, while the majority are in the low hundreds of hectares. Smaller lots, some as low as 1.2 hectares, are also scattered throughout the rural area. The smallest rural land parcels, which are generally found surrounding the Wagin townsite, effectively act as rural lifestyle and provide a buffer between residential land uses and larger scale agricultural production.

Rural lots may be held individually or as a group comprising a farming operation or property. In Wagin, the primary land uses on Rural land include broad scale cropping and grazing, along with other primary production activities. Other uses can include basic raw material

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extraction and exploration, conservation reserves, national parks, essential service infrastructure and unutilised Crown land.

The Shire of Wagin Local Planning Scheme No. 2 outlines objectives which support land use in the Rural zone *"predominantly for agricultural, single residential and public recreation uses"*. Land uses contemplated by the Scheme include:

- Agriculture Extensive;
- Agriculture Intensive;
- Animal Establishment;
- Animal Husbandry;
- Industry - Primary Production;
- Rural Pursuit.

Strategy Implications

Livestock and grain growing is likely to continue to underpin Wagin's economy and remain the predominate rural land use. Like most agricultural operations, these land uses benefit from large land parcel sizes supporting operations leveraging economies of scale. Accordingly, the planning framework should seek to preserve large rural land parcels, only allowing for subdivision where provided by State Planning Policy and in particular where it meets the exceptional circumstances outlined by Development Control Policy 3.4 - Subdivision of rural land.

The suburban to rural interface in the Wagin townsite may risk future land use conflict between residential use and land uses supporting rural production. Establishing Rural Residential and/or a Rural Smallholdings zones over those smaller land parcels, which are predominantly located north and south of the townsite, may assist to prevent this and support opportunities for the diversification of land use on smaller lots.

Similarly, in Piesseville there are several small rural land parcels which might benefit from an alternative land use classification. Those privately owned lots fronting Great Southern Highway could be better served with a zoning of Rural Townsite, as this would allow for a broader mix of land uses while continuing to manage the rural interface. Given the limited residential uptake, surrounding lots between 1-5 hectares in area would likely benefit from maintaining a Rural zoning.

Flexibility in the Rural zone may also be required so that Workforce Accommodation land uses can be contemplated to support rural industry.

Shire of West Arthur

More than 80% of the Shire of West Arthur's land area is dedicated to rural land uses with the remainder of the area allocated for State Forest and Conservation purposes. Rural zoned land parcels vary in size with the largest productive parcels often more than 1,000 hectares. Smaller landholdings, less than 40 hectares, are common and scattered throughout the Shire. The higher frequency of smaller land parcels may owe to the Shire benefiting from higher than average annual rainfall when compared to the wider Wheatbelt Region. These conditions mean higher produce yields per hectare of land can be supported.

Like Wagin, livestock and grain growing are the predominant rural activities. For West Arthur the Wheatbelt Development Commission sees opportunities for a broadening of the

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agricultural sector to include increased horticulture and downstream processing of agricultural products.

The Shire of West Arthur Local Planning Scheme No. 2 outlines objectives which support the continuation of broad-hectare agriculture as the principal land use, while also encouraging diversification of farming activities where existing rural character and amenity can be retained. It also contemplates tourism and other non-rural uses where these can be shown to be of benefit to the district and not detrimental to natural resources or the environment. Land uses provided for in the Rural zone include:

- Agriculture Extensive;
- Agriculture Intensive;
- Agroforestry/Plantation (tree farm);
- Industry - Rural;
- Rural Pursuit.

The Scheme also contemplates various forms of accommodation and short-stay land uses within the Rural zone. These uses are intended to support the development of the tourism economy. Land uses to support the rural workforce are also evident, including the Residential Building and Workers Accommodation uses.

Strategy Implications

The Shire's Scheme contemplates the subdivision of rural land in a manner that is broadly consistent with the principles established under State Planning Policy. Some variation is made for Agriculture - Intensive land uses and homestead lots. The planning framework should seek to limit the subdivision of Rural zoned land consistent with the exceptional circumstances outlined by Development Control Policy 3.4 - Subdivision of rural land.

West Arthur is bound to the west by significant areas of State Forrest and Timber Reserve. In 2021, the WA Government made the decision to end native forest logging. A transition plan is in place to support workers and businesses impacted by this decision which, among other things, supports a shift to alternate business models. Softwood timber plantations are seen as a growth industry given these changes. The planning framework should continue to provide opportunities for forestry industry transition, however this should be managed appropriately with development requirements specified to address matters including vermin management, fire management, fencing, heavy vehicle road access and contributions towards road upgrades, etc.

The planning framework should continue to support the flexible use of rural land where it does not undermine agricultural operations, natural resources or visual landscape values. Opportunities to encourage growth in tourism should be supported, including providing for small scale tourism operations, on-site produce retail and short-term rental accommodation. The continued diversification of agricultural activities should also be encouraged noting the Shire's locational advantage which may support new rural industries and intensive agriculture pursuits including viticulture.

Shire of Williams

Williams, like Wagin and West Arthur, is largely characterised by extensive areas of land utilised for agriculture. Over 90% of the Shire's land area is zoned Rural, though in western areas as much as 40,000 hectares of this land is allocated for State Forrest and the maintenance of the water catchment.

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Rural land parcels for agricultural use range in size from less than a hectare in and around the Williams townsite, up to almost 4,000 hectares. Rural areas predominantly provide for livestock and grain growing based agriculture. Also present are established pistachio and citrus growing operations, with Williams providing as much as one-fifth of the State's pistachio production.

The Shire of Williams Local Planning Scheme No. 2 does not outline specific objectives for the use and development of land in the Rural zone. Notwithstanding, the Scheme does set out controls to limit the fragmentation of rural land. Land uses contemplated by the Scheme in the Rural zone include:

- Industry - Rural;
- Rural Pursuit;
- holiday cabins or chalets (holiday accommodation).

Strategy Implications

Like Wagin and West Arthur, livestock and grain growing are anticipated to continue to underpin the Williams economy. Accordingly, and in the interest of maintaining land parcels which benefit from economies of scale, the planning framework should continue to limit the subdivision of Rural zoned land. Furthermore, land use controls should support measures which seek to limit the introduction of incompatible land uses which might limit primary production operations.

Williams' significant exposure to livestock agriculture, along with its convenient location on Albany Highway, supports investigating opportunities for diversification into downstream processing of meat products. To support this the Shire's planning framework should provide opportunities for these land uses to be contemplated.

The Wheatbelt Development Commission recognising opportunities for growth in boutique horticulture industries such as viticulture. Therefore, the planning framework should continue to support horticulture, while also allowing for further diversification into other intensive agriculture industry.

2.4.6 Public open space and community facilities

Community facilities and public open spaces are public places where members of the community gather for recreation, educational, artistic, social or cultural activities. These places are critical to the social fabric of all communities, and particularly important to maintaining vibrant regional communities.

Other community facilities of importance to the public are those which support emergency services and healthcare.

The Shires of Wagin, West Arthur and Williams manage and maintain numerous public open space and community facilities, including:

Shire of Wagin

The Wagin townsite supports most of the Shire's community facilities, except for two remote fire and rescue stations at Piesseville and Wedgecarrup (about 15km away). A summary of key community and recreational facilities and services is as follows:

- Wagin Police Station

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- Wagin District Hospital
- Wagin Airport (includes Royal Flying Doctors service)
- Wagin District High School (Kindergarten to Year 10)
- Wagin Shire Administration Office
- Wagin Library and Art Gallery
- Wagin Community Resource Centre
- Wagin Sports Ground and Recreation Centre
- Wagin Swimming Pool
- Wagin Golf Course
- Wagin fire and rescue station
- Wagin Cemetery
- Wagin Sub Centre – St Johns Ambulance Depot
- Childcare Centre (1 Johnston Street, Wagin)
- Wagin Town Hall
- Wagin Post Office
- Other recreational facilities (skatepark, equestrian, kart racing, shooting range)
- Churches (Anglican, Catholic, Baptist, Uniting and Vineyard Christian Fellowship)

While Wagin is one of the largest towns in the Wheatbelt South Sub-region the nearby larger towns of Narrogin and Katanning provide a higher level of community facilities and services, such as:

- Magistrate Courthouses
- Educational services post Year 10 – i.e. senior High school and Technical and Further Education (TAFE) and Agricultural College

Shire of West Arthur

Most community facilities in the Shire of West Arthur are located within and around the main town of Darkan. Other parts of the Shire, including the settlements at Duranillin and Arthur River, consist of two fire and rescue stations, three halls, a church and two recreation facilities.

The range of community facilities in Darkan likely reflects the Shire's positioning and the spread of its community. While most of the Shire is within 30 kilometres of Darkan, some areas are easier serviced by the Collie, Kojonup, Boyup Brook, and Wagin townsites.

A summary of key community and recreation facilities in Darkan is as follows:

- West Arthur Administration Office
- Darkan Primary School
- Darkan Sports and Community Centre
- Darkan Swimming Pool

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- Darkan Fire and Rescue Station
- West Arthur Community Resource Centre
- Darkan Post Office
- Darkan Hall
- Darkan Skate Park and Nature Play area
- Darkan Health and Resource centre
- St John Sub-Centre Station
- Churches (Uniting, Catholic)
- Darkan cemetery

Shire of Williams

The Shire of Williams provides most of its community facilities in the Williams townsite. There is a hall, sports oval and tennis club at Tarwonga (20km to the south) and a community hall at Quindanning (25km to the west). While most of the Shire is within 25km of Williams townsite, the range of community facilities like reflects the distribution of the Shire's population which in some cases is closer, and therefore seeks out services, in the larger towns of Narrogin and Boddington.

Quindanning is approximately halfway between Boddington and Williams. Interestingly, the Quindanning fire and rescue station and equestrian racecourse is located in the Shire of Boddington.

Educational services in the Shire of Williams is a prime example of community facilities being limited by its smaller population as schooling beyond Year 6 is catered for in Narrogin.

A summary of key community and recreation facilities in Williams is as follows:

- Williams Health Centre
- Williams Primary School
- Williams Police Station
- Childcare Centre (1 Growse Street)
- Williams Fire and Rescue Service Station
- Shire of Williams Administration Office
- Williams District Hall
- Williams Community Resource Centre
- Williams Recreation Centre and Swimming Pool
- Williams Post Office
- Churches (Anglican)
- Williams Cemetery

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Strategy Implications

The Shires of Wagin, West Arthur and Williams each have a solid base of community and recreational facilities relative to the needs of their respective local population. The 10 year Strategic Community Plans of each Shire considers retaining and maintaining existing facilities as essential to supporting communities.

In each Shire, most of the population is within 25-30 kilometres of the main townsites. While larger centres in adjoining local government areas will continue to provide a draw for certain services, particularly education, each Shire will continue to support and maintain services to address the primary needs of the community.

Meanwhile, to attract new residents, all three Shires aspire to expand the range of community services and facilities provided by the primary townsites, including those relating to health, education, and recreation.

Strategic matters of importance to each local government relevant to land use planning for community facilities and public open space include:

- Providing aged care services and facilities to meet the needs of an aging population, including housing, medical and health services;
- Supporting youth services and facilities, in particular recreational facilities and places for youth activities (e.g. public spaces);
- Upgrading existing recreation centres and infrastructure (e.g. wider range of recreational facilities, local park upgrades, more bike and walk trails);
- Maintaining cultural and entertainment facilities, particularly those with synergies to tourism, events and Shire history (e.g. Maradong Country, Wagin Woolarama, astrotourism, wildflowers at nature reserves, silo artwork);
- Main street and town entrance upgrades to continue to improve amenity and sense of place and connection to the community; and
- Supporting the delivery of childcare, social services, community housing, and other community services crucial to maintaining liveable primary townsites.

2.4.7 Hazards

Fire

Significant portions of the Strategy Area have been designated as being bushfire prone by the State's Fire and Emergency Services Commissioner under the *Fire and Emergency Services Act 1998*, as shown by Figure 6 - Hazards Map. The designation of an area as bushfire prone reflects the potential for bushfire to affect that site and acts as a mechanism for initiating further assessment in the planning and building processes.

Bushfire prone areas are generally heavily vegetated, with the most prominent examples in the Strategy Area being those portions of State Forest in the western parts of the Shires of West Arthur and Williams. Other at risk areas include vegetated land around the Arthur and Williams Rivers and their tributaries, along with portions of farming properties where landowners have retained or planted vegetation.

Bushfire prone land in the Williams townsite is mostly located on higher ground to the east and along the banks of the Williams River. In Wagin at risk land is predominantly concentrated in the south on land surrounding Wagin Lake, while the north of the townsite is also largely bushfire prone with small vegetated rural properties and reserves. In Darkan the

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vegetated reserve fronting Gibbs Street and the land comprising the golf course presents the main bushfire risk to the townsite's residential population. Meanwhile, much of Duranillin is surrounded by bushfire prone land particularly east along Darkan Road South.

Strategy Implications

The local planning framework for Wagin, West Arthur and Williams should promote subdivision and development outcomes which avoid areas of bushfire risk. Where it is unavoidable, measures to manage bushfire risk should achieve a balance between environmental conservation, biodiversity management and landscape amenity, with consideration of the potential impacts of climate change.

All subdivision and development proposals are required to comply with the requirements of SPP 3.7.

Flood

Flooding along a river or stream occurs when sufficiently heavy or prolonged rainfall produces runoff which overflows the banks of the watercourse. Flood problems can arise where settlement has taken place in flood prone areas along rivers and adjacent low-lying lakes and wetlands. Historically, these areas have been favoured because they provided sources of fresh water, food, means of transportation and waste disposal.

The Williams River, which runs through the Williams townsite, has historically experienced some flooding. The Williams River forms part of the Murray River catchment which has recorded 7 year average recurrence interval (ARI) flood events in 1982 and 1996. In 2017 rain caused flooding which impacted the use of Albany Highway at the Williams River Bridge crossing.

In Wagin, land surrounding Wagin Lake and parts of its catchment are recorded as having an elevated flood risk. Land in the Wagin townsite is deemed to be at risk during a 100 year ARI flood event. Figure 6 shows that the area broadly south of the Wagin Shire Sportsground, between Tudor and Unicorn Streets, draining to Wagin Lake could experience flooding in a significant rainfall event. Parts of Wagin's industrial area, along with land east and south east of the Wagin Airport, are also at risk.

West Arthur's settlements are less affected by flood risk, though with several significant water features including Arthur River and Towerrinning Lake, landowners and residents could still be impacted by localised flooding.

Strategy Implications

There is broad consensus among scientists that while overall winter rainfall may reduce, extreme rainfall events which can result in flooding will become more frequent because of the changing global climate. This may have future implications for strategies which seek to increase development in settlement areas.

Land use intensification in locations which may be impacted by flooding should be carefully considered. In locations where there is an elevated flood risk, local planning schemes and development proposals should identify flood prone areas and ensure that development does not occur within a defined floodway.

The broader planning framework should enable appropriate development where it occurs outside of floodway areas consistent with the intent and principles of State Planning Policies 2.9 and 3.4

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2.5 Economy and employment

2.5.1 Agriculture and rural industry

Wagin, West Arthur and Williams are well positioned to benefit from continued growth in global food demand, being in a region considered both safe and highly productive for agriculture. While climate change may impact overall rainfall in the future, the region still maintains very reliable rainfall to support agricultural output. Accordingly, grain growing and livestock agriculture, along with a growing horticulture sector, will be central to the local economy.

Traditional cropping and grazing

In 2018-2019, the most important commodities based on gross value of agricultural production to the economy of the Wheatbelt region were wheat, barley and wool. These commodities alone contributed 65 per cent of the total value of economic output from agriculture. They also form a large part of the diverse mix of crops and livestock grown in the Strategy Area.

Given the above, suitable measures which support the continued operation of traditional crop and livestock farming will remain a critical part of the planning framework for each local government.

Intensive horticulture

Intensive horticulture is a growing industry throughout the Wheatbelt, with existing operations and new opportunities present across the Strategy Area. The Shires of West Arthur and Williams, which benefit from consistent rainfall across large areas, may benefit from a growth in intensive agriculture proposals in the short term. Meanwhile, technological advancements and improvement in sustainable water management practices, could see expansion into drier parts of the Strategy Area in time.

Where sustainable water supplies can be demonstrated, the local planning framework should support the establishment of agriculture - intensive land uses. The framework should also support the development of the necessary industry-type land uses which complement intensive horticulture operations and the agriculture industry more broadly.

Strategy Implications

Planning frameworks should continue to support and provide for the growth and diversification of the agricultural industry. Rural zoned land, particularly priority agricultural land, should be identified and preserved for agricultural land use. Subdivision and development of land in the rural zone is guided by SPP 2.5, with subdivision to only be supported where the exceptional circumstances outlined by DC 3.4 apply.

Where appropriate, the planning framework should provide some flexibility in land use for rural land to support diversification of the local economy including rural industry, forestry and tourism. As an example, in some circumstances small scale tourism related land uses may be appropriate including a range of short-stay accommodation types; art galleries; cafes and restaurants; farm shops and micro-breweries.

2.5.2 Mining and basic raw material extraction

The Strategy Area is dominated by areas with high mineral prospectivity, as is displayed on Figure 7 - Mineral Resources Map. Likely recourses include gold, tin-tantalum-lithium, and bauxite-alumina. Notwithstanding, mines in operation are currently limited to the extraction of

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basic raw materials including gravel, sand and clay resources. Until 2023 Great Southern Quarries were operating sand mines in the Shire of Wagin.

Further exploration to identify various commodities for extraction will be required if this sector is to grow in terms of output and employment opportunities. Access to basic raw materials, which are a key component of building and construction, needs to be protected from incompatible land uses in accordance with State policy.

Strategy Implications

The use of land for mining is broadly governed by the *Mining Act 1978*. The extraction of basic raw materials on private land is controlled under the *Planning and Development Act 2005*, with these operations generally appropriate on rural zoned land. Each shires planning framework should endeavour to identify and protect existing industry – extractive land uses, and known basic raw material resource areas from encroachment by sensitive land uses.

2.5.3 Industry

Industrial land uses are generally linked to the agricultural sector. CBH Group, for example, operates grain storage and transport operations on industrial land in Wagin, with sites also catering for its operations in Darkan and Williams. All three Shires cater for industrial development within the primary townships, with opportunities for expansion available to support other business sectors. Meanwhile, the Shires are also experiencing the continued emergence of the renewable energy industry. Planning for renewable energy facilities will need to consider the impacts upon the environment, natural landscape and nearby sensitive land uses.

Wagin benefits from having the largest allocation of land for industrial use, with over 90 hectares of land east of the railway line available for land uses compatible with the General Industry zone. There is a variety of land parcel sizes catering for various uses, while CBH Group and Wesfarmers' CSBP Fertiliser Depot occupy some of the larger industrial sites.

The Shire of West Arthur's industrial land allocation is confined to several small land parcels abutting the south-east corner of Darkan, and some larger lots east of town fronting Growden Place. The lots abutting town are constrained by their small size, proximity to sensitive land uses, varying topography and the presence of significant areas of vegetation. While the lack of reticulated services in Darkan is likely to limit development to dry-industry, there may still be demand for additional industrial land in the future.

The Shire of Williams benefits from having almost 60 hectares of land available for industry and service commercial uses both south and east of the Williams township. However, legacy industrial land east of the town is constrained by small land parcel sizes, the historic intrusion of sensitive land uses, and areas of vegetation resulting in bushfire hazards. The Shire is transitioning much of its industrial development to newly zoned land adjacent Albany Highway.

Strategy Implications

Given the Strategy Area's agricultural output there may be potential for the expansion of industrial operations to support related business sectors, including food processing/packaging, agricultural freight and other flow on processing and production industries. Accordingly, industrial zones should remain flexible to cater for a variety of industrial and compatible uses.

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The Shire of West Arthur's industrial land supply, while likely reflecting Darkan's context as a small service townsite on Coalfields Road, could benefit from expansion to allow for additional business growth. Land between Growden Place and Coalfields Road, including the existing grain receival site, may provide a logical location to investigate expansion. Existing industrial uses on land fronting Horwood and Arthur Streets could also be transitioned out of the townsite, freeing up this land for alternative development types such as housing.

The industrial land supply in Williams and Wagin is currently considered sufficient to meet the needs of both shires. However, those land parcels in Williams which are constrained by their small size, proximity to emissions sensitive land uses, and thick vegetation, should be classified appropriately to support their transition to more appropriate uses.

2.5.4 Tourism

The Strategy Area is conveniently located to take advantage of the domestic and international tourism market. Wagin is approximately 230 kilometres from the Perth Metropolitan Area, with Darkan 210 kilometres and Williams just 170 kilometres from the City. This puts the main settlements of each Shire within at least two-and-a-half-hour drive from the Perth Central Business District and the Airport. With easy access, there are various features and attractions present in the Strategy Area which can be leveraged to grow the tourism economy. Many vehicles also use Albany Highway travelling between Perth and the Great Southern region, with Williams a key stopping point as the first main settlement on the highway from Perth.

The natural environment and agricultural landscape provide a variety of scenic vistas and driving routes to attract day trippers from Perth and those on longer journeys, with bird watching and bushwalking (dryandra woodlands, wildflower trails) some of the many activities available in this context. Meanwhile, Lake Towerrinning is a semi-freshwater lake with clean sandy beaches which attracts many to the Shire of West Arthur's southern locality near Duranillin, while the natural lakes and river areas around Wagin and Williams also opportunities for nature based activities.

Local heritage precincts are another attractor, with the Wagin townsite and Historical Village Museum, Arthur River Historic Precinct and Williams Heritage Trail to Quindanning being prominent examples. Tudhoe and Tudor Streets in Wagin are an example of streetscapes with some of the Wheatbelt's more intact heritage outlooks, while Wagin also has one of the Wheatbelt's more unique attractions being 'Bart' the Giant Ram.

Various annual events occur in the Strategy Area attracting a variety of visitors. One of the largest is the Wagin Agricultural Show, Woolorama, showcasing local produce, gourmet food, art, shearing displays, sheepdog trials, and a variety of other displays. Meanwhile, Lake Towerrinning has hosted boat racing, as part of the Australian Power Boat Association's WA State Titles, and the Birdy's Backyard Ultra trail running competition.

Walking trails and astrotourism also present opportunities for the Strategy Area's tourism offerings. With low levels of artificial light pollution nights in much of the Strategy Area are perfect for astrophotography and stargazing. While nature and heritage trails provide opportunities for each Shire to leverage from becoming walking destinations, the Collie-Darkan Rail Trail being an example of a multi-user trail for walkers, horse riders and cyclists.

Providing a variety of accommodation options is critical to supporting a sustainable tourism economy. Accommodation options in the Strategy Area include nature based camping grounds; caravan parks, such as the one in Darkan; motels and traditional style hotels like the Quindanning Hotel in Quindanning and the Mitchell Hall Hotel in Wagin. Short-term

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rental accommodation also plays a small role in supplementing the tourist accommodation offering in the Strategy Area.

Strategy Implications

Each shires planning framework should provide flexible support for tourism proposals, particularly in the primary townsites of Wagin, Darkan and Williams. Meanwhile, flexibility should also be allowed to support small scale tourism offerings in Rural zones where such proposals can demonstrate that they will not conflict with agricultural land uses.

Providing a diversity of accommodation options will remain key to leveraging the Strategy Area's attractions to capture overnight tourists. Providing flexibility in the planning framework to support short-term holiday rentals will assist to grow the overnight tourism market and, noting indications of dwelling underutilisation, is unlikely to create significant pressures for permanent residential market. Improving existing caravan parks and providing for RV stopping sites will also assist to capture self-sustaining tourists, or so called 'grey nomads', which is likely to continue as a growing market.

The development of walking and cycling trails presents an interesting opportunity for all three shires to capitalise on a growing 'active tourism' industry. With numerous redundant railway reserves, there is the potential to convert these spaces into 'rail trails' for trekkers, horse riders and 'bikepackers'. Historic siding points have the potential to provide points of interest and destinations for overnight stopover points. A Strategy Area wide approach may be explored between the shires to assess the viability of developing a compressive 'rail trail' network.

2.5.5 Other business and community services

Wagin, Darkan and Williams all support substantial small business and community service offerings to their respective communities. These businesses and services are generally located at the centre of the primary townsites with corresponding Commercial zonings. Providing for the ongoing growth and prosperity of small business will be critical to ensuring the Strategy Area continues to support liveable and vibrant communities.

Strategy Implications

Each shires planning framework should support a diversity of commercial land uses within the primary townsites providing for a sustainable economic base with assured access to employment and community based services.

2.6 Environment

2.6.1 Natural areas

The Strategy Area contains several significant parcels of natural vegetation (See Figure 8 - Environment Map). The largest of these are the portions of the Muja State Forest, Harris River State Forest and Lane Poole Reserve in the Shires of West Arthur and Williams. The Gray State Forest north of Williams also contains significant areas of natural vegetation. There are numerous smaller vegetation and conservation reserves throughout the Shires.

Large areas of natural vegetation and regrowth are found on land in private ownership. Landowners, particularly farmers, play an important role in maintaining and conserving the

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natural environment in rural localities. Rural zones support the protection and sustainable management of environmental, landscape and water resource assets.

Vegetation complexes vary all over the Strategy Area, with western parts particularly, defined by forest and woodland areas of mainly Jarrah (*Eucalyptus marginata*), Marri (*Corymbia calophylla*) and Wandoo (*E. wandoo*). These areas are most common in the Shires of West Arthur and Williams. Meanwhile, eastern areas see scattered woodlands comprising York gum (*E. loxophleba*), Salmon gum (*E. salmonophloia*), wattles, casuarinas and teatrees. Low open woodlands of various acacia and banksias, along with Peppermint (*Agonis flexuosa*), Cypress pine (*Callitris glaucophylla*) and York gum.

The Department of Biodiversity, Conservation and Attractions has recorded numerous species of threatened and priority flora throughout the Strategy Area. The primary endangered threatened ecological communities impacting the Shires are the Eucalypt Woodlands of the Western Australian Wheatbelt. The other is the Granite outcrop pools with endemic aquatic fauna found in the Shire of Wagin.

The above notwithstanding, extensive land clearing since European settlement has led to a decline in biodiversity. Native vegetation removal disrupts ecosystems, affecting plant and animal species. In some areas, over 93% of original vegetation has been lost, including up to 97% of woodland areas. The clearing of land in the Strategy Area can also contributed to problems like salinity and soil erosion. Without vegetation to stabilize soil and regulate water flow, these issues become more pronounced. Changes to the *Environmental Protection Act 1986* introduced stricter controls for native vegetation clearing, requiring permits for any clearing activity. Efforts to balance development with conservation continue, emphasising the importance of sustainable land management. Contemporary land use planning controls to protect all remaining native vegetation from further clearing and encourage revegetation works as part of future development should be contemplated to improve and maintain biodiversity and natural environmental resources to benefit the Strategy Area into the future.

2.6.2 Water resources

The undulating nature of the Strategy Area sees watercourses, lakes, wetlands and damp lands occurring throughout all three local government localities. As can be seen on Figure 8, the Shire of Wagin contains large lake and wetland systems, most prominent in the areas surrounding the Wagin townsite. The Shire's lakes areas, including a portion of the Dumbleyung Lake Nature Reserve, contain areas of wetland which are significant to the region. In the Shire of West Arthur, the Department of Biodiversity, Conservation and Attractions has undertaken detailed wetland mapping for approximately 150,000 hectares of land near Darkan and Duranillin. The study located and mapped over 895 wetlands, with up to 19% of total land in the study area found to contain wetland ecosystems. Much of these areas are in and around the Arthur River and its tributaries. In Williams the dominant feature is the watercourses and tributaries of the Williams River. While detailed mapping has not been prepared, it is also evident that there are numerous wetland areas present throughout the Shire.

Water for potable use and irrigation is generally sourced from the land including rooftop catchments, soaks, dams, and natural surface irrigation. Rainfall is variable across the Strategy Area, with yearly rainfall averages ranging between 400mm per annum in eastern areas to 725mm per annum in western areas. Accordingly, eastern parts of the Shire of Wagin are likely to be more acutely impacted by limited natural water supply than western areas of the Shires of West Arthur and Williams.

Western parts of West Arthur and Williams form part of the proclaimed surface water catchments of both the Collie and Murray Rivers. The Collie River catchment collects surface water which feeds the Collie River Irrigation District supplying intensive agriculture operations in the Harvey Region. The Murray River system primarily feeds through the Shire

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of Williams, draining to the Swan coastal plain, supplying the Murray River Irrigation Catchment and groundwater area. Parts of the Shires of West Arthur and Williams also supply surface water follows to the Wellington Dam Catchment Area.

Groundwater supplies vary in quality, quantity and accessibility across the Strategy Area. Most of the Strategy Area is outside of proclaimed groundwater areas, except for a small portion of the Collie Groundwater Area impacting the Shire of West Arthur. The Shire of West Arthur has two unproclaimed palaeochannels, the Beaufort (currently being mapped) in the south and the Hillman/Dardadine (mapped) in the northern part of the Shire. Areas outside of proclaimed groundwater areas do not require a licence for groundwater abstraction.

Salinity is an issue for surface and groundwater supplies, with fresh to brackish groundwater potentially impacted by increasing salinity into the future.

2.6.3 Basic raw materials

The supply of basic raw materials is critical to the construction and agriculture industries. The extraction of these resources is necessary to support the continued economic development of Western Australia. All three Shires benefit from frequent deposits of basic raw materials including gravel, rock, sand, gypsum, clay and other construction materials.

Strategy Implications

Natural areas, particularly those of environmental significance, are protected in accordance with the intent and objectives of SPP 2.0. Of particular importance is the conservation of areas identified as containing threatened ecological communities. Where practical each Shire should introduce and apply an environmental conservation zone or appropriate reserve classifications to environmentally significant areas. The Rural zone in all planning frameworks should contain objectives consistent with those under the Model Provisions to the *Planning and Development (Local Planning Schemes) Regulations 2015* to provide for the protection and enhancement of the natural environment.

All potable water supplies require protection from the encroachment of incompatible land uses. Accordingly, planning frameworks should ensure that subdivision and development occur in manner which is consistent with the State's various policies which govern land use planning for water. This includes ensuring the protection of foreshore areas, and only providing for the intensification of land use where it will not have negative consequences for critical water supplies. Furthermore, the extraction of groundwater should be guided by advice from the State department responsible for water resources.

Basic raw materials resources of regional significance are yet to be identified in the Strategy Area. Notwithstanding, future investigations may confirm significant long-term supplies. These supplies, along with existing extraction operations, should be protected from encroachment by sensitive land uses consistent with the intent and objectives of SPP 2.4.

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2.7 Infrastructure

Transport

2.7.1 Primary roads

The Strategy Area has several important regional roads running through it, including Albany Highway, Great Southern Highway, Coalfields Road and Arthur/Wagin-Dumbleyung Road (See Figure 9 - Infrastructure Map).

Albany Highway is an important State road and primary freight route. It connects the Perth metropolitan region with Albany in the south west, servicing regional centres such as Mount Barker and Kojonup along the way. The highway carries large amounts of grain, timber and livestock and general freight to the Port of Albany. The Williams townsite fronts Albany Highway, with secondary roads linking the highway to Darkan and Wagin.

The Great Southern Highway runs from Northam to Cranbrook, linking the southern grain belt. Many of the towns along the highway have prominent grain silos, with it linking towns such as Narrogin, Wagin and Katanning. A significant portion of vehicles using Great Southern Highway are heavy vehicles linked to the agricultural industry.

Coalfields Road and Arthur/Wagin-Dumbleyung Road form part of the freight road linking Bunbury to Newdegate. The roads intersect with both Albany Highway and the Great Southern Highway, primarily servicing the inland wheat and agriculture industries. The roads provide access for large amounts of grain, mineral sands, livestock and general freight to and from the Bunbury Port.

The Shires of Wagin, West Arthur and Williams manage significant local road assets to support local traffic and freight needs. The cost to local government of road construction and maintenance is a significant burden, and funding continues to become more constrained. Accordingly, new development which requires significant road upgrades, particularly development likely to result in increased heavy vehicle traffic, should be carefully considered, with developer funding potentially necessary to ensure that infrastructure is of a suitable standard to support new land use.

2.7.2 Rail

The primary railway lines still operating in the Strategy Area are the Southern Railway and Wagin to Newdegate Railway. The Southern Railway links York to Albany, traversing the Shire of Wagin, with two stations/sidings in the Wagin townsite. The Wagin to Newdegate Railway starts in the Wagin townsite linking several grain receival points between it and Newdegate. Both railway lines are maintained and operated by ARC Infrastructure.

The Shires of West Arthur and Williams were historically serviced by the Bowelling to Wagin Railway and Collie to Narrogin Railway. Both railways closed between 1986 and 1988. The Public Transport Authority is the management agency responsible for the railway corridors which remain largely intact, though much of the physical infrastructure has been removed. The disused railway corridors present an opportunity to be used for alternative purposes. The shires of West Arthur and Collie manage the Collie Darkan Rail Trail, a popular walking and cycling trail utilised by visitors to the region.

2.7.3 Airfields

The Strategy Area contains numerous airfields and landing strips. The majority are associated with small agriculture operations and hobbyists. Currently, the Australian Civil Aviation Safety Authority does not recognise any certified aerodromes in the Strategy Area.

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The Wagin Aerodrome is owned and operated by the Shire of Wagin. It is located immediately south east of the Wagin townsite, providing a primary airstrip 1,150 metres in length and a secondary airstrip 1,050 metres in length. The airfield supports RFDS services, private aircraft, a local aero club, and model jet hobbyists. The Wheatbelt Development Commission sees opportunities for the expanded use of the airfield, including further provision for potential residential, commercial and recreational land use. The Shire's Local Planning Scheme No. 2 classifies the land containing the Wagin Airfield Public Purpose Reserve for infrastructure services.

Other unlicensed airstrips in the Strategy Area, generally servicing private purposes including agricultural operations, are:

- the Hillman Farm Aerodrome, in the Shire of West Arthur north of Darkan on Hillman-Dardadine Road;
- an unlicensed landing strip on Riseborough Road, Lime Lake in the Shire of Wagin;
- an unlicensed landing strip on River Tarn, Piesseville in the Shire of Wagin; and
- an unlicensed landing strip on Dongolocking Road, Collanilling in the Shire of Wagin.

Strategy Implications

Local transportation and freight will continue to be underpinned by the regional road network. Albany Highway, Great Southern Highway and Coalfields Road are likely to carry the largest number of traffic movements. Broadly, land use planning directions should ensure the road freight network continues to function prioritising transport safety and efficiency.

Of the three main settlements, the Williams townsite is most impacted by the regional road network. The townsite is orientated with the bulk of its commercial premises fronting Albany Highway. To provide for the ongoing safe and efficient use of the highway, while also supporting improve amenity outcomes, future development should place parking behind buildings with access from secondary streets. Where possible, proposals should also seek opportunities to consolidate existing access points onto Albany Highway. Future actions might include investigating a coordinated entry statement to Brooking Street, along with added land use flexibility, to realise an alternative main street to draw passing traffic from Albany Highway.

Darkan's residential and business areas are largely separated from Coalfields Road and therefore have limited impact on the operation of the roadway. However, a review of the existing Commercial zone, on the northern side of the road, could be considered to limit commercial uses to those which currently exist and control access outcomes.

The maintenance and management of the local road network presents significant cost implications for each shire. The local planning framework should ensure new development resulting in significant increases to traffic volumes, where deemed necessary, makes proportionate contributions towards the construction and/or upgrade of local road infrastructure.

In Wagin, the freight rail line is likely to continue to be an effective and sustainable transport mode for a significant portion of the immediate region's agricultural produce. Accordingly, land use planning outcomes should support the continued operation of railway infrastructure with due regard given to the requirements of SPP 5.4. Disused

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railway corridors present a tourism opportunity, potentially providing trails for walking, cycling and/or horse riding.

The Wagin Airfield presents potential new economic development opportunities for the Shire of Wagin. Ongoing investigations to support the expansion of its operations will remain a focus for the Shire of Wagin. The planning framework should provide flexibility to support the airfield's continued development and the diversification of land uses with synergies to aviation. Meanwhile, planning proposals which might affect the ongoing viability of flying operations on all airfields in the Strategy Area should be carefully considered. The National Aviation Safeguarding Framework Guidelines may assist the consideration of such proposals, while the local government may also seek advice from airfield operators, the Civil Aviation Safety Authority and Air Services Australia to determine if proposals might present safety concerns for aviation.

Utilities

2.7.4 Water

Water is supplied to the Wagin, Darkan and Williams townsites by the Great Southern Town Water Supply Scheme (GSTWSS). This water is piped from the Harris Dam Catchment in Collie, supplying much of the Southern Wheatbelt and Great Southern areas.

The GSTWSS also supplies some small communities and landowners outside of the primary townsites through Service by Agreement with the Water Corporation. While made potable, these water supplies may not be guaranteed to meet the requirements of the Australian Drinking Water Guidelines due to the long mains and distance from disinfection.

Fit-for-purpose potable water supplies for farms and properties outside of the main settlements, and where Service by Agreement arrangements are not available, are largely provided by harvesting rainwater.

Duranillin, in the Shire West Arthur, has no reticulated water supply. Fit-for-purpose potable water is supplied by private rainwater tanks and has at times been supplemented by water trucked to town by the Shire of West Arthur. The town had a non-potable groundwater supply used to supplement potable water, however this supply is thought to have become saline and contaminated with iron reducing bacteria. The town's non-potable bore was discontinued in January 2020.

Throughout the Strategy Area the potable water supply is often substituted by non-potable water from dams and some groundwater abstraction. However, local surface and groundwater is often found to be too saline for human consumption. These supplies are often used for agriculture, firefighting, emergency livestock drinking and to supplement the irrigation of open spaces and sporting facilities.

Strategy Implications

Water security is identified as a challenge by the Federal Government's 2022 Regional Strengths and Infrastructure Gaps Report. It notes the impact of climate change on drinking water supplies. Meanwhile, modelling suggests that rainfall in the South-west region could decline as much as 14% by 2030 in a dry scenario, with the median scenario resulting in a potential 5% decline.

The treatment and delivery of water in the Strategy Area will likely evolve over time. The Water Corporation is investigating upgrades to the GSTWSS, including the provision of a

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new water treatment plant and a new pipeline from Perth's Integrated Water Supply Scheme to future proof the Region's water supply. Other measures to secure water include investigating new groundwater sources for potable and non-potable use.

An important step to addressing water security shall be policies which seek to protect existing water resources and associated infrastructure and improve water conservation, efficiency and recycling. The local planning framework for each local government should incorporate mechanisms which identify and protect existing water resources and infrastructure and improve the sustainability of existing water resources and supply methods, including mandating on-site water collection and storage for all new development.

The supply of water to smaller townships is a challenge each local government will continue to manage. The township with the most complex water supply issues is Duranillin in the Shire of West Arthur. The Shire has undertaken strategic planning for water supply security, recommending the blending of available water resources to improve Duranillin's supply. Planning for Duranillin should support options for water to be supplied via rainwater tanks, groundwater, dam water and produced water (trucked). However, an emphasis should be placed on development prioritising fit-for-purpose on-site water supplies and implementing efficiency improvements.

2.7.5 Sewer

Established reticulated sewerage schemes are operated by the Water Corporation in both the Shires of Wagin and Williams, servicing the primary townships. In Wagin sewage is collected primarily from the township's residential areas. The town's Waste Water Treatment Plant (WWTP) is located to the south of town immediately adjacent the airfield. It is understood that Wagin's WWTP operates within, but, close to its maximum hydraulic capacity.

The Williams township is provided sewer infrastructure to service the residential area largely south of Piesse Street. The Shire's WWTP is located approximately 1.2 kilometres east of the township on land reserved for public purposes. Williams' WWTP has been found to have periodic capacity issues which has led to overflows.

The Shire of West Arthur does not have a reticulated sewerage service. Wastewater is disposed using septic tanks and Aerobic Treatment Units (ATUs) in Darkan and the Shire's rural surrounds.

Strategy Implications

The continued uptake of reticulated sewer in Wagin and Williams should be encouraged, recognising the benefits to public health and the environment. WWTPs will require ongoing protection from encroachment by sensitive land uses. Special Control Areas represent suitable mechanisms to formalise land use controls to achieve an appropriate buffer area to wastewater sites.

In both Wagin and Williams wastewater treatment infrastructure may require capacity upgrades should there be significant uptake of new services. Accordingly, the Water Corporation may need to undertake detailed engineering investigations to provide for the construction of additional treated waste water storage. To date, these capital works are currently not funded.

The Shire of West Arthur, along with those areas outside of the Wagin and Williams townships, which do not benefit from reticulated sewer are required to manage wastewater

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in accordance with Government policy and prescribed Australian Standards. This may have implications for planning proposals, particularly in the Darkan townsites, which seek to increase the density of residential land uses. Minimum requirements for lot sizes and wastewater apparatus shall apply to ensure effluent disposal does not present risks to human health or the environment.

Throughout the Strategy Area industrial proposals without reticulated sewer shall be limited to dry industry only, with effluent disposal systems to be provided consistent with Government policy and Australian Standards.

2.7.6 Electricity

The Strategy Area is supplied electricity by the South West Interconnected System (SWIS) managed by Western Power. As depicted on Figure 9, several electricity transmission lines traverse the three Shires, currently supplying electricity to the locality from the Muja Power Station in Collie. A 220 kilovolt transmission line traverses the Shires of West Arthur and Williams to the Narrogin South Substation, while a 66 kilovolt transmission line goes from this substation to supply the Wagin Substation. The Shire of West Arthur is also traversed by a 132 kilovolt transmission line from the Muja Station to Kojonup. Electricity is distributed to the townsites and surrounds from various substations in the Strategy Area.

The installation and use of 'off-grid' power systems based on renewable energy sources, particularly in rural areas, is also increasing due to the expense and challenges of connecting to a reticulated supply and is likely to become more prevalent in future years.

Strategy Implications

The transition of the State's energy generation system to reduce greenhouse gas emissions will see interest increase from renewable energy proponents seeking opportunities in the Strategy Area. To address this planning frameworks should provide flexibility for these proposals to be contemplated in suitable locations, subject to stringent development requirements that reflect community aspirations.

Broadly, the development of renewable energy facilities in areas with high environmental and landscape values should be avoided. Areas of land with high agricultural value should also be avoided, or otherwise developed to enable the ongoing use of the land for agricultural purposes.

For Rural, Rural Residential and Rural Smallholdings zones local planning frameworks may be prepared to outline the circumstances where 'off-grid' electricity supplies will be contemplated to support development. Consistent with the intent of State Planning Policy 2.5 - Rural Planning, proposals should demonstrate that a network electricity connection is not available or an electricity infrastructure upgrade is not commensurate with the scale of a proposal. In these circumstances the local government may determine that 'off-grid' power systems are acceptable to service development where the energy generated is via a renewable energy source and is sufficient for the intended land use. Subdivision and new development in all other zones shall normally require a reticulated underground electricity supply.

2.7.7 Telecommunications

Access to modern telecommunications is becoming ever more important for regional locations as it supports the connectivity and social mobility of communities. Reliable internet is necessary to attract new or relocating businesses which will facilitate growth in

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employment and flow on opportunities. It is also critical to the delivery of modern social services, online education, and health support.

The Strategy Area is currently serviced by a range of telecommunication means including fixed line and mobile telephone. The National Broadband Network (NBN) is accessible to the Shire by fixed line, fixed wireless and satellite means. Fixed line provides the best internet service speeds, utilising a physical line running to the premises for the delivery of broadband data. The next best means is fixed wireless which delivers broadband data by a transmission tower to a receiver attached to the premises. Satellite, while still providing serviceable download speeds, is the least capable delivery means of broadband data, using a satellite to send radio waves which are received by a small receiver attached to premises.

The three primary townsites are all provided NBN service via a different means. Wagin benefits from a fixed line service, while Williams is serviced by fixed wireless and Darkan satellite.

Strategy Implications

Government recognises the importance of providing quality, high speed digital access in regional areas to support connectedness and technological transition in the rural economy.

Each local government will need to ensure its planning framework is flexible to allow for the continued development and improvement of telecommunications infrastructure to service the Strategy Area.

2.7.8 Drainage

Drainage in the Strategy Area's townsites broadly comprises of subsurface in-road drainage systems, with outflows to open drains, detention basins and waterways.

In agricultural areas drainage is typically characterised by natural drainage lines utilising the natural topography of the land. There are some manmade rural drains present in the Strategy Area, constructed in some cases to manage salinity and underlying water table levels.

Strategy Implications

The State seeks to encourage drainage in settlement areas consistent with the principles of 'Better Urban Water Management' and 'water sensitive urban design'. Broadly, urban drainage should seek to maintain pre-development water flow rates; improve water quality through soil and vegetation filtration; protect ecological values; and maintain hydrological regimes. Each shires local planning framework should seek to ensure drainage outcomes in settlements align with best practices in urban water management.

In agricultural areas, manmade drainage interventions may occur for environmental and land management purposes. Generally, planning proposals which modify natural drainage regimes should consider the upstream or downstream impacts. Drainage in rural zones should maintain environmental flows; avoid vegetation clearing; be suitably setback from property boundaries; protect water quality and water resources; and limit nutrient export.

The construction of dams, crossings and rural drains should not adversely affect the environment, visual amenity, public health or other users (upstream or downstream) of water resources. Each local government may seek to specify instances where the construction of dams, crossings and rural drains are exempt from development approval.

SHIRE

2.7.9 Waste Management

Wagin

The Shire of Wagin's waste services are managed by Great Southern Waste Disposal which provides a household waste collection service and operates the Shire's landfill site. The landfill facility is located approximately three kilometres south of Wagin off Tudor Street.

Concerns about the ongoing capacity of the landfill site resulted the Shire moving to a three bin system to provide for better reuse of some wastes. The three bin system supports the collection and composting of garden organics; the collection of recyclable products; and the collection of other general waste.

West Arthur

The Shire of West Arthur is also provided waste services by Warren Blackwood Waste which provides a household waste collection service to Darkan, Duranillin and Arthur River, along with properties along the collect route.

The Shire operates two waste facilities being the Darkan Refuse Site on Coalfields Road west of Darkan and the Duranillin Refuse Site located on Bowelling–Duranillin Road, Duranillin. The Darkan Refuse Site takes the bulk of the Shire's waste.

Williams

The Shire of Williams waste services are managed by Avon Waste Management which provides for household waste collection. Since 2020 the Shire has operated a transfer station at its former landfill site located off Narrogin Road approximately two kilometres east of the Williams townsite.

Strategy Implications

Existing waste management facilities are likely to meet the needs of all three Shire's over the life of the Strategy. Local planning frameworks should ensure the continued operation of existing sites is not limited by the development of conflicting land uses, including the identification and long term protection of suitable buffer areas consistent with the Environmental Protection Authority's Guidance Statement on separation distances between industrial and sensitive land uses.

Despite the above, the Wheatbelt Development Commission recognises there may be opportunities to improve efficiency in waste management in the broader region though the development of a regional waste facility. Accordingly, planning frameworks should provide flexibility to accommodate such a facility should, in the future, it be seen by the Shires of Wagin, West Arthur and Williams as beneficial to waste management outcomes.

Planning for such a facility would need to account for the surrounding local context, with refuse sites to be selected to limit impact on sensitive land uses. The selection of new refuse sites should also be consistent with the Environmental Protection Authority's Guidance Statement on separation distances between industrial and sensitive land uses.

2.8 Planning context maps

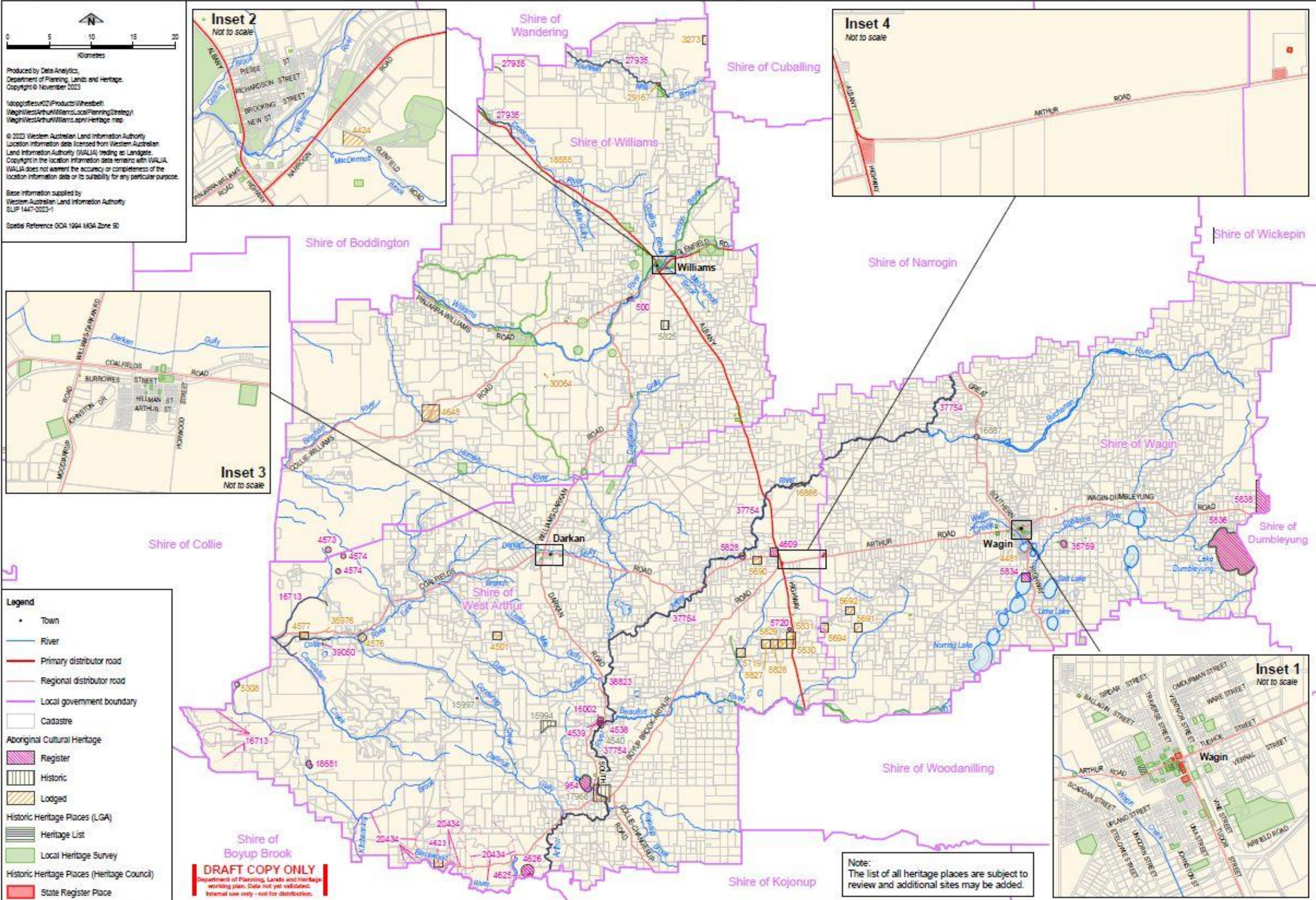
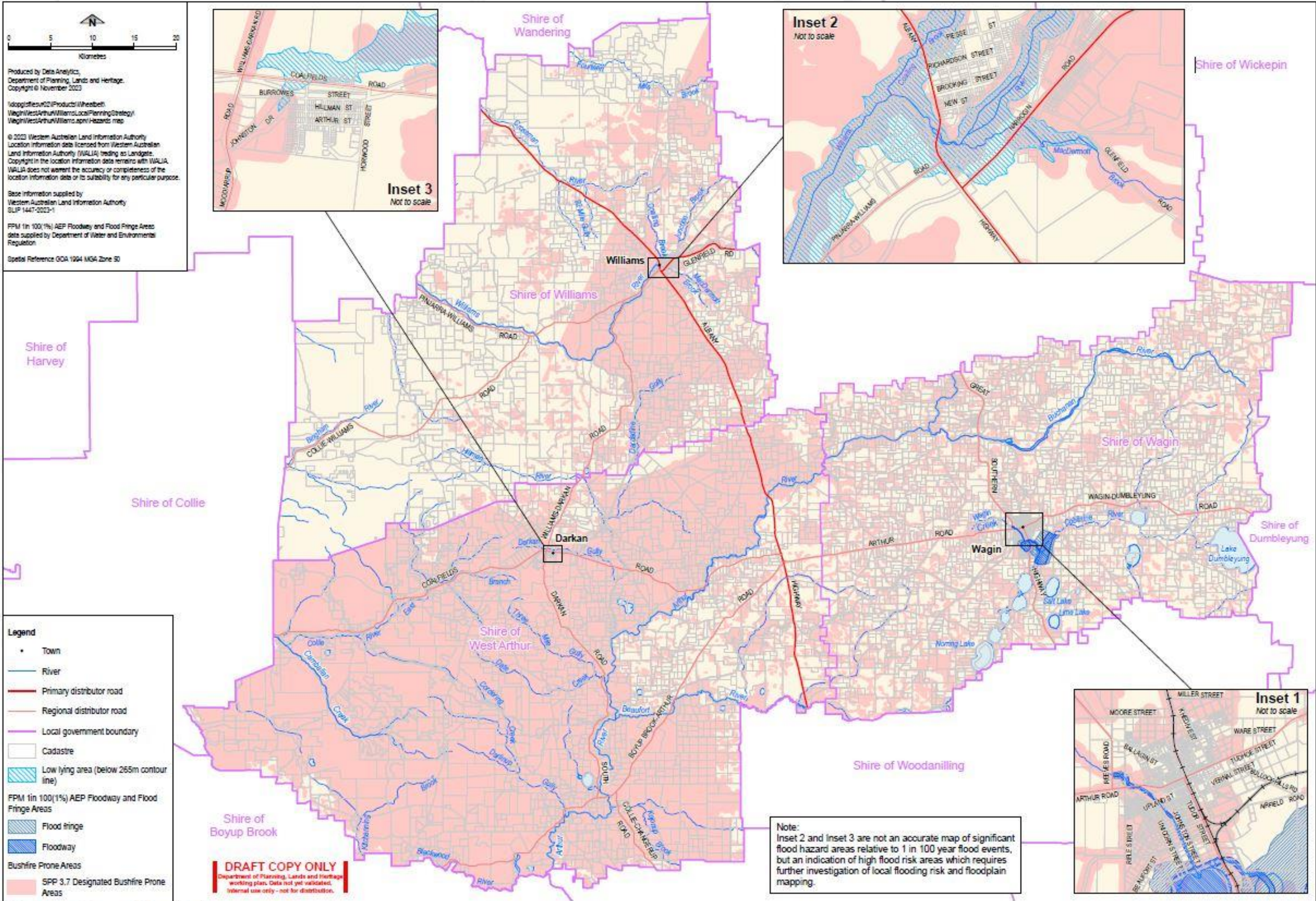


Figure 5 Heritage map



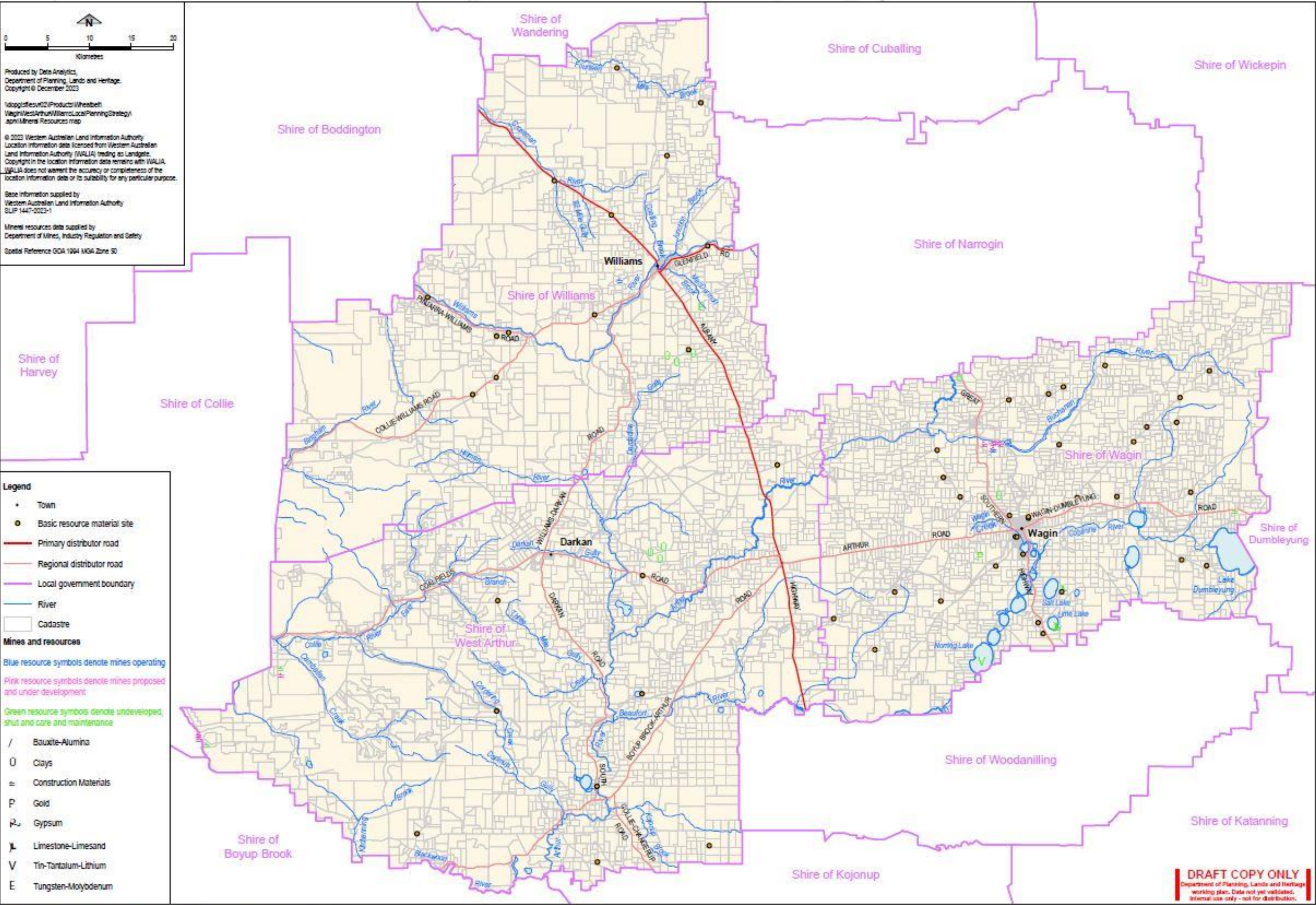
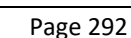


Figure 7 Mineral resources map



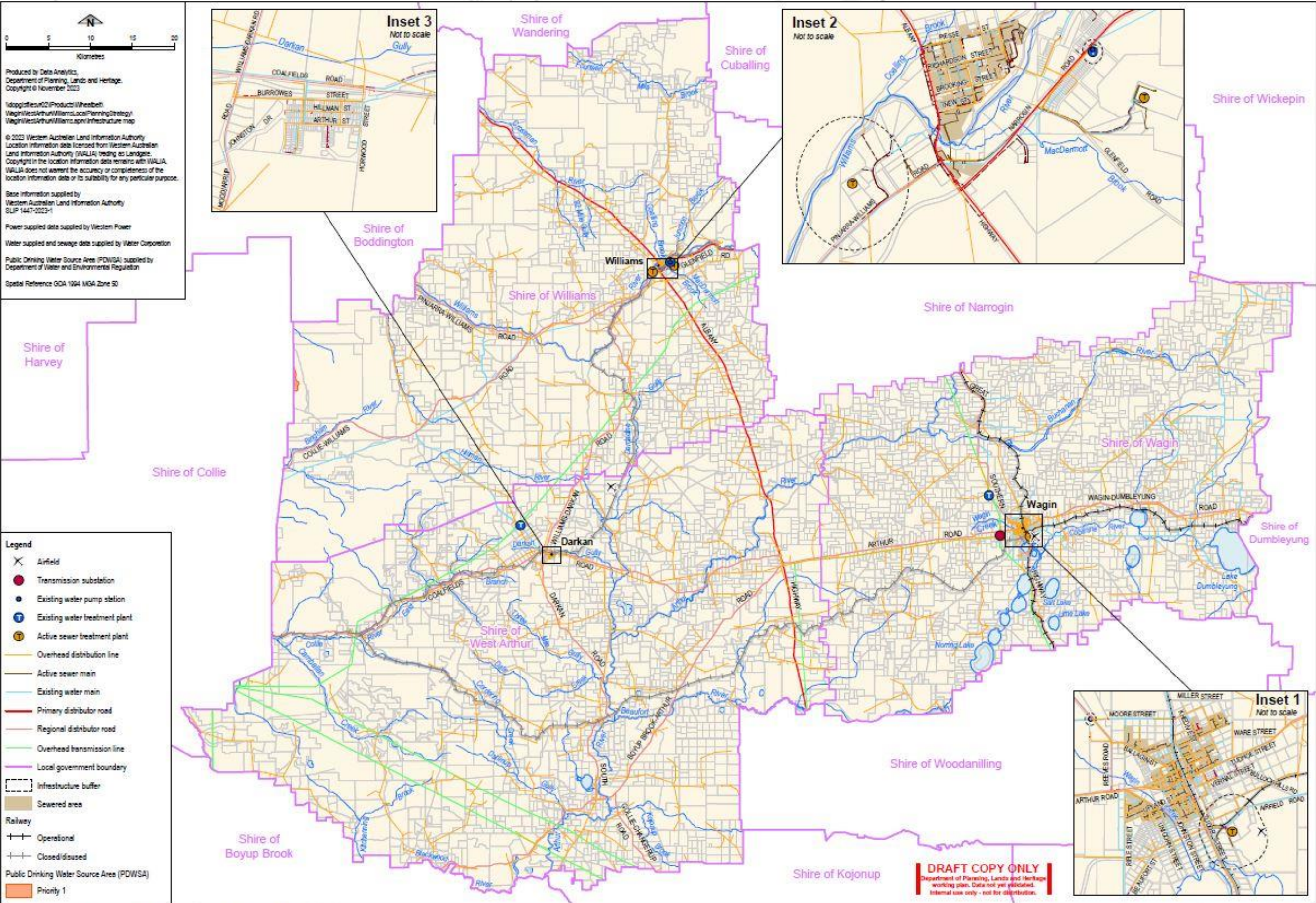


Figure 0 Infrastructure Map

OFFICIAL

Endorsement

SHIRES OF WAGIN, WEST ARTHUR AND WILLIAMS JOINT LOCAL PLANNING STRATEGY

CERTIFICATION FOR ADVERTISING

Certified for advertising by the Western Australian Planning Commission on XX Month 2024.

Signed for and on behalf of the Western Australian Planning Commission.

Officer duly authorised by the Commission
(pursuant to the *Planning and Development Act 2005*)

COUNCIL RECOMMENDED/ SUBMITTED FOR APPROVAL

Supported for submission to the Western Australian planning Commission for endorsement by resolution of the Shires of Wagin, West Arthur and Williams at:

The Ordinary Council Meeting of the Shire of Wagin held on XX Month 2024.

Shire President

Chief Executive Officer

The Ordinary Council Meeting of the Shire of West Arthur held on XX Month 2024.

Shire President

Chief Executive Officer

CITIZEN

The Ordinary Council Meeting of the Shire of Williams held on XX Month 2024.

Shire President

Chief Executive Officer

ENDORSEMENT OF THE LOCAL PLANNING STRATEGY

Endorsed by the Western Australian Planning Commission.

Dated:

Officer duly authorised by the Commission
(pursuant to the *Planning and Development Act 2005*)

15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

16 NEW OR URGENT BUSINESS INTRODUCED BY DECISION OF THE MEETING**MOTION****RESOLUTION CO-2024-075**

Moved: Cr Robyn Lubcke

Seconded: Cr Duncan South

That Council accepts the late item.- 13.1 Darkan Swimming Pool Operating Contract.

In Favour: Crs Neil Morrell, Graeme Peirce, Robyn Lubcke, Duncan South and Russell ProwseAgainst: Cr Karen Harrington**CARRIED 5/1**

At 7.30 pm, Cr Russell Prowse left the meeting to take a phone call and the Shire President adjourned the meeting for 5 minutes.

At 7.35 pm, the meeting resumed discussions.

At 7.37 pm, Cr Russell Prowse returned to the meeting.

13.1 DARKAN SWIMMING POOL OPERATING CONTRACT**File Reference:** ADM039**Location:** Darkan Swimming Pool**Applicant:** N/A**Author:** Gary Rasmussen, Manager Works and Services**Authorising Officer:** Vin Fordham Lamont, Chief Executive Officer**Date:** 17/07/2024**Disclosure of Interest:** Nil

Attachments:

1. Pool Contract Quotation Specifications [↓](#)
2. Contract Aquatic Services - Cover Letter [↓](#)
3. Contract Aquatic Services - Tender Submission [↓](#)

SUMMARY:

Council is requested to consider putting out the Darkan Swimming Pool day to day operations and supervision of the facility to a 2-year contract.

BACKGROUND:

At the April 18th, 2024, briefing session, councillors were made aware of the situation with the pool.

Shire staff currently manage the Darkan Pool over 8 months of the year, which is a burden on the permanent staff resources, forcing us to engage casuals to fill in the gaps. It is becoming harder to find the casual employees and our permanent staff members are unable to work longer to make up the difference. The pool is currently managed at a Tier 3 level, which means it is unsupervised.

A couple of councillors and management team members recently met with Clinton Cheney from Wheatbelt Contract Services. He explained the benefits of turning the pool into a Tier 1 facility. For councillors who were unable to attend, running the pool as a Tier 1 facility means that the pool is always supervised with a qualified lifeguard. Children above the age of 14 years old can use the pool without a guardian. Other benefits are the trained person will have further qualifications such as first aid and resuscitation.

Darkan Primary School has indicated it is fully supportive of this proposal

COMMENT:

I sought quotations to put the pool out to a 1+1-year contract, and recommend including the costings into the 2024/25 budget.

The quote was issued to three companies; Royal Lifesaving, YMCA and Contract Aquatic Services. Only one quote has been received, this was Contract Aquatic Services. This company came back with two options conforming and non-conforming.

The conforming price of \$160,000 + gst is for seven days a week for the pool session from the 21st of October 2024 to the 25th of April 2025.

The non-conforming price of \$123,600 + gst is for six days a week (excluding Tuesday for maintenance and training) for the pool session from the 21st of October 2024 to the 25th of April 2025.

For early morning swimmers Monday, Thursday and Saturday the pool will be open from 6am to 7am. Regular pool hours will be from Monday to Thursday 11am to 6:30pm, Friday to Sunday 11am to 7pm.

The impact of not accepting the quote could result in the pool closing to the public, at present we have not got the staff resources to manage it for 2024/2025 season. The shire would need to employ additional qualified staff as, at present we have 1 person available.

CONSULTATION:

Wheatbelt Contract Services

Chief Executive Officer

CEO – Shire of Pingelly

Darkan Primary School

Survey to public – As of 24th July 2024 72% in favour and 28% against. (See Sharon's Bell report).

STATUTORY ENVIRONMENT:

Nil

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

The proposed service will cost \$123,000 a year. The outdoor staff has been reduced by 1.5 from the current year which amounts to \$90 000 will help to offset the new arrangements, therefore its costing the shire \$33 000 extra over previous budgets.

STRATEGIC IMPLICATIONS:

The swimming pool is an important part of our community's Strategic Plan heading towards 2031.

Outcome: Increased utilisation of the pool by patrons. Reduction of Council's liability by having professional staff running the pool, who are all appropriately trained and qualified.

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. **Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

| Consequence | | Insignificant | Minor | Moderate | Major | Catastrophic |
|----------------|---|---------------|------------|------------|--------------|--------------|
| Likelihood | | 1 | 2 | 3 | 4 | 5 |
| Almost Certain | 5 | Medium (5) | High (10) | High (15) | Extreme (20) | Extreme (25) |
| Likely | 4 | Low (4) | Medium (8) | High (12) | High (16) | Extreme (20) |
| Possible | 3 | Low (3) | Medium (6) | Medium (9) | High (12) | High (15) |
| Unlikely | 2 | Low (2) | Low (4) | Medium (6) | Medium (8) | High (10) |
| Rare | 1 | Low (1) | Low (2) | Low (3) | Low (4) | Medium (5) |

| | |
|---|---|
| Description of Key Risk | Council liability for death or injury of patrons of an unsupervised swimming pool facility. |
| Risk Likelihood (based on history and with existing controls) | (3) Possible |
| Risk Consequence | (5) Catastrophic |
| Risk Rating (Prior to Treatment or Control): Likelihood x Consequence | (15) High |
| Principal Risk Theme | Inadequate safety or security practices |
| Risk Action Plan (Controls or Treatment Proposed) | Approve proposed arrangements. |

VOTING REQUIREMENTS:

Absolute Majority

RESOLUTION CO-2024-076

Moved: Cr Graeme Peirce

Seconded: Cr Robyn Lubcke

That Council:

1. Endorse the Officer's action to issue a Request for Quotation for the operation, management and supervision of the Darkan Swimming Pool facility; and
2. By absolute majority, accept the non-conforming quote from Contract Aquatic Services of \$123,600 and enter into a fixed term contract for one year with a further one year option.

In Favour: Crs Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Crs Neil Morrell and Karen Harrington

CARRIED 4/2 BY ABSOLUTE MAJORITY

ALTERNATIVE MOTION**RESOLUTION CO-2024-077**

Moved: Cr Karen Harrington

Seconded: Cr Duncan South

That Council retain the existing system for the 2024/2025 pool season and reassess the situation after the completion of that season.

In Favour: Cr Karen Harrington

Against: Crs Neil Morrell, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

LOST 1/5

Alternative Motion was lost, Officers Recommendation was then voted on and carried.

17 MATTERS BEHIND CLOSED DOORS

Nil

18 CLOSURE OF MEETING

The Presiding Member declared the meeting closed at 8.04pm.