PERTH HILLS

Strategic Visioning

Findings and Recommendations

Note: All quotes used in the document have been taken from surveys and workshops conducted during the consultation process.

Photos provided by the Cities of: Swan, Kalamunda, Armadale and the Shires of Mundaring and Serpentine Jarrahdale.

About the Author:

Long Front Advisory Services provides governance, strategy and policy advice with an emphasis on driving progress toward net-positive, fully costed economic and business arguments for reform and development programs. This includes consideration of wider costs and benefits to ensure investors, rate- and taxpayers avoid embedding hidden costs that cost productivity, undermine living standards and disrupt community wellbeing.

Regional Development Australia Perth (RDA Perth) has coordinated and helped to fund this report through Colleen Yates who has also been a co-contributor in shaping the ideas.

RDA Perth would like to thank the local governments of Swan, Kalamunda, Armadale and the Shires of Mundaring and Serpentine Jarrahdale who have supported this initiative; especially the elected members for contributing to the conversations. A special thanks to the communities of the Perth Hills who have highlighted the importance of the Eastern districts of the metropolitan Perth region.

This report was prepared through RDA Perth and does not represent the views of the Australian Government, its officers, employees or agents.

December 2020

Foreword from the Chair

Dear Perth Hills Community,

I am pleased to present the findings and recommendations of the Perth Hills Strategic Visioning process. This initiative is the result of requests from the community and local government. The project was approved by the RDA Perth Committee in late 2019, endorsed by the local governments of Armadale, Swan, Serpentine-Jarrahdale, Mundaring and Kalamunda in early 2020 and delivered over the course of the year.

The purpose of this initiative was to enable the Perth Hills to speak with one voice on shared priorities. To ensure a strong evidence base and mandate for the key findings and recommendations, a four-stage process was developed:

1. Direct community and business engagement, including a survey;
2. Workshopping the results with Councillors and providing expert input;
3. Reporting on findings, recommendations and supporting evidence; and
4. Founding a partnership between the 5 local governments and a new Perth Hills community enterprise to take the work forward.

This report represents the completion of stage three. RDA Perth looks forward to supporting the process as stage four commences.

The recommendations in this report are well supported through local government and legislative precedents, suggesting the likelihood of an orderly implementation pathway. While any implementation process tends to reveal additional challenges, I am confident that the recommendations within are practical and achievable with a term of government.

A key objective of working across 5 Perth Hills local government areas is to develop joint government-community-business mandates for recommendations at a scale better suited to State and Federal agencies. Early discussions suggest that this approach has bipartisan appeal among elected members.

An important finding is the requirement for a new Perth Hills community peak body to improve alignment between local governments and members of the community and local government. The objective is to work in lockstep with the community as the recommendations are delivered.

As a resident and former President of Serpentine Jarrahdale, I am familiar with the priorities identified. The report identifies some innovative solutions with the potential to resolve these issues.

I congratulate the Perth Hills communities and local government officers and Councillors for their active support and engagement with this process. I sense a bright future ahead.

Keith Ellis
Chair, RDA Perth Committee

Executive Summary

Goals of the Project

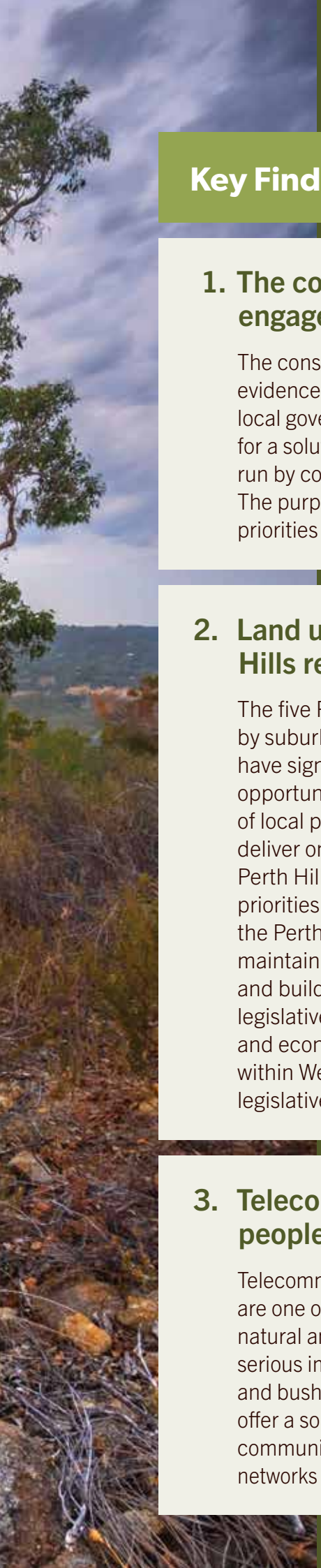
The Perth Hills Strategic Visioning initiative sought to deliver the following outcomes:

Community Priorities
Gauge community sentiment and priorities shared across the Hills.

Elected Member Priorities
Work with Councillors and Elected Members from across the Hills to confirm and shortlist priorities and develop solutions.

Recommendations and Supporting Evidence
Identify trends, areas of policy alignment and successful solutions elsewhere to inform recommendations.

Community Partnership
Develop effective structures and a partnership that can sustain community engagement and develop clear mandates for government interventions and investments.



Key Findings

1. The community is frustrated by the disconnect between engagement and planning outcomes.

The consistency of this concern among those surveyed matched with ample evidence of local government engagement with the community across the five local governments suggests that this issue is structural. This suggests the need for a solution that changes the engagement process. A Perth Hills Peak Body run by community members and supported by government may offer a solution. The purpose of this enterprise would be to develop community mandates for key priorities and to sustain community support as outcomes are delivered.

2. Land use planning considerations unique to the Perth Hills require a structural intervention.

The five Perth Hills local governments party to this initiative are characterised by suburban areas on the coastal plain and a peri-urban interior. These areas have significantly different land use and economic development priorities and opportunities. The disconnect between these areas reduces the effectiveness of local planning schemes to guide effective statutory decision-making or to deliver on strategic plans. This is reinforced through similar misalignment of Perth Hills priorities with the primarily urban and suburban land development priorities of the Metropolitan Region Scheme. Community preferences across the Perth Hills are supportive of development, but highly conditional on maintaining rural and environmental assets and values and seek new planning and building standards adapted to the risk of extreme bushfire conditions. A legislative solution is commonly held as a useful means of improving planning and economic development strategy for the Perth Hills. Enabling precedents within Western Australia and other Australian jurisdictions seem to offer the legislative basis for a new Act aligned to Perth Hills development conditions.

3. Telecommunications and power outages are placing people at risk and disrupting business.

Telecommunications black spots and dropouts and frequent power outages are one of the compromises residents make in return for the open spaces and natural amenities that characterise life in the Perth Hills. However, they create serious impediments for businesses and significant community safety, health, and bushfire risks during emergencies. Emerging remote area technologies may offer a solution. These technologies combine solar energy, batteries, and mobile communications towers to strengthen mobile signals and stabilise local area power networks through microgrids where high rooftop solar generation is prevalent.

4. Agricultural and bushland areas should be retained, regenerated and reinvigorated.

Most respondents agree that retaining agriculture and bushland through improving integration with the lifestyle economy (destination tourism and lifestyle choices) is central to the retaining the character of the Perth Hills. This is in line with the top tourism asset that the community would like to see developed – food and wine trails – along with strongly held conservation preferences.

5. Public transport frequency and accessibility improvements are long sought after.

Public transport linking surrounding areas with activity centres is considered inadequate, particularly for segments of the community without personal transportation – those with disabilities, youth, and the elderly. New fit for purpose technologies may offer a cost-effective solution, that could connect the Hills north to south and support tourism growth.

6. A Perth Hills joint venture could facilitate co-investment, service delivery & regional partnerships.

A formalised joint venture between Perth Hills local governments may better facilitate regional investments, service delivery and community partnerships. A structure is proposed with a holding entity and subsidiaries to deliver focussed regional services and programs – for example coordinated tourism services as they are developed by the Perth Hills Tourism Alliance. Governance involves a Board accountable for delivery of a strategic plan and objectives approved and overseen by regional committee comprised of councillors from each local government.

"We need a cohesive legislative approach to development in the Hills to prevent loss of the values which attract residents and visitors." – *elected member*

Headline Recommendations

Recommendation 1

Develop a Partnership with a new Perth Hills Community Peak Body – Found a Perth Hills peak body as a community enterprise charged with developing grassroots mandates for solutions requiring government support. An inclusive approach is suggested that is representative of stakeholders from across the Perth Hills. The initial focus proposed is supporting delivery of the recommendations in this report. The effectiveness of recent community initiatives indicates the potential of an independent structure, governed by the community to work in partnership with Perth Hills local governments and State agencies and supported to develop mandates and sustain support as agreed priorities are delivered.

Recommendation 2

A dedicated Perth Hills Planning Mechanism – Develop a community mandate for key planning, development, community, and environmental priorities to be enshrined in legislation. This may include interim measures, such as pausing approvals processes while an interim Western Australian Planning Commission Perth Hills Committee and dedicated planning protocols are developed.

Recommendation 3

Develop the Lifestyle Economy – Strengthen the Perth Hills brand and sense of shared identity as the basis of an economic development program including supporting infrastructure, policies, plans and services to bolster the tourism and lifestyle sectors and values that attract people to visit and live in the Perth Hills – boutique agriculture, food and wine experiences, nature appreciation and education, adventure sports, accommodation, retreats and wellbeing services.

Recommendation 4

Telecommunications and Power reliability – Partner with government and industry to investigate and trial emerging technologies with the potential to deliver cost-effective mobile communications and power reliability. Build a business case for visitor attraction and business productivity improvements and reduced risks to the community risk during bush fire, safety, and health emergencies.

Recommendation 5

Develop Innovative Multimodal Transport Solutions – Develop fit-for-purpose personal and public transport solutions to improve mobility and access to amenities for a broader range of residents and visitors.

Recommendation 6

Perth Hills Local Government Joint Venture – Investigate the potential of approved joint venture vehicles to enable Perth Hills local governments to coordinate investment deliver services and partner with community enterprises.

"We need to locate and encourage the 'hero' attractions." – *elected member*

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Context

This section sets context for subsequent sections providing findings, supporting evidence and implementation recommendations for each headline recommendation.

History

The need for a new approach to planning, development and promoting the Perth Hills has been building since the 1990's, when the growth of Perth began to put pressure on historical governance structures and the rural and environmental values of residents. This pressure has increased steadily since. Community resistance to major developments has grown with it, both in scale and frequency, and is presently creating significant challenges for local and State government officers and elected members. The Perth Hills Planning Bill 2010 was an attempt to reconcile ongoing misalignment between planning, land development and community priorities. A Bill was tabled but not supported (Parliament of Western Australia, 2020). A dedicated Act is now more broadly supported.

The trend over time of increasing human, wildlife, and economic impacts from bushfires across the Perth Hills and similar geographies across Australia has increased community pressure to develop safer planning and building standards. The Royal Commission into National Natural Disaster Arrangements triggered by unprecedented impacts from the 2019-2020 Black Summer bushfires, recently released recommendations intended to improve planning guidelines and building standards for areas like the Perth Hills.

RDA Perth Interviews, Promotions and Survey Findings

To develop an understanding of community, government and business priorities, RDA Perth conducted a series of dialogues during the first quarter of 2020, until disrupted by the COVID-19 pandemic. Visits were scheduled with community members and business owners within local government areas to develop a sense of the Hills identity, issues and economic opportunities. Once the lockdown was lifted, RDA Perth began visiting locations and interviewing organisations, businesses and members of the community. These interviews helped develop an understanding of the culture and priorities of the Hills. In parallel, iconic businesses and destinations were filmed and promoted via the RDA Perth YouTube Channel. The RDA YouTube channel has a subscriber base of 1,300 followers and partners with a WA-based internet radio business channel with a global audience of well over 2 million members. The filming process deepened RDA Perth's understanding of the Perth Hills culture and local priorities and will continue following publication of this report.

This approach of delivering a benefit, while developing consensus has continued throughout, including providing advice to community members about how to develop mandates to assist Government and industry to deliver locally supported outcomes and initiatives.

As part of the consultation, RDA Perth conducted a survey, canvassing priorities raised during the dialogue process. Respondents were evenly spread from age 35-plus, and north to south across the Perth Hills. This included a diverse cross section of businesses and employees. 36 percent of respondents were businesses, 47 percent of which were small businesses (SME) and 27 percent of which had revenues of $10 million plus. 48 percent of employees surveyed worked for SME's with staff of 1-5 employees and 27 percent worked for businesses with staff of 50 or more.

Key Findings

1. The community is frustrated by the disconnect between engagement and planning outcomes.

The consistency of this concern among those surveyed matched with ample evidence of local government engagement with the community across the five local governments suggests that this issue is structural. This suggests the need for a solution that changes the engagement process. A Perth Hills Peak Body run by community members and supported by government may offer a solution. The purpose of this enterprise would be to develop community mandates for key priorities and to sustain community support as outcomes are delivered.

2. Land use planning considerations unique to the Perth Hills require a structural intervention.

The five Perth Hills local governments party to this initiative are characterised by suburban areas on the coastal plain and a peri-urban interior. These areas have significantly different land use and economic development priorities and opportunities. The disconnect between these areas reduces the effectiveness of local planning schemes to guide effective statutory decision-making or to deliver on strategic plans. This is reinforced through similar misalignment of Perth Hills priorities with the primarily urban and suburban land development priorities of the Metropolitan Region Scheme. Community preferences across the Perth Hills are supportive of development, but highly conditional on maintaining rural and environmental assets and values and seek new planning and building standards adapted to the risk of extreme bushfire conditions. A legislative solution is commonly held as a useful means of improving planning and economic development strategy for the Perth Hills. Enabling precedents within Western Australia and other Australian jurisdictions seem to offer the legislative basis for a new Act aligned to Perth Hills development conditions.

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5. Public transport frequency and accessibility improvements are long sought after.

Public transport linking surrounding areas with activity centres is considered inadequate, particularly for segments of the community without personal transportation – those with disabilities, youth, and the elderly. New fit for purpose technologies may offer a cost-effective solution, that could connect the Hills north to south and support tourism growth.

6. A Perth Hills joint venture could facilitate co-investment, service delivery & regional partnerships.

A formalised joint venture between Perth Hills local governments may better facilitate regional investments, service delivery and community partnerships. A structure is proposed with a holding entity and subsidiaries to deliver focussed regional services and programs – for example coordinated tourism services as they are developed by the Perth Hills Tourism Alliance. Governance involves a Board accountable for delivery of a strategic plan and objectives approved and overseen by regional committee comprised of councillors from each local government.

Perth Hills Local Government Area Workshop Findings

RDA Perth conducted a local government workshop with elected members from across the Perth Hills region in September 2020. [1] The aim of the workshop was to explore community survey findings, strengthen local government networks and develop some priorities focus areas with shared visions as the basis of developing new solutions to entrenched issues.

The discussion was informed by RDA's Perth Hills community survey and speakers presenting innovative tourism, agriculture, peri-urban planning, and small business ideas.

There was significant alignment between elected members and the community. Several themes emerged, which aligned with the priorities of those surveyed. These were workshopped into vision statements, as the basis for future initiatives:

1 This section draws on the Workshop Report from the Local Government Workshop run by RDA Perth (RDA Perth, 2020).

Theme 1

Protecting the Perth Hills region from urban encroachment and development through specific planning and legislative interventions.

> **Elected Member Vision:**
> Preserve the Perth Hills and Rural Lifestyle region from urban development through special zoning / legislation.

Key Findings:

- Existing planning schemes do not enable statutory processes to deliver on community priorities.
- The disconnect between Perth Hills values and planning outcomes reinforces the perception that local government does not take community priorities seriously.
- An alternative economic and revenue development approach is required to meet the growing demand for community services.

Participants discussed systemic issues that bias statutory processes toward Coastal Plain land development priorities that predominate the Metropolitan Region Scheme and Local Planning Schemes. The presumption is that this is exacerbated by a mismatch between community, rural, environmental, and cultural values in the Perth Hills and demand for community services which creates pressure to grow the rate base through subdividing land. The comparatively large rate base in the Coastal Plain sections of Perth Hills local government is seen as reinforcing this bias. This puts the Perth Hills in jeopardy and undermines the lifestyle that draws visitors and residents to the Perth Hills in the first place. The need for a different land, economic and revenue development model is considered vital.

This disconnect is seen as central to the community's perception that community engagement efforts are ineffective, and the priorities expressed are not delivered upon. The number of land development proposals seeking Council and WA Planning Commission approval misaligned with community values adds further emphasises this disconnect. The growing scale and frequency of these objections disrupt orderly planning processes and create vexed political challenges.

Participants noted the origins of the Perth Hills local governments as Roads Boards with boundaries following with major arterials from the coastal plain into the Hills. This worked well until the 1990's when the suburban fringe began to encroach on the Darling Escarpment. There was general agreement that planning boundaries must be redrawn to reflect the significant degree of strategic alignment across the Perth Hills sections of local governments.

Discussions explored the utility of planning precedents as possible templates for future legislation, such as the Swan Valley Act or Yarra Valley Localised Planning Strategy. A widely held goal is to develop provisions addressing areas of alignment across the Perth Hills into legislation – such as economic and land development, environmental protection, bushfire safety and climate change priorities – while preserving local authority over issues specific to each Local Government Area.

It was agreed that achieving policy alignment between the five local governments and State agencies was a necessary precursor for effective legislation.

There is a need to demonstrate the benefits of an alternative approach to overcome presumptions about the right to subdivide properties as a wealth accumulation strategy. Discussions with the Department of Primary Industries and Regional Development about how to transition land uses effectively, may assist.

Conclusion:

There is considerable alignment of intent between elected members and the community. This is an opportunity.

Theme 2

Implement a uniform Perth Hills tourism brand, experience and strategy.

> **Elected Members Vision:**
> A collective tourism approach is established that broadens the appeal and vibrancy of the tourism economy.

The Perth Hills Tourism Alliance has been under development for some time. There is strong support for continuing the marketing effort and strengthening the Perth Hills brand.

New product development is required. Marketing 'trails' setting out multiple options within 'themes' along the north-south alignment of the Hills could entice people to stay overnight. The purpose is to both benefit from the proximity of the Hills to Perth, by providing connected weekend experiences – food and wine, adventure sports, horse riding, arts, music, nature appreciation, and so on – within areas of interest and associated accommodations options. This may help to address the associated issue that day visitors spend considerably less locally, than overnight visitors. Capturing this additional income is important to sustaining the vibrancy of town centres.

To achieve this vision the following priorities were proposed:

- Deliver an aligned Marketing Strategy across the Perth Hills.
- Develop a unified Tourism Strategy linking major attractions and providing business development support.
- Establish a Perth Hills Local Government subsidiary to manage shared tourism efforts.

Conclusion:

The process of developing an effective and connected approach to tourism across the Perth Hills is well advanced. It is well supported within the community. There is an opportunity to grow this industry to generate income without undermining community values or the character of the Perth Hills.

Theme 3

Improving accessibility and transport options in the Perth Hills.

Vision:
Develop and trial an 'on demand community transport' service

Infrequent public transport services and limited coverage is a long-standing issue for Perth Hills residents. The discussion explored the potential to combine ride sharing platforms and central area transit models to deliver improved outcomes for key sections of the community – the elderly (a growing segment of the population), youth, disabled persons – as well as tourists. Coordinating community groups to support one another could provide additional flexibility and capacity.

Conclusion:

Logistics and cost are the major barriers to developing effective public transport routes within the Perth Hills. Due diligence into the potential of new technologies to deliver a transit solution for the Perth Hills as a whole is a priority.

"I think roads are adequate in most areas however if housing developments take place, current road infrastructure would not be able to cope in an emergency." – *resident*

Theme 4

Develop a Perth Hills local government enterprise to facilitate joint investments, service delivery and community partnerships.

> **Vision:** A Perth Hills local government enterprise is established to improve the customer and operational focus of joint programs.

Governance of collaborate initiatives works well on an informal basis until the focus shifts to operation and service delivery outcomes. The good work delivered by the Perth Hills Tourism Alliance is an example.At this stage the democratic focus of the Local Government Act's transparency, oversight and approvals protocols begin to inhibit customer satisfaction and operational efficiency performance.

A Perth Hills Regional Subsidiary or similar structure may enable a more efficient focus for regionalised service delivery and infrastructure investment programs that meet agreed criteria. (Government of Western Australia, 2020) A central vehicle governed by a Board with subsidiary vehicles focussed on specific regional 'businesses' or capital works programs. Democratic governance is accomplished through an Oversight Committee with Councillors from each local government charged with approving a strategic plan and overseeing performance against stated objectives. As with government trading enterprises, Directors are held accountable for delivery against these objectives.

Legal advice will be required to determine the feasibility of this model.

Conclusion:

A regional subsidiary or similar joint venture to deliver regional operational, customer service and partnership programs offers an opportunity to capture efficiencies, coordinate investment, improve growth and deliver services.

Recommendations

Recommendation 1

A New Peak Body for the Perth Hills

Found a Perth Hills peak body as a community enterprise charged with developing community mandates for solutions requiring government support. It is proposed as a body inclusive of all motivated stakeholders from across the Perth Hills with an initial focus on supporting delivery of the recommendations in this report. It is proposed that this entity work in partnership with the five Perth Hills local governments and State agencies to improve alignment and engagement outcomes.

Survey and Workshop Findings

There is considerable evidence that a structural communications gap exists between local government and the Perth Hills community. This suggests the need for a solution that complements existing processes. A structural change is required that circumvents these constraints and sustains community engagement and mandates for strategic initiatives, as they are developed and delivered. Community enterprises have successfully bridged this gap in other circumstances and may offer a solution for the Perth Hills.

Perth Hills Community Survey

There was a consistent request for more effective engagement practices across all local government areas surveyed. This is reinforced by low community awareness of signature

Community Awareness

Tourism is the preferred economic development focus among respondents. Despite significant agreement among those surveyed about this strategic priority, and a multi-year effort by the five local governments to develop the Perth Hills Tourism Alliance 59% of respondents were neither aware of the Alliance nor the request for comment on the draft Strategy; only 32% were aware of the Strategy and only 9% had read it.

The following priorities were recorded:

A new Perth Hills tourism brand
RATING: 8.37

A new Perth Hills visitor website
RATING: 8.26

Social media engagement program
RATING: 7.37

Sales through Visitor Information Centres
RATING: 6.94

A Perth Hills events calendar
RATING: 6.23

PR to raise awareness
RATING: 6.13

Coordinated marketing brochures
RATING: 6.08

Product, experience development and a Marketing Plan
RATING: 5.78

High-profile marketing
RATING: 4.68

Resourcing and partnerships strategy
RATING: 3.72

Improved awareness among tourism trade representatives
RATING: 3.71

local government initiatives, such as the recent Draft Perth Hills Tourism Marketing Strategy (see sidebar). This strategy is the latest step in sustained program to coordinate tourism efforts across the five local governments of through the Perth Hills Tourism Alliance and is in direct response to advocacy by the community. Yet, the community was largely unaware of its release and the progress it represents.

Councillor workshop

Councillors expressed frustration with their inability to effectively engage with the community, due to provisions in the Local Government Act designed to avoid corruption and enhance transparency. As elected members charged with representing the will of their electorates this creates a structural disconnect that may contribute to the sense of a lack of engagement among survey respondents.

Supporting Evidence

Current Events

The scale, number and intensity of recent development and planning disputes across the Perth Hills and the degree of disconnection between government policy and community economic development priorities are a red flag. They suggest government and developer engagement programs are failing to make sense of community priorities and deliver aligned planning and development outcomes. While each development proposal and planning process is discrete, the following general conclusions can be made:

1. Statutory requirements for developers to engage and align development proposals with community priorities are inadequate.
2. Local and State planning schemes do not adequately address the differences between Perth Hills and Coastal Plain community development and planning priorities and do not result in development proposals that deliver on these priorities.
3. The Perth Hills community is not organised at the Perth Hills scale required to deliver a useful mandate to elected members, particularly on issues requiring State and Commonwealth support.

These findings suggest the benefit of a systemic change to how the community is engaged - a new structure that facilitates an ongoing partnership between business, the broader community and each level of government.

Local and State Government Engagement Policies and Support

The Perth Hills local governments and WA Government have extensive policy frameworks, training and resources devoted to community engagement, including digital, advertising and direct engagement tools. These mechanisms provide adequate channels to ensure effective engagement outcomes. If there is a gap, it appears to be in how findings are translated into policy and planning documents and outcomes.

At the highest level is the Strategic Community Plan, which in turn informs other strategic documents. The guidance informing the development of these policies is broad and open to interpretation and appears to require little accountability to report on the priorities that have been adopted, to ensure these are specific, measurable and set performance parameters for service delivery, operations, capital works and statutory decisions. While these gaps persists, it is unlikely that property developers or other businesses driven by a compliance and cost focus will take the focus of these strategic documents as seriously as the community does.

Conclusion:

Addressing this is a significant undertaking and will require significant effort over time at all levels of government. The short-term nature of the recommendations in this report may be better delivered through increasing accountability to the community directly. A Perth Hills peak body that develops clear mandates for government to deliver upon at different levels may be more effective.

Service Priority Review

The WA Service Priority review identified political consequences, risk aversion, legislative constraints and a focus on process over outcomes among other barriers to public sector service delivery. (Department of Premier and Cabinet, 2017) Some of these factors appear to have a bearing on negative perceptions about the effectiveness of community engagement and the misalignment of outcomes with stated priorities. It may be more practical to establish a community government entity at arm's length from Government to bypass these tendencies and constraints.

Conclusion:

A community group that does not speak for government may have greater freedom to interrogate the will of the community, gain agreement about a mandate and maintain community support as government programs deliver outcomes.

Social and Industry Enterprises

There is a long history of the power of not for profit community and industry enterprises formed to unite stakeholders with shared values and goals to deliver progress. Unions created modern employment conditions and accelerated the growth of the middle class. Industry cooperatives aggregate purchasing power, spread costs, and improve competitiveness; invest in common user infrastructure; fund applied research of value to members businesses; inform government policy and investments; and accelerate growth of new sectors. Community enterprises organise and mobilise electorates to strengthen the sense of community, build a marketable identity, contribute to the development of industries aligned with community values and create community mandates that assist elected members and government officers to deliver outcomes sought by the community.

There are many groups working effectively on behalf of specific communities and industry in the Perth Hills. These bodies are typically focussed on a local government area. There is an opportunity to extend the benefit of these efforts through a new peak body for the Perth Hills focussed on progressing a shortlist of shared priorities that benefit from a united voice across the five local government areas. The survey and Councillor workshop suggest that there is significant common cause across the Perth Hills that would benefit from being supported by a coordinated grassroots mandate. This is of particular value to local governments as they advocate for State and Commonwealth policy and funding support, which more effectively delivers at larger scales.

Implementation Recommendations

The following process is recommended to develop an effective Perth Hills peak body:

- Incorporate an association and establish an Australian Business Number to hold funds and be developed as community and business members from across the Perth Hills reach agreement about governance mechanisms, structure, and purpose.
- Appoint an interim CEO and Chair to ensure organisation and governance and a structure can be formalised.
- Harness the launch event for this report to explain the case for a peak body to enrol diverse and motivated stakeholders from across the Perth Hills.
- Form a Development Committee to develop governance instruments and develop a program of works and events designed to create value for members, communities and businesses across the Perth Hills and act on the findings and recommendations of this report.
- Develop a partnership with supportive local governments as well as State and Commonwealth elected members to fund and support the program of works.
- Formalise governance arrangements through an inaugural annual general meeting to report on progress, elect a Board, appoint a CEO and set out the program of works and events for the coming year.

Recommendation 2

A Dedicated Perth Hills Planning Mechanism

Develop a community mandate for key planning, development, community, and environmental priorities to be enshrined in legislation.

Survey and Workshop Findings

Elected members in the workshop agreed with community preferences and suggested that the Perth Hills would be best served by dedicated legislation reflective of the region's unique character and priorities. It was agreed that dedicated planning guidance was necessary to deliver on the community's desire for growth and economic development that builds on the character of the Perth Hills, supports thriving agriculture and conserves and interconnects bushland areas.

Perth Hills Community Survey

Survey respondents indicate that people choose to live in the Perth Hills because they offer rural qualities not available on the Coastal Plain. 75 percent of respondents prefer keeping existing agricultural and bushland areas and developing an economy that sustains and benefits from these characteristics. Rural residential, bushfire safe developments, conservation subdivisions and mixed agricultural and residential developments combined to account for 75 percent of preferences, with conservation estates representing half of this cohort. Only 3 percent of respondents were happy with the current approach to development, while 17 percent wanted no additional development, further reinforcing the need to focus on enhancing the existing character of the Perth Hills as the basis of planning.
These results identify the source of community unrest with existing planning instruments and development proposals.

Planning and Roads

As part of the community consultation, many of the community expressed concerns over developers and their approach to development for the Perth Hills.

The community was not against development, they felt that development needs to be appropriate to suit the character and environment of the Perth Hills. The high and growing risk of bushfire due to climate change has been predominant in recent community opposition to development. Close behind is alarm about the bare adequacy of the interior road network demonstrated during past emergencies.

To find a way forward that manages community, government and developer risks while enhancing the character and lifestyle economy potential of the Perth Hill, a genuine partnership with the community is required that resets the debate. Overcoming distrust at this stage is likely to require firmly embedding community priorities into planning parameters as prerequisites for development the starting point for development. This is likely to change what development means in the Perth Hills to the lifestyle economy focus that is the focus of other peri-urban districts around Australia. Tourism integrated with boutique agriculture and the natural landscape offers a starting point.

Conclusion:

It is notable that 80 percent of respondents want development and growth, provided it aligns with broadly held agricultural, conservation and lifestyle values. There is an opportunity to work with these values to embed an alternative economic and land development approach into Strategic Plans and Planning Schemes.

Councillor workshop

Councillors discussed the inadequacy of Metropolitan and Local planning schemes as guides for development in the Perth Hills, and inbuilt fiscal and demographic pressures that favour Coastal Plain style developments. The Metropolitan Region Scheme (MRS) prioritises urban, industrial, and suburban development. Perth Hills Local Planning Schemes are heavily influenced by the MRS and Coastal Plains sections of their rate-bases. There is an inadequate counterweight to these drivers in the planning mechanisms and development approvals process for the Perth Hills. The result is a defensive posture with low trust in planning mechanisms and dissatisfaction with planning decisions. This conflict is unlikely to remedied while these drivers are predominant.

Conclusion:

Elected members identified embedded pressures to develop land in accordance with Coastal Plain suburban values. Offsetting these pressures through planning mechanisms will be essential to delivering on community priorities.

Supporting Evidence

Current Events

In recent years, there have been several publicly contested structure plans before Council and the WA Planning Commission that would substantially alter the character of the Perth Hills. These plans progressed through existing statutory processes without being amended to suit community expectations. These flashpoints have been growing in frequency and scale over time. The range of issues cited in opposition are similar to the survey findings – misalignment with the character of the Perth Hills, preferences for development patterns that support the preservation of and success of agriculture, ecological conservation and restoration and inadequate road infrastructure and services.

Recent bushfire tragedies across the Perth Hills and the Black Summer Royal Commission addressing the risks of developing in extreme bushfire risk areas like the Perth Hills has brought additional passion and urgency to the argument for a different approach to planning. Recent community opposition to planning has focussed heavily on these risks, with the human toll of these fires cited as the cost of continuing down the present path.

Conclusion:

The trend of increasingly broad-based community activism is likely to continue unless new planning mechanisms are put in place to protect the values and priorities of Perth Hills residents.

Policy Support

Local government planning documents

There is considerable alignment between Perth Hills local strategic plans. Each places sustainability and community priorities at the forefront. These inform Local Planning Schemes and subsequent amendments, however the

expense, effort and time involved in revising Planning Schemes to deliver on the intent of Strategic Plans means statutory process that respond to the Local Planning scheme often fail to deliver planning and land development outcomes sought by the community. This disconnect between the will of the community and statutory processes contributes to the sense that the community's voice is not adequately considered. This gap is at the heart of growing activism across the Perth Hills.

Conclusion:

The consistency across the Perth Hills of gaps between Planning Schemes, Strategic Plans and the community values expressed in Community Plans suggest a regional remedy may be required to ensure statutory processes deliver for the community.

Conservation Covenants and Agreements to Reserve

Conservation covenants on private land contributes important connectivity between government conservation reserves that supports biodiversity and resilience. This fits well with Perth Hills environmental, agricultural and tourism/lifestyle values set out in this report. It may be possible for a Perth Hills Peak Body and local governments to develop a joint agriculture, tourism and conservation program that returns economic gains, as part of an alternative growth strategy.

The Department of Primary Industries and Regional Development (DPIRD) offers two types of covenants under the Soil and Land Conservation Act 1945. These include Conservation covenants that cannot be varied or discharged and Agreements to Reserve which can be varied or revoked by mutual consent between the landowner and the Department. Both apply either for an agreed period or in perpetuity. The landowner agrees to manage vegetation to retain and regenerate.

The Department of Biodiversity, Conservation and Attractions (DBCA) provides covenants under the Biodiversity Conservation Act 2016 that are in perpetuity and designed to conserve nature on private land. Advice and limited funding are available, with ongoing support through the program's stewardship service.

The National Trust of Western Australia (NTWA) operates a similar scheme under the National Trust of Australia (WA) Act 1964. This includes covenants and assistance to develop Bushland Management Plans supported through the Trust's Stewardship program.

The Australian Taxation Office offers conservation covenant concessions in some cases, including a tax deduction and concessional capital gains tax.

Conclusion:

There may be value in developing a joint approach across the Perth Hills to the use of conservation covenants and tax benefits as economic gains, as part of an alternative growth strategy. This approach can form part of a larger economic and land development strategy encompassing agricultural, tourism and conservation priorities expressed by the community.

Pickering Brook and Surrounds Sustainability and Tourism Taskforce

The WA Department of Planning Lands and Heritage recently released a series of studies into future planning and tourism development considerations for the Pickering Brook Planning Investigation Area. A Phase 1 Strategy has also been released, focussed on the Planning Investigation Area. A Phase 2 Strategy will be released in coming months with a focus on surrounding areas. (Pickering Brook and Surrounds Tourism and Sustainability Taskforce, 2020)

A sustainability assessment was conducted, against WA planning focus areas weighted according to community priorities. (Pickering Brook and Surrounds Tourism and Sustainability Taskforce, 2020) Pickering Brook community priorities generally reflect broader Perth Hills community preferences identified in this study.

Shared priorities include a strong emphasis on bushfire safety, environmental protection and buffering / setting aside agricultural land. Points of divergence include the relatively low priority ascribed to tourism, economic and social infrastructure, pointing to variable suitability and community demand for tourism activity and other priorities in some areas of the Perth Hills. More consultation will be required across the Perth Hills to align tourism, land, and economic development strategies with localised preferences.

The Strategy's bushfire planning recommendations arrive at a time when bushfire safety standards are rapidly evolving in response to the Black Summer fires and subsequent Royal Commission. Recent fires in the Perth Hills resulting in the loss of life, property and wildlife and broad-based community activism suggests potential misalignment between Royal Commission recommendations, community concerns and proposed BAL gradings. This is likely to require fine tuning with additional engagement to enrol the Perth Hills community in the safety of this approach and to build community support.

Conclusion:

The Pickering Brook process could be extended to the rest of the Perth Hills through incorporating findings of this report and the Royal Commission into National Natural Disaster Arrangements. Interim arrangements could establish protections reflective of community values while new planning mechanisms are established.

Royal Commission into National Natural Disaster Arrangement

The Black Summer fires of 2019-2020 burned an unprecedented area across the Eastern States. Previously unrecorded fire behaviour was observed, resulting in large losses of life, wildlife, and property. The economic cost is estimated at $10 billion. Communities, ecosystems, and economies will be recovering for years to come. (Government of Australia, 2020)

The recently released recommendations are now being incorporated into Commonwealth and WA emergency preparedness and planning policies and legislation. At the time of publication of this report, these recommendations are yet to be integrated WA government policy and planning instruments. Significantly more stringent planning and building conditions are expected to result for extreme bushfire risk areas like the Perth Hills.

Key land use recommendations with implications for planning and land development in the Perth Hills, include (Government of Australia, 2020):

- **The adequacy of evacuation routes;** including contingencies if evacuation routes or centres are assessed as not being able to cope – **this may have a number of impacts from raising costs, raising rates, reducing density, to requiring wider roads to prioritising development along major arterials.**
- **Guidance for insurer-recognised retrofitting and mitigation** – The insurance industry, as represented by the Insurance Council of Australia, working with state and territory governments and other relevant stakeholders, should produce and communicate to consumers clear guidance on individual-level natural hazard risk mitigation actions insurers will recognise in setting insurance premiums – **this may raise the cost of living in areas like the Perth Hills.**
- **Mandatory consideration of natural disaster risk in land-use planning decisions** – State, territory and local governments should be required to consider present and future natural disaster risk when making land-use planning decisions for new developments – **this may have a number of impacts from raising costs, raising rates, reducing density, to requiring wider roads and prioritising development along major arterials.**
- **National Construction Code** – The Australian Building Codes Board, working with other bodies as appropriate, should assess the extent to which AS 3959:2018 Construction of buildings in bushfire-prone areas, and other relevant building standards, are effective in reducing risk from natural

hazards to lives and property, and conduct an evaluation as to whether the National Construction Code should be amended to specifically include, as an objective of the code, making buildings more resilient to natural hazards – **this may raise the cost of living in areas like the Perth Hills.**

Conclusion:

Planning and land development constraints are likely to increase significantly as a consequence of the recommendations made by the Royal Commission into National Natural Disaster Arrangements. The Perth Hills community is already asking for a development approach in line with these values. There is an opportunity conduct a sustainability assessment and co-design process in partnership with the community to deliver an aligned land-use and economic development plan.

Legislative and Planning Precedents

There are a number of planning and legislative precedents in Western Australia and across Australia that seek to align land use and economic development with local geographies, environmental conditions, character and community values.

The Swan Valley Planning Act 1995 establishes a precedent adjacent to the northern end of the Perth Hills. This legislation excises an area surrounding the Swan River north of Midland from the Metropolitan Region Scheme and Local Planning Schemes. The purpose is to protect the river and agricultural uses important to the regional and much appreciated by residents and visitors. Like the Perth Hills the Swan Valley has distinctive, shared qualities different to adjacent areas. Development pressures required dedicated legislation to ensure short term financial interests served through subdividing agricultural land were balanced against long term priorities, such as retaining agricultural land and heritage character. (Government of Western Australia, 1995) The Swan Valley Planning Bill 2020 is currently before the WA Legislative Council. This legislation seeks to replace the current Act and strengthen the provisions therein. (Government of Western Australia, 2020)

The Development Plan of the Adelaide Hills Council has largely succeeded with aligning development to the local character and priorities of the Adelaide Hills and its communities. It encompasses a wide range of zones to concentrate land uses into and apply specific planning conditions, including the Hills Face Zone and Country Living Zones, which may offer useful guidance as Perth Hills planning and development mechanisms are devised. Notable is that the Adelaide Hills are governed by a single local government, with boundaries encompassing a geography and communities with similar priorities. (Adelaide Hills Council, 2019)

The Victorian Government worked with local government to establish Localised Planning Statements for the Bellarine Peninsula, Macedon Ranges, Mornington Peninsula, and the Yarra Valley & Dandenong Ranges (Yarra Ranges). Like the Perth Hills, these areas are prized for their unique character and natural features. Yarra Ranges planning controls are unique, due to the statutory role of the Upper Yarra Valley and Dandenong Ranges Regional Strategy Plan. This was originally prepared by the Regional Planning Authority in 1982 and is now administered (without changes) under the Planning and Environment Act 1987. (Government of Victoria, 2017)

Conclusion:

There are ample and diverse planning and local government structures across Australia that could be adapted to deliver on the environmental, economic and land development priorities sought by the Perth Hills community.

Implementation Recommendations

The following process is recommended to develop effective interim planning measures and dedicated Perth Hills legislation:

- Establish a partnership between the five local governments and the proposed Community Peak Body to develop a detailed community mandate and hierarchy of values for economic and land development, noting variations in preferences by locality.
- Harmonise Local Planning Strategies and State agency policies.
- Local government investigations into precedents, policy and legislation to develop a road map for alternative planning mechanisms that can deliver on the community mandate. This may include amendments to the Metropolitan Region Scheme, dedicated legislation and interim measures.

Recommendation 3

Develop the Perth Hills Lifestyle Economy

Foster the growth of a vibrant lifestyle economy as a means of attracting people to visit and live in the Perth Hills.

Survey and Workshop Findings

Tourism is considered by survey respondents and elected members as a development pathway that can deliver growth and support additional services without compromising the existing character and lifestyle of the Perth Hills. The services and amenities this support, as well as the agricultural, environmental and rural character and amenities it preserves support the primary reasons respondents cite for their choice to live in the Perth Hills. It will be important to ensure planning priorities are adjusted and can be relied upon to preserve these characteristics, if the lifestyle economy is to become the alternative development pathway envisaged by residents.

Perth Hills Community Survey

There is broad support for a lifestyle economy in the Perth Hills. Half of survey respondents feel that agriculture needs to be retained and agree that it needs to be embedded into tourism offerings to become viable. This is in line with the top tourism asset that the community would like to see developed – food and wine trails. The other tourism assets cited were, in order of priority:

- Hiking and biking trails
- Cultural and heritage assets
- Accommodation
- Music events
- Health and wellbeing facilities

Despite the level of support among elected members and initiatives to develop the tourism economy, the community remains unaware of a joint program by local government across the Perth Hills to accelerate growth in this sector. 59 percent were unaware that local governments have formed a Perth Hills Tourism Alliance and 68 percent unaware of the recent release of a draft Perth Hills Marketing Strategy.

Conclusion:

There is an opportunity to co-invest in an ongoing, coordinated engagement campaign across the Perth to build a broad-based dialogue about the role and potential of tourism and the lifestyle sector to enhance quality of life and the viability of the Perth Hills economy.

Councillor workshop

Tourism is gaining momentum as the preferred development pathway to provide the growth and services sought after by communities. Visitor centres are established and provide varying levels of promotion, booking and industry support across the Perth Hills. Local governments have come together to form a Perth Hills Tourism Alliance to prioritise and invest in shared priorities. The most recent initiative of the Alliance is a draft Perth Hills Marketing Strategy. Workshop participants endorsed the potential of this initiative and recommended the following as implementation priorities:

- Deliver an aligned Marketing Strategy across the Perth Hills.
- Develop a unified Tourism Strategy linking major attractions and providing business development support.

- Establish a Perth Hills Local Government subsidiary to manage shared tourism efforts.

Supporting Evidence

Rural Diversification Planning Strategy 2015

As part of its Regional Plan "Driving Change" (2016), RDA Perth identified the economic importance of peri-urban Perth. (Regional Development Australia, Perth, 2013) This was informed by RDA Perth's "Rural Diversification Planning Strategy" (2015), which found there was still significant agricultural activity across peri-urban Perth, including the Perth Hills. (Regional Development Australia, Perth, 2013) At the time, this report found that:

- Peri-urban Perth is home to 32% of the Perth population and is the food arc for Greater Perth.
- It is a dynamic environment with a complex mix of economic and social activities.
- It contains nature reserves, productive agricultural and horticultural land, water reserves, retail precincts, new and established housing estates, small rural landholdings, transit corridors and industrial precincts, amongst other land uses.
- It is also an area that is particularly rich in historical and cultural value.
- The ten local government areas under this study contribute to 10% of the total GVAP relative to the total South West agricultural district for the state, including vegetable production (32%), nurseries (59%) and fruit and nut production (30%).
- The expansion of mid and high-density housing into peri-urban Perth has generated considerable land use conflict.
- Perth is, and will continue to be, the freight and logistics hub across agriculture for the state.
- Economically, retention of and appropriate development of peri-urban Perth can contribute significantly to new business investment and future jobs growth.

This study provided recommendations to assist in long-term sustainable development and strategic planning of peri-urban Perth.

To address the needs of peri-urban Perth, the report recommended:

- **High value (intensive) production precincts** – there are parts of the Perth region that still have adequate soil profiles suitable for in-ground production. These areas need to be preserved to offer long-term food security for the region
- **Agri-tourism precincts** – while some parts of Perth are still in production but not contributing significantly to larger commodity markets, there is a desire to preserve them as boutique agriculture for tourism development. These precincts require flexibility in zoning for a range of mixed-use applications such as accommodation and small-scale value adding
- **Agri-industrial precincts** – Peri-urban Perth still has a number of industries that require buffer zones that are being pushed out by urban development. There needs to be a dedicated precinct specifically for these industries that will offer long term security to businesses need to relocate.
- Peri-urban food production is often undertaken on a smaller scale and requires alternative systems for effective and efficient production, distribution, management, marketing and product development. This moves food production from high volume/ low value systems to low volume/high value systems that supply resources, services and products to the greater metropolitan area and opens up new global markets.
- With impacts of climate change on water resources and the need to reduce nutrient loads into the environment, innovation and technology need to be developed that increases point source, closed-loop systems for agri-food production. This includes but is not limited to irrigation districts, recycling water, glasshouse production and aquaculture.

The Pickering Brook and Surrounding Tourism and Sustainability Taskforce has addressed many of the key points identified in the RDA Perth 2015 Strategy and the opportunity exists to expand the outcomes of the Pickering Brook Study across the whole of the Perth Hills.

Conclusion:

Agriculture in the Perth Hills is small scale, requiring a value added approach. Investing in upskilling operators to embed unique tourism and lifestyle offering to create a food, wine and healing trail could turn this sector into an economic engine and create an alternative property value appreciation strategy.

Pickering Brook and Surrounds Sustainability and Tourism Taskforce Tourism Findings

The Pickering Brook community ascribed low priority to tourism, economic development more broadly compared with the priorities given to bushfire safety and retaining bushland and agricultural precincts. This adds nuance to the findings of this study, suggesting that detailed investigations by locality will be required to align tourism strategy with changing preferences. (Pickering Brook and Surrounds Tourism and Sustainability Taskforce, 2020)

Conclusion:

Different approaches will suit different areas across the Perth Hills when determining how best to integrate the tourism and lifestyle economy with traditional agricultural communities.

Perth Hills Economic Development and Marketing Strategies

Perth Hills local government economic development strategies largely focus on Coastal Plain industries, due to their relative scale when compared to the Perth Hills economy. There is a growing but still limited focus on the potential of the tourism and lifestyle sector and its various components through the work of the fast-developing local government Perth Hills Tourism Alliance (PHTA). TourismWA overnight visitor factsheets for the Cities of Swan and Armadale provide some insight into the opportunity. The City of Swan's numbers are largely representative of Swan Valley visitors, but Armadale's numbers are Perth Hills oriented. (TourismWA, 2020) These numbers show a steady decline over the past five years. (TourismWA, 2020) Kalamunda incorporates tourism into its economic development strategy, which cites 8.7 percent annual growth year on year, perhaps demonstrating the value of an integrated approach. (City of Kalamunda, 2017)

Industry groups have worked progressively over a sustained period to build the case for a more robust approach to tourism across the Perth Hills. A new approach is under development through the Perth Hills Tourism Alliance a collaboration between the five local governments party to this study. The recent release of a Draft Perth Hills Marketing Plan: Summary for Consultation is a step in this direction. This Plan proposes an approach that:

- Creates a fresh, unified Perth Hills brand.
- Identifies the strengths of the region and addresses local, national, and international tourism influences and trends which may present opportunities or constraints for the region's tourism industry
- Develops key messages and provides recommendations on consistent brand messaging for marketing, promotional activities, and communications of the Perth Hills region.
- Provides the PHTA with greater understanding of how to develop the existing tourism potential within the region.

- References opportunities available via the broader tourism industry objectives of Western Australia, Destination Perth, and each of the Local Government stakeholders
- Makes recommendations on how to achieve a unified and effective approach to the future planning of promotion, advancement, and development of tourism through marketing and efficient visitor services.
- Incorporates a roadmap for delivery with established priorities, timeline KPIs and indicative budgets (Perth Hills Tourism Alliance, 2020).

A SWOT analysis was developed along with a road map to progressively develop the value of the Perth Hills tourism economy. In general, the conclusions are positive, but representative of an undeveloped, under-resourced and uncoordinated offering with low appreciation of the benefits across the Perth Hills community. The roadmap includes the following steps:

1. Branding and marketing - developing a new Perth Hills tourism brand (see destination framework below
2. Digital platforms and websites –developing a new Perth Hills visitor website
3. Social media - co-ordinated Perth Hills social media engagement program
4. Visitor Information - selling the Perth Hills through the region's network of Visitor Information Centres
5. Development of a Perth Hills Visitor Brochure and essential marketing collateral
6. Product and experience development which supporting Marketing Plan delivery
7. Press and PR -a co-ordinated program which raises awareness of the Perth Hills as a visitor destination
8. Tourism Trade -engagement which builds awareness of key domestic and international trade representatives
9. Events –co-ordination of a Perth Hills events calendar
10. Raising awareness –delivery of a high-profile marketing program

Conclusion:

The community prioritised these steps differently, suggesting improved alignment and education is required. Some of this has occurred since the survey was conducted.

Proposed Destination Framework

RDA Perth surveyed the community about the roadmap and found differing priorities, but general acceptance of the key elements identified (Regional Development Australia, Perth, 2020).

Representative feedback from the tourism sector includes the need to integrate the roadmap with other strategies across the Perth Hills and build appreciation of the benefits within the community to make the most of good works already undertaken. For example:

- The Hiking and Trails Strategy
- The Perth Hills Mountain Biking Strategy
- The Perth Hills Trails Master Plan
- The upcoming Parks of the Darling Range Advisory Committee Plan

There are notable issues left out of the document, which would have to be considered as part of a broader economic development strategy for the Perth Hills, such as:

- bushfire risk management
- water catchment land use and management (incl. priority protection areas)
- traffic and transport considerations (incl. public transport and parking)
- land ownership and land use zoning restrictions TourismWA Strategy

Conclusion:

The formation of the Perth Hills Tourism Alliance and development of a marketing strategy establishes a foundation that can lead to a more comprehensive Perth Hills economic development strategy. Developing this through a partnership between the Alliance and the proposed Perth Hills Community Peak Body offers a structured approach that can make the most of the good work being done in the community and local government.

TourismWA Strategy

The TourismWA overnight visitor fact sheet on the Perth Metropolitan Region demonstrates the limited appreciation, low strategic priority at State level and minimal economic presence of the Perth Hills tourism economy relative to greater Perth. (TourismWA, 2020) *The Draft Perth Hills Marketing Plan* notes the potential to align the Perth Hills tourism experience with TourismWA's new brand 'Our Story'. (Perth Hills Tourism Alliance, 2020)

Implementation Recommendations

The following steps are recommended to continue the development of the Perth Hills tourism sector:

- Deliver an aligned Marketing Strategy across the Perth Hills, beginning with a stronger brand that reflects community values and attracts visitors.
- Develop a Perth Hills Tourism Strategy linking major attractions and providing business development support.
- Develop an overarching Perth Hills Economic Development Strategy to integrate and grow the lifestyle, nature and agricultural sectors and enhance the amenities enjoyed by locals and visitors alike.
- Establish a Perth Hills Local Government subsidiary to deliver coordinated tourism service delivery and joint initiatives.

Recommendation 4

Telecommunications Gaps & Power Outages

Trial emerging technologies to deliver cost-effective, combined mobile communications and power grid stabilisation solutions that improve reliability for businesses and reduce risks to the community risk during bush fire, safety, and health emergencies

Survey and Workshop Findings

Telecommunications black spots and dropouts and frequent power outages are one of the compromises residents make in return for the open spaces and natural amenities that characterise life in the Perth Hills. However, they create serious impediments for businesses and significant community safety, health and bushfire risks during emergencies. Emerging remote area technologies may offer a solution. These technologies combine new energy infrastructure (solar and batteries) and mobile communications towers to strengthen mobile signals and stabilise local area networks through microgrids where high rooftop solar generation is prevalent.

Perth Hills Community Survey

Resolving telecommunications black spots and dropouts was the most common issue identified during consultations. This was reinforced by the survey which found that 79 percent of respondents work in businesses reliant on telecommunications and 61 percent of respondents cited ongoing faults as problematic. Only 53 percent of respondents were satisfied with power reliability, with 45 percent experiencing frequent outages, especially during bad weather.

Councillor workshop

Workshop attendees viewed a presentation on the potential of microgrids to address power reliability issues in jurisdictions like the Perth Hills. Further exploration is required before priorities can be determined.

Supporting Evidence

Current Events

The emergence of new energy technologies is changing the way power is provided. This is particularly useful at the fringes of the power network, like the Perth Hills, where distribution lines lack redundancy. In these locations, when a power line is cut there is often no other source of power for large numbers of users.

Microgrids in locations like the Perth Hills with high penetration of rooftop solar improve redundancy and stability with community batteries. Where blackspots exist, the batteries can support mobile towers with the addition of dedicated solar panels and batteries to address additional power demand. This can be cost effective when compared with the costs of distribution networks, particularly when business productivity benefits and reduced bushfire, safety and health emergency risks are incorporated.

Western Australia is becoming a hub for new energy technologies, due to the comprehensive range and volume of new energy mineral resources in the state. This is coupled a competitive advantage in remote area technologies to service far flung resources operations and remote communities. Government is supporting trials of remote area solutions that could benefit peri-urban areas like the Perth Hills.

Existing government assets such as schools, firefighting water storage locations, shopping centres, community centres and transfer stations may be suitable locations for community batteries. In some circumstances, a residual income could be generated to support community groups or schools that host a battery, using a model akin to the Container Deport Scheme. In some circumstances, it may be appropriate to allow small scale commercial renewable energy generation facilities to support larger or multiple community batteries.

Policy Support

WA Energy Transformation Strategy and Distributed Energy Roadmap

The WA Government released the Energy Transformation Strategy in response to the following trends:

- Energy technologies are rapidly improving, with renewables becoming more cost competitive with traditional sources of generation
- Many consumers are now supplying their own electricity, by installing their own rooftop solar PV systems—the most common form of distributed energy resources, or 'DER', in Western Australia
- Battery systems are rapidly improving their performance and becoming more cost effective, providing an opportunity to store energy efficiently for use when renewable energy sources are not available
- Microgrids and local generation solutions are becoming increasingly workable options, reducing the need to expand the traditional central network (Economics and Industry Standing Committee, 2020)

Following the release of the Strategy the Government produced a Distributed Energy Roadmap with an implementation timeline. Western Power is currently investing in community batteries it calls PowerBanks. Third party (private sector) batteries are considered as part of this approach, although the technical rules and regulations are still being refined.

Mobile Black Spot Program

The Commonwealth Mobile Blackspot Program has recently prioritised improving coverage in natural-disaster-prone areas. The program has traditionally focussed on regional areas, however this shift in focus may be an opportunity for the Perth Hills to seek funding, given the high risk of bushfires. (Government of Australia, 2020)

"Working in conjunction with traditional generation and network assets, microgrids can act as reliable, dispatchable energy resources; supply essential services to the system; and act as a load-shed or over-generation balancing resource. Microgrids and distributed energy resources (DER) can also reduce total system costs by deferring, reducing or entirely removing the need to invest in costly pole and wire replacement programs."

Hon Jessica Shaw
Chair

(Economics and Industry Standing Committee, 2020)

"We're continuing the Government's $380 million Mobile Black Spot Program to deliver better mobile coverage to regional and remote Australia, and we are focussing on areas where this coverage is needed most. [...] [Round 5A] will also have a specific focus on improving mobile coverage [...] in disaster-prone regions."

Hon Mark Coulton MP
Minister for Regional Health, Regional Communications and Local Government

(Government of Australia, 2020)

Industry Activity

Lithium Valley Incorporated formed recently to support the rapid growth of WA's new energy materials sector with a view to establishing manufacturing operations to capture additional economic returns from the state's wide array of new energy resources. This will involve a range of initiatives, trials and innovation programs to support the development of the battery supply chain in WA. Part of this, due to policies in export markets, is to increase the penetration of renewables into the South West Integrated System. Another area of focus is remote area battery management solutions. A local manufacturer has also developed a combined mobile tower, solar and battery platform for remote areas. Investigations are warranted into the potential of these and other platforms to cost-effectively improve Perth Hills communications and power reliability. [1]

Microgrid Associations have been and are continuing to be formed to coordinate industry advocacy for the role of microgrids as part of energy market reforms and investment programs. Additionally, Horizon Power battery supported microgrid trials are well advanced in Carnarvon while Western Power is trialling an end of grid microgrid in Kalbarri. These initiatives can inform the communities of the Perth Hills.

These associations and their members offer an opportunity for the Perth Hills to collaborate on cost-effective, integrated power and telecommunications solutions through trials to demonstrate their readiness for market. The provision of land and community mandate in support of these trials, along with government mobile black spot and Western Power funding are an opportunity for the Perth Hills to attract support for mobile and power reliability improvements.

Implementation Recommendations

The following steps are considered necessary to improving

1. Develop a Perth Hills Power & Telecommunications Performance Improvement Plan, mapping out areas with performance issues, identifying optimal points of intervention and recommending desired technology features or combinations of features.
2. Work with industry and government agencies to develop a business case for a trial community micro-grid including a value for money framework demonstrating the community and economic value of proposed investments to improve reliability – incorporating broader values, such as bushfire, health and other emergency response times, tourism benefits and business productivity improvements.

Conclusion:

Rapid movement in the policy, investment and industry environment suggest that opportunities to cost-effectively address telecommunication and power reliability issues in low population areas like those found across the Perth Hills already exist and will continue to develop. It is recommended that the Perth Hills conduct due diligence to position local governments to capture some of these opportunities. The case would be compelling if it can be demonstrated that the combination of reliability, economic productivity and bushfire emergency risk management improvements are sufficient.

1 RDA Perth is source of this information as a founding member of Lithium Valley Incorporated. The information builds on the RDA Perth report, "Lithium Valley: Establishing the Case for Energy Metals and Battery Manufacturing in Western Australia." (Regional Development Australia, Perth, 2018) (Lithium Valley WA, 2020)

Recommendation 5

Develop Innovative Multimodal Transport Solutions

Develop Innovative Multimodal Transport Solutions – develop fit-for-purpose personal and public transport solutions to improve mobility and access to amenities for a broader range of residents and visitors.

Survey and Workshop Findings

The RDA engagement exercise across the Perth Hills identified a strong desire among residents, business owners and elected members for improved public transport services. Public transport linking surrounding areas with activity centres is considered inadequate, particularly for segments of the community without personal transportation – those with disabilities, youth, and the elderly. A reliable service is also seen as important for improved economic growth, including the tourism and general business sectors. There is a desire to explore cost-effectiveness and value for money of new transit technologies and route options as the basis of a more interconnected Perth Hills transit network.

The Hills are a favourite with road and mountain bikers. Providing more welcoming cycling infrastructure may enable local centres to capture more revenue through enhancing the experience for visitors and locals alike. There is an associated opportunity to improve the viability and north to south connectively of transit infrastructure through modelling the incorporation mixed modalities, such as cycling and other lightweight, transportable vehicles to improve accessibility for a broader range of fitness levels and user types.

The Hills Hoist – A Public Transport Assessment Framework

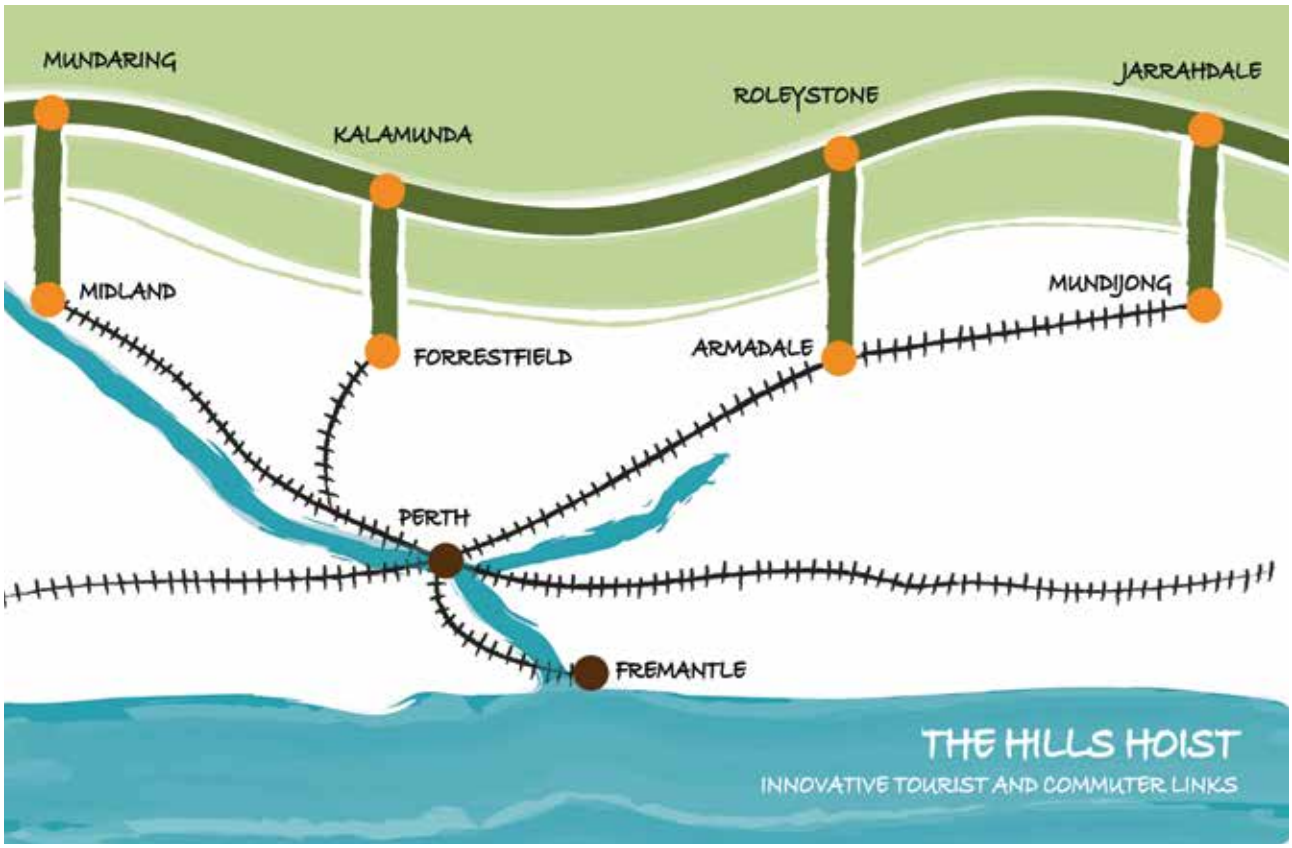
Mobility is a key enabler of social and economic development. The way we move people and parcels is rapidly changing, bringing opportunities that can greatly benefit cities and their populations. The advantage of early adoption is well documented. The Perth Hills are well placed to benefit from leading in this area.

The Perth Hills are segmented geographically, socially, and economically with stronger transport links to the suburban fringe than north to south along the escarpment. This limits north-south movement between Perth Hills communities and impedes economic, including the enjoyment and spend on lifestyle options by resident and visitors. It has a similar dampening effect on broader business growth and north-south community networks.

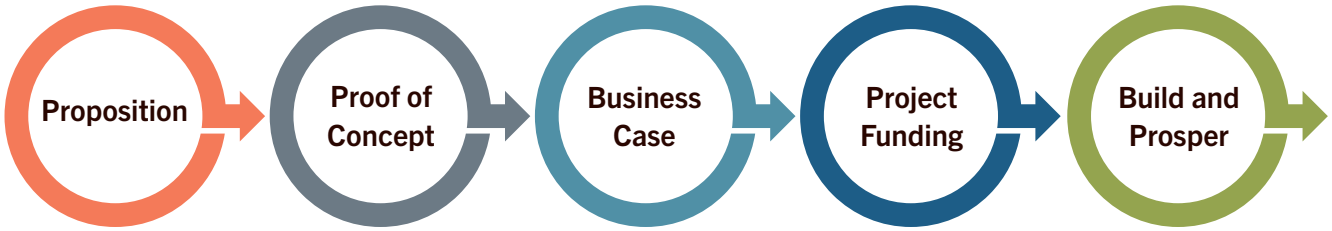
Addressing the low frequency of east-west transit links between district centres in the Perth Hills and transit / commercial hubs at the edge of the Coastal Plain is the starting point. North-south connections cannot be sustained without first improving these services.

New mid-tier electro-mobility, autonomous vehicles and electric personal mobility devices offer the potential to improve the effectiveness of both east-west and north-south transit services.

Discussions with innovative public transport professionals led to the development of a useful framework for determining the feasibility of a more robust public transport network servicing the Perth Hills.



Implementation Recommendations



The above Roadmap sets out a standard feasibility study process. The objective is to develop a business case for submission to Infrastructure WA. This involves preliminary through to detailed assessments of various mid-tier transit technologies and route combinations and multi-criteria comparisons of the economic (e.g. tourism and business uplift), lifecycle costs, community, and environmental benefits of each. It is recommended that this process be commissioned jointly by Perth Hills local governments in partnership with the proposed Perth Hills Peak Body to ensure a potential business case is supported by a strong community mandate.

Recommendation 6

Perth Hills Local Government Joint Venture

Investigate the potential of various structures to coordinate investment, service delivery and participation by Perth Hills local governments.

It may assist to establish a joint venture vehicle with the legal and commercial arrangement to enable joint investment and governance for certain recommendations in this report.

Regional Subsidiaries

The 2020 revision of the Local Government Act 1995 includes provisions for a regional subsidiary to enable local governments to create a separate operation focussed on agreed objectives of local and regional benefit, while freeing each local government to work independently on associated local priorities. It is like a Regional Council in that both can coordinate delivery of larger and more complex services across local government boundaries. It goes further by placing commercial activities at arms' length from political influence – under the control of independent Boards made up of expert directors and the regulatory provisions of normal company or trust law – thereby streamlining and depoliticizing operations and investment decisions. Political oversight is retained but limited to strategic plans and objectives, as is the case with Government Trading Enterprises.

The following additional features may offer advantages:

- the capacity to employ professional directors and management with experience specific to the commercial objectives of the entity;
- depoliticization of investment decisions while retaining political oversight of strategic objectives;
- oversight focussed on strategy and outcomes rather Local Government Act notification and approvals of individual transactions;
- protection of ratepayers from legal liability and financial risk arising from commercial or investment activities;
- the ability to set clear financial and non-financial performance objectives for the entity to achieve; and
- greater flexibility to enter into joint venture and partnering relationships with the private sector on conventional commercial terms.

The existing model remains constrained by provisions in the *Local Government (Regional Subsidiaries) Regulations 2017* which:

- prohibit a regional subsidiary from entering into any land transaction or trading undertaking with a view to producing profit (limiting the ability to partner with private sector enterprises); and
- prohibit a regional subsidiary from borrowing money other than from one of the participating local governments.

These limitations are not in place in jurisdictions like New Zealand. There are plans to expand the range of allowable activities in coming years. These limitations are not seen as having a material effect on the recommendations of this report.

Incorporated Associations

Local Governments have the ability, under the Associations Incorporation Act 1987, to form or take part in an incorporated association (IA). There are many advantages of this model, but it is limited in how it is applied, including for commercialising regional road construction or waste management. These are rigid structures

and not considered suitable for collaborative activities with evolving objectives, such as those proposed in this report.

Collective Tenders

Collective tenders are suitable for projects, but cumbersome for ongoing and evolving collaborations. They are not recommended as more than an initial vehicle to accelerate specific works while a regional subsidiary is established.

Partnering

Partnerships, governed by a memorandum of understanding, are useful vehicles for determining whether there are sufficient shared objectives to establish a more robust structure like a regional subsidiary. The Perth Hills Tourism Alliance is a good example. To take the work forward through efficient, customer focussed operations on the basis of a strategic plan and objectives, a regional subsidiary is likely to be required.

Implementation Recommendations

The following steps are recommended for determining the appropriate structure to deliver on the recommendations of this report:

1. Seek legal advice to confirm the suitability, merits, and limitations of a regional subsidiary.
2. Develop clear principles for what is best addressed through informal partnerships and thresholds for rolling new initiatives into the regional subsidiary.
3. Explore the potential to develop a central body with subsidiaries for specific operations better delivered at a regional scale. The purpose of this structure would be to gain administrative efficiencies through utilising a single Board to oversee multiple operations according to a Strategic Plan with dedicated subsection for each subsidiary. This may further simplify strategic oversight by Councils.

Conclusion:

The Perth Hills has undergone a gradual transformation that has only just begun to be appreciated. The population has grown. Demographics have changed. Neighbouring Coastal Plain suburbs are creating land development pressures. The community is increasingly active and determined to see a different approach to development than has been occurring in recent decades. And a shared approach and identity are forming that spans the Perth Hills, as a whole. There is an opportunity for all involved – local, state, and national governments, business and communities – to work together to make the most of so much energy and dedication. The findings in this report describe the drivers at work and recommend some next steps. The primary focus of these steps is the Perth Hills community and its local governments, but State and Commonwealth support and guidance will be critical. The Perth Hills may be an untapped opportunity, but there is considerable activity afoot to change this. All stakeholders are encouraged to get involved and inform the process. There is a bright future ahead.

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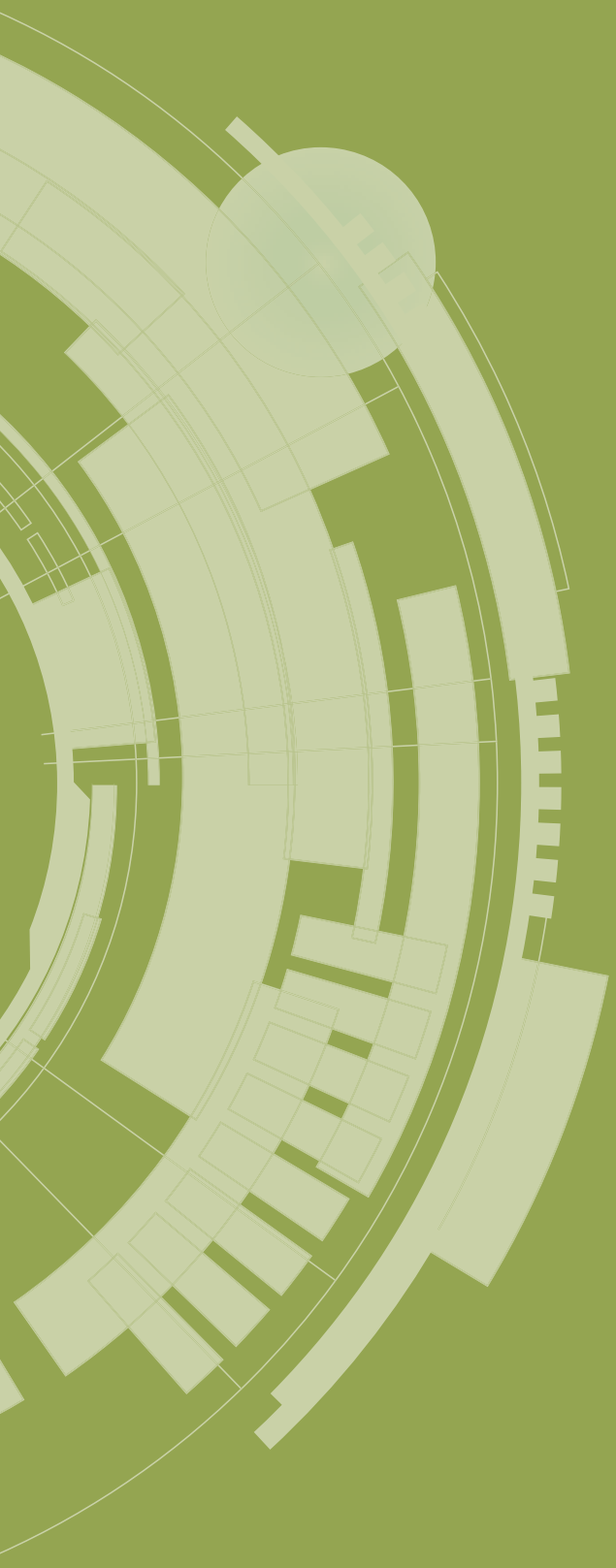

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