

Flying Minute - 2021-22 State Budget Submission (05-001-03-0006 DM)

By Dana Mason, Principal – Economics and Strategic Projects

That the State Council:

- **Note the revised approach to WALGA's 2021-22 State Budget Submission; and**
- **Endorse the Immediate Priorities for State Government policy platform.**

RESOLUTION 205.FM/2021

CARRIED

Executive Summary

- Each year, WALGA prepares a submission to the State Government outlining the sector's priorities for the upcoming budget.
- The proposed approach to the 2021-22 Submission and priorities were endorsed by State Council in May via flying minute (**RESOLUTION 201.FM/2021**).
- Since then, WALGA has received further information from the State Government about its focus for the budget and timeframes for the 2022-23 State Budget. As a result of this new information, WALGA has adjusted its approach to the State Budget Submission to ensure the initiatives have the best chance for success.
- While there has been no fundamental change to the priority initiatives, the context has been reframed. Instead of focusing just on the 2021-22 Budget, the document has shifted to a more strategic policy platform identifying the immediate spending priorities for the McGowan Government in its second term. It is intended that this submission would cover the next two budget periods, 2021-22 and 2022-23.
- In addition to the State Budget Submission, WALGA will continue to advocate for the priorities set out in the submission through other advocacy channels.

Attachment

- *Attachment 1: Immediate Priorities for Government document*

Policy Implications

The submission reflects related WALGA policy positions.

Background

Each year, WALGA prepares a submission to the State Government outlining the sector's priorities for the upcoming budget. Given the recent State Election and delays to the 2020-21 Budget, this year's budget will now be handed down in September.

In May 2021, WALGA circulated a proposed submission approach and list of priorities to the State Council, which was endorsed. It asserted that to provide the best chance of success and standing out from the crowd, WALGA's submission would be:

- Targeted and succinct – An extended list of priorities is not likely to be considered by Government given they already have a full agenda of election commitments and other emerging priorities.
- Aligned to Government priorities – The Government is more likely to fund requests that align with their agenda or that address a pressing or emerging issue.
- Infrastructure-focussed – The windfall nature of the surplus means that there is a better chance of receiving funding for capital, rather than recurrent programs.

- Return for the State and the Community – A strong evidence base is needed to demonstrate the value that the initiatives will deliver for the community. Those which already have a demonstrated track record, or where there is a co-funding arrangement are likely to have a greater chance of success.

The priorities proposed for the submission included:

- Funding to fill existing gaps in **FOGO processing infrastructure** needed to turn the collected FOGO into high quality compost.
- Evolution of the **State Underground Power Program**, with State Government funding prioritized to project areas where the benefits to the households are less (lower property values) and the financial capacity to contribute is less.
- Investment in **climate change adaptation**, including funding for managing urgent **coastal erosion** hotspots, and enhancing the **urban tree canopy**.
- Funding to repurpose, upgrade and build new **cultural and social infrastructure** at a local level and as part of joint initiatives between the State and Local Governments and community organisations.
- Additional investment in **telecommunications infrastructure**, to unlock further opportunities to work in partnership with the Commonwealth and other key players to reduce communications gaps in regional areas.
- Extending the election commitment for funding for **homelessness outreach services** for an additional financial year.
- Extending funding for the **Small Business Friendly Approvals Program** to allow a greater number of Local Governments to participate.
- **Support for the Local Government sector to transition to the State Industrial Relations System.**
- Funding to WALGA for a service level agreement with the Department of Local Government, Sport and Cultural Industries to provide **capacity building support to assist Local Governments with good governance, financial management and process.**

Since WALGA put the proposed priorities to State Council, it has received feedback from the State Government regarding the focus of the 2021-22 Budget and the timing for the 2022-23 Budget. Specifically:

- The 2021-22 Budget will be focused on the delivery of election commitments, and as a result, there is limited scope for any other initiatives. This means that any submission put forward by WALGA for this Budget would have minimal impact.
- The 2022-23 Budget will be handed down in May 2022. This means that the timeframe for the next budget process would commence almost immediately after the 2021-22 Budget is handed down in September.

As a result, WALGA has adjusted the context for the final submission. The broad principles that underpin the submission and the priority initiatives remain largely unchanged.

Given the close timeframes for the 2021-22 and 2022-23 Budget, the Submission is now intended to cover both Budget periods and has been framed in terms of the immediate spending priorities for the McGowan Government in its second term.



This approach is considered appropriate given that the priority initiatives are not expected to fundamentally change in coming months. It also mitigates potential perceptions that WALGA is out of touch with State Government processes and priorities.

Three initiatives have been removed from the submission, as it was deemed that there was greater chance of achieving funding for these initiatives through other advocacy channels. Although these issues have been removed from the submission, they remain priority issues for the sector and will be pursued through other avenues, and in future budget submissions.

- *Homelessness outreach services* – WALGA has recently received advice from Minister Carey’s office that the Ministerial Working Group on Housing and Homelessness will no longer proceed. WALGA has instead been asked to work with the Minister on addressing issues related to the Government Regional Officer’s Housing (GROH) program. As a result, WALGA has removed the homelessness item from the submission, and included an additional item requesting a greater role for the sector with respect to influencing policy and spending decisions related to GROH.
- *Local Government Capacity Building* - The new Minister for Local Government and Director General of the Department of Local Government, Sport and Cultural Industries have advised of their commitment to strengthen the Department of Local Government. In light of this, it is considered that WALGA should continue to support its existing advocacy position: *“WALGA supports the continuance of the Department of Local Government, Sport and Cultural Industries as a direct service provider of compliance and recommend the Department fund its capacity building role through the utilisation of third party service providers. In addition, WALGA calls on the State Government to ensure there is proper resourcing of the Department of Local Government, Sport and Cultural Industries to conduct timely inquiries and interventions when instigated under the provisions of the Local Government Act 1995.”*
- *Social and Cultural Infrastructure* – It was considered that inclusion of this item was premature, given that further information on the Government’s infrastructure priorities will become available once the State Infrastructure Strategy is released in coming months. Given the breadth and importance of this initiative, a more specific funding request will be developed to support this initiative once further information becomes available.

Comment

The State Election and the delay to the State Budget has meant that there is a condensed timeframe to prepare the 2021-22 State Budget submission. The Government’s decision to hand down the 2022-23 Budget in May 2022 has exacerbated this issue.

It is considered that the revised approach will provide the best opportunity to represent the sector’s interests without duplicating activities or risking reputational damage by being viewed as out of touch with State Government priorities and processes. Once the Submission has been provided to the State Government, WALGA will seek to meet with Government officials and Members of Parliament to discuss the key initiatives.

Putting forward this document does not preclude WALGA from undertaking additional advocacy on these initiatives, or from putting forward other spending priorities to the State Government as they arise. The State Budget Submission is just one opportunity to represent the sector’s interests, and the Association continues to advocate for the initiatives contained in the submission through other channels.

FLYING MINUTE OUTCOME

Total invited to survey: 24

Total finished survey: 16

Endorse recommendation: 9

Endorse recommendation subject to comment below: 7

Do not endorse recommendation: 0

First Name	Last Name	Completed Date
Carol	Adams OAM	19/07/2021 at 14:06
Phillip	Blight	19/07/2021 at 12:10
Julie	Brown	13/07/2021 at 11:52
Ruth	Butterfield	Not completed
Karen	Chappel	13/07/2021 at 12:08
Cheryl	Cowell	Not completed
Malcolm	Cullen	12/07/2021 at 12:25
Frank	Cvitan	Not completed
Tony	Dean	Not completed
Catherine	Ehrhardt	Not completed
Russ	Fishwick	19/07/2021 at 16:27
Ronnie	Fleay	18/07/2021 at 22:05
Logan	Howlett JP	12/07/2021 at 13:14
Mark	Irwin	Not completed
Paul	Kelly	12/07/2021 at 22:29
Jenna	Ledgerwood	12/07/2021 at 14:20
Peter	Long	12/07/2021 at 15:45
Cate	McCullough	Not completed
Chris	Mitchell JP	15/07/2021 at 12:47
Les	Price	14/07/2021 at 21:53
Michelle	Rich	15/07/2021 at 0:09
Ken	Seymour	Not completed
Stephen	Strange	13/07/2021 at 8:56)
Doug	Thompson	12/07/2021 at 18:46

Responses

Poll Created: 12/07/2021 at 11:47

Poll Closed: 19/07/21 at 17:00

(9) Endorse the Recommendation: Paul Kelly (on: 12/07/2021 at 22:29), Doug Thompson (on: 12/07/2021 at 18:46), Peter Long (on: 12/07/2021 at 15:45), Stephen Strange (on: 13/07/2021 at 8:56), Julie Brown (on: 13/07/2021 at 11:52), Karen Chappel (on: 13/07/2021 at 12:08), Chris Mitchell JP (on: 15/07/2021 at 12:47), Les Price (on: 14/07/2021 at 21:53), Russ Fishwick JP (on: 19/07/2021 at 16:27)

(7) Endorse the Recommendation subject to comment below: Malcolm Cullen (on: 12/07/2021 at 12:25), Logan Howlett JP (on: 12/07/2021 at 13:14), Jenna Ledgerwood (on: 12/07/2021 at 14:20), Michelle Rich (on: 15/07/2021 at 0:09), Ronnie Fleay (on: 18/07/2021 at 22:05), Phillip Blight (on: 19/07/2021 at 12:10), Carol Adams OAM (on: 19/07/2021 at 14:06)

(0) Do not endorse

Comments

Malcolm Cullen on 12/07/2021 at 12:25

Request to include maintenance-replacement strategy for public housing in Country WA, alongside GROH housing discussions with Minister. Given the massive increases to MV licence fees over past two years in WA, priority should be given to lobby for the incremental increases (27%) to the LG Road Funds Agreement. Following the Native Title Settlement presentation at last week's Strategic Forum, priority should be given to prepare a funding strategy to assist all LGAs in SouthWest WA through the pathways to fund settlement agreements on various matters that will result from this action.

Jenna Ledgerwood on 12/07/2021 at 14:20

Whereas all of the Governments initiatives are worthy and I support them, I am disappointed about the omission of the Homeless program. It is a concern to think that we are omitting requests from our members to fit in with the wishes of the Government. I would remind everyone the guard always changes over time. We are supposed to be an independent body with a voice and if we are just going to agree with the government and remove our right to free speech, we run the risk of becoming an irrelevant organization. We are not here to just agree, we are here to provide a Local Voice. The question of Homelessness seems to just be too big a problem for anyone to embrace fully, and requires duplication at every turn at this point in time. Due to the lack of direction and attention by those in power over the last fifteen year.

Logan Howlett JP on 12/07/2021 at 13:14:

A few minor changes for your consideration.

INTRODUCTION

*As the Government looks to hand down the first budget of its second term, WA – and the rest of the world – continues to **feel** the lasting impacts of the COVID-19 pandemic.*

Partners in Government

*Ensuring regional communities have access to essential **services** is also an important priority. While significant gaps remain in some areas, it is recognised that there are a number of programs in place aimed at addressing this issue. It is critical that the maximum value can*



be achieved from these programs by ensuring that funds are targeted to the areas of greatest need.

Priority Areas for Funding

Summary

WA's coastal zone, supports a variety of recreation, conservation, residential and commercial land uses. The coastal zone is highly valued by the community and underpins *the???* Western Australia's identity, prosperity and lifestyle. 80 per

Under CoastWA, the State Government provides Local Government with grants to assist with coastal management:

- CoastWest - grants that support land managers and community organisations to address coastal challenges through projects to manage, rehabilitate, restore and enhance coastal sites;
- Coastal Management Plan Assistance Program - grants to coastal land managers to prepare and implement coastal plans and strategies; *ands*
- Coastal Adaptation and Protection (CAP) Grants - grants for projects that identify and manage significant coastal hazards.

State Urban Greening Program

Priority Initiative: Establish an urban greening grant program to facilitate the planting of 60,000 trees.

Funding Required: \$20 million. Funds to be provided to Local Governments through a competitive grant program with a focus on planting trees in areas with low canopy cover and increased exposure to heat. Funds to be spent on tree purchase, planting and associated works to support ongoing tree health.

Program Benefits

- Improved liveability and amenity of metropolitan and regional urban centres
- Reduce the impact of urban heat on vulnerable communities
- Increased climate change resilience
- *Engagement and involvement of volunteers and the corporate sector*

Evolving the State Underground Power Program

A key benefit of the program is improvements in the security of electricity supply, which are particularly felt by business and the community during extreme weather events, which can cause damage to extensive parts of the overhead distribution network at the same time and overwhelm the capacity of the electricity distribution companies to respond in a timely way. Other benefits *include including????* improved safety for pedestrians and road users; reduced maintenance costs for Western Power; and enhanced streetscapes.

Michelle Rich on 15/07/2021 at 0:09

WALGA is a state wide organisation that represents all Local Governments in the state. Issues with black spots, interrupted power supplies for telecommunications networks, inability to maintain telecommunication services, maintenance to telecommunications infrastructure networks, capacity and availability to meet growing community demand is not just a regional issue. This should be a state wide issue.

Ronnie Fleay on 18/07/2021 at 22:05

While I understand the rationale to work with government direction I think we need to be careful that we're not 'watering down' our own priorities in order to be seen to cooperate. The issue of homelessness needs to be addressed & I'm puzzled that the planned working group has been dropped by the government - we should be making some comment regardless to petition the government to prioritise. We won't be effective if we are only endorsing what the government already intends to do. Having said that I understand that we will of course continue our advocacy on all issues regardless.

Phillip Blight on 19/07/2021 at 12:10

I agree with Cr Cullen, a return to 27% of licensing and or/a note in the submission about the freight task and the need for a more strategic intermodal strategy to manage that task. Far too much of that task is on roads that are not designed for the load and are being under-maintained.

Carol Adams OAM on 19/07/2021 at 14:06

Homelessness: Can the City of Kwinana seek further clarification on how this change in direction will deal with the increasing levels of homelessness being experienced in the community, particularly in the post COVID rental moratorium period. The City officers are of the view that the GROH program is really focused in this space so changing direction here may not actually seek to address the increasing issue that local governments are increasingly faced with.

Small Business Item: Whilst the Small Business Friendly Approvals Program (SBFAP) will enable more local governments to get on board, there is an opportunity to use the additional funding to support the initiatives already identified by Local governments who have or are going through the program . Many Local Governments are constrained by funding and resources and whilst many of the initiatives identified through the SBFAP can be done within the existing funds and resources of each local government there are many that require additional resources. There is an opportunity for the funds to be granted to local governments through an application process that seeks to achieve the objectives of the program in a more timely manner. Some of the criteria could be around matching funding, working in partnership with other local governments etc.

Change of IR System: I am not sure that the sector fully appreciates the cost to each individual LG with the change of IR System. The City of Kwinana has analysed the costs and they have been in the region of \$1.1m (we are a medium sized band 1 council). The amount being requested in the budget, in our view, could be increased further to assist LG's with the anticipated cost of the changeover

Secretariat Comment

In response to comments on road funding (Cr Malcolm Cullen, Cr Phil Blight's comments):

An additional 7% of motor vehicle licence fee revenue (from 20% to 27% share) would provide an additional \$70 million per year for work on Local Government roads. This would make a significant difference to the \$194 million shortfall in maintenance and renewal expenditure estimated in 2019-20 to maintain the road network in its current condition. Additional investment would make the network safer and more efficient. However, in 2019-20 Local Governments carried forward \$22 million of State Road Funds to Local Government funding provided. This represents around 14.5% of the funds provided by the State Government to Local Governments for road improvement and renewal projects. The data for 2020-21 has not been finalised, but it is anticipated to be a similar level of requested carry-forward.

The Commonwealth has provided additional funding for Local Government roads in 2020-21 and 2021-22 which, coupled with strong demand for materials and contractors from public and private sector work, has added increased pressure on the capacity of the Local Government sector to deliver more road projects in a timely and cost effective way.

A business case for a staged increase in the share of motor vehicle licence fee revenue for Local Government roads was presented to the Minister for Transport in early 2020 but did not result in any changes included in the 2020-21 State Budget. The current State Road Funds to Local Government Agreement is in place until June 2023.

With record high levels of expenditure on Local Government (and State Government) roads, coupled with constraints on the capacity to deliver a significant increase in projects, it is considered strategically preferable to defer advocating for an increased share of motor vehicle licence fee revenue until nearer the end of the current agreement. The State Infrastructure Strategy, which has not yet been considered or adopted by Government, includes a recommendation to "Reform funding hypothecation arrangements for motor vehicle licence revenue". This is both a threat and an opportunity from a Local Government perspective.

In response to comments on homelessness (Cr Jenna Ledgerwood, Cr Ronnie Fleay, and Mayor Carol Adams' comments)

Noted. Homelessness has been included in the submission as a priority area for collaboration between the State and Local Governments on the basis of feedback from State Council.

In response to comments on telecommunications (Cr Michelle Rich's comments)

Noted. The commentary on telecommunications infrastructure has been updated to reflect that this is a whole of state issue.

In response to comments on public housing maintenance (Cr Malcolm Cullen's comments)

Noted. WALGA will raise the maintenance replacement strategy for public housing in country WA in discussions with the Minister on regional housing.

In response to comments on Native Title Settlement (Cr Malcolm Cullen's comments)

Local Governments are not a party to the South West Native Title Settlement. WALGA advocacy in relation to the development of new Aboriginal cultural heritage legislation for Western Australia has highlighted that Local Governments will require ongoing support in order to negotiate and enter agreements with Aboriginal communities and comply with any increasing legislative requirements in relation to Aboriginal heritage, especially Local Governments in regional areas.



In response to comments on Small Business Approvals (Mayor Carol Adams' comments)

The Small Business item has been updated to identify the opportunity for funding to be provided to Local Governments for implementation of initiatives identified through the Small Business Friendly Approvals Program.

In response to comments on Industrial Relations (Mayor Carol Adams' comments)

WALGA has carried out a comprehensive survey with the sector on the costs of the Industrial Relations transition that calculated the figure required at \$15 million over the two-year transition period. The size of Local Governments varies considerably and some Local Governments will face higher costs than others, depending mainly on their number of employees.

In response to Mayor Logan Howlett's comments

The submission has been updated to incorporate all of the suggested corrections, and to include the additional dot point "*Engagement and involvement of volunteers and the corporate sector*" under 'Program Benefits' in the State Urban Greening Program item.

ABOUT THE WESTERN AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION

The Western Australian Local Government Association (WALGA or 'the Association') is the peak organisation for Local Government in Western Australia. The Association is an independent, membership-based group representing and supporting the work and interests of 137 mainland Local Governments in Western Australia, plus the Indian Ocean Territories of Christmas Island and Cocos (Keeling) Islands.

The Association provides an essential voice for more than 1,200 Elected Members, more than 23,000 Local Government employees, and the 2.6 million constituents that they serve and represent. The Association also provides professional advice and offers services that provide financial benefits to Local Governments.

WALGA is committed to advancing the vision for Local Government in Western Australia where:

- Local Governments will be built on good governance, autonomy, local leadership, democracy, community engagement and diversity.
- Local Governments will have the capacity to provide economically, socially and environmentally sustainable services and infrastructure that meets the needs of their communities.

INTRODUCTION

As the Government looks to hand down the first budget of its second term, WA – and the rest of the world – continues to feel the lasting impacts of the COVID-19 pandemic.

WA is in a more fortunate position than many other jurisdictions. To date, our state has managed to avoid an extended period of restrictions and our economy has recovered quickly. We have the lowest unemployment rate in the nation; business activity is picking up; and in recent months, our economic challenges have largely reflected an economy that is booming rather than one that is in recession.

However, that does not mean that we are immune from the impacts of COVID-19. Although our economy is outperforming other states, growth is still expected to remain below the long-term average over the next four years. There are also pockets of industry and the community that have not yet fully recovered from the pandemic, while further lock downs remain an ongoing risk.

In this environment, it is important that we maintain a focus on supporting the economic recovery and assisting vulnerable sectors of the community.

However, the Government must also keep an eye to the future and ensure that funds are directed towards initiatives that will grow and diversify our economy; protect our environment and address climate change; and deliver lasting benefits to our communities.

This will be a difficult but important balancing act for the State Government in its second term.

Fiscal policy is an important lever that the State Government can use to support these goals. The decisions made in coming State budgets will be critical to ensure the State is in a good position to ride out looming economic, environmental and social challenges.

Local Governments are committed to working constructively with the State Government to ensure that priority initiatives proceed during its next term.

WALGA has identified eight initiatives that the Local Government sector considers immediate funding priorities and focus areas for collaboration.

This is not to say that these are the only priorities for this term of Government. However, in the immediate term these initiatives have been identified by the sector as delivering on important objectives in terms of supporting the economic recovery from COVID-19 and providing long-lasting and widespread benefits to local communities in Perth and the regions.

These initiatives primarily relate to the extension or expansion of existing successful State Government programs. These programs have had a strong uptake; address important community priorities; and are delivering positive outcomes in terms of creating new jobs, making our environment more liveable, transforming our infrastructure and supporting local communities.

These initiatives come at a cost of \$171.2 million across the forward estimates.

The strength of our economic recovery and our dominant resources sector has meant that our budget position is healthy, and in the short term is expected to exceed the estimates contained in the Pre-Election Financial Projections Statement. This will provide the Government with some fiscal capacity to invest in critical initiatives for the community that will deliver value for money outcomes for the state.

PARTNERS IN GOVERNMENT

WA faces a range of challenges going forward to manage COVID-19; diversify the economy; protect our environment; support vulnerable members of the community; and ensure thriving regions.

Many of these challenges will require complex policy solutions. By working together the State Government and Local Government are more equipped to address these major challenges, as well as everyday issues affecting local communities. The State Government, with its leadership and policy direction, and Local Government, with an on-the-ground presence in all communities and a mandate to govern for community benefit, have complementary strengths which, when combined, provide the greatest benefit to WA.

In the past year, State and Local Governments in WA have worked together to prioritise and bring forward a number of important programs and infrastructure projects to stimulate the economy and support the community. WALGA thanks the State Government for the commitment it has already made to progress priorities identified by the sector, including investments in roads; waste management; coastal infrastructure, tree planting and sport and recreation facilities.

The Association is committed to continue working constructively with the State Government. Local Governments contribute to many facets of economic, social, environmental and community development, and can play a significant role to ensure that funding is directed to priority areas due to its knowledge of local communities and ability to represent their interests. The sector also has a significant economic footprint, employing more than 23,000 workers and spending more than \$4 billion on local contractors and services each year. Local Governments also manage more than \$48 billion of assets, including close to 90% of the public road network in WA.

WALGA has identified eight initiatives that the Local Government sector considers immediate funding priorities and areas for collaboration for the McGowan Government's second term.

This is not to say that these are the only priorities for this term of Government. However, these initiatives have been identified by the sector as delivering on important objectives in terms of supporting the economic recovery from COVID-19 and providing long-lasting and widespread benefits to local communities in Perth and the regions.

These initiatives primarily relate to the extension or expansion of existing successful State Government programs. These programs have had a strong uptake; address important community priorities; and are delivering positive outcomes in terms of creating new jobs, making our environment more liveable, transforming our infrastructure and supporting local communities.

Not all of these initiatives require new funding allocations – several require a more collaborative approach to ensure that existing budgets are spent in a way to maximise returns to the community and deliver the greatest value for taxpayer dollars.

Given the importance of local infrastructure to economic, social and environmental development at the State level, WALGA believes there is a strong case for additional infrastructure funding to be provided to the Local Government sector for the initiatives outlined in this document.

Properly planned infrastructure investment is a valuable tool to support the recovery, to the extent that it provides an immediate boost to activity, as well as driving productivity and growth over the longer term. To deliver the greatest benefit from infrastructure spending it will be necessary that the right types of investments are prioritised.

WALGA's infrastructure funding requests focus on programs that have a demonstrated record of success and are meeting a significant economic, community or environmental need. An increase in funding for these programs will not only support the local economy, but leverage the State's existing investment with benefits to be felt for many years to come.

Providing relief for households and businesses in the wake of COVID-19 is also an area of focus. Local Governments have provided in excess of \$512 million in support to the community over the past year, through initiatives including in the form of rate relief, fees and charges relief, financial grants, and reduced rent. The initiatives identified by WALGA will complement the work already undertaken by Local Governments to support businesses and residents in their communities.

Ensuring regional communities have access to essential services is also an important priority. While significant gaps remain in some areas, it is recognised that there are a number of programs in place aimed at addressing this issue. It is critical that the maximum value can be achieved from these programs by ensuring that funds are targeted to the areas of greatest need.

WALGA welcomes the opportunity to work with the State Government to progress these initiatives in coming years. The Partners in Government Agreement will provide an important opportunity to continue the closer, more collaborative relationship between the two levels of Government across a range of issues.

IMMEDIATE PRIORITIES FOR THE STATE GOVERNMENT

Initiative	Description	Funding Recipient	Strategic Alignment	New or Existing Program?	Funding request over the forward estimates
Expand the Coast WA Program	Provision of additional funds to Local Governments to complete and implement coastal hazard risk assessment and adaptation planning to manage coastal erosion and inundation hot spots.	Local Governments, via the Department of Planning, Lands and Heritage/Department of Transport (Coast WA)	Assessment of Coastal Erosion Hotspots in WA	Existing program	\$55 million
Create an Urban Greening grant program	Funds to be provided to Local Governments through a competitive grant program with a focus on planting trees in areas with low canopy cover and increased exposure to heat. Funds would be spent on tree purchase, planting and associated works to support ongoing tree health.	Local Governments, via the Department of Water and Environmental Regulation	Design WA Western Australian Climate Policy	New program	\$20 million
Extend the State Underground Power Program	Extending the State Underground Power Program, to high priority projects identified on the basis of the need to invest in the electricity distribution network.	Energy Policy WA	Energy Transformation Strategy	Existing program	\$66 million
Support the construction of FOGO Processing Infrastructure	Creation of a grant program to be accessed by Local Government and the private sector for the construction of FOGO processing infrastructure and market development.	Local Governments and private sector operators, via the Waste Authority	Waste Avoidance and Resource Recovery Strategy	New program	\$14 million
Extend the Small Business Friendly Approvals program.	Provision of additional funding to allow a further round of Local Governments to participate in the Small Business Friendly Approvals Program to identify options to	Small Business Development Corporation	Streamline WA COVID-19 Recovery Plan	Existing program	\$1.2 million

	streamline approvals for small businesses				
Support the transition to the State Industrial Relations System	New funding to assist Local Governments with the cost of transitioning to the State Industrial Relations System, without imposing an additional financial burden on ratepayers.	Local Governments, via the Department of Local Government, Sport and Cultural Industries	Ministerial Review of the State Industrial Relations System	New program	\$15 million
Address the shortage of Government Regional Officer Housing (GROH)	Greater collaboration and early engagement with Local Governments for the provision GROH identify and address existing shortages and ensure appropriate forward planning.	Department of Communities	Government Regional Officer Housing Program	Existing program	Nil
Homelessness Outreach Services	Greater collaboration and early engagement with Local Governments for the provision of homelessness outreach services.	Department of Communities	All Paths Lead to A Home: Western Australia's 10 Year Strategy on Homelessness 2020-2030	Election commitment	Nil
Regional telecommunications infrastructure	Work with Local Governments to ensure the roll out of funding through Commonwealth and State programs is needs based	Department of Primary Industries and Regional Development	Regional Telecommunications Project Regional Mobile Communications Project	Existing program	Nil

PRIORITY AREAS FOR FUNDING

Managing Coastal Erosion and Inundation Hotspots

Priority Initiative: Expand the CoastWA program to manage coastal erosion and inundation hotspots.

Funding Required: \$55 million. Funds are to be provided to Local Governments through a competitive grant program to complete and implement coastal hazard risk assessment and adaptation plans (CHRMAP).

Program Benefits

- Ensure risk hazard planning and management of identified coastal erosion and inundation hotspots
- Protect valuable coastal infrastructure to enable recreation, tourism and other economic activities
- Minimise future costs by addressing coastal erosion in a timely and proactive manner

Summary

A significant and sustained increase in funding is required to enable Local Governments to effectively manage WA's coastal erosion and inundation hotspots.

WA's coastal zone, supports a variety of recreation, conservation, residential and commercial land uses. The coastal zone is highly valued by the community and underpins Western Australia's identity, prosperity and lifestyle. 80 per cent of residents live within 10 kilometres of the coast. It is also one of the main drawcards for tourists to WA, with around 80 per cent of the State's tourism activity occurring in the coastal zone. The coast is also vital to the State's economy in providing locations for ports and other coast-dependant facilities.¹

WA's coastline is being increasingly impacted by climate change. Sea level rise is expected to be at least 0.9m by 2100, making coastal areas highly vulnerable to both erosion and inundation. The intensity of storm events will also increase, leading to acute erosion and inundation events at the coast. Erosion and inundation is a significant threat to infrastructure, including ports and roads, public assets, private houses and natural coastal ecosystems.

Concern over the on-going impacts of climate change was a major factor in the State Government's commissioning of the Assessment of Coastal Erosion Hotspots in WA Report, released in 2019. This assessment identified 55 hotspots (15 metropolitan and 40 regional) where coastal erosion is expected to have a significant impact on public and private property or infrastructure within the next 25 years. The assessment identified a further 31 locations likely to be at risk beyond 25 years.

Most coastal Local Governments have at least one identified erosion hotspot. The affected Local Governments are: Broome, Port Hedland, Exmouth, Carnarvon, Shark Bay, Northampton, Geraldton, Irwin, Dandaragan, Gingin, Wanneroo, Joondalup, Stirling, Cambridge, Mosman Park, Fremantle, Cockburn, Kwinana, Rockingham, Mandurah, Busselton, Harvey, Bunbury, Augusta-Margaret River, Manjimup, Denmark, Albany, Jerramungup, Ravensthorpe and Esperance.

Of the 55 hotspots identified, the assessment found:

- 80 per cent have recreational assets susceptible to erosion in the next five years.
- Five have private property at risk in the next five years, increasing to 10 hotspots within five to 25 years, and 26 hotspots projected beyond 25 years.
- 49 per cent have road and/or rail infrastructure at risk in the five to 25 year timeframe, increasing to 76 per cent projected beyond 25 years.
- 36 per cent have leasehold property susceptible to erosion in the five to 25 year timeframe.

The Hotspots Report estimated that over the next 5 years around \$3 million would be needed just to undertake the required planning for these 55 hotspots. This estimate does not the cost of implementing the required adaptation measures, which can range from \$0.5 million up to \$30 million.

The State Government has estimated the cost of managing the 55 identified erosion hotspots could be \$110 million over the next five years and called on the Commonwealth Government to contribute funding as part of a coordinated, whole of government approach. Infrastructure WA has also identified the need to improve climate change adaptation response within State Government and across infrastructure sectors, including vulnerability to increased inundation and erosion in coastal locations as a key theme emerging from consultations on the development of the State Infrastructure

¹ WA Coastal Zone Strategy, Western Australian Planning Commission, 2017

Strategy.² Australia has also identified the development of a national coastal erosion and inundation strategy as a high priority initiative³, but the Commonwealth Government has not yet allocated funding.

Local Governments have a significant role in planning for and addressing predicted erosion and inundation. State Planning Policy 2.6 requires Local Governments to carry out coastal hazard risk assessment and adaptation planning (CHRMAP) to address predicted erosion and inundation. However the cost to manage these hotspots is well beyond the financial and technical capacity of Local Governments.

Under CoastWA, the State Government provides Local Government with grants to assist with coastal management:

- CoastWest - grants that support land managers and community organisations to address coastal challenges through projects to manage, rehabilitate, restore and enhance coastal sites;
- Coastal Management Plan Assistance Program - grants to coastal land managers to prepare and implement coastal plans and strategies; and
- Coastal Adaptation and Protection (CAP) Grants - grants for projects that identify and manage significant coastal hazards.

CoastWA funding was doubled to \$4 million in 2020-21 but remains well below the State Government's estimate of what is required to effectively manage the identified hotspots. WALGA is seeking a State Government commitment to increase funding for CoastWA to \$55 million over four years and supports ongoing efforts to leverage Commonwealth funding and the development of a national approach to coastal erosion and inundation.

² State Infrastructure Strategy Discussion Paper Consultation Outcomes Report, Infrastructure WA, 2020

³ Coastal Hazards Adaptation Strategy, Infrastructure Australia, 2020

State Urban Greening Program

Priority Initiative: Establish an urban greening grant program to facilitate the planting of 60,000 trees.

Funding Required: \$20 million. Funds to be provided to Local Governments through a competitive grant program with a focus on planting trees in areas with low canopy cover and increased exposure to heat. Funds to be spent on tree purchase, planting and associated works to support ongoing tree health.

Program Benefits

- Improved liveability and amenity of metropolitan and regional urban centres
- Reduce the impact of urban heat on vulnerable communities
- Increased climate change resilience
- Engagement and involvement of volunteers and the corporate sector

Summary

The loss of mature trees in urban areas, combined with the impacts of climate change, is contributing to creating hotter cities, suburbs and regional centres. The 2017 report *Where should all the trees go?* showed an overall decline in established vegetation across Perth and Peel between 2009-2016 and that 41% of all Local Governments in WA had experienced a significant loss of tree canopy. 85% of Perth's canopy loss is occurring on private land.⁴

As well as lessening the impact of the urban heat island effect and increasing resilience to a changing climate, improving tree canopy cover increases neighbourhood liveability and amenity, improves air quality, assists to conserve biodiversity and contributes positively to psychological and emotional wellbeing.

Significant tree planting and planning policy change is required to support trees and canopy cover into the future. The recent changes to the WA Planning Framework to preserve existing trees and include additional trees in new developments will assist in this regard. Likewise, Local Governments are taking action to reduce tree loss on private land and implementing extensive tree planting programs on street verges, parks and other public areas. For example, the Town of Victoria Park allocates approximately \$1 million a year to urban forest initiatives and the City of Cockburn will spend \$750,000 on tree planting in 2021-22.

There has been strong take-up of the Water Corporation's Urban Canopy Grant Program, funded as part of the Perth Waterwise Plan, which provided \$750,000 to Perth and Peel Local Governments to augment their existing tree planting efforts or bring forward future tree planting in their urban forest plans. The Government has also committed \$4 million to delivering the urban forest initiatives within the Swan Canning Riverpark and the Bayswater Urban Forest Project.

While these initiatives may slow the rate of urban canopy loss, they will not be sufficient to reverse the trend.

Additional financial support from the State Government will allow Local Governments to accelerate and expand their tree planting efforts in the public realm and create a greater buffer against the loss of trees on private land.

WALGA is proposing an expanded Local Government urban forest grant program for metropolitan and regional urban centres which would focus on tree planting in areas of low canopy cover and increased exposure to heat. Funding would be available for tree purchase, planting and associated works to support ongoing tree health. It is proposed that the program would be administered by the Department of Water and Environmental Regulation as a key initiative of the Climate Resilience Action Plan being developed as part of the Western Australian Climate Policy.

Based on experience with the Urban Canopy Grant Program it is estimated that the expanded program would enable approximately 60,000 trees to be planted.

The proposed funding profile escalates over the forward estimates to allow the local nursery industry to gear up to grow the required quantity of suitable quality tree stock in advance of planting.

⁴ [Where should all the trees go?, Greener Spaces Better Places, 2017](#)

Evolving the State Underground Power Program

Priority Initiative: Extend the State Underground Power program.

Funding Required: \$66 million. Funds to be invested in high priority projects identified on the basis of the need to invest in the electricity distribution network. Greater financial support should be provided for projects in areas with lower property values (lower economic capacity) and specific support provided to individual property owners within project areas based on their financial capacity (e.g. pensioners, low income households). It is estimated that this funding would see 26,400 properties converted to underground power.

Program Benefits

- Improved capability, reliability and security of electricity supply;
- Improved community safety by removing exposed wires;
- Enhanced streetscapes and visual amenity;
- Improved street lighting providing safety benefits for pedestrians and other road users;
- Reduced street tree maintenance costs and allowing more trees to be established to lower heat island effects; and
- Reduced maintenance costs for Western Power.

Summary

A redesigned State Underground Power Program will leverage the significant electricity distribution renewal investment that will be undertaken by Western Power during the next Access Arrangement Period (2022-23 to 2026-27) in order to ensure that infrastructure is replaced as it reaches the end of its service life and is upgraded to cater for the requirements of distributed power generation as set out in the Distributed Energy Resources Roadmap.

Since 1996 the State Government has co-invested with Local Governments and Western Power to deliver underground power to more than 100,000 residential properties. However, more than 350,000 residential properties in Perth and 90,000 residential properties in regional towns are still served by overhead power distribution.

Significant parts of the electricity distribution infrastructure in middle ring suburbs, developed between the 1950's and the 1970's, have reached the end of its service life and will need to be replaced over the next decade in order to provide a safe network that can support future ways in which the grid will be used. This provides an opportunity for Local Governments and the State Government to co-invest with Western Power to secure benefits that simply replacing old poles and wires with new ones will not achieve.

There are a range of benefits of converting to underground electricity distribution, and the Economic Regulation Authority estimated a benefit-cost ratio of between 2.6 and 2.7 based on underground power program projects undertaken between 1996 and 2010⁵. By more strongly aligning with network reinvestment priorities, future projects should achieve a similar or higher net benefit.

A key benefit of the program is improvements in the security of electricity supply, which are particularly felt by business and the community during extreme weather events, which can cause damage to extensive parts of the overhead distribution network at the same time and overwhelm the capacity of the electricity distribution companies to respond in a timely way. Other benefits include improved safety for pedestrians and road users; reduced maintenance costs for Western Power; and enhanced streetscapes.

Extension of underground power to suburbs developed between the 1950s and 1970s will include areas with lower property values and a higher proportion of property owners with lower financial capacity. The previous program design, requiring property owners to meet the majority of the costs, will be unlikely to secure widespread community support in these areas. As a result continued State Government contribution will be necessary to provide equity with those areas that have already been converted to underground power.

Timely commitment to supporting the program from 2022-23 will enable project planning and development to be completed and for the industry capacity to be retained and developed when the currently funded projects are completed in 2022.

⁵ [Inquiry into State Underground Program Cost Benefit Study 2010, Economic Regulation Authority, 2010](#)

Food Organic Garden Organic Processing Infrastructure and Market Development

Priority Initiative: Create a grant program for the construction of FOGO processing infrastructure and market development.

Funding Required: \$14 million from revenues generated by the Waste Avoidance and Resource Recovery Levy. Funding to be allocated to Local Government and private sector operators through a competitive application process.

Program Benefits

- Provide the infrastructure to ensure that the Waste Avoidance and Resource Recovery Targets are met
- Generates jobs in sustainable industries
- Reduces greenhouse gas emissions, through diversion of organic waste from landfill and soil sequestration of carbon
- Provides organic products to enrich WA's soils to assist with regenerative agricultural approaches.

Summary

State Government investment in FOGO processing infrastructure will be essential to deliver on the ambitious target set out in the Waste Avoidance and Resource Recovery (WARR) Strategy, for all Local Governments in the Perth and Peel Region to have a three-bin FOGO Collection system by 2025 or before. It will also be needed to ensure that the materials sourced from these collections are utilised to sequester carbon and improve soil.

The WARR Strategy was agreed in early 2019 and set the FOGO Target for Perth and Peel. The Better Bins Program is set to provide \$20 million funding to Local Governments to assist with the transition to a three bin collection system. However collection is only one element to achieving the target. The Department of Water and Environmental Regulation has put in place a FOGO Reference Group which brings together key stakeholders, including Local Government, Composters and Regulators, and whose role is to provide input into how to achieve the WARR Strategy Targets with respect to FOGO. Through the work of the Department and this Group, the key gaps identified to achieve the Target are sufficient capacity to process collected material and the market for the material to be sold into.

Usually the development of infrastructure to process Local Government material would have at least a five year lead time, as it requires Council approval, altering collection systems and contracting with an organisation to provide the processing. That organisation is unlikely to have capacity 'spare' so would then have to find an appropriate location for the facility, secure funding, navigate the Department of Water and Environmental Regulation licencing system for prescribed premises and other relevant planning and building approval, construct the facility, secure the appropriate equipment and staffing for the facility and have a market for the product. However, the WARR Strategy Target requires that processes are compressed so that it can occur before the 2025 Target date. This Budget request would provide the funding to assist with facility construction and product market development, fast tracking the process to ensure the WARR Strategy Target can be achieved.

The State currently does not have sufficient FOGO processing facilities in place to process the level of waste generated once the target is met. Existing processing infrastructure operated by the Southern Metropolitan Regional Council in Canning Vale and GO Organics in Gingin has capacity of approximately 150,000 tonnes per annum. When all of Perth and Peel has introduced FOGO there will be a need for at least 400,000 tonnes per annum processing capacity. Without the development of adequate processing infrastructure, there is a risk that this target may not be met and the full environmental and economic benefits of FOGO are not realised. WALGA estimates, based on current employment numbers at FOGO facilities, that the investment could generate at least 60 new jobs in FOGO processing.

WALGA considers that it is appropriate that funding from revenues collected from the WARR Levy is used to facilitate the construction of this essential infrastructure, to reduce the risk for the commercial sector and Local Government in progressing this option and to incentivise investment. These funds should be allocated to Local Governments and private sector operators through a competitive application process. The WARR Levy is the appropriate funding avenue as one of the aims of the Levy is to ensure the WARR Strategy is achieved.

There may also be scope for the State Government to leverage Federal Government funding in this area, as FOGO has been identified as a national priority. This approach has been successfully applied to the funding of reprocessing infrastructure for plastic, tyres and paper/cardboard to meet the onshore processing capacity needed to address the Export ban requirements.

To ensure the best environmental and economic outcome, it is also important that the processing infrastructure is distributed evenly across the Perth and Peel region. An even distribution of the processing infrastructure will mean that the material can be managed close to source, which reduces transport costs and creates local sustainable jobs.

Extend the Small Business Friendly Approvals Program

Priority Initiative: Extend the Small Business Friendly Approvals program for an additional year.

Funding Required: \$1.2 million. Funds will be provided to the Small Business Development Corporation (SBDC) to engage external consultants to work with Local Governments to identify issues facing small businesses; design reforms to achieve more streamlined approval processes; and support the implementation of the reforms within the Local Government.

Program Benefits

- Reduced approval timeframes for development applications, resulting in significant time and cost savings for small businesses.

Summary

The Small Business Friendly Approvals Program aims to streamline the process of obtaining business licences and trading permits from Local Government authorities. The Program was introduced as part of the Streamline WA initiative as a way to assist with the economic recovery following the COVID-19 pandemic, and is only available to those Local Governments that are participating in the SBDC Small Business Friendly Local Government initiative. As well as supporting the recovery from COVID-19, the program also looks to support the diversification of the economy over the longer term by supporting small businesses to start up and grow.

Small businesses are an important part of the WA economy. There are 227,754 small businesses in WA, representing 97% of all businesses in the State.⁶ Small businesses is also a significant employer in the state, accounting for 37% of the total workforce (450,000 jobs).⁷

Small businesses have been particularly hard hit by COVID-19 and the imposition of lock down restrictions. Small businesses are particularly vulnerable given that they operate in industries that are more likely to have been impacted by the pandemic and have more limited resources to ride our lock down provisions or periods of lower activity. The Chamber of Commerce and Industry of WA estimated that the recent three-day lockdown cost around \$170 million, with businesses in sectors such as retail, hospitality and events affected the most.⁸

While there has been a raft of support for small businesses provided by all levels of Government during the pandemic including the SME Guarantee Scheme, temporary cashflow support, and business grants to name a few, the majority of programs are temporary in nature, and designed to support small businesses during the peak impact of COVID-19.

The Small Business Friendly Approvals Program will deliver lasting benefits to the sector, by identifying opportunities and reforms that will permanently reduce the regulatory burden and make it easier for small businesses. This will not only support the recovery from COVID-19, but also assist with the growth and diversification of the WA economy over the longer term.

The Program was trialled in 2019 in two Local Governments, and successfully delivered 61 recommendations to reduce approval timeframes, improve services and reduce costs for small businesses.⁹

These benefits are being translated into real reforms. For example, the City of Stirling has developed an Action Plan outlining reforms that will support the implementation for the Program's recommendations. This has been adopted by Council, and is being rolled out between 2019 and 2022. The identified reforms are expected to reduce approval timeframes for development applications by more than 30 days, and result in significant time and cost savings for small businesses.¹⁰ The initiatives that were identified focus on the speed of approvals, and focus on improving business customers' access to early information and guidance, better customer service, and process efficiencies.

The success of the program has seen the State Government provide additional funding for the program to be extended to 20 Local Government authorities in 2020-21 and 2021-22.

⁶ Small Business Development Corporation, [Facts and statistics | Small Business](#)

⁷ Australian Bureau of Statistics, Australian Industry. Cat. 8155.0

⁸ [COVID restrictions cost WA businesses \\$170m, Chamber of Commerce and Industry of WA, 2020](#)

⁹ [Media Statements - Rules streamlined to boost COVID-19 economic recovery, Western Australian Government, 2019](#)

¹⁰ [Stirling speeds up approvals for small business, City of Stirling, 2019](#)

The provision of funding for an additional year will enable a greater number of Local Governments to participate and for the benefits to small businesses in terms of reduced approval timeframes to be realised more broadly across the state.

WALGA has received positive feedback from participating Local Governments, and there are a number of Local Governments that would like to participate but missed out on the current funding round.

Further, there is an opportunity to provide a more tailored program to regional Local Governments that may not have the scale or resources to participate in the program in its current form, but have a desire to support their small business community and reduce red tape.

There is also scope for additional funding to be provided to support the initiatives already identified by Local Governments who have participated in the program. Whilst many of the initiatives identified through the program can be implemented using the existing funds and resources of each Local Government, others require additional resources in order to be implemented in a timely manner. WALGA encourages the State Government to investigate co-funding arrangements to support the timely implementation of initiatives that seek to achieve the objectives of the program.

Support for Local Government to Transition to the State Industrial Relations System

Priority Initiative: Assistance for Local Governments with the cost of transitioning to the State Industrial Relations System, without imposing an additional financial burden on ratepayers.

Funding Required: \$15 million. Funds will be provided to Local Governments and WALGA to implement the transition.

Program Benefits

- Reduce pressure on ratepayers to fund the additional costs associated with the transition to the State Industrial Relations System

Summary

The State Government is seeking to have all Local Governments operate in the State Industrial Relations System based on recommendations made in the 2019 Ministerial Review of the State Industrial Relations System. If legislation to mandate the transition is reintroduced into Parliament, it will be critical for Local Governments to secure State Government funding, resourcing and assistance to ensure the transition is smooth and positive for Local Government employees, and to minimise the financial impact on ratepayers.

The transition of Local Government employees from the Federal to State Industrial Relations system will affect approximately 23,000 employees and will require Local Government employers and employees to navigate complex transitional legislation and arrangements. There are 121 of 139 Local Governments and seven Regional Councils operating in the federal industrial relations (IR) system. This equates to 87% of the sector with the remaining 13% operating in the State IR system.

There are significant costs associated with the transition from the Federal to the State IR system that will fall on affected Local Governments and cannot be absorbed within existing budgets. In May 2021, WALGA surveyed its members to determine the estimated quantum and types of costs that would be associated with the transition. Some 60 Local Governments responded to the survey, representing more than 15,100 employees (or nearly two thirds of affected employees). The results identified a number of additional costs associated with the transition to support the following activities.

- Developing and delivering training for human resource and industrial relations professionals, payroll employees and Local Government managers about the State IR system to be able to inform and educate their respective workforces and manage risks associated with non-compliance (*\$2.0 million*)
- Obtaining legal advice to interpret the transitional provisions contained in the Bill and amending legal documents such as contracts of employment (*\$3.8 million*)
- Adjusting payroll and records systems to reflect the current requirements of the State IR system (*\$1.5 million*)
- Additional staffing costs associated with managing the additional workload, as well as ensuring expertise in the State IR System. (*\$4.7 million*)
- Engaging consultants to assist with the redrafting of positions descriptions, employment policies and procedures to reflect the requirements of the State industrial relations legislation (*\$2.5 million*)

There are also additional costs for WALGA to develop template documents and guides to educate the sector on the transition process and the new legislative requirements including the provision of advice and support (*\$0.5 million*)

Transitional funding will support these activities for the 128 Local Government entities currently in the Federal system to ensure the transition is smooth without imposing additional financial burden on ratepayers.

PRIORITY AREAS FOR COLLABORATION

Address the shortage of Government Regional Officer Housing (GROH)

Priority Initiative: Greater collaboration and early engagement with Local Governments for the provision of Government Regional Officers Housing.

Funding Required: No additional funding.

Program Benefits

- Ensure regional communities have access to essential services.

Summary

Greater collaboration and early engagement with Local Governments for the provision of Government Regional Officers Housing (GROH) will assist in identifying and addressing existing shortages and ensure appropriate planning so that there is adequate housing in place going forward for areas of most need.

The adequate supply of GROH Housing for essential government employees such as teachers, police officers and health workers is crucial to the effective delivery of valuable public services that underpin the social and economic viability of regional and remote communities in Western Australia.

There is currently a significant shortfall in supply of available GROH properties across regional and remote Western Australia. Department of Communities GROH Program figures show that at March 2021, there were 205 unmet requests for housing and 83 properties across regional WA that require total replacement. The biggest unmet need is in the Pilbara Region, where 79 properties are required, and 25 existing properties are at end of life.

Region	Unmet need (Number of houses)
Pilbara	79
Goldfields	28
Mid West/Gascoyne	25
West Kimberley	19
East Kimberley	19
Wheatbelt	19
Great Southern	9
South West	7

The challenge with housing in regional areas has become even more acute in recent times. Population migration as a result of border closures due to COVID-19, the localisation of workforces that have traditionally operated on fly-in fly-out arrangements, and the end of the rent moratorium have disrupted the availability of affordable private rentals, leading to an acute shortage in social and community housing, particularly in regional and remote areas. Regional Local Governments are reporting that options for short term and temporary worker accommodation are severely limited, with several community welfare organisations in the aged and child care sectors indicating that they are struggling to attract and retain essential workers.

Local Government are a crucial partner in the provision of accommodation in their communities. Local Government continues to allocate funding to build GROH properties to lease to the State Government. Some participating Local Governments include the Shire of Broomehill- Tambellup (\$1.55 million provided for three GROH properties), Shire of Koorda (\$350,000 for one property) and the Shire of Kojonup (\$1.15 million for three GROH properties).

It is recognised that there has been a significant increase in funding provided for the GROH program in recent years. Local Governments are seeking to work more collaboratively with the State Government to ensure that this funding is directed to the areas in greatest need, and to put in place appropriate planning to identify emerging shortages.

Homelessness Outreach Services

Priority Initiative: Greater collaboration and early engagement with Local Governments for the provision of homelessness outreach services.

Funding Required: No additional funding.

Program Benefits

- Homeless Western Australians have greater support and access to services that are directly relevant to their needs.

Summary

Homelessness is a complex issue that requires a coordinated approach from all three levels of Government. Greater collaboration and early engagement with Local Governments will be important to improve the quality of life for people experiencing homelessness in all of its manifestations.

The recent COVID-19 Pandemic has created a significant homelessness consequence through the need for a public health response to shelter rough sleepers in safe accommodation, and increasing numbers of rough sleepers and homeless people due to the economic and social impacts of the pandemic. Shelter WA estimates that more than 9,000 people in WA are homeless, with 1,000 living on the streets.

Local Government is increasingly being called upon to play a role in homelessness policy responses, particularly through facilitating localised responses. While the sector can play a role to support and facilitate homelessness policy responses at a local level through its planning, health, community development and regulatory functions, it lacks adequate resources to do so. Further, the sector has raised concerns with respect to the lack of clarity of the sector's role; inconsistent approaches and levels of services provided; and a lack of consultation in relation to allocated funding.

Local Governments have been seeking additional resources to support a coordinated response to homelessness, and for funding for Local Governments to facilitate the delivery of homelessness policy initiatives including assertive outreach services to rough sleepers and people at risk of homelessness; coordination of emergency relief and homelessness services; training of staff; and coordination between Local Governments in homelessness responses.

The State Government has recently committed funding support for these areas, including through the election commitment for \$48.9 million. It is recognised that \$6 million of this will be provided to partner with Local Governments to deliver on-the-ground homelessness initiatives specific to their area's needs.

Local Governments welcome this additional funding, to the extent that it will support the provision of services and allow for a more localised policy response. The sector is committed to continue to work constructively with the State Government to implement this program over the next four years, and to identify future funding needs.

Telecommunications Infrastructure

Priority Initiative: Greater collaboration and early engagement with Local Governments to ensure the roll out of funding for initiatives to improve telecommunications is needs based.

Funding Required: No additional funding.

Program Benefits

- Ensure communities have access to essential services.

Summary

Governments, power utilities, telecommunications carriers and service providers need to work collaboratively to reduce black spots, establish uninterruptable power supplies for the telecommunications network, and maintain telecommunications network capacity and availability to meet growing community demand.

Online services, mobile broadband and mobile devices and applications have become an essential service that is relied upon by community members and emergency responders alike.

However, many communities report that current services provided are unreliable and slow. This issue is of particular concern in regional areas of WA and was in research including the *2016 Infrastructure Audit* undertaken by the Department of Regional Development, and the 2018 Bankwest Curtin Economics Centre report, *Falling Through the Net*. These studies identified the challenges faced by regional communities and businesses with respect to access to adequate mobile and internet services.¹¹¹²

The lack of connectivity disadvantages people in these areas who rely on mobile connections for access to services, such as health (for examples, telehealth and mental health support), education (for example, online distance education) and other welfare services. It also constraints local businesses and economic activity.

There are also significant issues related to poor service levels of telecommunications resulting from power outages during emergencies. This was most recently experienced during the Wooroloo bushfires and TC Seroja. Power reliability throughout the State is not guaranteed and outages occur regularly. The duration of outages regularly exceeds the available battery capacity at mobile base stations and exchanges, resulting in communications blackouts. During these blackouts, the community cannot make emergency 000 calls or access vital health information or services, and emergency responders may not be contactable should an incident occur. Sadly, this has led to loss of life.

It is recognised that additional funding has recently been provided by the State and Commonwealth to support regional connectivity, including the election commitment of \$218 million to deliver 1000 Stand Alone Power Systems over the next five years, which is welcomed.

Telecommunications infrastructure is in large part the responsibility of the Commonwealth Government. However, there is a critical role for the State Government to advocate for funding to address these issues and to work with Local Governments to ensure the roll out of funding through initiatives such as the Mobile Black Spot Program and STAND Round 2 mobile network hardening project is needs based.

¹¹ Infrastructure Audit: Evaluation of Western Australia's agriculture infrastructure priorities, Department of Regional Development, 2016,

¹² Falling through the net – The digital divide in WA', Bankwest Curtin Economics Centre, Bond-Smith, S., Duncan, A., et al, 2018, 'Accessed 10 September 2018 from <http://bcec.edu.au/publications/falling-through-the-net/>