



## **Western Australian Regional Cities Alliance Report**

**2 December 2009**

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## 1. Executive Summary

The Cities of Albany, Bunbury, Geraldton-Greenough and Kalgoorlie-Boulder outline the case for a strategic approach to regional development within Western Australia. While making the case for decentralisation of future population growth away from the Perth Metropolitan Area, their priority is strategic investment in the infrastructure of regional cities.

The report explores the economic contribution of regional Western Australia; the existing projections for population growth in the State; and, the likely distribution of that population in the absence of decisive policy interventions. It is considered highly likely that the projected growth of the Perth Metropolitan area will have serious adverse effects. The lack of a concerted approach to regional development and distribution of population growth to regional cities is viewed as a major strategic risk to the State's future prosperity.

The report outlines concerns with recent State Government initiatives in the planning and approval processes for significant infrastructure developments and proposes a framework for ongoing engagement between participating Cities and both the State and Commonwealth Governments.

The Cities propose Memorandums of Understanding between themselves and both the State and Commonwealth Governments as the foundation for a strategic dialogue on the state planning process. The process giving rise to the two draft Memorandums is outlined and copies are provided as appendices.

## 2. Project Objectives

The Cities of Albany, Bunbury, Geraldton-Greenough and Kalgoorlie-Boulder have collaborated in the development of this report. It outlines the critical importance of a policy shift to genuinely address regional development within the State. It seeks to emphasise the central role and importance of decentralised urban development as a feature of regional development and to place Regional Cities at the centre of that debate.

While emphasising the ability of Regional Cities to increase their contribution to the State, the proponents recognise that they cannot make significant advances in isolation from their supporting regional frameworks. For this reason the report focuses upon a concerted approach to planning and development in regional Western Australia. Within this new paradigm the Regional Cities require specific attention. However, the proponents require a well-constructed and adequately supported network of sub-

regional centres operating in symbiotic fashion across the regions. The proponents will persist in their support and advocacy for a comprehensive regional development framework, within which the balanced treatment of Regional Cities will be a priority.

### 3. Background

#### 3.1. Projected Population Growth and Impacts

The population of Western Australia is projected to increase by 640,000 between 2008 and 2021<sup>1</sup>; a 43% increase in population across 13 years. On current settings the same research anticipates that, for practical purposes, all of this growth will occur in the Perth Metropolitan area representing the fastest rate of growth for any Australian city in history. While the State Government in 2008 preferred an estimate of 27% population growth across the period, the possibility of the higher figure was conceded. The capacity of Perth to sustain this growth while maintaining adequate levels of amenity is seriously questioned by the participating Cities. The environmental impacts of the expansion of the Perth Metropolitan 'footprint' required to accommodate such a massive increase in population is a concern shared by those partners. In the absence of contingency planning and appropriate risk controls this increase of pressure upon the Perth Metropolitan area is viewed by the participating Regional Cities as a serious threat to the future prosperity and long term strategic interests of the State and the Nation.

Population projections for the period 2006-2031 anticipate an annual average growth rate for regional WA of 1.40% (Metropolitan Area 1.20%). However, this aggregated growth figure masks the true situation, due to the influence of the Peel Region's projected population growth (2.74%). For the four regions in which the proponent cities are located the population projections are for lower growth than for the Metropolitan area.

**Table 1: Population Projections (2006-31): Annual Average Growth Rate**

<b>Metro.</b>	<b>Regional</b>	<b>Great Southern</b>	<b>Goldfields Esperance</b>	<b>Mid West</b>	<b>South West</b>
<b>1.20%</b>	<b>1.40%</b>	<b>0.58%</b>	<b>0.79%</b>	<b>0.57%</b>	<b>1.07%</b>

**Table 2: Population Growth (2006-31) (millions)**

<b>Metro.</b>	<b>Regional</b>	<b>Great Southern</b>	<b>Goldfields Esperance</b>	<b>Mid West</b>	<b>South West</b>
From 1.495 to 2.013 (34.7%)	From .556 to .787 (41.6%) <sup>2</sup>	From .055 to .064 (15.5%)	From .054 to .065 (21.8%)	From .050 to .058 (15.4%)	From .145 to .199 (30.6%)

While the economic contribution of the regions is foreseen to increase substantially in future years, on current settings the vast bulk of population growth will occur in the Perth Metropolitan area, or its immediate vicinity.

The capability of the Perth Metropolitan Area to manage its existing population is already in question. The ecological impacts of the projected growth in population are likely to prove extremely detrimental. The ability of the Metropolitan Area to sustain acceptable levels of social amenity in the face of these intensifying pressures must be questioned. The ability to maintain and sustain the current prosperity of the State is also in doubt.

The current status of Perth as the sole centre for growth and development stands as one of the State's most significant strategic risks in economic, social and environmental terms. The proponent Cities advocate the systematic shift to population growth in the regions, and regional cities, as the only plausible response to this stark reality.

### **3.2. Contribution of the Regions**

The proponent Cities are extant substantial population centres with significant organisational capacity. The population of the combined regions<sup>3</sup> totals 407,989<sup>4</sup>; the combined urban area population of the four proponent Cities totals 141,633; and, the combined operating revenue of those cities totals \$195,083,458. Combined rates revenue is \$79,775,779 and combined local government staff number 1067.

This positions the proponents as major partners in the delivery of benefit to the State. However, the potential to maximise their contribution is limited by a deeply entrenched "Perth-centric" approach to State planning. The proponent Cities seek a significant shift in those policy settings.

<sup>1</sup> Professor Bob Birrell, Monash University, 27 June 2008

<sup>2</sup> Noting that the Peel Region's projected 96% increase in population distorts the regional figures.

<sup>3</sup> Great Southern, Goldfields-Esperance, Mid West, and South West – using existing categorization by Regional Development Commission.

<sup>4</sup> ABS Report 3218.0 Regional Population Growth Australia, 31 March 2008

The *Regional Investment Summaries* published by the Department of Regional Development and Lands provide useful insight into the significant investment underway in the four regions in which the proponent Cities are located.

**Table 3: Regional Investment in Projects (June 2007)<sup>5</sup>**

Great Southern	Goldfields Esperance	Mid West	South West
\$1,535mill.	\$5,075mill.	\$12,365mill	\$3,375mill.

The *“Indicators of Regional Development in Western Australia – Supplementary Report”* provides information on the relative contribution of regional economies to the State’s Gross Product. It also provides evidence that in some regions the per capita contribution to Gross Regional Product exceeds the Metropolitan per capita GRP to a significant extent.

For the purposes of this report it is significant that this data is only available at the regional level from the Department’s website. No data is published specific to the four proponent cities. This is further evidence that the current and future contribution of regional cities is not on the State’s radar.

**Table 4: Per Capita Gross Regional Product (2005/06)**

Metro.	Regional	Great Southern	Goldfields Esperance	Mid West	South West
\$53,908	\$69,427	\$41,624	\$136,326	\$70,754	\$54,683

**Table 5: Regional and Metropolitan Contribution to GSP (2005/06)**

Metropolitan	Regional
\$80.579mill.	\$38.611mill.

The State does very well from its regional population in aggregate terms. In 2006 27% of the State’s population resided in regional locations, but in aggregate the regions generated 32% of Gross State Product.

### **3.3. The Lack of Strategic Outlook on Regional Development**

There is no evidence of any recent efforts to focus on Regional Development Policy. The Regional Development Policy appearing on the Department for Regional Development and Lands website is dated 2003. There are also updates/*“Highlights”* for 2005, 2006 and 2007. The 2004 Report *“Indicators of Regional Development in*

<sup>5</sup> The primary data source is the Access Economics Investment Monitor

*Western Australia*” and a 2007 contribution titled *“Indicators of Regional Development in Western Australia – Supplementary Report”* also appear on the website. While these sources may be dated, they refer only to regional areas and are silent on the future role of regional cities.

Recent web postings (post-2007) are restricted to the *“Royalties to Regions”* Programme and incidental content concerning telecentres and “community leadership”. Even the *“Western Australian Regional Development Council Strategic Priorities 2008”* has no reference to the place of regional cities in delivery against policy objectives.

The 2003 Regional Development Strategy is obsolete, but officially still in place. *“Royalties to Regions”* is a creative and highly welcome addition to the policy mix, but the mainframe for policy direction on regional development has not been adjusted. Consequently *“Royalties to Regions”* stands as a perhaps transient product of political circumstances; reliant upon strong underlying growth in royalties from resources projects of various types. Prevailing economic uncertainty at the time of preparation of this report demonstrates the fragility of reliance on chance, circumstance and good fortune.

Despite the absence of convincing policy settings, there are extremely worthy proposals and commitments being made to infrastructure development in regional locations. These include the Oakagee Port; the Ord River/East Kimberley expansion; the Kemerton Industrial Precinct; and, the James Point Kimberley Gas Hub. *“Royalties to Regions”* has also delivered welcome investment in housing in regional areas, especially for government employees and the social housing sector.

It is also noted that there are regular allocations of policy attention, interest and funding generated by the WA State Government on a case by case basis. For example, Landcorp has invested heavily in the Albany Foreshore Development and has achieved highly commendable outcomes. Similarly, the Commonwealth Government injects resources into urban and regional infrastructure, but again without any apparent high level strategic settings. Investment is occurring in Regional Cities but, unfortunately, without any demonstrated strategic focus and framework for delivery.

Regrettably, recent initiatives by the State Government have not made a practical improvement to these settings. The report *“Planning Makes It Happen: a blueprint for planning reform”* is a conspicuous example. While worthy as a demonstration of the Government’s determination to grapple with the issues, this report:

- Selects a relatively small component of the overall field in State planning decisions as its focus, thereby inferring that Local Government is the source of all problems in planning processes;

- Sets an impractically low threshold figure for “significant developments” and thereby risks major bottlenecks into the future;
- Compounds this risk of congestion by preventing the existing practice of using delegated authorities to effect planning decisions and requiring reference to Development Assessment Panels; and,
- Remains essentially Perth-centric in its orientation.

### **3.4. Interstate Examples**

A review of infrastructure projects in regional cities in other States demonstrates the neglect of strategic settings in Western Australia.

#### **3.4.1. Townsville**

Current investments in Townsville include:

- \$100 million to \$150 million Townsville Marine Precinct Project;
- Barrack Osborne Magnetite Rail Project;
- Rocky Springs Urban Community Project (15 km from the Townsville CBD);
- Northern Queensland Gas Pipeline;
- \$1 billion Ballera Lateral Project Pipeline; and,
- In addition, Townsville is a hub for statewide infrastructure projects (such as the “Project en@ble” information and communications initiative).

#### **3.4.2. Rockhampton**

Infrastructure projects in the Rockhampton area include:

- Fitzroy Industry and Agriculture Initiative;
- Stanwell Energy Park;
- Stanwell to Gladstone Infrastructure Corridor; and,
- ZeroGen Clean Coal Power Station.

#### **3.4.3. Mackay**

Infrastructure projects in the Mackay area include:

- Moriban Power Station project;
- Nebo Power Station;
- The Bowen Basin Coal Growth Project; and,
- The Port of Hay Point Capital dredging Project.



#### 3.4.4. *Southeast Queensland Development Project*

While focused on the hinterland of Brisbane, the Southeast Queensland Development Project is a major grouping of infrastructure projects that extend into a number of regional centers adjoining the Greater Brisbane area.

#### 3.4.5. *Coffs Harbour*

The projected population growth (2006 -2030) for Coffs Harbour is from 68,000 to 100,000, an increase of 47%. Coffs Harbor already has the busiest regional airport in New South Wales and has the feature of a relatively young demographic. Other infrastructure works include:

- Significant expansion of information and communications capacity;
- A major water supply enhancement strategy; and,
- Significant expansion of waste management capacity with a Sewerage Strategy in place.

#### 3.4.6. *Geelong*

Infrastructure projects in the Geelong area include:

- Avalon Airport expansion;
- Northern Gateway Transport Hub;
- Major upgrades to Port capacity;
- The building of a major ring road project; and,
- Expansion and renewal of rail infrastructure.

### 3.5. **The Need for a Strategic Focus**

Regional cities will not flourish without sustained and focused regional development policies and associated investment strategies. Regional development will not be sustainable without recognition that Perth cannot continue as the sole centre of the State and that vibrant and prosperous regional cities are a necessary feature of the future of Western Australia.

The central proposition of this report is that Alliances are required which involve the participating Region Cities and both the State and Commonwealth Governments respectively. The proposition is based on evidence that the existing concentration of population in Perth and the thin distribution of population elsewhere across the State is contrary to the long term strategic interests of the State and the Commonwealth. The Alliances are intended to be founded on Memorandums of Agreement between respective parties. The Alliances are not exclusive and the draft Memorandums

provide for additional regional cities to be added by decision of the State and Commonwealth Governments respectively.

The proponents are convinced that the development and expansion of Regional Cities is a pre-requisite for effective regional development. The Cities intend to enable the balanced development of the State.

Accordingly, while respecting the importance of a new State development framework which gives due recognition to the place of regional development, the proponents are primarily advocating that sufficient attention and resources to be allocated to allow them to become fully-fledged alternatives to the Perth Metropolitan area as sites for population growth and economic activity.

The earlier discussion notes the significant infrastructure investments which are already occurring in regional Western Australia and the proponent Cities. Regrettably, in the view of the proponents those investments are being made on a circumstantial and *ad hoc* basis. Economic, social and political imperatives will dictate continued investment into the future. It is a matter of determining whether this should occur in the absence of a strategic framework. The proponents are convinced that inertia around existing settings is not an adequate foundation for the future of the State. Decisive intervention is required to change the direction and pace of State planning and development.

The current process of Local Government Reform provides a useful backdrop to this report. A unique opportunity presents for the role and function of regional cities to be positioned within the debate on future directions for local and regional governance and service delivery requirements which will emerge from the reform process. Capitalising on that opportunity is a shared responsibility to which the proponent Regional Cities are committed. The opportunity cost of accessing this policy window for consolidation on future development in the regions more generally, and regional cities specifically, is in the hands of the State and Commonwealth Governments. The price of a missed opportunity will again be a legacy to be shared into the future.

#### **4. Summary of Consultations**

Ongoing discussions and consultation with representatives of participating Regional Cities, Government and stakeholder agencies has been conducted and raised some points of consensus and others points of concern that showed a variety of views.

There was no opposition or objection to the concept of a Regional Cities Alliance. Enthusiasm for such an Alliance ranged from high levels of enthusiasm to very mild

support. While caution was expressed by some of those contacted, no issues were raised that would prove fatal to an MOU-based arrangement proceeding.

Local Government Reform was raised by all sectors as an issue that was creating some uncertainty and could impact on how the Alliance was received and that specific attention to “relationship management” would be required. However, Local Government Reform was also seen as presenting some opportunities.

There was some consensus that formalisation of the Alliances (i.e. by creation of a standing Secretariats and similar administrative supports) was premature but may be merited in the future, after there were “runs on the board”; an MOU based relationship involving the participating Cities and the State and Commonwealth Governments respectively was seen as the best way forward at this time and received no objection from any stakeholder agencies. However, there was some lack of clarity on what an MOU would “look like”. To assist on this last point, permission was gained from the City of Geraldton-Greenough to circulate the *Batavia ROC Draft MOU* with the State Government. This permission extended to using the document as an illustration for the purpose of further consultations with government representatives and others.

Refer to Confidential Attachment summary of consultations.

#### **4.1. Chambers of Commerce and Industry**

In the course of preparing this report it was considered that the Chambers of Commerce and Industry for each of the proponent Cities should be consulted on the prospect of the Alliance proposal being advanced. The CEOs of the four Chambers were interviewed by telephone. In all instances positive responses were received ranging from supportive to enthusiastic. Three of the CEOs noted that their Chambers were all advocates of reform in Local Government and supporters of a substantial increase in the capabilities and responsiveness of their respective City Councils. In making these comments there was recognition that a major issue with which the Cities were required to contend was the absence of any systematic engagement by the State and Commonwealth Governments on issues of infrastructure, service planning, and service delivery. Their general support for the Alliance concept was based in the view that it provided an important opportunity for these long standing issues to be identified and addressed.

## **5. APPENDIX 1: Draft MOU**

### **Regional Cities/State Government Alliance**

#### **1. MOU Purpose**

- 1.1 The purpose of the MOU is to facilitate cooperative working between the participating Cities and the creation of an alliance (the Alliance) for the purposes specified herein.
- 1.2 The Alliance will be a broad planning and policy dialogue forum for the parties to the MOU and other stakeholders, as appropriate.
- 1.3 The Alliance will meet at least once each quarter, involving the State Premier and Ministers as relevant, and the Mayors of the participating Regional Cities.
- 1.4 The Alliance will reflect the shared view of participants on the importance to the State of Western Australia (the State) and the Nation of substantial and sustained investment in the infrastructure of regional cities within Western Australia.
- 1.5 The infrastructure levels to be pursued by the Alliance are those necessary to permit regional cities to become viable and sustainable urban alternatives to the Perth Metropolitan Area as destinations for the continuing population growth of the State.
- 1.6 The Alliance acknowledges that a prerequisite for the necessary investment is a major revision of State Government policies on the strategic development of Western Australia. Accordingly, the focus of the Alliance's activities in its first twelve months of operation shall be the achievement of the centrality of regional development to the future economic prosperity and the social and ecological sustainability of the State.
- 1.7 The Premier will refer this revision of State planning to the Western Australian State Cabinet for incorporation into the priorities of all relevant portfolios.
- 1.8 The Alliance seeks commitment by the State Cabinet to policies and investment needed to support the transformation to a multi-city State.
- 1.9 In the context of this sustained commitment to regional development, the Alliance will emphasise the importance of Regional Cities as vehicles and supports for the effective delivery of regional infrastructure initiatives and policies. In doing so, the Alliance will work with communities within the regions to support equitable distribution of investment and effective policies for the development of sub-regional centres, supported by appropriate infrastructure.

## 2. PARTIES TO THIS MOU

The initiating parties to this Memorandum shall be:

- The Government of the State of Western Australia;
- The City of Albany;
- The City of Bunbury;
- The City of Geraldton-Greenough; and,
- The City of Kalgoorlie-Boulder.

## 3. MOU OBJECTIVES

The objectives of the MOU are to ensure that:

- 3.1 The Alliance parties work collaboratively to achieve the future sustainable development of the State of Western Australia;
- 3.2 The Alliance is accepted as a legitimate and respected grouping within the arrangements resulting from the current Local Government Structural Reform process;
- 3.3 All significant matters impacting upon regional cities are referred to the Western Australian State Cabinet for review;
- 3.4 That appropriate allocations will be directed to regional cities in Roads to Recovery (R2R) funding in recognition of their higher infrastructure and service provision requirements;
- 3.5 That the emergence of the Alliance Cities occurs in a balanced fashion, recognising the infrastructure needs and associated funding requirements of sub-regional centres within their hinterlands;
- 3.6 The Alliance Cities evolve into fully-fledged alternatives to the Perth Metropolitan Area as locations for the growing population of the State;
- 3.7 The State's future population growth and its associated demands for social, economic and environmental amenity are distributed in a sustainable fashion. The Alliance believes that a realistic target is for 50% of the projected population growth to occur in regional areas, with 25% to be located in regional cities;
- 3.8 The Alliance is positioned and resourced to represent the interests of its members and to enable synergies at operational and strategic levels;
- 3.9 There is the capability for two further regional cities from the Pilbara and/or the Kimberley regions respectively to join the Alliance; and,

3.10 There are regular opportunities for engagement, representation and dialogue with and between:

- The Premier, the Minister for Regional Development, other Ministers as relevant and Mayors of the Alliance member Cities; and,
- Senior Government Officers and Ministerial Advisors, and Chief Executive Officers of the Alliance member Cities.

## 4. WA REGIONAL CITIES ALLIANCE – OVERVIEW

The population of Western Australia is projected to increase by 640,000 between 2008 and 2020. On current settings, the same research anticipates that for practical purposes all of this growth will occur in the Perth Metropolitan area. The economic, social and environmental impacts of the expansion of the Perth metropolitan ‘footprint’ required to accommodate such a massive increase in population is a concern shared by Alliance members. In any event the Alliance is premised on the proposition that the existing concentration of population in Perth and the thin distribution of population elsewhere across the State is contrary to the long-term strategic interests at all levels.

The Alliance member Cities are extant substantial population centres with significant organisational capacity. Within the Alliance the population of the combined regions totals 407,989<sup>6</sup>; the combined urban area population totals 141,633; and, the combined operating revenue totals \$195,083,458. Combined rates revenue is \$79,775,779 and combined staff numbers 1067.

This positions the Alliance member Cities as major partners in the delivery of benefit to the State. However, the potential to maximise that contribution is limited by a deeply entrenched “Perth-centric” approach to State planning. The Alliance seeks a significant shift in those policy settings.

While emphasising the ability of regional cities to increase their contribution to the State, the Alliance recognises that regional cities cannot achieve maximised outcomes in isolation from their supporting regional frameworks. For this reason the Alliance focuses upon the development of a concerted approach to planning and development in regional Western Australia. Within this new paradigm the Cities require specific attention. However, regional cities require a well-constructed and adequately supported network of sub-regional centres, operating in symbiotic fashion across the regions. A feature of the Alliance’s efforts will be support and advocacy for a comprehensive regional development framework.

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<sup>6</sup> ABS Report 3218.0 Regional Population Growth Australia, 31 March 2008

The Alliance is convinced that the development and expansion of regional cities is a pre-requisite for effective regional development. The Alliance intends to enable the balanced development, which is in the shared interests of all current and future residents of the State of Western Australia.

The Alliance, while respecting the importance of a new State development framework, will primarily be advocating for additional resources to be allocated to its member Cities to allow them to become fully-fledged alternatives to the Perth Metropolitan area as sites for population growth and economic activity.

For success, the new State development framework required to address these concerns will contain the following elements:

**Economic growth and prosperity, including:**

- i. industry and transport planning and infrastructure;
- ii. engagement with the indigenous community to ensure equitable benefit gains;
- iii. employment, job diversity and skills enhancement;
- iv. housing availability and affordability;
- v. managing business overheads;
- vi. industrial and domestic infrastructure (energy, water and waste management); and,
- vii. tourism planning and strategies.

**Social advancement, including:**

- i. population growth and diversity;
- ii. cohesive, supportive, safe and enduring communities;
- iii. culture and recreation;
- iv. social support services and infrastructure;
- v. community capacity building;
- vi. recognition of the traditional custodians of the land; and,
- vii. innovative health and education sectors planning and strategies.

**Environmental and heritage protection and preservation, including:**

- i. effective environmental and natural resource planning and management to achieve sustainable outcomes for land, water, biodiversity, marine and coastal assets, and air quality;
- ii. climate change mitigation and adaptation;
- iii. renewable energy promotion, planning and implementation;
- iv. waste and contamination prevention and mitigation;
- v. protection and recognition of indigenous culture and sites;

- vi. protection and enhancement of significant buildings and recognition of sites since European settlement; and,
- vii. ensuring respectful interface and management of new developments with significant historical sites, preserving important historical assets.

**Cultural preservation and governance, including:**

- i. recognising the significance of indigenous history and culture in the contemporary community;
- ii. acknowledging and respecting multiculturalism;
- iii. ensuring support for a vibrant community, expressed through creative arts;
- iv. attracting and supporting creative arts and design that adds value to the built form, public space, industrial and service outputs;
- v. creating and promoting regional identity and its unique characteristics; and,
- vi. adaptation of existing, and proactive introduction of new statutory and administrative systems, practices, policies and protocols to effectively address emerging and perceived governance needs.

## **5. MOU FOUNDATION POLICY AND PRINCIPLES**

In entering into this MOU the parties agree to abide by policies, principles and agreements on sustainability, cooperation and communication established by and between the State Government and participating Cities aimed at enhancing the effective delivery of sustainable outcomes for the community of Western Australia.

Current protocols that may be referenced include:

- i. State/Local Government Agreement on Partnerships – December 2002<sup>7</sup>;
- ii. State/Local Government Agreement on Communication and Consultation – June 2004<sup>8</sup>;
- iii. State Regional Development Policy – 2005<sup>9</sup>;
- iv. The Inter-Governmental Agreement Establishing Principles Guiding Inter-Governmental Relations on Local Government Matters - April 2006<sup>10</sup>; and,
- v. State Sustainability Strategy – September 2003<sup>11</sup>.

The parties may be informed by views and positions developed and advanced in papers emerging from the ongoing review into the sustainability of local government in

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<sup>7</sup> Retrieved from [www.dlgrd.wa.gov.au/Local Govt/Partnerships.asp](http://www.dlgrd.wa.gov.au/Local%20Govt/Partnerships.asp)

<sup>8</sup> Retrieved from [www.dlgrd.wa.gov.au/Local Govt/Partnerships.asp](http://www.dlgrd.wa.gov.au/Local%20Govt/Partnerships.asp)

<sup>9</sup> Retrieved from [www.dlgrd.wa.gov.au/Local Govt/Partnerships.asp](http://www.dlgrd.wa.gov.au/Local%20Govt/Partnerships.asp)

<sup>10</sup> Retrieved from [www.dlgrd.wa.gov.au/Local Govt/Partnerships.asp](http://www.dlgrd.wa.gov.au/Local%20Govt/Partnerships.asp)



Western Australia, known as the Systemic Sustainability Study for Local Government in Western Australia, including:

- Systemic Sustainability Study – 2006<sup>12</sup>; and,
- *The Journey: Sustainability Into the Future: Shaping the Future of Local Government in Western Australia* – 2008<sup>13</sup>.

The parties will also respect the outcomes of the Local Government Structural Reform process initiated by the Minister for Local Government in February 2009.

## 6. REGIONAL ALLIANCE GOVERNANCE

### 6.1. Steering Committee

A Steering Committee comprised of the Mayors of the Cities of Albany, Bunbury, Geraldton-Greenough and Kalgoorlie-Boulder will consider and recommend policy, initiatives and projects to be advanced through the Alliance.

The Steering Committee will propose the high-level policy and priority issues for the Alliance, and will provide strategic direction and guidance on advancing the issues. It will not be actively involved in operational matters. In performing these functions, the Steering Committee shall consult with nominated representatives of the State Government.

The quorum for Steering Committee meetings shall be three (3) of the Mayors of the Alliance member Cities. Meetings may be conducted by telephone and shall occur no less frequently than once each quarter. A face-to-face meeting shall occur no less frequently than once per year.

The CEOs of the Cities of Albany, Bunbury, Geraldton-Greenough and Kalgoorlie-Boulder, and senior representatives of relevant State Government agencies, may participate in Steering Committee meetings to provide expert advice and information with a strategic perspective, as required.

The Chair of the Steering Committee shall be the Mayor of the City of Geraldton-Greenough for the first year of the Alliance's operation. The Chair of the Steering Committee will be appointed on an annual basis from the Mayors of the participating Regional Cities. Secretariat resources will be provided on an *as needs* basis by the City whose Mayor is the current Chair of the Steering Committee. Each participating city

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<sup>11</sup> Retrieved from [www.dec.wa.gov.au](http://www.dec.wa.gov.au)

<sup>12</sup> Retrieved from [www.walga.asn.au](http://www.walga.asn.au)

<sup>13</sup> Retrieved from [www.walga.asn.au](http://www.walga.asn.au)

will meet the costs of its participation. As required, the Steering Committee may, by agreement, delegate the performance of specific Secretariat functions.

The Steering Committee **will**:

- Ensure that the Premier and the Minister for Regional Development, through their nominees, are consulted over matters intended to be advanced through the Alliance;
- Ensure the availability and provision of adequate financial, material and human resources to enable the timely and effective progression of agreed specific initiatives. It will directly negotiate or delegate negotiating authority, as appropriate, to permit exchange with the State and local governments, the Australian Government, private sector and the community in pursuing resources;
- Ensure effective and timely communication between the Alliance and its partners and stakeholders;
- Ensure effective engagement and cooperation between the Alliance, State Government, the Commonwealth Government, Local Governments and stakeholders to ensure mutual, current awareness and appreciation of policy positions, initiatives being progressed, and proposals under consideration;
- Monitor and assess strategic progress, operational and financial accountability of proposals and projects, and provide appropriate reports to State Government and the Commonwealth Government as appropriate, to support policy consideration and information dissemination;
- Make representations to State Cabinet and/or appropriate Ministers, the Commonwealth Government and/or appropriate Ministers on relevant issues or in relation to a specific policy or initiative; and,
- Review the content of the MOU at least annually, and recommend amendments as appropriate to the Alliance.

The Steering Committee **may**:

- Initiate, receive, consider, advocate and advance strategic advice and proposals related to major policy initiatives and projects designed to achieve the Purpose and Objectives of the Alliance as set out in the MOU;
- Establish working groups involving representatives of the Alliance, State and Local Government, the private sector, the community, and the Commonwealth Government, as appropriate, to address agreed specific policy initiatives and projects; and,

- Seek senior level representation on working groups to ensure appropriate decision making authority, expertise and experience is directed to addressing the matter(s) referred.

## **6.2. Communications and Consultation**

- It is recognised that, from time to time, the views of the Alliance members will differ. Under the MOU, the intention of the parties concerned will be to work conscientiously and objectively to resolve differences. Where this is not achievable, all parties will accept and respect the different views held.
- The Alliance shall meet quarterly. Agenda items will be proposed by the Steering Committee and agendas will be agreed by the Alliance prior to each meeting. The Steering Committee will invite submission of agenda items by the Premier; the Minister for Regional Development and State Cabinet through their nominees.
- Meetings of the Alliance will be supported by meetings with:
  - The Minister for Regional Development to occur no less than twice a year; and,
  - Heads of relevant State agencies to occur no less than quarterly.
- Meetings with State Government Ministers shall be conducted by the Steering Committee.
- Meetings with heads of State agencies may be conducted by CEOs of the Alliance member cities.
- The Alliance shall seek regular meetings with relevant Commonwealth Government Ministers and heads of Commonwealth agencies. The intention is that these meetings involve:
  - The relevant Commonwealth Minister for Regional Development to occur no less than once each six months; and,
  - Heads of Commonwealth agencies to occur no less than once each six months.
- Meetings with heads of Commonwealth agencies may be conducted by CEOs of the participating cities on delegation of the Alliance.
- Senior Alliance representatives will endeavour to be available to meet with State and Commonwealth Ministers and State and Commonwealth agency representatives, on issues of concern and priority to the Alliance.

## **6.3. Dispute Resolution**

In the event of a dispute arising between the Alliance parties, in the first instance the affected parties shall endeavour to resolve the matter by direct discussion, and ultimately through the Alliance.

Nothing in this MOU limits the rights of the parties to the MOU from seeking legal advice or action, or limits the parties in undertaking their statutory roles.

#### **6.4. Further Parties May Join Alliance**

Subject to the unanimous agreement of the existing parties and following nomination by the Premier, additional regional cities may be permitted to join the Alliance by signing of the MOU (as amended from time to time).

#### **6.5. Term of the MOU**

The MOU will come into effect from the date of signing and prevail until altered in accordance with the Break Clause conditions.

#### **6.6. Break Clause**

This MOU is an expression of intent to abide by principles aimed at guiding the commitment and operations of the parties to the MOU in their pursuit of issues and initiatives of mutual interest.

The MOU may be amended by mutual agreement of the parties.

The MOU may be used as a base upon which more detailed arrangements may be established.

Any party can resolve to terminate the MOU. However, prior to a decision to terminate involvement, the matter must be referred in writing to the Steering Committee for discussion, and subsequently to the Alliance.

#### **6.7. MOU in Good Faith**

Despite anything expressed or implied to the contrary in this MOU or anywhere else, this MOU is a non-justiciable statement of current intent, and is neither intended to be, nor is it, (a) legally binding, or (b) creative of legal relations between the parties to it. No legal rights or obligations will come into existence unless or until one or more legally enforceable written agreements are entered into.

## **6. APPENDIX 2: Draft Memorandum of Agreement**

### **Regional Cities/Commonwealth Government Alliance**

#### **1. Purpose**

- 1.1 The purpose of the MOU is to facilitate cooperative working between the participating Cities and the creation of an alliance (the Alliance) for the purposes specified herein.
- 1.2 The Alliance will be a broad planning and policy dialogue forum for the parties to the MOU and other stakeholders, as appropriate.
- 1.3 The Alliance will meet at least once each quarter, involving the Commonwealth Minister for Local Government and Regional Development and other Ministers of the Commonwealth as relevant, and the Mayors of the participating Regional Cities.
- 1.4 The Alliance will reflect the shared view of participants on the importance to the Commonwealth of Australia of substantial and sustained investment in the infrastructure of regional cities within Western Australia.
- 1.5 The infrastructure levels to be pursued by the Alliance are those necessary to permit regional cities to become viable and sustainable urban alternatives to the Perth Metropolitan area as destinations for the continuing population growth of Western Australia.
- 1.6 The Alliance acknowledges that a prerequisite for the necessary investment is a major revision of Commonwealth Government policies on the strategic development of Western Australia. Accordingly, the focus of the Alliance's activities in its first twelve months of operation shall be the achievement of the centrality of regional development to the future economic prosperity and the social and ecological sustainability of the Nation.
- 1.7 The Premier will refer this revision of Commonwealth planning to the Commonwealth Cabinet for incorporation into the priorities of all relevant portfolios.
- 1.8 The Alliance seeks commitment by the Commonwealth Cabinet to policies and investment needed to support the transformation into a multi-city State.
- 1.9 In the context of this sustained commitment to regional development, the Alliance will emphasise the importance of Regional Cities as vehicles and supports for the effective delivery of regional infrastructure initiatives and policies. In doing so, the Alliance will work with communities within the regions to support equitable distribution

of investment and effective policies for the development of sub-regional centres, supported by appropriate infrastructure.

- 1.10 The MOU recognizes that the Alliance Cities are unique strategic assets given their location within the Indian Ocean Economic Rim, and seeks to facilitate utilizing this strategic advantage.

## **2. PARTIES TO THE Memorandum of Agreement**

The initiating parties to this Memorandum are:

- The Government of the Commonwealth of Australia;
- The City of Albany;
- The City of Bunbury;
- The City of Geraldton-Greenough; and,
- The City of Kalgoorlie-Boulder.

## **3. MOU OBJECTIVES**

The objectives of the MOU are to ensure that:

- 3.1 The Alliance parties work collaboratively to achieve the future sustainable development of the Commonwealth;
- 3.2 The Alliance is accepted as a legitimate and respected grouping within the arrangements resulting from the current Local Government Structural Reform processes;
- 3.3 All significant matters impacting upon Regional Cities are referred to the Commonwealth Cabinet for review;
- 3.4 The Alliance Cities evolve into fully fledged alternatives to the Perth Metropolitan area as locations for the growing population of the State of Western Australia;
- 3.5 That Treasury's review of the Intergenerational Report 3 which identifies Australia's population growing to 35 million by 2049 is applied to a regional context;
- 3.6 That Western Australia's future population growth and its associated demands for social, economic and environmental amenity are distributed in a sustainable fashion;
- 3.7 The Alliance believes that a realistic target is for 50% of the projected population growth to occur in regional areas, with 25% to be located in Regional Cities;
- 3.8 The Alliance is positioned and resourced to represent the interests of its members and to enable synergies at operational and strategic levels;

- 3.9 There is the capability for two further regional cities from the Pilbara and/or Kimberley regions respectively to join the Alliance; and,
- 3.10 There are regular opportunities for engagement, representation and dialogue with and between:
- The Minister for Regional Development; other Ministers as relevant; and, Mayors; and,
  - Senior Government Officers and Ministerial Advisors and Chief Executive Officers of the Alliance member Cities.

## 4. WA REGIONAL CITIES ALLIANCE – OVERVIEW

The population of Western Australia is projected to increase by 640,000 between 2008 and 2020. On current settings, the same research anticipates that for practical purposes all of this growth will occur in the Perth Metropolitan area. The economic, social and environmental impacts of the expansion of the Perth metropolitan ‘footprint’ required to accommodate such a massive increase in population is a concern shared by Alliance members. In any event the Alliance is premised on the proposition that the existing concentration of population in Perth and the thin distribution of population elsewhere across the State is contrary to the long-term strategic interests at all levels.

The Alliance member Cities are extant substantial population centres with significant organisational capacity. Within the Alliance the population of the combined regions totals 407,989<sup>14</sup>; the combined urban area population totals 141,633; and, the combined operating revenue totals \$195,083,458. Combined rates revenue is \$79,775,779 and combined staff numbers 1067.

This positions the Alliance member Cities as major partners in the delivery of benefit to the State. However, the potential to maximise that contribution is limited by a deeply entrenched “Perth-centric” approach to State planning. The Alliance seeks a significant shift in those policy settings.

While emphasising the ability of regional cities to increase their contribution to the State, the Alliance recognises that regional cities cannot achieve maximised outcomes in isolation from their supporting regional frameworks. For this reason the Alliance focuses upon the development of a concerted approach to planning and development in regional Western Australia. Within this new paradigm the Cities require specific attention. However, regional cities require a well-constructed and adequately supported network of sub-regional centres, operating in symbiotic fashion across the

regions. A feature of the Alliance's efforts will be support and advocacy for a comprehensive regional development framework.

The Alliance is convinced that the development and expansion of regional cities is a pre-requisite for effective regional development. The Alliance intends to enable the balanced development, which is in the shared interests of all current and future residents of the State of Western Australia.

The Alliance, while respecting the importance of a new State development framework, will primarily be advocating for additional resources to be allocated to its member Cities to allow them to become fully-fledged alternatives to the Perth Metropolitan area as sites for population growth and economic activity.

For success, the new State development framework required to address these concerns will contain the following elements:

**Economic growth and prosperity, including:**

- i. industry and transport planning and infrastructure;
- ii. engagement with the indigenous community to ensure equitable benefit gains;
- iii. employment, job diversity and skills enhancement;
- iv. housing availability and affordability;
- v. managing business overheads;
- vi. industrial and domestic infrastructure (energy, water and waste management); and,
- vii. tourism planning and strategies.

**Social advancement, including:**

- i. population growth and diversity;
- ii. cohesive, supportive, safe and enduring communities;
- iii. culture and recreation;
- iv. social support services and infrastructure;
- v. community capacity building;
- vi. recognition of the traditional custodians of the land; and,
- vii. innovative health and education sectors planning and strategies.

**Environmental and heritage protection and preservation, including:**

- i. effective environmental and natural resource planning and management to achieve sustainable outcomes for land, water, biodiversity, marine and coastal assets, and air quality;

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<sup>14</sup> ABS Report 3218.0 Regional Population Growth Australia: 31 March 2008



- ii. climate change mitigation and adaptation;
- iii. renewable energy promotion, planning and implementation;
- iv. waste and contamination prevention and mitigation;
- v. protection and recognition of indigenous culture and sites;
- vi. protection and enhancement of significant buildings and recognition of sites since European settlement; and,
- vii. ensuring respectful interface and management of new developments with significant historical sites, preserving important historical assets.

**Cultural preservation and governance, including:**

- i. recognising the significance of indigenous history and culture in the contemporary community;
- ii. acknowledging and respecting multiculturalism;
- iii. ensuring support for a vibrant community, expressed through creative arts;
- iv. attracting and supporting creative arts and design that adds value to the built form, public space, industrial and service outputs;
- v. creating and promoting regional identity and its unique characteristics; and,
- vi. adaptation of existing, and proactive introduction of new statutory and administrative systems, practices, policies and protocols to effectively address emerging and perceived governance needs.

## 5. MOU FOUNDATION POLICY AND PRINCIPLES

In entering into this MOU the parties agree to abide by policies, principles and agreements on sustainability, cooperation and communication established by and between the State Government and participating Cities aimed at enhancing the effective delivery of sustainable outcomes for the community of Western Australia. Current protocols that may be referenced include:

- i. State/Local Government Agreement on Partnerships – December 2002<sup>15</sup>;
- ii. State/Local Government Agreement on Communication and Consultation – June 2004<sup>16</sup>;
- iii. State Regional Development Policy – 2005<sup>17</sup>;
- iv. The Inter-Governmental Agreement Establishing Principles Guiding Inter-Governmental Relations on Local Government Matters - April 2006<sup>18</sup>; and,
- v. State Sustainability Strategy – September 2003<sup>19</sup>.

<sup>15</sup> Retrieved from [www.dlgrd.wa.gov.au/Local Govt/Partnerships.asp](http://www.dlgrd.wa.gov.au/Local%20Govt/Partnerships.asp)

<sup>16</sup> Retrieved from [www.dlgrd.wa.gov.au/Local Govt/Partnerships.asp](http://www.dlgrd.wa.gov.au/Local%20Govt/Partnerships.asp)

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The parties may be informed by views and positions developed and advanced in papers emerging from the ongoing review into the sustainability of local government in Western Australia, known as the Systemic Sustainability Study for Local Government in Western Australia, including:

- *Systemic Sustainability Study – 2006*,<sup>20</sup> and,
- *The Journey: Sustainability Into the Future: Shaping the Future of Local Government in Western Australia – 2008*<sup>21</sup>

The parties will also respect the outcomes of the Local Government Structural Reform process initiated by the Minister for Local Government in February 2009.

## 6. REGIONAL ALLIANCE GOVERNANCE

### 6.1. Steering Committee

A Steering Committee comprised of the Mayors of the Cities of Albany, Bunbury, Geraldton-Greenough and Kalgoorlie-Boulder will consider and recommend policy, initiatives and projects to be advanced through the Alliance.

The Steering Committee will propose the high-level policy and priority issues for the Alliance, and will provide strategic direction and guidance on advancing the issues. It will not be actively involved in operational matters. The performing these functions, the Steering Committee shall consult with nominated representatives of the Commonwealth Government.

The quorum for Steering Committee meetings shall be three (3) of the Mayors. Meetings may be conducted by telephone and shall occur no less frequently than once each quarter. A face to face meeting shall occur no less frequently than once per year.

The CEO's of the Cities of Albany, Bunbury, Geraldton-Greenough and Kalgoorlie-Boulder; and senior representatives of relevant Commonwealth Government agencies; may participate in Steering Committee meetings to provide expert advice and information, with a strategic perspective, as required.

The Chair of the Steering Committee shall be the Mayor of the City of Geraldton-Greenough for the first year of the Alliance's operation. The Chair of the Steering Committee will be appointed on an annual basis from among the Mayors of the participating regional cities. Secretariat resources will be provided on an *as needs*

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<sup>18</sup> Retrieved from [www.dlgrd.wa.gov.au/Local Govt/Partnerships.asp](http://www.dlgrd.wa.gov.au/Local%20Govt/Partnerships.asp)

<sup>19</sup> Retrieved from [www.dec.wa.gov.au](http://www.dec.wa.gov.au)

<sup>20</sup> Retrieved from [www.walga.asn.au](http://www.walga.asn.au)

basis by the city whose Mayor is the Chair of the Steering Committee. Each participating City will meet the costs of its participation. As required the Steering Committee may by agreement delegate the performance of specific Secretariat functions.

The Steering Committee **will**:

- Ensure that the Minister for Regional Development and other relevant Commonwealth Ministers, through their nominees, are consulted over matters intended to be advanced through the Alliance;
- Ensure the availability and provision of adequate financial, material and human resources to enable the timely and effective progression of agreed specific initiatives. It will directly negotiate or delegate negotiating authority, as appropriate, to permit exchange with the State and local governments, the Australian Government, private sector and the community in pursuing resources;
- Ensure effective and timely communication between the Alliance and its partners and stakeholders;
- Ensure effective engagement and cooperation between the Alliance, the Commonwealth Government, the State Government, local governments and stakeholders to ensure mutual, current awareness and appreciation of policy positions, initiatives being progressed, and proposals under consideration;
- Monitor and assess strategic progress, operational and financial accountability, of proposals and projects, and provide appropriate reports to Commonwealth Government, and the Western Australian State Government as appropriate, to support policy consideration and information dissemination;
- Make representations to Commonwealth Cabinet and/or appropriate Ministers, on relevant issues or in relation to a specific policy or initiative; and,
- Review the content of the MOU at least annually, and to recommend amendments as appropriate to the Alliance.

The Steering Committee **may**:

- Initiate, receive, consider, advocate and advance strategic advice and proposals related to major policy, initiatives and projects designed to achieve the Purpose and Objectives of the Alliance as set out in the MOU;
- Establish working groups involving representatives of the Alliance, Commonwealth and local government, private sector, the community, and the Western Australian State Government, as appropriate, to address agreed specific policy, initiatives and projects; and,

<sup>21</sup> Retrieved from [www.walga.asn.au](http://www.walga.asn.au)

- Seek senior level representation on working groups to ensure appropriate decision making authority, expertise and experience is directed to addressing the matter(s) referred.

## **6.2. Communications and Consultation**

- It is recognised that, from time to time, the views of the Alliance members will differ. Under the MOU, the intention of the parties concerned will be to work conscientiously and objectively to resolve differences. Where this is not achievable, all parties will accept and respect the different views held.
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