

*We're working for
Western Australia.*



2020-2021

ANNUAL REPORT

SOUTH WEST DEVELOPMENT COMMISSION

swdc.wa.gov.au



We are unlocking the region's potential...

Collie Roundhouse to be transformed.



...To make the South West the best place to live, work and invest.

Margaret River's Main Street has been enhanced for locals and visitors.



Acknowledgement of Country

We acknowledge the traditional custodians of country throughout the South West and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past, present and emerging.

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The South West Development Commission team deepened its knowledge of Noongar culture at a staff development day in Dunsborough.

WELCOME

Statement of Compliance

Message to the Minister

Honourable Alannah MacTiernan MLC
Minister for Regional Development



In accordance with Section 63 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of the South West Development Commission, for the financial year ended 30 June 2021. At the date of signing, we are not aware of any circumstances which would render the particulars in this statement misleading or inaccurate.

Nick Belyea
Chairman of the Board

7 September 2021

Mellisa Teede
Chief Executive Officer

7 September 2021

ABOUT THIS REPORT

Welcome to our annual report for 2020-21. In reading through this report, you will be given insight into what we do, how we work and how we are supporting the region.

You will discover the scope of our work, a kaleidoscope of efforts in support of the region's needs and development.

Most of the detailed information about our performance is contained in chapters named after our four delivery areas:



INFRASTRUCTURE & LANDS



BUSINESS & INDUSTRY



COLLIE DELIVERY UNIT



STRATEGIC PROJECTS & GRANTS

Additionally, we have highlighted examples of where projects we have supported or driven have maximised local business participation:



LOCAL CONTENT

Accessibility

To request alternative versions of this report or to provide feedback, contact us on 9792 2000 or info@swdc.wa.gov.au.

Access this report at: www.swdc.wa.gov.au.

WELCOME

Our vision

Our purpose

To be the catalyst for economic development and growth in the South West.

Our vision

By 2050 we aim to ensure that the South West is an internationally recognised centre of excellence.

In these unprecedented times, we were called on to not only grow and develop the economy, but to also recover it.



We support local businesses and communities to thrive. Pictured: SWDC Regional Development Officer Julie Wade and Wardandi Miya-Kaadajiny Aboriginal Corporation Chief Executive Officer Charmaine Councillor.

OVERVIEW

Chairman's Message



Ground-breaking ceremony at the site of the Casuarina Drive Redevelopment, which forms part of Transforming Bunbury's Waterfront. Pictured: DevelopmentWA Regional Manager South West Matthew Whyte, SWDC Director – Infrastructure and Lands Ashley Clements, SWDC Chief Executive Officer Mellisa Teede, Regional Development Minister Alannah MacTiernan, Bunbury MLA Don Punch and SWDC Chairman Nick Belyea.

In presenting the Commission's annual report for 2020-21, I would like to start out by acknowledging the very difficult circumstances experienced by local businesses and industries as a result of COVID-19.

Our team has been motivated to get the region's economy back on track including through contributing to the State Government's WA Recovery Plan. Simultaneously, we laid the groundwork for the jobs of tomorrow through planning that aims to set in motion further diversification of the economy in the years ahead.

Our efforts to address the economic fallout of COVID-19 in the South West included working with stakeholders to proactively identify projects that could be fast-tracked to create a pipeline of jobs for locals. This quick thinking paid off, with millions of dollars secured for these shovel-ready projects through the funding streams that became available.

We also assisted the region's primary producers to fill critical labour gaps after the international borders closed off the supply of working holiday makers, and have been working through more general labour supply issues. Our Regional Economic Development (RED) grants have helped to restore confidence and give businesses opportunities to make plans a reality. We have endeavoured to build business resilience by encouraging the food, wine and tourism sectors to adapt their thinking around marketing in order to attract new customers. As an organisation, we have adapted to new ways of working in order to continue producing results for the region, including developing virtual international industry events in support of facilitating export market opportunities.

The region's economy – like its people – showed its resilience and dynamism by generating \$16.02 billion in 2020, which is testament to the strength of our region's industries and economy. While the Bunbury Port experienced record trade of 17.11 million tonnes of product in 2020-21, other industries such as the tourism sector, particularly suffered and, in many cases, continue to do it tough. Despite the overall positive economic signs, we acknowledge that the pandemic continues to negatively influence our way of life, but the region and West Australians have shown determination to get through this and to not lose sight of the way of life we're used to.

Tourism has been one of the industries most affected by COVID-19, however we know that this sector will be a factor in stimulating economic return. With this in mind, we have played a key role in developing new events such as the Pinot Picnic, while supporting other traditional events. We have also advocated behind the scenes to ensure major events – such as Truffle Kerfuffle – that were facing the prospect of cancellation, did in fact go ahead with State Government support.

On a very sad note, I pay tribute to our dear friend and colleague Mark Exeter who sadly passed away on June 15 2021. Mark was a huge advocate for tourism and was very passionate about tourism in the South West. He will be sadly missed by all of us at SWDC and the South West tourism industry. Mark's memorial service was held on 9 July 2021 and was very well attended by friends and colleagues across the South West and beyond. Again, our sincere

OVERVIEW

Chairman's Message



With Chairman Nick Belyea

condolences to Mark's wife Heather and the Exeter family.

The Busselton Margaret River Airport and the planned inaugural passenger service between Busselton and Melbourne will be a game-changer for tourism and we continue to work with the City of Busselton and Jetstar to welcome this service when it commences. Although COVID-19 has stalled the service, I am confident that, once the time is right, this highly awaited service will finally get underway for the benefit of the South West.

Our work to diversify and transition the Collie economy and create new jobs across a range of industries is proving transformational. New business and industry have been

OVERVIEW

Chairman's Message



incentivised to establish in Collie, with intrastate tourism to the region stimulated through new attractions including the striking Wellington Dam Mural and the opening of Lake Kepwari. The diversification of Collie, combined with a Just Transition for the community, is a long-term process, but progress is being made and exciting new announcements expected for next financial year.

Across the region, strategic investment in the form of large-scale projects, planned or underway, is opening up work opportunities for locals. For example, the \$852 million Bunbury Outer Ring Road is boosting local businesses and creating jobs for local people. In line with the State Government's commitment to maximising business participation on projects, we have aimed to connect local businesses to major projects. Moreover, we have ensured that businesses are in the right environment for growth

through improvements to infrastructure, including through developing Halifax Business Park.

We are leading Transforming Bunbury's Waterfront, a large-scale infrastructure project that is creating jobs while unlocking long-term opportunities for the tourism and marine sectors. Significant progress has been made with this project under our guidance, including securing \$79.8 million towards Stage 3 – Phase 1 of the project. This phase is set to once again change the face of the our regional capital, similar to previous stages.

We are also planning for the jobs of tomorrow by leading initiatives such as the South West Advanced Manufacturing and Technology Hub (SW AMTECH) feasibility study. This project has the potential to leverage the region's strengths and build on our competitive advantages to support jobs and businesses in the years ahead through boosting the competitiveness of local industries in an increasingly globalised market.

Likewise, the South West Innovation and Technology Creative Hub (SWITCH) study also aims to build on the region's capabilities and networks, while complementing new opportunities emerging in the film sector in Western Australia.

The Commission charted a pathway forward through the release of our Strategic Plan 2021-23. This document identifies priorities for the advancement of the region over a three-year horizon, with clear emphasis on sustainable economic development that promotes the protection and growth of local jobs.

This plan, which takes into account previous plans and strategies, is already being put into action. We are committed to working with stakeholders to continue tackling the challenges and grasping the opportunities that will come with our pursuit of creating a

bright and prosperous future, regardless of obstacles, such as COVID-19. Good times, challenging times – we are here for our region.



I would particularly like to thank our staff, board members and Chief Executive Officer Mellisa Teede (pictured above) for the hard work, dedication and passion over the past 12 months. On behalf of the entire SWDC team, I would also like to extend my appreciation to our Minister, the Hon Alannah MacTiernan, and her staff for their ongoing support of our work in the South West region.

– Nick Belyear, Chairman

OVERVIEW

Performance Highlights



REPORT CARD

Our performance is gauged through an annual stakeholder satisfaction survey. Find out how our key stakeholders rate our service delivery for 2020-21.



How we performed

The graphs shown here indicate how our key clients rated our performance this year.

Each year, with the exception of 2019-20 we ask stakeholders – local governments and key clients – to complete a questionnaire. Information obtained through the survey provides a valuable method for collecting feedback from clients. We use this feedback to measure our effectiveness against our legislative mandate and see how our performance stacks up in comparison to the previous year's results.

In May 2021 we engaged independent consultancy firm

Advantage Communications – Research to undertake our client satisfaction survey for 2020-21. A total of 160 surveys were completed from 252 stakeholder contacts supplied to Advantage. Of the 160 surveys, 99 were completed online with the remaining 61 surveys completed over the phone. Respondents rated their overall level of satisfaction with the quality of service at 88 per cent, and the overall level of satisfaction with performance at 87 per cent.

Note: No survey was carried out in 2019/20 as a result of an exemption relating to COVID-19. As a result, we have used the results from 2018/19 in order to provide a comparison.

OVERVIEW

Performance Highlights



\$79.8m

Unlocked for **Transforming Bunbury's Waterfront**
Stage 3 – Phase 1



The \$10.8m **Casuarina Drive Redevelopment** is underway in Bunbury



Artists impressions are released for the new accessible playground at Casuarina Drive

The South West Innovation and Technology Creative Hub (SWITCH) study is underway

Collie's economic diversification sees a surge in tourism



New industry is attracted into Collie including a **\$9.4m waste energy plant**

An MOU is signed for **Collie's Just Transition**

OVERVIEW

Performance Highlights



Transforming Bunbury's Waterfront has continued to unlock Bunbury's potential for locals and visitors. Another transformation was achieved with the completion of the \$12.65m Jetty Road Upgrade as part of Stage 2 of the project.

OVERVIEW

Performance Highlights



\$2m secured in 2021 towards **South West Advanced Manufacturing and Technology Hub feasibility study**, on top of the \$485,000 allocated in 2020

OVERVIEW

Performance Highlights

<p>An A330 is the largest aircraft to land at the Busselton Margaret River Airport</p>		<p>COVID-19 recovery efforts fast-track projects that generate jobs</p>	<p>15 Local recipients share in almost \$1.2m in Round 3 of the Regional Economic Development (RED) Grants, including Origins Market</p>
	<p>The Truffle Kerfuffle festival broke its record for the largest crowd in a single day, with 2900 people through the gates at Fonty's Pool</p>		
<p>\$3m In upgrades to Halifax Business Park are complete</p>		<p>The Margaret River Main Street is improved</p>	

OVERVIEW

Performance Highlights



The new Bunbury entrance statement is launched

OVERVIEW

Performance Highlights

\$6m

The value of **new grants allocated** to South West projects and initiatives



The region's stock of **affordable aged care accommodation** builds



The old **Donnybrook goods shed** is transformed into an interpretive centre and cafe

Exporters forum held in South West with WA trade commissioners

120 delegates attend the inaugural Experiential Travel Summit

2018/19 annual report officially recognised in the WS Lonnie Awards, held in 2020-21

74

Singapore-based travel industry representatives attend virtual truffle trade tasting event



The **Pinot Picnic** showcases the Southern Forests to Western Australia and Singapore

OVERVIEW

Performance Highlights

Local content focus

Transforming Bunbury's Waterfront – Flashback

STAGE 1

> 16 local contractors **Koombana Foreshore Revitalisation**

> 46 local contractors and suppliers **Dolphin Discovery Centre Upgrade and Expansion**

+ Perkins Builders = lead contractor

+ MCG Architects = designers



OVERVIEW

Performance Highlights

Local content focus

Transforming Bunbury's Waterfront – Current day

STAGE 2A

> 23 local sub-contractors **Jetty Road Causeway Upgrade**

STAGE 2B

> Local businesses represent 60% of the work value of the project on Phase 1 **Casuarina Drive Redevelopment**

STAGE 1B

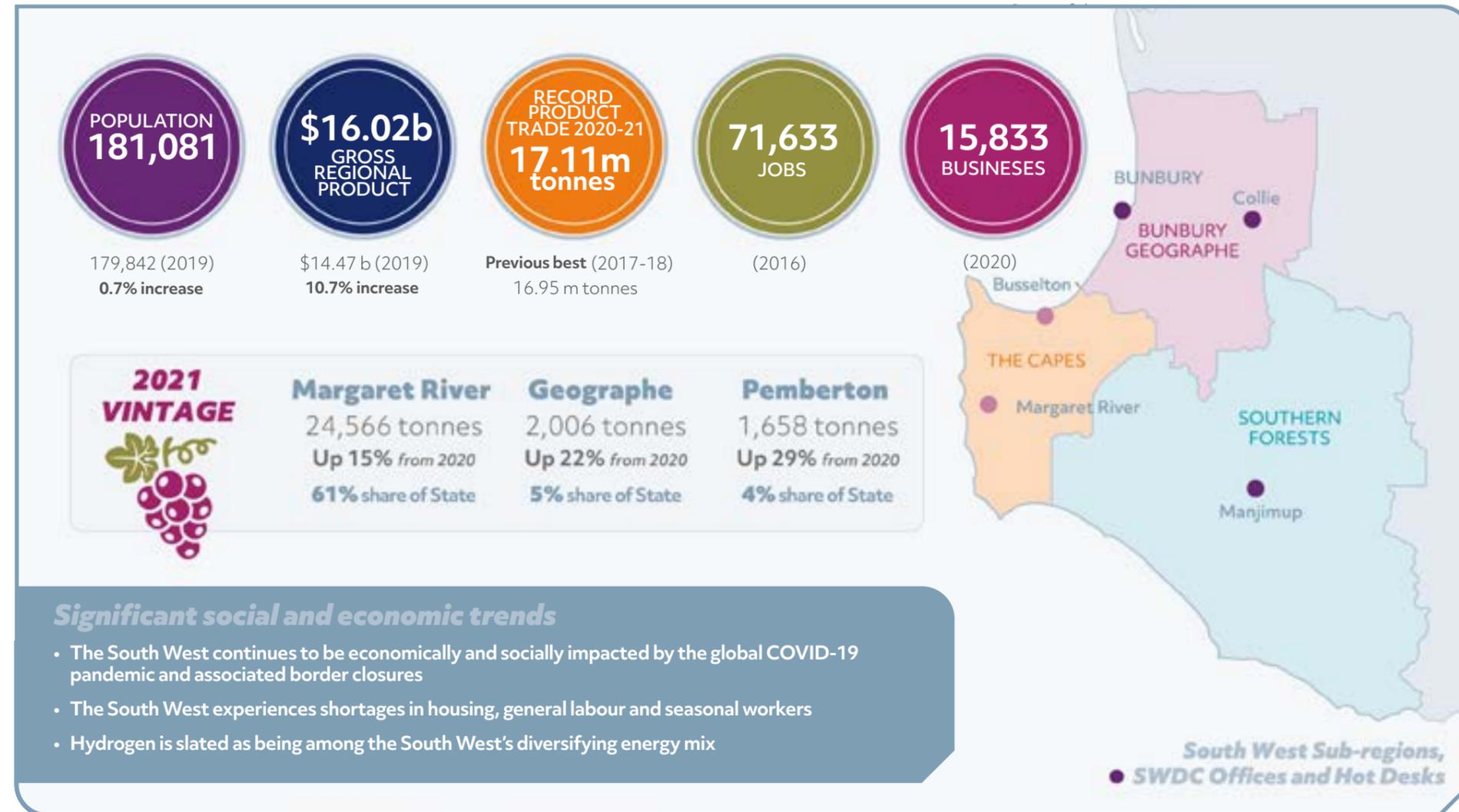
> 26 FTE during 2020-21 **Dolphin Discovery Centre**, up from 12 FTE before redevelopment



Hotweld Fabrication involved in both the construction of the multi-purpose building on the Jetty Road Causeway and the fabrication of the Koombana Footbridge

OVERVIEW

State of the Region



Significant social and economic trends

- The South West continues to be economically and socially impacted by the global COVID-19 pandemic and associated border closures
- The South West experiences shortages in housing, general labour and seasonal workers
- Hydrogen is slated as being among the South West's diversifying energy mix

OVERVIEW

Performance Highlights



The total value-added estimate for South West Region was \$14.8 billion in 2020. All industry sectors ranked by value-added.

The Manjimup Heritage Park is Park of the Year in the WA Parks and Leisure Australia Regional Awards of Excellence

Busselton named the winner of the 2021 GWN7 TOP TOURISM TOWN AWARD

ABOUT US



ABOUT US Overview

About us

At the South West Development Commission, we aim to foster economic growth in the South West region. In line with the State Government's economic growth objectives, we strive to grow and diversify the economy, create jobs and secure our region's prosperity. In these unprecedented times, we have been called on not only to develop the economy, but to also recover it.

The Commission is a statutory authority of the West Australian Government, working for the benefit of the South West region. While driving economic development outcomes is a core area of focus, we take a holistic approach to ensuring the South West is a region of first choice. With this in mind, we also work to improve quality of life and enhance liveability.

Sometimes we lead projects like Transforming Bunbury's Waterfront and the South West Advanced Manufacturing and Technology Hub proposal. Other times, we support projects and businesses through the provision of grants or assistance via our TradeStart and Local Content programs. Then there are the projects we start off building the case for, with the role we play evolving as the project progresses. An example of this is the Busselton Margaret River Airport Development which is now being led by other stakeholders but with the Commission playing a crucial behind-the-scenes role to ensure delivery.

Who we are

The Commission was enacted under the Regional Development Commissions Act 1993, and is one of nine uniformly legislated agencies, each serving a different region of Western Australia. The Commission was previously known as the South West Development Authority.

Our objectives are to:

- Maximise job creation and improve career opportunities in the region
- Develop and broaden the economic base of the region
- Identify infrastructure services needed to promote economic and social development within the region
- Provide information and advice to promote business development within the region
- Seek to ensure that the general standard of government services and access to those services in the region is comparable to that which applies in the metropolitan area
- Generally take steps to encourage, promote, facilitate and monitor the economic development in the region.

How we work

To achieve our vision, we work with stakeholders, while delivering outcomes through four strategic portfolios:

- Business and Industry
- Infrastructure and Lands
- Strategic Projects and Grants
- Collie Delivery Unit

Our ability to produce positive outcomes for the region is assisted by the fact that we are:

- Contracted by the Australian Trade Commission to deliver Austrade's TradeStart services
- Part of the State Government's Local Content Adviser Network

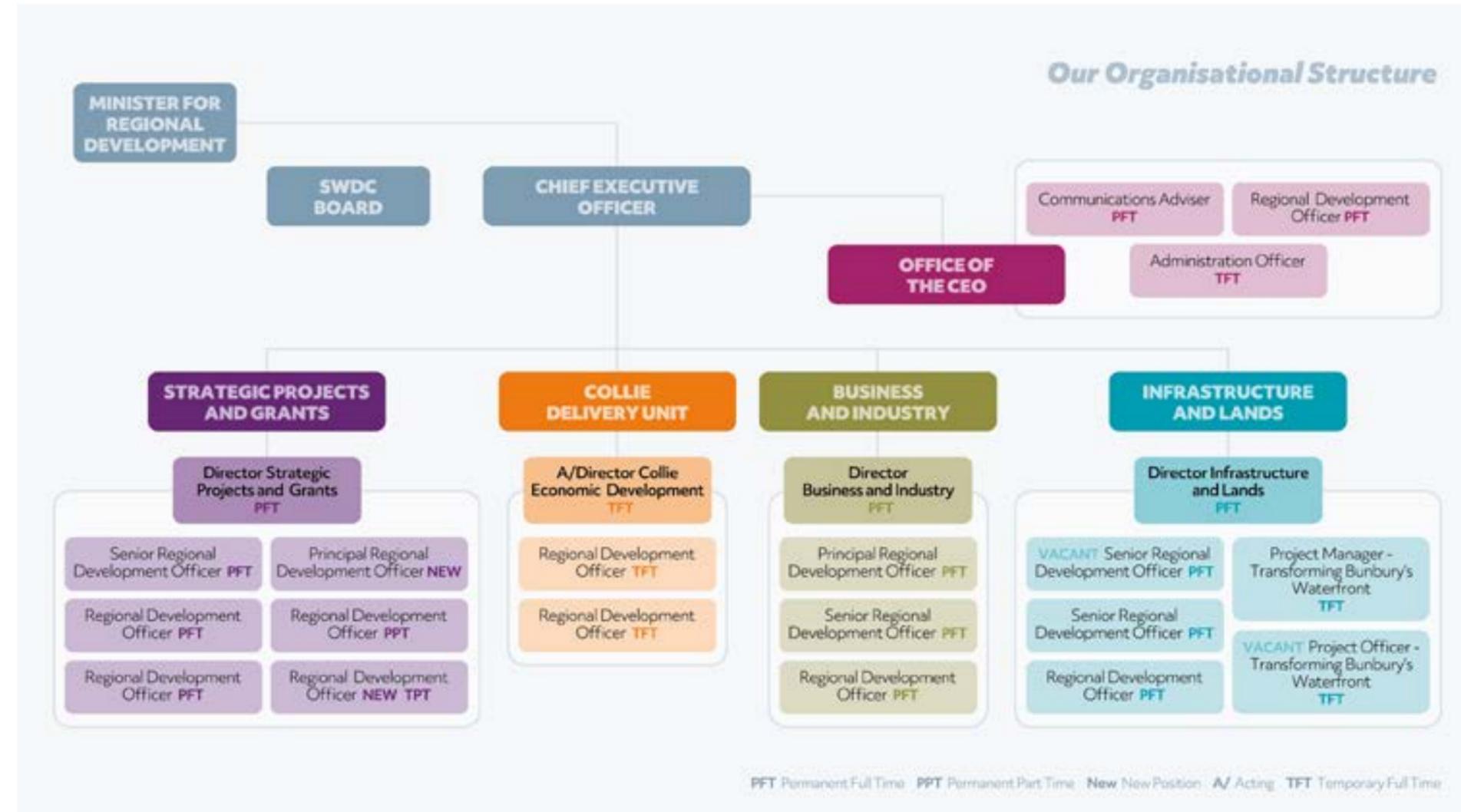
Where we work

Our staff members work across the entire South West region of Western Australia, covering 23,970 square kilometres. To ensure we are accessible to all communities, we have offices in Bunbury, Collie and Manjimup as well as hot desks in Busselton and Margaret River. Staff members travel widely throughout the region.

Government goals

Our strategic delivery areas align with the State Government's priorities.





The South West Development Commission is responsible to the Minister for Regional Development.

About the Minister

Hon Alannah MacTiernan MLC

Minister Alannah MacTiernan is committed to creating economic opportunity in our regional areas as well as bringing WA's agricultural sector into the 21st century through innovation and a focus on investing in science.

As Minister for Planning and Infrastructure from 2001 to 2008, Ms MacTiernan was responsible for major projects across the State including the Mandurah rail line, the Forrest Highway, the Geraldton port and rail expansion and the Armadale town centre and Champion Lakes developments.

In 2011 she was elected Mayor of the City of Vincent and in 2013 was elected as the Member for Perth to the Federal Parliament, where she became Shadow Parliamentary Secretary for Western Australia and Deputy Chair of the Joint Standing Committee on Northern Australia.

After Ms MacTiernan decided not to recontest Perth in 2016, she was invited to re-join WA Labor in the Legislative Council.

After being elected in 2017, she was appointed Minister for Regional Development and Agriculture and Food and Minister Assisting the Minister for State Development, Jobs and Trade. Ms MacTiernan is now the Minister for Regional Development, Agriculture and Food, and Hydrogen Industry.



Our board is the governing body responsible to the Regional Development Minister for setting the direction and priorities of the Commission. It meets regularly to discuss matters relating to the Commission and make decisions about projects, priorities and expenditure.

Members are selected from community and local government nominations, as well as Ministerial appointments. The Commission's chief executive officer also serves on the board in an ex-officio capacity, but does not have voting rights.

All board members bring skills, knowledge and experience that benefit the Commission and the region. Like staff, board members are expected to declare conflicts of interests and adhere to a code of conduct.

Changes to the board

The composition of the board changed in 2020/21 as we bid farewell to Jennie Franceschi and welcomed Louise Reid. We thank Jennie for her service.

Board subcommittees

An Audit and Risk subcommittee was operating during the year in review.

Primary activities

- Set the overall strategic direction and goals of the Commission
- Provide guidance on specific projects and initiatives
- Formulate Commission policy
- Review progress at regular intervals to ensure established goals are being achieved
- Monitor Commission expenditure
- Promote economic development
- Represent the Commission at relevant meetings and functions
- Advocate for the region



Left to right: Catrin Allsop, Tony Dean, Pat Scallan, Nick Belyea, Mellisa Teede, Louise Reid, Tresslyn Smith.

Board as of June 30 2021

Nick Belyea, Chairperson

Ministerial representative,
3-year term expiring 31 December 2021

Nick Belyea has extensive high-level experience in aviation, tourism and transport, in both the public and private sectors. He spent nine years as CEO of Broome International Airport and worked at the Department of Transport for 10 years overseeing aviation, rail, port and freight policy. He splits his time between Perth and Augusta, increasingly spending more time in the South West.

Pat Scallan OAM, Deputy Chairperson

Community representative,
3-year term expiring 31 December 2022

Pat was the General Manager Operations and General Manager Projects – Talison Lithium Pty Ltd Greenbushes Operations for over 20 years. He has held a number of senior operational positions in the mineral sands industry at both Eneabba and Capel and has worked at gold mining operations at Western Deep Levels in South Africa. Mr Scallan was the chairman and deputy chairman of the South West Regional Council of the Chamber of Minerals and Energy for more than 15 years. He is very involved in the local community and amongst other interests was a councillor on the Bridgetown-Greenbushes Shire for over 18 years.

Tony Dean, Board Member

Local Government representative,
3-year term expiring 31 May 2021

Tony brings a wealth of experience in community leadership and a whole of South West perspective to the board. He is currently the President of the Shire of Nannup, was previously the Member

for Bunbury, and spent seven years as a Bunbury City councillor. He is president of the South West Local Government Association, president of the Warren Blackwood Alliance of Councils, and a state councillor for the Western Australian Local Government Association.

Tresslyn Smith, Board Member

Local Government representative,
2-year term expiring 1 November 2021

Tresslyn Smith is a Councillor at the City of Bunbury. Raised on a farm in Benger, Tresslyn has a background in consumer affairs including as an industrial relations and consumer affairs investigator. She plays an active role in the community, including as the director at Aqwest, chairperson of the Bunbury/Harvey Regional Council Waste Management Facility, member of the Bunbury Port Community liaison Committee, and member of the West Australian Country Health Service Ethics Committee. Tresslyn was educated at the Benger State School, St Anne's in Harvey and is a graduate of Murdoch University.

Catrin Allsop, Board Member

Community representative,
3-year term expiring 31 December 2022

Catrin Allsop is Chief Executive Officer at Australia's South West, the peak regional tourism organisation for the South West of Western Australia. Catrin steers the organisation's direction, develops strategies and represents the region at trade and industry events. Catrin has significant involvement in key industry project areas such as product development, aviation and wine tourism as well as various collaborations with industry stakeholders. Catrin holds a Bachelor of Arts (Hons) in

International Management and Business Administration and is currently undertaking an MBA.

Louise Reid, Board Member

Ministerial representative,
2-year term expiring 30 June 2022

Louise has more than 20 years' experience in human resource management, industrial relations and general management working for not-for-profits, private sector and local government. For the past 10 years she and her husband have owned and operated property and small businesses in the Halifax Business Park. Louise has been an advocate for ensuring the long term viability and growth of this industrial park, including working with the State Government to secure funding for upgrades towards Halifax.



Chief Executive Officer Mellisa Teede onsite at the Jetty Road Causeway Upgrade, which forms part of the Transforming Bunbury's Waterfront project.

Our executive team provides the leadership necessary for the Commission to deliver strategic outcomes for the region, with each member heading up a section of our organisation. The executive team meet regularly for the purpose of strategic planning, coordinating decision-making, and formulating advice to the board.

Executive as of 30 June 2021

Mellisa Teede Chief Executive Officer

As the CEO of the South West Development Commission, Mellisa leads the State Government's job-creating agenda in the South West, driving regional diversification and local content outcomes. Key initiatives being progressed under Mellisa's leadership include the South West Advanced Manufacturing and Technology Hub (SW AMTECH) proposal. Mellisa has more than 30 years of experience in the public sector, including in senior leadership roles in education and training. She brings significant regional development experience to the role, having previously held the CEO role at the Peel Development Commission from 2012 to 2015, and also as the Managing Director of the Goldfields Institute of Technology.

Ashley Clements Director – Infrastructure and Lands

Ashley Clements leads the multi-agency Transforming Bunbury's Waterfront initiative, coordinating across organisations to unlock long-term economic and social benefits for the region in the delivery of the three-stage project. As Director – Infrastructure and Lands, he plays an important role in the strategic delivery of infrastructure for the South West and is involved in critical infrastructure projects across the region. Ashley has more than 20 years of experience in regional development at State, Federal,

local government and the not-for-profit sector level.

Cate Brooks Director – Business and Industry

Cate brings to her role a background in economic diversification, strategy and policy development, project management, evaluation and analysis. Before joining the Commission, Cate worked in the UK private sector prior to emigrating to Australia in 2009, when she joined the former Department of Regional Development working in project management and evaluation. This year, Cate provided leadership to the Commission as director of the Collie Delivery Unit before taking on the role of director of Business and Industry.

Corina Docking Director – Strategic Projects and Grants

Corina's knowledge of project management, regional development, staff development and business growth spreads over 25 years through leadership roles with the Commonwealth, Local and State government, as well as being an instrumental leader through the private sector in the development of Women in Leadership, the BHP Leadership Academy and the development of strategic plans and policies as an Associate Fellow with the Australian Institute of Management. Corina is the Project Director for the South West Advanced Manufacturing and Technology Hub as well as leading a busy team responsible

for governance, grants and other significant projects to support regional development in the South West.

Pip Kirby A/Director – Collie Delivery Unit

Pip currently leads the Commission's cross-agency work to support the transition of the Collie economy away from a reliance on coal fired power generation. Pip brings more than 20 years' experience in regional development, stakeholder engagement, business development, intergovernmental coordination, project management and policy development to the role and has previously worked with both the Wheatbelt and Peel Development Commissions.



Pip Kirby, Mellisa Teede, Ashley Clements, Corina Docking and Cate Brooks.

OUR OFFICE, OUR PEOPLE

Workplace insight

We are a relatively small but highly effective team which punches above its weight when it comes to the outcomes we are delivering on behalf of the region. Passion is what fuels us. We know that working here is considered more than a job. It's a privilege to be involved in the development of the region.

Workplace Summary

Every day, we come to work with a mission to serve the South West.

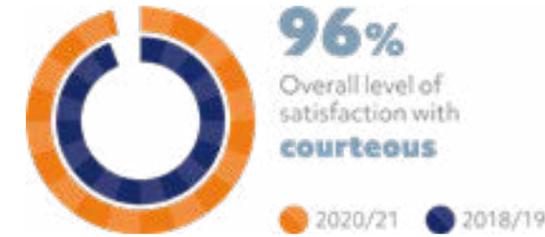
Our team members are on the ground, working directly with local stakeholders. The work we do is diverse. We are delivering projects, supporting initiatives, building business cases, facilitating export opportunities, attracting investment, managing grants, solving regional challenges, promoting the region, brokering partnerships, and being the catalysts for change.

We reflect the region we live and work in. We are based in the South West, residing in various towns and cities around the South West. We really do believe we live in the best region in the world. If you ask our staff members where they live, they will reply with "in Paradise". Places like Bunbury, Busselton, Bridgetown, Collie, Eaton, Margaret River and Yallingup are among the places our team members call home.



OUR OFFICE, OUR PEOPLE

Workplace insight



Our commitment to you

We are leaders

We provide leadership to the region that is inspiring, motivating and relevant.

We are professional

We act at all times with honesty, integrity and fairness, recognising the importance of being open and accountable in our actions.

We embrace sustainable practice

We take a well-planned, considered approach to our projects to ensure the qualities and opportunities of the region are enhanced for both present and future generations.

We display excellent service

We aim to be global leaders in regional development, with valued and skilled personnel and a responsive attitude to people.

Our values are:

Excellence – in all we deliver

Engaged – to be an outwards looking organisation, connected to our community and representing their interests and needs

Integrity – to act ethically, honestly and with transparency

Inclusion – to be positive and supportive, respecting and valuing diversity

Impact – to make a difference in all we undertake

OUR OFFICE, OUR PEOPLE

Workplace insight

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Staff highlight – Working on Yallo

“My role is currently working behind the scenes to support regional projects and priorities to identify opportunities to help make things happen. This involves things like working with stakeholders to develop concepts, undertaking due diligence on a project which can involve undertaking risk assessments and assessing projects for their feasibility and also developing grant agreements, where appropriate, as well as overseeing and reviewing acquittals.

“An example of this is the fit out and opening of Yallo – the Dalyellup Community Hub. In this project the Commission has worked with another State Government agency to bring the vision of a community owned

hub for Dalyellup to fruition. I have chaired the Project Steering Committee for this as well as managed the grant provided to help this happen. It has been a really interesting and rewarding project to be involved with.

“My work here at the Commission is interesting and dynamic and for me, one of the best things about it, is seeing the impacts of the projects that I’m involved with on regional communities and people.”

– Deanna Furze, Regional Development Officer



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Events

International Women's Day

We celebrated International Women's Day on Monday March 8 2021 by giving locals, including students, a chance to be inspired by a West Australian sporting hero – Perth Glory Captain Natasha Rigby.

Rigby highlighted sacrifice, resilience and vulnerability as lessons learnt from her impressive sporting career, during her well-received speech to a crowd at Maker + Co.

The versatile defender's empathy, humility and leadership truly shone through and gave us an insight into the challenges elite sportswomen face to get equal recognition and sponsorship.

It was a fantastic event, with many young women remarking on how much they enjoyed the function.

Transforming Bunbury's Waterfront

The Transforming Bunbury's Waterfront project was the focus of a breakfast event on Thursday December 10 2020.

Attendees heard how the State Government is continuing to convert the Bunbury waterfront with the South West Development Commission overseeing the transformational project.

Guest speakers at the event included Bunbury MLA Don Punch, as well as representatives from the South West Development Commission, Department of Transport and DevelopmentWA.

The event was hosted by the Bunbury Geographe Chamber of Commerce and Industry in partnership with the South West Development Commission and wider Transforming Bunbury's Waterfront team.



Public engagement

Where possible, our team takes the time to speak to community groups and at local events.

For example, our Director Regional Development – Business and Industry Cate Brooks was a guest speaker at the 2021 IPAA WA Public Sector Young Professional Conference in February 2021.

The event, which incorporated a satellite event in Bunbury, saw young professionals take to the stage to share their insights and journeys. We sponsored three young South West professionals to attend, including Jenny Scott and William Barker (pictured above with Cate Brooks).

Staff recognition

Recognising the service of staff members is important to us. During the year in review, Acting Director – Collie Delivery Unit Pip Kirby was acknowledged for 20 years of service to the public sector.

OUR OFFICE, OUR PEOPLE

Workplace insight

Awards and achievements

We were recognised for excellence in annual reporting at the 35th WS Lonnie Awards, presented on October 30 2020. At the Institute of Public Administration Australia WA's awards ceremony in Perth, we were awarded silver in the general category of the awards for our 2018/19 annual report. The awards celebrate the achievements in annual reporting across the State's Public Sector, promote excellence and improve standards of accountability, and encourage clear communication of information to the Parliament and the community.

Professional development

We invest in the professional development of our most important assets – our people – including through staff development days. We held three staff development days this financial year, with cultural awareness as one of the focus areas.

Structural capacity

This year, our team took on new responsibility in delivering outcomes for the region including through large-scale and complex projects. We officially became the lead agency for the Transforming Bunbury's Waterfront project. We provided leadership and support to the Collie Delivery Unit. And we led the case for a South West Advanced Manufacturing and Technology Hub (SW AMTECH). We also took on an increased workload with grants management.

In some cases, new staffing positions have been created to ensure the projects are well-resourced and able to be delivered. For example, we formed a program management office to support Transforming Bunbury's Waterfront, which has two newly created positions attached to it. These job roles were advertised and filled during the financial year.

OUR OFFICE, OUR PEOPLE

Workplace insight

Leadership

We encourage females, along with males, to aspire to leadership positions at the Commission. As a result, there are a high number of women working in senior leadership positions at the Commission.

Significant issues affecting the agency

The Commission remains a statutory authority focused on the social and economic advancement of the region. However, it became part of a bigger department through the Machinery of Government changes. Though our team continue to execute the strategic priorities of the Commission, staff members are technically employees of the Department of Primary Industries and Regional Development. However, all staff members now report to the Chief Executive Officer at the Commission.

Shared responsibilities with other agencies

We work in partnerships with other agencies in order to deliver outcomes for the region. Key examples of where we have taken a collaborative approach include:

- Leading Transforming Bunbury's Waterfront which currently involves working with DevelopmentWA, Department of Transport, City of Bunbury and Southern Ports.
- The cross-agency work at the Collie Delivery Unit involves working with the Department of Premier and Cabinet and other agencies involved in a whole-of-government approach.

Adding to our ability to produce positive outcomes for the region is the fact that we are contracted by the Australian Trade

Commission to deliver Austrade's TradeStart services. We also have a Regional Trade Network which sees us work collaboratively across the South West, Great Southern and Goldfields-Esperance regions to provide advice and assistance to local businesses.

We also deliver a local content program which includes the delivery of the WA Industry Participation Strategy. The delivery of the WA Industry Participation Strategy is being carried out as a joint initiative between the Department of Jobs, Tourism, Science and Innovation and Department of Primary Industries and Regional Development under an MOU.

On behalf of the State Government, we have continued to administer the Royalties for Regions and Local Projects, Local Jobs grants programs in the South West.



Tribute – Mark Exeter

We pay tribute to our late friend and colleague Mark Exeter. Mark served the State of Western Australia for more than 40 years, making a significant contribution to the tourism industry through his work in the public sector. In particular, he leaves a legacy to the South West through the many projects he supported and advocated for.

Mark was known and respected widely in the tourism industry, particularly in the South West corner of the State where he lived and worked since the 1990s, residing in Australind. He brought to his work a background that encompassed retail travel, tourism marketing, product development, staff training, destination development and government tourism policy.



Project Manager Andrew McRobert and Bunbury Development Committee Chairperson Robyn Fenech.



AGENCY PERFORMANCE & HIGHLIGHTS



STRATEGIC PRIORITIES

Infrastructure and Lands



We are unlocking our region’s potential through the delivery of infrastructure that provides platforms for growth and prosperity. From these solid foundations, new opportunities are emerging for business, industry and communities at regional and local levels.

COVID-19 economic recovery

We played a critical role in driving economic recovery through securing funding for projects aimed at assisting the region to bounce-back from COVID-19.

An important area of concentration was proactively working with organisations to identify shovel-ready projects in the region that could be fast-tracked for the purpose of stimulating work opportunities. We did so in anticipation of funding becoming available for recovery purposes, with a view to unlocking jobs for local contractors and suppliers. As a preparatory measure, funding was provided to organisations to assist in the development of business cases for the projects we determined would help get our region back on track.

Through the State Government’s WA Recovery Plan, we successfully contributed to developing a pipeline of vital jobs for local residents through securing State Government investment. Projects that received funding through the WA Recovery Plan included the third and final Margaret River Main Street Makeover, a project we have long supported.

To further aid recovery in our region, we submitted a list of projects with long-term benefits and cross-agency support to the Australian Government for consideration. We can report we played a role in achieving funding through the Regional Recovery Partnerships.

Supporting industry to get back on its feet and getting locals back into work was in addition to our wider leadership role in facilitating and advocating for regional infrastructure priorities for the region. Our focus had been on unlocking economic opportunities, and also ensuring equity in access to services.

Recovery projects – snapshot

Projects funded under the WA Recovery Plan include:

- Blackwood River Foreshore tourism precinct – \$411,000
- Bunbury Water Resource Recovery Scheme – \$11.9 m
- Bridgetown Hall and Civic Centre redevelopment – \$231,000
- Donnybrook and Districts Sporting and Recreation Precinct Redevelopment – \$6 m
- Hands Oval upgrades in Bunbury – \$5 m
- Margaret River Main Street Makeover – \$3.08 m

Projects funded under the Regional Recovery Partnerships include:

- Food Organics, Garden Organics (FOGO) Compost Facility – \$6 m
- Manjimup Trail Bike Hub – \$0.98 m
- Nannup Cycle Trail Network – \$2.86 m



Margaret River Main Street Makeover.



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Infrastructure and Lands

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The Casuarina Drive Redevelopment in Bunbury took shape as part of Transforming Bunbury's Waterfront.

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Transforming Bunbury's Waterfront

The 2021-22 financial year represented a significant period in which we took on renewed responsibility for Transforming Bunbury's Waterfront by becoming the lead agency for the project. We concentrated our efforts on working with other agencies to coordinate the delivery of Stage 2 of the project, while planning for Stage 3.

A major achievement was successfully spearheading the budget request to secure the \$79.8 million commitment from the State Government that unlocked Stage 3 – Phase 1 of the project. This phase, which is subject to environmental approvals, will build on the considerable work already undertaken to unlock the potential of the South West coastal city. It is intended this planned phase would involve the construction of new breakwaters at Casuarina Boat Harbour and Koombana Bay to deliver sheltered water and land side infrastructure to support recreational boating and marine industries. The existing groyne separating the main Koombana Bay beach from the Koombana Bay Sailing Club will be upgraded and extended to form the new breakwater to support the proposed multi-club marina facility at Koombana Bay. This is a major undertaking expected to change the face of Bunbury.

In anticipation of Stage 3 – Phase 1, we collaborated with the Department of Transport to coordinate environmental studies and progress the project into design and construction. A suite of technical studies is required by the Environmental Protection Authority to complete a comprehensive Strategic Public Environmental Review.

We also ensured resourcing to deliver the project going forward by establishing a program management office.

As well as planning for the future, key outcomes attained during the year in review have built on the considerable work undertaken so far to unlock Bunbury's potential. Completed was the \$12.65 million Jetty Road Causeway Upgrade, which was delivered by the Department of Transport over two years. The structure has been strengthened through major repairs to the causeway involving the placement of thousands of tonnes of rock. Other enhancements have included the addition of a penholder facility and public toilets, 164 new car parking bays, improvements to utilities including power and water, and the introduction of shared paths and landscaping rejuvenating the area.

Works began on Phase 1 of the \$10.8 million Casuarina Drive Redevelopment, which is being project managed by DevelopmentWA. This phase includes landscaping and revitalisation works adjacent to Casuarina Boat Harbour, installing community amenities and improving access for residents and visitors. To maximise business opportunities, a South West business register was established ahead of the release of the Casuarina Drive Redevelopment Phase 1 tender to allow local businesses to register their interest in working on the multi-million-dollar project.

This project has seen us work with current project partners including the Department of Transport, DevelopmentWA, Southern Ports and City of Bunbury and other stakeholders. Stage 1 of Transforming Bunbury's Waterfront resulted in the revitalisation of the Koombana Foreshore and the redevelopment of the Dolphin Discovery Centre. Through Stage 2, the Jetty Road Causeway was upgraded and Casuarina Drive is currently being redeveloped.

Projects completed in previous stages have continued to generate benefits for the community, demonstrating the power of the project to generate long-term return on investment. For example, new ongoing jobs have been created at the upgraded and

STRATEGIC PRIORITIES

Infrastructure and Lands



redeveloped Dolphin Discovery Centre. Before redevelopment, there were 12 full-time positions at the tourist attraction. Now there are the equivalent of 26 full-time positions providing work for 32 people.



Sampling takes place as part of environmental studies required for Stage 3 of Transforming Bunbury's Waterfront.



The two main contractors for the Jetty Road Causeway Upgrade employed 16 full-time personnel and engaged a total of 23 local sub-contractors to complete the works.



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Margaret River Main Street – Before makeover.



Margaret River Main Street – After makeover.

Margaret River Main Street

The rollout of the Margaret River Main Street Makeover was accelerated after funding for the third and final stage of the project was delivered through the WA Recovery Plan. The allocation of \$3.08 million towards the final stage allowed the upgrade to be delivered in one go. This positioned the last of the works to flow on from the first two stages, without the need to cause another period of disruption in the future if works had been carried out at a later date.

BCP Contractors led construction of the project, with local businesses engaged in the delivery of the transformation. More than 95 per cent of the project value was delivered by South West businesses, with almost half of these being Shire-based businesses. Almost half the workforce were local residents within the Shire, and new traineeships were created.

The overall project, which began in February 2020 and was managed by the Shire of Augusta-Margaret River, was complete in time for the busy holiday period during summer in December 2020. A street party was held in January 2021 to officially mark the end of the redevelopment project. The result of the makeover is a more attractive, welcoming and accessible town centre that furthers Margaret River's appeal as a place to live and visit. The increase in amenity and safety builds the tourist town's appeal as a popular destination, especially as the region prepares to welcome the first direct flights from Melbourne.

The conclusion of the Margaret River Main Street Makeover wraps up a wider body of work. Works on the main street were only able to begin once the Margaret River Perimeter Road was completed in 2019. The road has provided an alternative route for heavy vehicles which no longer need to travel through the townsite.

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Busselton Margaret River Airport

Before the COVID-19 pandemic hit, long-running plans to establish a passenger air service between the South West of Western Australia and the East Coast of Australia were almost ready to take off. However, the pandemic and border restrictions forced the postponement of the first Jetstar flight between Melbourne and Busselton Margaret River airports on March 25, 2020. A milestone was achieved despite the postponement of the original launch and subsequent attempts to get the new three-per-week passenger service off the ground. This came in the form of an A330 aircraft bringing athletes and support staff to the region for the Margaret River Pro in April 2021. The A330 is the largest aircraft to have ever landed at the Busselton Margaret River Airport.

Other outcomes include the creation of jobs through ground operations at the airport, including in security screening and baggage handling. A café/kiosk opened in 2020 in preparation for the planned Jetstar flights and has since been servicing FIFO flights.

Jetstar remains committed to the Busselton – Melbourne service, and we look forward to seeing Jetstar touchdown in the region. We spent years building the case for the airport and worked closely with the City of Busselton and other stakeholders to help guide the project from construction to securing an airline service. By opening a new gateway into the region, it is expected that this regular passenger transport service will be a game-changer. When the time is right, the service will boost the COVID-19 affected local tourism industry, opening up new opportunities for investment and job-creation. We expect visitors will find it has been worth the wait, with a kaleidoscope of fresh experiences on offer including the redeveloped Dolphin Discovery Centre and Wellington Dam Mural.



Halifax Working Group members Fiona Skilbeck and Louise Reid.

Halifax Business Park

A \$3 million infrastructure upgrade of Bunbury's Halifax Business Park was completed during the reporting year. As a result, Bunbury's Halifax Business Park is now better positioned to support business growth and attract investment in order to support local jobs.

A raft of improvements have transformed the business park into a more attractive option for businesses to operate from. Enhancements include the installation of a closed-circuit television system and additional lighting at strategic locations

within the precinct. The road network has also been improved through the construction of a slip lane designed to increase safety and improve ease of access for vehicles entering the precinct. Additionally, properties within the original part of Halifax Business Park have been connected to the central wastewater system for the first time. To build the case for funding for the project, we worked with local businesses and organisations such as the City of Bunbury and Bunbury Geographe Chamber of Commerce and Industry to identify areas that could be addressed to facilitate growth. Local businesses were involved through the Halifax Working Group.



STRATEGIC PRIORITIES

Infrastructure and Lands



Focus – Arrol crane

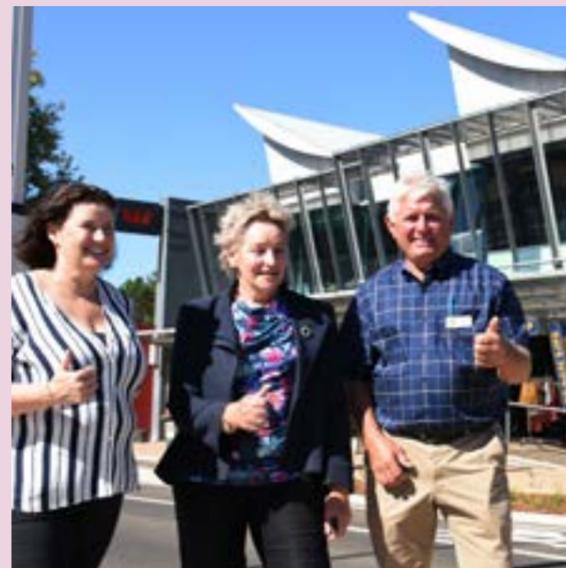
A piece of Bunbury's past will continue to have a strong place in the city's future, with the historic jetty crane on the Jetty Road Causeway refurbished as an extension of the State Government's Transforming Bunbury's Waterfront project.

Through its Jetty Road Causeway Upgrade, the Department of Transport refurbished the Arrol crane, ensuring it continues as a landmark for future generations. The crane, which was built in 1911 by Sir William Arrol and Co Ltd in Glasgow, was one of several located on the Bunbury Timber Jetty. The crane was used to load and unload ships.

Dwyer Engineering carried out the restoration works on the Arrol crane from its Harvey-based workshop, working with Bunbury-based WML Consultants which completed preliminary studies and provided technical support.



BCP Contractors led construction of the Margaret River Main Street Makeover, with local businesses engaged in the delivery of the transformation.



AGENCY PERFORMANCE & HIGHLIGHTS





STRATEGIC PRIORITIES

Business and Industry

We are unlocking our region’s potential through local and global efforts that underpin a diverse and sustainable economy. In working to support emerging and grow established industry, we stimulate the jobs of today and tomorrow.

TradeStart

COVID-19 disrupted our regular approach to trade and investment. However, our TradeStart team quickly adapted by thinking outside the box to continue producing tangible outcomes for local businesses.

Although our usual inbound and outbound trade missions have not been possible because of border restrictions, we have continued to assist local businesses to do business offshore. We have employed various mechanisms to continue helping local businesses achieve success in the international marketplace, included harnessing the power of digital technology through hosting virtual events. As part of the inaugural Pinot Picnic, hampers were sent to Singapore enabling residents and market distributors overseas to sample the delights of the Southern Forests without leaving the South East Asian city-state. We also facilitated local businesses to participate in virtual showcases for various markets in Asia for the purpose of fostering export opportunities.

Noteworthy was a visit to the region by the State’s trade commissioners for China, Japan, India and Indonesia with a focus on promoting South West trade and investment opportunities. Highlights of their three days in the South West included an exporters’ forum to discuss options for accessing Asia in the recovery from COVID-19. The event gave attendees an opportunity to provide local businesses with a chance to

network with the trade commissioners and receive insight from them, particularly while trading conditions remain challenging. It was hoped the information and advice received at the forum would help businesses to position themselves to maintain or grow export activity.

In focus – Quantum Filtration

Our TradeStart team have assisted small and medium-sized businesses like Quantum Filtration achieve success in the international marketplace.

With support from our trade officers, the South West manufacturer has secured major new contracts to export its in-demand DMI-65 advanced water filtration media overseas.

Most recently, with the assistance of Austrade and the South West Development Commission, Quantum Filtration secured a direct supply of its DMI-65 product to one of the largest copper mines in the world in Peru.

In focus – Virtual tasting

More than 70 travel agents and media from Singapore took part in a virtual tasting that enabled participants to sample the delights of the Southern Forests without leaving the Southeast Asian city-state.

Held to time with the 10th Truffle Kerfuffle and on the back of the Pinot Picnic, the event was organised to further whet Singapore’s appetite for the Southern Forests and to maintain awareness of the region to encourage visitation once travel resumes.

The webinar saw participants sample wine and truffle oil sourced from the Southern Forests while learning about the South West region directly from the local winemakers and truffle growers livestreamed to the agents, along with media and other trade representatives who brought the number of participants to more than 90.

The virtual event was a unique way to engage with the Singapore market in the absence of traditional inbound trade missions and famils. By thinking outside the box, we were able to showcase what the South West region of Western Australia has to offer, despite the challenge of distance.

STRATEGIC PRIORITIES

Business and Industry



Celebrating trade success at Quantum Filtration: Quantum Filtration General Manager/director James Glaskin, Quantum Filtration Director Daren Hill, SWDC Manager Trade, Tourism, Innovation and Creative Industries Mat Lewis, Quantum Filtration Managing Director, Founder and Developer Clive Hawkes, SWDC Senior Regional Development Officer Tony Fletcher and SWDC Chief Executive Officer Mellisa Teede.



South West Innovation and Technology Creative Hub Study (SWITCH)

We have been examining the current and future needs of the South West's creative sector in an effort to further unlock local career and industry development opportunities. As part of this, we are leading the South West Innovation and Technology Creative Hub (SWITCH) study for the purpose of exploring the possibility of establishing a creative innovation and tech hub in the Capes region.

The aim of the scoping study currently underway is to accelerate development of a business case for a proposed hub in support of the region's creative sector. Catering to industry needs linked to education pathways, it is expected a hub would incorporate a multi-use workspace that would leverage off existing networks, facilities and capabilities.

The region is already home to a host of creative professionals, and we believe there is room to grow this sector by attracting new investment and supporting growth in education, innovation and technological advancement. SWITCH also links in with work investigating potential opportunities to develop the gaming industry in the region, and supporting the region as a filming location.



SWDC Senior Regional Development Officer Tony Fletcher, Adam Burke from Tall Timbers Accommodation, Shire of Manjimup Chief Executive Officer Andrew Campbell, SWDC Senior Regional Development Officer Simon Taylor, Ed Fallens of Tall Timbers Accommodation, SWDC Chief Executive Officer Mellisa Teede, Shire of Manjimup President Paul Omodei.



Critical workforce shortages

Following the Australia-wide international border closure that cut off the supply of Working Holiday Makers, this year saw a shortage of critical seasonal labour to support WA's primary industries including in the Southern Forests. To help growers in this sub-region of the South West find the seasonal workers they needed to carry out harvests, we collaborated with stakeholders including the Southern Forests Food Council, Tall Timbers Accommodation and the Shire of Manjimup to set up the Seasonal Agri-Labour Support Service.

Following an Expression of Interest process overseen by the Commission, we granted Tall Timbers Accommodation with \$40,000 to run the service. The service has been successful in attracting workers who have provided thousands of hours of crucial work for local growers. Over six months from February 1 2021, local producers were able to secure essential workers through the Seasonal Agri-Labour Support Service, which supported the Manjimup and Pemberton areas.

The one-stop-shop has been a valuable first point of contact for seasonal employers and prospective workers who were able to reach out to Tall Timbers Accommodation for assistance. Help was provided to connect those looking for work with growers needing workers, including through a jobs requisition system that enabled employers to request assistance with recruiting staff. Job finding assistance was supplied to people enquiring about work opportunities including those staying at accommodation other than Tall Timbers. Links were offered to accommodation and allied service providers and resources, assistance was given to service users to apply for grants and allowances, advocacy provided for backpackers, and the region marketed as a destination for seasonal work opportunities.

In the six-month time period, Tall Timbers Accommodation

reports it provided 12,000 bed nights averaging 80 workers per night, securing an extra 3000 work hours per week for the region's producers. In addition, many service users have used the service as a gateway to the region, preferring to transition to other accommodation types after having secured employment. It is anticipated that the extra number of workers attracted to the region via the project was much higher than recorded through the pilot.

We would like to praise the work of Tall Timbers, which along with the Shire of Manjimup, has been working to support backpackers and growers throughout the pandemic. We are keen to continue working with regional producers, the Shire of Manjimup, and service providers in the region to identify issues and alleviate constraints where possible.

The initiative complements the Seasonal Worker Program and Pacific Labour Scheme, 'Work and Wander out Yonder' and 'The Paid Escape' campaigns, as well as related worker incentives to encourage residents of WA to work in regional areas experiencing labour shortages as a result of the COVID-19 pandemic.

Additionally, SWDC worked to address the wider labour shortages in the region that were experienced across Western Australia. Being planned is a hospitality and tourism labour initiative incorporating a campaign to attract students into the casual hospitality workforce in time for the peak tourism season of summer 2021-22.



STRATEGIC PRIORITIES

Business and Industry



Tourism and events

The South West has long held the distinction of being one of the most visited regions in Western Australia. However, the tourism industry and tourism-based businesses in our region have been significantly impacted by COVID-19 linked closed international borders, along with lockdowns and health restrictions which have affected travel. The long-awaited passenger air service between Busselton and Melbourne was heralded as a game-changer for the industry in the region. This, unfortunately, has been delayed due to COVID outbreaks on the East Coast. Delays have no doubt been disappointing for the South West's local industry.

In our capacity as a regional development agency, we have developed events and supported projects to bolster the tourism sector. However, even some of these initiatives, including the inaugural Pinot Picnic, were disrupted. After being postponed from its original opening launch date in February because of a five-day lockdown of Perth and the South West, the Pinot Picnic event was held in the Southern Forests in April 2021, amid a three-day lockdown of the Perth and Peel regions. Delivered in partnership with multiple stakeholders, this extraordinary showcase of the region featured 11 events across a four-day celebration of premium pinot and produce in Manjimup and Pemberton. In addition to attending hosted events, guests were given the option of experiencing the Pinot Picnic at home, with door-delivered hampers. The Singaporean community were encouraged to participate in the Pinot Picnic by purchasing a hamper and enjoying their own pop-up event with friends at home or in a public space. International guests were also able to enjoy the Pinot Picnic by tuning into a live streaming of the Pinot Pilgrimage at Tall Timbers, via Zoom and the Pinot Picnic Facebook page. The weekend was a success with intrastate tourism stimulated, many events sold-out,

accommodation providers receiving a boost, and an increased profile and appreciation for the Southern Forests. The event also served to whet Singapore's appetite for visiting the region when the time is right to do so.

Through the Creative Corner, the Experiential Travel Summit (ETS) was held to inspire wine, food and tourism industry representatives to think outside the box to draw new business. The event in June 2021 attracted 120 delegates who learned from 20 speakers about innovating their approach to marketing and developing customer experiences. A raft of guest speakers from the tourism, wine and event industries presented at the full-day conference held in the Margaret River region on Monday June 14 2021. Powered by the Creative Corner, the ETS was held in partnership with Wine Australia and Wines of Western Australia, Australia's South West.

Tourism initiatives supported by the Commission also included a campaign to motivate Perth residents to discover Bunbury, and a new digital entry statement to Bunbury. There were also numerous projects to stimulate Collie's tourism industry including a mural trail and the opening of Lake Kewari.



STRATEGIC PRIORITIES

Business and Industry



'Found in Bunbury' campaign

The extraordinary experiences that can be 'Found in Bunbury' by visitors were placed in the spotlight as part of a new marketing campaign designed to boost local tourism.

Bunbury 'must-dos' such as swimming with wild dolphins and enjoying trendy cafes were highlighted in Perth on billboards, social media and radio to entice residents of WA's capital to make the trip south.

A radio competition to win a getaway to Bunbury for two adults formed part of the campaign. Striking imagery on digital billboards in key locations such as Murray Street, Raine Square, Mitchell Freeway, Kwinana Freeway and Leach Highway was also featured.

With more to do and see in Bunbury than ever before, this marketing push was designed to raise awareness of what the city has to offer visitors seeking a weekend getaway or holiday destination.

The transformed waterfront including the redeveloped Dolphin Discovery Centre, the city's vibrant entertainment and dining scene, and beautiful local natural attractions were all showcased.

The State-Government-funded 'Found in Bunbury' campaign was a partnership between the South West Development Commission and Australia's South West.

Bunbury entry statement

Motorists were further enticed to visit Bunbury, thanks to the installation of a new eye-catching entry statement welcoming people to the city.

Warmly greeting travellers with a "kaya" or "hello" in Noongar language, the digital billboard at the northern entry to Bunbury promotes local attractions and events to encourage people to explore what the Bunbury Geographe region has to offer.

The entry statement was jointly funded by the City of Bunbury and State Government, with each contributing \$200,000 to the project.

Funding from the State Government was delivered by the Department of Primary Industries and Regional Development through the South West Development Commission.

The entry statement was the realisation of a State Government commitment to support Bunbury's aspirations as a destination.

Particularly pleasing was recognition of the traditional Noongar owners of the Bunbury area incorporated into the statement.

The entrance statement is located at the northern information bay on the Forrest Highway, north of the Bunbury Farmers Market.



SWDC Director – Strategic Projects and Grants with MJ Goods co-owner Julie Marchese.

Join the Dots

MJ Goods is one of many South West businesses which benefited from a pilot program trialled in the region this year for the purpose of equipping participants with the ability and know-how to grow their enterprises.

The Australind-based packaging, cleaning and catering supplies store expanded with the support of the skills and knowledge gained through the Join the Dots program.

MJ Goods branched into baking and cleaning supplies, with renovations carried out to create displays for the new product lines.

Join the Dots was trialled in the South West as a partnership between the South West Development Commission and Department of Primary Industries and Regional Development.

The program complements the State Government's Local Content Adviser Network, which is geared at maximising local supplier, contractor and job opportunities in the regions.



AGENCY PERFORMANCE & HIGHLIGHTS



We are unlocking Collie's bright new future as the coal-mining town undergoes significant economic structural change. By attracting new business and industry, we aim to ensure a more even spread of employment across a greater range of industries and reduced reliance on any one sector.

Collie Futures

Over the past four years, the State Government has made an unprecedented investment in Collie to diversify the local economy away from a reliance on coal and secure the town's future. Through the Collie Futures Fund, we have been able to incentivise the private sector and attract new business and industry to establish in town. The strategic allocation of this funding has opened doors for the creation of new jobs as Collie transitions away from emissions-intensive industries towards a more diversified and sustainable economic horizon.

Large investment has seen the opening in Collie of the WesTrac Technology Training Centre. As the first dedicated autonomous vehicle training facility for the resources industry in the southern hemisphere, the training centre will support a pipeline of jobs and economic opportunities for Collie. The facility is only the second of its type in the world focused on the technical skills needed to operate autonomous equipment for use in the resources sector, which are in rising demand globally. With an initial focus on Caterpillar mine haulage vehicles, the centre is set to attract technicians from resource companies from other Australian States and the wider Asia-Pacific region once borders reopen.

Laying the foundations for future jobs include investments in a waste recycling plant to be delivered by Renergi, and also

medicinal cannabis operation Cannaponics. The \$1 million allocated for remediation works to allow the National Trust of Western Australia to bring the Collie Roundhouse to a lease-ready state has led to Be Our Guest Holdings being named the preferred proponent to transform the Collie Roundhouse into a vibrant and public commercial space. In the new financial year, we expect to make an announcement about a new micronizing and graphite foil manufacturing facility slated for Collie's light industrial area.

Through a whole-of-government approach, transformation has taken place across the Collie's economic structure, with a clear surge within the burgeoning tourism sector. Visitors have flocked to see the Collie Mural Trail incorporating the biggest dam mural in the world on the Wellington Dam. A new Discovery Channel series called Outback Car Hunters filmed at the Wellington Dam. Lake Kepwari opened to the public after being transformed from a former open-cut coalmine to a water-based hub for boating, waterskiing, swimming, camping and picnicking. And an initiative to establish Collie as a premier trail adventure town is being realised, with the construction of new trails. During the year in review, the State Government called for private sector proposals to support ecotourism and adventure activities in Wellington National Park.

Some of the grants we allocated to projects were linked to

supporting the blossoming tourism sector. For example, funding from the State Government will allow Collie Ridge Motel to expand into a resort to meet strong demand as tourist numbers increase. Tourism had been growing rapidly in the South West town, with the Collie Ridge Motel forced to turn away patrons as it hasn't had the capacity to meet demand.

Two projects to receive funding address the growing demand for extended operating hours of food service, which is important as Collie transforms into a tourist destination. For example, The Federal Hotel has completed redevelopment, including an updated kitchen and a new alfresco dining area. The increased seating and kitchen functionality will allow for an increase in products and services being offered, including takeaway and extended hours. In a unique application, clothes and coffee will combine Toscas Boutique as it redevelops to incorporate an espresso bar. The new coffee bar will be created inside the boutique with a separate laneway entrance, alfresco seating and seating inside. The Collie Visitor Centre will undergo a revamp designed to cater for the growing number of tourists as the region emerges as an attractive tourist destination. The Replica Mine Upgrade and Visitor Centre Expansion will create a sought-after heritage experience, combining modern multimedia projections with traditional museum displays, with a key element to replicate an underground mine blast through visual projections and sound.



STRATEGIC PRIORITIES

Collie Delivery Unit



Focus – Bioenergy to turn trash into treasure

In a win for the economic diversification of Collie, an investment of \$2 million secured a \$9.4 million waste recycling plant for the Collie region.

The collaborative project will be delivered by Renergi Pty Ltd, with support from the State Government, the Shire of Collie and the Commonwealth Government, which has provided \$3.9 million in funding through the Australian Renewable Energy Agency (ARENA). The project has attracted private investment from a consortium of investors related to ZEN Energy led by Professor Ross Garnaut and Western Australian businessman Norman Pater. Renergi will use its patented design to build a commercial-scale demonstration plant to recycle municipal solid waste and waste biomass to produce bio-oil and biochar. The bio-oil will be sold to local industrial customers as a liquid fuel to generate industrial heat, while the biochar will be sold to WA farmers as a soil conditioner.



Focus – Biotech company to expand

A biotech company in Collie will expand to produce high purity collagen products to penetrate the lucrative medical collagen market, putting WA at the forefront of the industry.

A \$501,250 grant from the Collie Futures Industry Development Fund will support Holista Colltech to expand its production to higher-quality medical-grade collagen.

The medical grade collagen will be used for wound healing aids in burn patients, reconstruction of bone, cosmetic surgery, and a wide variety of dental and surgical purposes.

The grant will support the expansion of the company's Collie production facility, by integrating new technology and upgrading plant equipment, and enable a four-fold increase in production to four tonnes of collagen per month.

Holista Colltech produces high quality collagen from sheep skins, which it currently exports for use in cosmetics manufacturing in Asia and the European Union.



Focus – Medicinal cannabis to grow jobs

A total of \$2 million has been allocated for a medicinal cannabis operation in Collie to create long-term local jobs in the rapidly growing medicinal industry. The investment from the Collie Futures Industry Development Fund will support Stage 1 of the Cannaponics Limited operation. Cannaponics has already purchased 65 hectares of cleared land near Collie for the development of the facility which will include a 1,000sqm greenhouse, laboratory and warehouse.



The earthworks for the construction of Cannaponics will be carried out by Collie business T&R Contracting, partnering with Donnybrook Civil Earthmoving Contractors. The Cannaponics project will create approximately 50 jobs during construction.

STRATEGIC PRIORITIES

Collie Delivery Unit



Focus – Unique proposal to transform historic Collie Roundhouse into a world-class destination

Having worked with the National Trust of Western Australia to unlock the disused Collie Roundhouse's potential, we are delighted that an organisation has been selected to lease the unique landmark.

During the reporting year, the National Trust of Western Australia selected Be Our Guest Holdings' as the preferred proponent to lease the historic Collie Roundhouse and transform the space into a vibrant public and commercial space.

Be Our Guest Holdings' application to the Expression of Interest process focused on adaptive re-use of the site which will include mixed use linking the site to the town centre.

The Collie Roundhouse was built in the 1950s as a place to

maintain the steam locomotives servicing the State's coal industry, making it a significant relic of WA's history, and is now the State's only roundhouse and turntable that remains in situ.

The potential development, which proposes a joint venture between private enterprise and State Government, would re-activate the Collie Roundhouse building and precinct, extending to the existing Visitor Centre site, to drive guests to the town and region. The unique vision integrates public space, parklands, adventure play, landscaped bushland, a range of accommodation options and spaces for functions, exhibitions and events.

The proposal, while still in the early planning stages, includes craft food and beverage options, a café and bistro, quality boutique



accommodation and an adventure tourism accommodation camping area to the east of the Roundhouse.

Be Our Guest Holdings is a proven Western Australian success story, most notably owning the Dome café brand which now operates in more than 60 locations across the State.

Their recent regional successes include the adaptive re-use of a 1800s industrial heritage complex in Katanning, creating the Premier Mill Hotel and the Farmers' Home Hotel in Northam from a former general store, tavern and lodging house.

The State Government allocated \$1 million through the National Trust of Western Australia for remediation works to prepare the historic Collie landmark for commercial use.



STRATEGIC PRIORITIES Collie Delivery Unit

Just transition

It has been vital to support workers and the general community through the changes Collie has been experiencing. We can report that efforts to support workers and the community during the process of transitioning Collie's economy made significant progress this year.

The Collie Delivery Unit spearheaded an agreement to coordinate the support for affected coal industry workers and communities through the transition from emissions-intensive industries. In the reporting year, an MOU committing to work collaboratively was signed by key decision-makers, including employers and unions. The guiding principles of the MOU include encouraging investments in job-rich sectors, providing choice of opportunities for workers to retrain and upskill, and ensuring all consultation is transparent with the aim that no one is left behind.

The signing of the MOU followed the release of Collie's Just Transition Plan. The plan provides a framework to support workers and the wider community as the town transitions away from emissions-intensive industries. It was developed in consultation with industry, community, union and government stakeholders through the Just Transition Working



Group, and is the next step in what is recognised will be a 10 to 15-year transition process for Collie. It will ensure that the needs of impacted workers and the wider community

are at the forefront of the process, and recognises that early action on a Just Transition can minimise the negative impacts and maximise positive opportunities.

We were part of subcommittees of the Just Transition Working Group, including leading planning for celebrations commemorating Collie's 125th anniversary.

Collie-Bunbury Economic Development Action Plan

The Economic Development Action Plan for the Collie and Bunbury Regions 2020-2026 was developed to strengthen and drive the diversification and transformation of the Collie economy into the future.

Released in December 2020, the plan sets out the State Government's priorities across economic development, job creation, investment attracting, infrastructure growth and sustainability of the community's population growth to support the economic transition of the region.

The South West Development Commission and Department of Jobs, Tourism, Science and Innovation led the development of the EDAP in collaboration with the Departments of Primary Industries and Regional Development; Premier and Cabinet; Training and Workforce Development and other State and Local Government agencies and organisations.



AGENCY PERFORMANCE & HIGHLIGHTS





STRATEGIC PRIORITIES

Strategic Projects and Grants

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We are unlocking our region's potential through leading, supporting and investing in projects that connect people, place and opportunities. By doing so, we make the region an even better place to live and work, helping to attract and retain residents.

South West Advanced Manufacturing and Technology Hub

Our efforts to build the case for an advanced manufacturing and technology hub in Bunbury Geographe were buoyed by a groundswell of local support. The backing we received from local industry leaders and the community helped to propel the initiative forward.

Towards the end of the financial year, we were able to release the tender for the 'Phase One Preliminary Assessment Report for South West Advanced Manufacturing and Technology Hub'. This was a significant step towards progressing a feasibility study into the viability of a facility for the region. In the lead-up to going to tender, the State Government committed an extra \$2 million towards the feasibility study, on top of the \$485,000 previously allocated.

Education and training organisations, local manufacturers, Local Government and representatives from the wider community have come on board in support of the initiative. It has been valuable working with stakeholders in the community to pursue opportunities for growing the advanced manufacturing sector in the South West. Leaders in the field provided strategic advice and direction on the implementation of the feasibility study as members of the Industry Leaders' Group along with the Education and Research Innovation Group. Research and analysis, along with site visits to identify examples of best practice, were

carried out by our internal project team.

It is expected a common user facility arrangement would harness innovation to drive the region's competitive advantage in an increasingly globalised environment, affording businesses the edge when competing for overseas work. It would do so by providing local access to infrastructure, technology, training, education and research that would assist in developing new supply chains and capitalise on global markets. Such a facility



Skills and workforce focus

Schools, TAFE and universities were among the organisations represented on the SW AMTECH Education and Research Innovation Group. It has been fantastic to have them on board as we map out education, training and research needs in support of the proposal. We believe a SW AMTECH would unlock new opportunities for rewarding careers. We'd like to see more women putting up their hands to work in traditionally-male dominated industries. There are already some great examples in the region of women making their mark. Pictured: Sarah Wallace and Dana Carr who are employed by South32 Worsley Alumina while studying towards an engineering certificate through the South Regional TAFE.

would be a catalyst for creating highly-skilled trade and technical jobs, including for apprentices. The concept has captured the attention of industry.

Moreover, we worked with stakeholders to explore other possibilities to support the growth of the industry in the region. With COVID-19 highlighting the need for self-sufficiency and bringing more manufacturing back to WA, our efforts to support local jobs through building up this industry were well-timed.

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STRATEGIC PRIORITIES

Strategic Projects and Grants



Aged accommodation

The stock of affordable aged accommodation has continued to grow in the South West, with assistance from the State Government's Regional Aged Accommodation Program.

Aged care gaps in some of the region's smaller communities have been addressed through the development of new accommodation. These projects are providing increased options for older residents to age in the communities they call home.

With support from a \$1.6 million grant, eight new units were occupied at Brunswick River Cottages, following their practical completion the previous financial year.

The new Capecare Dunsborough facility (pictured) reached practical completion. This facility comprised 21 independent living apartments and an 80-bed care facility. Features include the new base for the Dunsborough Branch of the Country Women's Association.

Meanwhile, construction got underway on the Bridge Street Housing Project in Donnybrook. Once complete, a total of 10 independent living units will be built by Alliance Housing, providing affordable rental options for over-65s.



The aged care projects have been delivered in line with the State Government's commitment to maximising local business participation. Construction of Brunswick River Cottages was led by Civilcon Construction and Capecare Dunsborough by Perkins Builders. For the Bridge Street Housing Project, JAK Civil has been contracted to undertake site works, with Smith Construction the successful tender for construction.

Workforce attraction a focus for Capecare

We worked with Capecare to address a critical workforce shortage, ahead of the opening of its new Dunsborough facility.

Thanks to training pathways provided by Capecare, workers were trained up to staff the facility. At the same time, doors opened for local residents keen on establishing a career in aged care.

To date Capecare has had 12 trainees graduate, with a third intake currently underway. Overall, 19 traineeships have been offered.

We have worked closely with Capecare throughout the development of the \$38.07million project, from identifying funding options to assisting with business case development to providing support through the stakeholder engagement and project design phase.





The former goods shed – before transformation.



The former goods shed – after transformation.

Donnybrook Heritage Goods Shed Interpretive Centre and Station Square

Plans to breathe new life into the old Donnybrook goods shed made the leap from blueprint to reality during the year in review. With the assistance provided from a \$2 million grant from the State Government, the Shire of Donnybrook-Balingup was able to revitalise the Donnybrook's goods shed and surrounds.

The transformed building now incorporates an interpretive centre which tells the story of Donnybrook. Local food and beverage business 'Park Donnybrook' operates from within the centre and is responsible for the day-to-day management of the facility, offsetting the Shire's recurrent operating costs.

Other enhancements to the railway precinct include the establishment of new boardwalks, which better connect the east and west areas of the town, providing linkages between Collins Street and the central business district. The Station Square area has been landscaped, making the area an even better place for locals and visitors, close to the Apple Fun Park which is in the process of being refreshed.



The Shire of Donnybrook-Balingup carried out the restoration and redaptive reuse of the old goods shed, working with mostly South West based contractors including Perkins Builders which delivered the project from designs by MCG Architects.



Regional Economic Development (RED) Grants

The State Government's Regional Economic Development (RED) Grants invests in projects that stimulate economic growth and development in regional Western Australia.

In October 2020, it was announced that 15 recipients from throughout the region would share in just under \$1.2 million allocated from Round 3.

Building long-term business growth and resilience to develop economic growth, jobs and strong regional communities was a focus of the funding allocations.

Businesses across the region had a challenging year and funding support from the State Government was able to provide businesses with confidence to take their endeavours to the next level.

A number of manufacturing businesses were supported in Round 3 of the RED grants in the South West.

For example, Nannup motorcycle business Vee Two received a \$113,000 grant to expand its custom-built engine parts enterprise supplying Ducati enthusiasts from around the world.

New manufacturing equipment will be purchased, enabling the businesses' master mechanic to pass on unique skills to new employees.

Bunbury-based Geographe Enterprises will install a temperature-controlled plant room to aid the manufacture of high-quality, precision replacement parts for plant equipment used in the State's mining industry.

Regional Economic Development (RED) Grants

Recipient	Project	Grant
Arm Nursery	Automated Robotic Grafting	\$120,960
Vee Two	Business Expansion	\$113,000
Shire of Nannup	Tank 7&8 Mountain Bike Park Stage 2	\$100,000
Yelverton Protea Farm	Propagation Nursery Facility	\$96,776
Mila Holdings	Tall Timbers Brewing Company	\$92,714
Hesketh Quarrys	Yornup Quarry	\$81,398
ATC Employment Solutions	Electrical Centre of Excellence	\$81,250
Geographe Enterprises	Temperature Controlled Inspection Room	\$81,000
House of Sharday	Perfumery Expansion	\$78,960
Realview Holdings and West St Nominees	Origins Market	\$70,000
Harvey Cheese	Unique Cheese Packaging	\$62,000



The Regional Economic Development (RED) Grants have been getting projects off the ground, and it has been terrific seeing first-hand the benefits flowing to the region. For example, the Shire of Nannup is building on its potential as a mountain biking destination. The new biosecurity station (pictured) was constructed by WOW Wilderness.



RED Grants – in focus

A marketing campaign encouraging people to tick driving The South West Edge off their bucket list was launched during the year in review, with the bonus of supporting COVID-19 recovery.

The self-drive touring route stretching from Perth to Esperance is being promoted as an epic road trip to rival iconic drives such as Route 66 and the Great Ocean Road.

The project is a collaborative effort by Australia's South West, Australia's Golden Outback and Destination Perth that was made possible with \$40,000 in funding through the State Government's Regional Economic Development (RED) Grants.

The main touring route heads along 'The Edge' from Perth to Esperance, returning via Hyden or Kalgoorlie.

Places on The South West Edge include Fremantle, Bunbury, Ferguson Valley, Busselton, Yallingup, Margaret River, Nannup, Manjimup, Pemberton, Northcliffe, Walpole, Denmark, Albany, Porongurup, Hopetoun, Ravensthorpe and Esperance.

The Commission was a founding partner in the initiative, which aims to inspiring people to travel through the wonderful south west corner of Western Australia.

Although funding for the project was allocated in Round 1 of the RED Grants, the timing of the launch in 2020-21 meant the campaign had the capacity to assist the local tourism industry to recover from the economic impact of COVID-19.





RED Grants – The Shelter

A RED Grant has helped to unlock the Shelter Brewing Co’s potential through the purchase of a canning line.

The canning line means the business has been able to start a retail arm as well as being set up to eventually start exporting Shelter beer, sharing a taste of Busselton far and wide.

The Busselton business started canning its own beer onsite in December 2020, after being awarded a RED Grant in Round 2 of the funding program.

Shelter Brewing Co has bagged a swag of awards at the 2021 Perth Royal Beer Awards, taking the top gong for Best Packaging and Design for the Shelter Summer Sour. It also won an Australian Institute of Architects’ WA Architecture Award in the commercial category.

Located on the Busselton Foreshore, Shelter Brewing Co opened in November 2020 and currently employs about 130 staff which is expected to grow to more than 180 in summer.



Collie Futures Fund

Through the Collie Futures Fund, the State Government is making available the below funding over five years to drive economic diversification and create jobs in the Collie region.

Funding is distributed through two programs:

- \$18 million Collie Futures Industry Development Fund; and
- \$2 million Collie Futures Small Grants Program

The South West Development Commission administers the Collie Futures Small Grants Program.

For the Collie Futures Industry Development Fund, we undertake the assessment and due diligence. The grant then moves to The Department of Jobs, Tourism, Science and Innovation (JTSI) for administration and implementation.

Due to a high volume of applications received, the Collie Futures Small Grants Program was closed to new applications.

Note: Additional support is provided through the Industry Attraction and Development Fund.



Collie Futures Small Grants Program

Recipient	Project	Grant
Collie Retired Mine Workers Association	Pit Pony Bronze Sculpture And Collie Tourist Underground Mine Upgrade	\$100,000
Frontier Impact Group	Collie Renewable Diesel Project	\$100,000
Collie Electrical Services	Electrical Hardware Store	\$100,000
Quantum Filtration Medium	Quantum Filtration Water Research and Development Project	\$99,745
Nick Smargiassi Superfund	Rezoning Assistance for Lot 51 Patstone Road	\$43,500
Living Legacy Forests	Wellington Dam Legacy Forest Expansion Project	\$30,000
Collie Cycle Club	2021 Collie Labour Day Festival	\$50,000
Lupin Foods	Research and Develop Protein Isolate and Soluble Protein Manufacturing	\$98,000
The Trustee for Neil Fraser Family Trust	Hydrothermal Weed Control	\$41,900
Heritage Skills Association	Heritage Skills Pilot Project	\$100,000
Tahi Enterprises Pty Ltd Trading as Tahi Trading Trust	Federal Hotel Kitchen Redevelopment	\$75,325
The Moloney Family Trust Trading as Toscas Boutique	Tosca’s Boutique Redevelopment	\$45,800



Feature – Quantum expands

A South West manufacturer which has developed a way to make contaminated water useable again has expanded since setting up an onsite laboratory.

The new lab at Quantum Filtration’s Collie manufacturing facility enables the water treatment company to perfect its existing water filtration product and develop new product lines.

Previously, the Busselton-headquartered company had to outsource the research and development component of its business.

“We’ve never had the opportunity before to have our own laboratory services, our own product development,” Quantum Filtration Medium general manager James Glaskin said.

“Now we’ve got the ability to do all this ourselves.”

Since establishing the lab and employing a chemical engineer, Quantum Filtration has developed and shipped a new product to South Africa, ready for installation in September 2021.

A trial of the new product has also recently been launched in Indonesia with a paper company, which could result in a significant export contract.

Quantum Filtration continues to grow its market overseas, thanks to the results achieved by its DMI-65.

DMI-65 is an extremely powerful silica sand-based catalytic water filtration media that removes heavy metals from water, making it safe for drinking and clean for reuse.

The raw material used by Quantum Filtration is sourced from the South West, and Mr Glaskin said the South West corner of Western Australia was a great place in which to do business with the rest of the world.

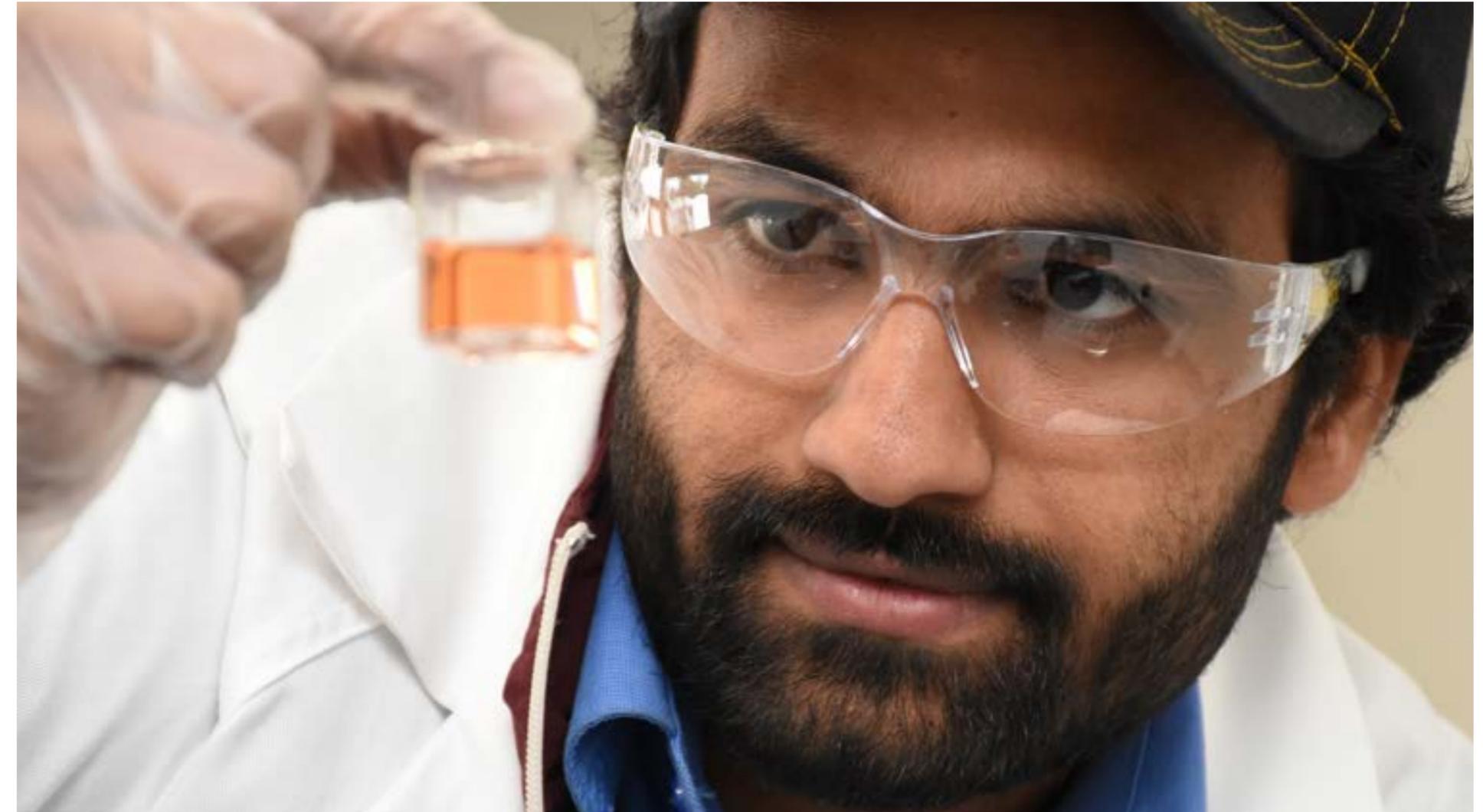
“We’re really happy to expand and stay in the South West, and not move manufacturing overseas,” Mr Glaskin said.

“We are a very unique business with a very unique product. The raw minerals we use, comes from the South West. The technology and manufacturing methods have been developed here in the South West.”

Funding towards Quantum Filtration’s lab was provided through the State Government’s Collie’s Futures Fund, which aims to drive economic diversification and create jobs in the Collie region.



Quantum Filtration’s new Chemical Engineer
Chemical Engineer, Shabab Minhas.





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Other grants

We provide grants to support the local community that align with our strategic goals of making the region the best place to live, work and invest.



Other grants – South West Business Excellence Awards

We were pleased to again sponsor the South West Business Excellence Awards, which is organised by BSW Connect to celebrate and recognise the achievements of the region's business community.

The awards are supported by many sponsorship partners, with the City of Bunbury the principal partner and the South West Development Commission a major award partner. This year, we sponsored the Star Business Person of the Year award as part of our commitment to champion excellence in local businesses. The award went to Belinda Musitano from Eyes@Australind!

Recipient	Project	Grant
Margaret River Busselton Tourism Association	Global Eco Asia-Pacific Tourism Conference 2020	\$5,000
Margaret River Busselton Tourism Association	Our Unbeaten Tracks, Connecting the Capes Master Plan and Business Case	\$10,000
Rotary Club of Collie	2021 Community Calendar	\$2,500
Augusta Community Resource Centre	2020 Augusta Presents Concert	\$10,000
Bunbury Car Club	Repair of Speedway Track Wall and Safety Catch Fence	\$30,000
Milligan Community Learning and Resource Centre	Dalyellup Community Hub (Yallo) Fitout	\$115,000
Mila Holdings trading as Tall Timbers Accommodation	Seasonal Agri-Labour Support Service Project	\$40,000
Wardandi Miya-k Kaaddadjiny Aboriginal Corporation	South West Community Language Hub Printing Service	\$2,000
City of Bunbury	2021 Bunbury Biennale	\$1,780
Doors Wide Open	Alcohol and Other Drug and Human Services Standard (AODHSS) Accreditation	\$10,000
Creative Corner	2021 Experiential Travel Summit	\$15,000
Leschenault Enterprise Centre trading as BSW Connect	2020 Business Excellence Awards	\$2,500

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STRATEGIC PRIORITIES

Strategic Projects and Grants



Recipient	Project	Grant
Bunbury Wellington Economic Alliance trading as Bunbury Geographe Economic Alliance	2021 South West Future Jobs and Skills Forum	\$5,000
Australian Railway Historical Society WA Division	150 Years of Rail in WA Celebrations	\$4,700
Geographe French Australian Film Festivals	2021 CinefestOZ Industry Program	\$10,000
City of Bunbury	Withers Connector Road; Jacaranda Crescent to Minnipup Road	\$270,000
Collie Chamber of Commerce and Industry	2021 Collie Small Business Awards	\$2,000
Town Team Movement LTD	2021 Town Team Movement WA State Conference	\$5,000
SW Compassionate Communities Network	2021 WA Compassionate Communities Forum	\$5,000
Truffle Kerfuffle	2021 Truffle Kerfuffle	\$20,000
Bunbury Regional Community College	Withers School Site Feasibility Study and Planning Exercise	\$90,000
Geographe French Australian Film Festivals	2021 CinefestOZ Inclusion in Action Workshop	\$5,000
Margaret River Busselton Tourism Association	Seasonal Worker Accommodation Study	\$20,000

Other grants – Bunbury Speedway

With our assistance, the Bunbury Car Club was able to fund immediate repair works to enable the sprint car season to go ahead at the Bunbury Speedway for 2020-21.

A total of \$30,000 was provided towards the urgent improvements required for the speedway to achieve the national standard for upcoming events in 2021 while the speedway worked to resolve longer term works required to ensure accreditation beyond 2021.

Works were carried out to catch fence cables, catch fence structure, mesh and a concrete wall in order for the speedway to meet requirements. The funding allowed immediate infrastructure issues to be addressed so track requirements were met in time for the venue to host a leg of the WA Sprintcar Speedweek on New Year's Day 2021.

Race runs attract visitors from outside the region, providing a boost to the local economy each season.





Election Commitment Grants

We administer election commitment grants on behalf of the State Government. We began administering these grants late in 2020-21.

Recipient	Project	Grant
Bunbury Musical Comedy Group	Lyric Theatre – replacement roof	\$24,500
Morrissey Homestead	Morrissey Homestead – new chairs	\$17,000
The Scout Association of Australia, Western Australian Branch	Carey Park Scout Group – new hall	\$210,000
Bunbury Motorcycle Club	Bunbury Motocross Track – lighting	\$80,000
Wheelchair Sports South West	Wheelchair Sports South West – wheelchairs	\$22,000
South West Refuge	South West Refuge – heating	\$20,000
South West Community Legal Centre	South West Community Legal Centre – security	\$5,300
Wardandi Miya-k Kaadadjiny Aboriginal Corporation	Wardandi Miya-k Kaadadjiny Aboriginal Corporation (WMKAC) – mobile Noongar Language Hub	\$50,000
Stirling Street Arts Centre	Stirling Street Arts Centre – storage shed	\$40,000
Bunbury Football Club	Payne Park – facilities upgrade	\$50,000
The Carey Park Football, Sporting and Community Club	Carey Park Football Club – upgrades	\$30,000
Morrissey Homestead	Morrissey Homestead – IT upgrades	\$34,000



Recipient	Project	Grant
The Trustee for The Salvation Army (WA) Property Trust	Salvation Army Crisis Accommodation – refurbishment	\$30,000
Picton Primary School	Picton Primary School – outdoor fitness track	\$50,000
City of Bunbury	Bunbury Museum – new display cases	\$35,000
South West Women's Health and Information Centre	Mobile Women's Outreach Service – mobile van	\$80,000
Burekup and District Country Club	Burekup and Districts Country Club – solar panels	\$15,000
Capel Bowls Club	Capel Bowls Club – synthetic green, shelter and glow bowls lighting	\$50,000
Glen Houn Primary School	Glen Huon Primary School – undercover area	\$50,000
Capel Mens Shed	Capel Mens Shed – sea container	\$10,000
Collie Bowling Club	Collie Bowling Club – replace furniture and install air conditioning	\$20,000
Collie Men's Shed	Collie Men's Shed – extension	\$10,000
Collie Community Broadcasting Association	Collie Community Radio Station – equipment	\$30,000



Election Commitment Grants

Recipient	Project	Grant
Shire of Donnybrook-Balingup	Donnybrook Town Hall – refurbishment	\$50,000
Lions Club of Dardanup	Dardanup War Memorial – statue	\$30,000
Shire of Dardanup	Shire of Dardanup – heritage interpretative signs	\$30,000
Australind Senior High School	Australind Senior High School – emergency management	\$100,000
Leschenault Catchment Council	Leschenault Catchment Council – vehicle and offices	\$84,000
Kirup Primary School	Kirup Primary School – resources	\$20,000
Donnybrook CWA	Donnybrook CWA – kitchen refurbishment	\$20,000
Grow Cook Eat Create	Grow Cook Eat Create – vehicle	\$40,000
Clifton Park Primary School	Clifton Park Primary School – early learning resources	\$30,000
Leschenault Men's Shed	Leschenault Men's Shed – new structure	\$50,000
Shire of Dardanup	Eaton Boat Ramp – washdown facility	\$18,000
Shire of Dardanup	East Millbridge Public Open Space – playground	\$75,000
Boyanup-Capel-Dardanup Football Club Inc. t/as Eaton Boomers Football Club	Eaton Boomers Football Club – seating	\$50,000



Recipient	Project	Grant
The Multiple Sclerosis Society of Western Australia Inc	MSWA Treendale – outdoor area	\$20,000
Australian Railway Historical Society (WA Division)	Leschenault Lady – engine parts	\$20,000
Lot 208 Youth	Lot 208 Youth – furniture	\$15,000
Collie Radio Control Club	Collie Radio Control Club – storage containers	\$20,000
Donnybrook Men's Shed	Donnybrook Mens Shed – extension	\$20,000
The Scout Association of Australia, Western Australian Branch	Collie Scouts – GPS equipment	\$5,000
Cookernup Community Association	Cookernup Library – cabinet restoration	\$5,000
Peel Harvey Catchment Council	Harvey River Restoration Taskforce – equipment	\$50,000
Brunswick Junction Primary School	Brunswick Junction Primary School – canteen upgrade	\$30,000
Binningup Community Garden	Binningup Community Garden – establish garden	\$5,000
Leschenault Cricket Club	Leschenault Cricket Club – equipment	\$10,000
Binningup Community Garden	Binningup Community Association – outdoor gym	\$5,000



Election Commitment Grants

Recipient	Project	Grant
Harvey Basketball Association	Harvey Basketball Club – equipment	\$10,000
Harvey Benger Cricket Club	Harvey Benger Cricket Club – equipment	\$10,000
Harvey Football Club	Harvey Bulls – equipment	\$10,000
Harvey Brunswick Leschenault Football Club	Harvey Brunswick Leschenault Football Club – equipment	\$10,000
Harvey Hockey Club	Harvey Hockey Club – equipment	\$10,000
Harvey Netball Association	Harvey Netball Association – equipment	\$10,000
Harvey Brunswick Leschenault Netball Club	Harvey Brunswick Leschenault Netball Club – equipment	\$10,000
Australind Soccer Club	Australind Soccer Club – equipment	\$10,000
Harvey Hawks Football Club	Harvey Hawks Junior Soccer Club – equipment	\$10,000
Australind Swimming Club	Australind Swimming Club – equipment	\$10,000
Australind Tennis Club	Australind Tennis Club – equipment	\$10,000
Brunswick Tennis Club	Brunswick Tennis Club – equipment	\$10,000
Harvey Tennis Club	Harvey Tennis Club – equipment	\$10,000



Recipient	Project	Grant
Leschenault Cricket Club	Leschenault Cricket Club – cricket pitch	\$100,000
Harvey Brunswick Leschenault Junior Football Club	Harvey Brunswick Leschenault Junior Football Club – equipment	\$10,000
Myalup Community Association	Myalup Community Garden – equipment	\$5,000
Brunswick Junction Volunteer Fire Brigade	Brunswick Junction Volunteer Fire and Rescue Service – shed	\$50,000
Harvey Amateur Swimming Club	Harvey Amateur Swimming Club – equipment	\$5,000
Harvey Football Club	Harvey Bulls Junior Football Club – equipment	\$10,000
Harvey Hawks Football Club	Harvey Hawks Senior Soccer Club	\$10,000
Local Drug Action Groups	Harvey Youth Space – equipment	\$5,000
Lions Club of Brunswick Junction	Brunswick Junction Lions Club – memorial upgrade	\$2,000
Australind Junior Soccer Club	Australind Junior Soccer Club – equipment	\$10,000
Dunsborough Primary School	Dunsborough Primary School – undercover area upgrade	\$25,000
Geographe Community Landcare Nursery	Geographe Community Landcare Nursery – undercover area and ablution block upgrade	\$80,000



Election Commitment Grants

Recipient	Project	Grant
City of Busselton	Vasse Playing Fields – Flood Lighting	\$150,000
City of Busselton	Sir Stewart Bovell Sports Park – upgrade women's changerooms	\$300,000
City of Busselton	Dunsborough – youth activity space	\$80,000
City of Busselton	Busselton and Dunsborough CBD – CCTV	\$100,000
Pets of Older Persons WA	Pets of Older Person, Busselton – equipment	\$5,000
Communicare	Communicare Tuart House – upgrades	\$40,000
Busselton Hospice Care	Busselton Hospice – Laundry Upgrade, Supplies and website upgrade	\$5,200
Busselton Dunsborough Environment Centre	Malbup Bird Hide – Tuart Forest Revegetation	\$40,000
Greyhound Adoptions WA	Busselton Greyhound Awareness – equipment	\$3,750
Vasse Primary School	Vasse Primary School – formalisation of parking – Arnup Drive	\$40,000
Vasse Primary School	Vasse Primary School – sustainability initiatives	\$20,000



Recipient	Project	Grant
Nannup District High School	Nannup District High School – irrigation	\$20,000
Northcliffe Visitor Centre	Northcliffe Forest Park – facilities upgrade	\$10,000
Nannup Sports and Recreation Association	Nannup Community Golf Course – irrigation	\$20,000
Blackwood Youth Action	Blackwood Youth Action – Driver Support Program car	\$50,000
Rapids Landing Primary School	Rapids Landing Primary School – Shade and Shelter Project	\$90,000
Quinninup Community Association	Quinninup Community Association – Outdoor Community Space	\$7,000
Shire of Manjimup	Pemberton Community CoLocation Precinct Development	\$60,000
Manjimup Amateur Basketball Association	Manjimup Basketball Association – Backboard	\$60,000
Boyup Brook Community Mental Health Action Team (COMHAT)	Boyup Brook – Youth Zone	\$60,000
Walpole Nornalup and Districts Community Development Group	The Walpole Nornalup & Districts Community Development Group - tourism signage	\$10,000
Warren District Agricultural, Horticultural and Industry Society	Warren District Agricultural Society – redevelopment	\$82,165

REPORTING REQUIREMENTS

Disclosures, legal and reporting requirements

Financial statements

A copy of our detailed financial statements are located on page 80. The Auditor General's opinion of the financial statements is also disclosed.

Ministerial directives

There were no Ministerial directives.

Directors liability insurance

The Commission maintained Directors Liability Insurance with the total premium being \$2,464.31.

Freedom of information

There was one Freedom of Information request.

Credit cards

The Commission itself holds three corporate credit cards. There are also eight credit cards held by staff members who are technically DPIRD employees. These cards are used for official and approved work purposes.

Capital expenditure

There was no capital expenditure.

Contact with senior officers

Other than normal contracts of employment of service, no senior officers, or firms of which senior members are members, or entities in which senior members have substantial interests had any interest in existing or proposed contracts with the Commission and senior officers.

Board meetings

Board attendance was as follows:

Board member	Meetings attended	Meetings eligible to attend
Nick Belyea	6	6
Pat Scallan	4	6
Louise Reid	6	6
Tresslyn Smith	6	6
Tony Dean	6	6
Catrin Allsop	6	6

Board remuneration

Board attendance was as follows:

Position title	Type of remuneration	Base salary/sitting fees
Chairman	Annual salary plus any travel and expenses	\$63,000 per annum
Deputy Chairman	Board sitting fee plus \$5000 and any travel expenses	\$790 per full day or \$513 per half day, plus \$5000 per annum

Board subcommittees

Attendance of the Audit and Risk Committee was as follows:

Board member	Meetings attended	Meetings eligible to attend
Nick Belyea	2	2
Pat Scallan	1	2

Expenditure on advertising, market research, polling and direct mail

We have continued to be stringent when it comes to spending on advertising. In this regard, we have aimed to limit expenditure predominately to raising awareness of key funding opportunities, chances for the community to have input on projects and strategies, events where there is clear public benefit, and board and job position opportunities. We incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

Expenditure	Organisation	Amount
Print advertising	Initiative	\$1,600

REPORTING REQUIREMENTS

Disclosures, legal and reporting requirements

Record-keeping

The Commission's Record Keeping Plan details the record keeping program for the agency. This plan guides which records are to be created and how those records are to be kept. The Commission keeps comprehensive records, with the assistance of HP Trim Records Management System. To help staff meet their recordkeeping requirements, all employees have been encouraged to complete corporate training to get a better understanding of DPIRD and its responsibilities, including recordkeeping awareness.

Across our organisation, we consistently identify ways to improve our systems, policies and procedures. During the year in review, we conducted an audit of our record-keeping system and now have a list of recommendations to implement. Our future systems are likely to be digitally-based, reducing the need for hard-copy storage.

Government policy requirements

We are committed to meeting policy requirements, and providing an environment which operates in accordance to best practice. As employees now operate under the Department of Primary Industries and Regional Development, most information relating to policies is held by the Department. Specifically relating to SWDC, we updated our Business Continuity Plan.

WA Multicultural Policy Framework

The Western Australian Multicultural Policy Framework was launched on 17 March 2020. The framework was developed in response to the State's growing diversity, where more than 32 per cent of people are born overseas. It translates the principles and objectives of the WA Charter of Multiculturalism (2004) into multicultural policy priorities, outcomes, strategies and measures for WA public sector agencies.

The DPIRD Plan sets out the tangible ways in which DPIRD and the relevant Regional Development Commissions will work to achieve the policy priorities, outcomes and strategies of the framework for the Culturally and Linguistically Diverse (CaLD) community of Western Australia.

SWDC was among the RDCs which participated in the DPIRD Multicultural Plan and, as such, was not required to create a separate plan.

As part of DPIRD's commitment, we strive to provide goods, services, facilities and employment opportunities in such a way that different needs and aspirations of communities are met.

We uphold recognition, respect and celebration of CaLD communities and their cultures in a number of ways, including:

- Appreciating and respecting every Western Australian's values, cultural, linguistic and religious diversity and fostering a sense of belonging;
- Creating an environment that builds effective relationships between DPIRD, CaLD communities and other Western Australians based on mutual respect and understanding;
- Promoting Western Australia's CaLD community to harness economic growth, and social, cultural, civic and political development;

- Establishing linkages and partnerships with CaLD communities, individuals, government and non-government agencies to maximise DPIRD's capacity to ensure economic prosperity for CaLD communities through participation with our services and initiatives;

- Providing goods and services that are culturally appropriate and inclusive of all Western Australians;

- Actively engaging our staff to improve their understanding of the needs of people from diverse cultural backgrounds, particularly to ensure we provide professional, responsible and culturally competent services to all clients; and

- Increasing the representation of people from CaLD backgrounds in employment, development and management opportunities within our department.

Occupational safety, health and injury prevention

We are committed to achieving a high standard of occupational safety, health and injury management, following the Occupational Safety and Health Act 1984 and the WA Government's code of practice Occupational Safety and Health in the Western Australia Public Sector. Staff members assist to maintain a safe and healthy workplace by being encouraged to play an active role in hazard identification, risk management and risk control processes, with risks to be reported to their manager or entering incidents in the central register. In our commitment to having a workplace free of injury and in reflection of our staff being required to visit projects that are in the construction stage, we supply hard hats and high-visibility vests.

REPORTING REQUIREMENTS

Disclosures, legal and reporting requirements

Occupational safety, health and injury prevention...continued

Our annual performance in this area is detailed in the table below. We did not reach the target percentage for managers trained in this area as a result of a high workload and COVID-19 restrictions. However, the Commission has two volunteer senior first aid officers and two volunteer OHS representatives. OHS is a standing item at staff meetings to ensure staff are kept up to date with the latest information. During the year in review, a workplace assessment was carried out and recommendations implemented.

	Target 2020/21	Actual 2020/21
Number of fatalities	0	0
Lost time injury/diseases (LTI/D) incidence rate	0	0
Lost time injury severity rate	0	0

Disability access and inclusion plan outcomes

The Commission is committed to promoting an inclusive environment in which all people can access our services and facilities. DPIRD's Disability Access and Inclusion Plan (DAIP) 2018-23 was developed in consultation with the DAIP Working Group, Department of Communities, Regional Development Commissions, peak bodies and people with disability and the DPIRD Communications branch. Our efforts in this area

complement our commitment to ensuring an inclusive region in which all people enjoy a high quality of life and are able to participate in community life and pursue interests without restriction based on ability.

In accordance with the Disability Services Act 1993 and Schedule 3 of the Disability Services Regulations 2004, the department continues to implement strategies and initiatives in support of the seven access and inclusion outcomes identified in its Disability Access and Inclusion Plan (DAIP) 2018-23.

Key achievements for the year included:

- Ensuring the planning, design and consultation for the relocation to the department's new modern head office at 1 Nash Street, Perth focused on meeting the needs of staff and clients with special requirements
- Progressing the development of a new integrated web presence on the WA.gov.au website, a whole-of-government website that makes it easier for people to find and access government services and information
- Updating DPIRD's brand guidelines to ensure building signage adheres to relevant access requirements.

DPIRD has also become a participating agency in the Building the Talent Pool program, delivered by the WA division of National Disability Services, the peak body for non-government disability services. This program will help build the capability of WA's public sector, including in regional areas, and to increase meaningful workplace opportunity and participation for people with disability.

Compliance with public sector standards and ethical codes

DPIRD has developed policy, guidelines and processes to support compliance with Public Sector standards and ensure all associated activities are undertaken in a professional and unbiased manner. Employees are informed of updates to policies, and these are available on intranet sites. Policies are also disseminated to all staff.

Government building training policy

The Government Building Training Policy aims to increase the number of apprentices and trainees in the building and construction industry. It does so by requiring contractors awarded State Government building, construction and maintenance contracts to commit to meeting a target training rate by employing construction apprentices and trainees. Infrastructure projects we were involved in, including Transforming Bunbury's Waterfront, support apprentices.

Substantive equality

The Commission encourages and values a diverse and inclusive workplace. We emphasise that all employees recognise and respect the diversity of backgrounds, beliefs and experiences that exist within our workforce and our community. Such an environment is dependent on being free from all forms of harassment, victimisation and discrimination relating to employment and opportunity.

REPORTING REQUIREMENTS

Disclosures, legal and reporting requirements

Framework

	\$ '000s 2020/21 Budget	\$ '000s 2020/21 Actual	\$ '000s Variance
Financial targets			
Total cost of services	6,112	5,342	(770)
Net cost of service	6,022	5,099	(923)
Total equity	20,107	21,051	944
Net increase/(decrease) in cash held	(1025)	(129)	896
Approved salary expense level	203	225	-22
KPI			
Customer satisfaction survey	90%	88%	-2%
Average cost per hour	\$144	\$112	\$32

FINANCIALS





Auditor General

INDEPENDENT AUDITOR'S OPINION

2021

South West Development Commission

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the South West Development Commission (Commission) which comprise:

- the Statement of Financial Position at 30 June 2021, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the South West Development Commission for the year ended 30 June 2021 and the financial position at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

I am independent of the Commission in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Board for the financial statements

The Board is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commission.

Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the South West Development Commission. The controls exercised by the Commission are those policies and procedures established by the Board to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the South West Development Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2021.

The Board's responsibilities

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the South West Development Commission for the year ended 30 June 2021. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the South West Development Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2021.

The Board's responsibilities for the key performance indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control it determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Board is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My independence and quality control relating to the reports on controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

Those charged with governance are responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2021, but not the financial statements, key performance indicators and my auditor's report.

My opinions do not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements, controls and key performance indicators of the South West Development Commission for the year ended 30 June 2021 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements, controls or key performance indicators. If users of the financial statements, controls and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements, controls and key performance indicators.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia

2 September 2021

**SOUTH WEST DEVELOPMENT COMMISSION
KEY PERFORMANCE INDICATORS
For the year ended 30 June 2021**

CERTIFICATION OF KEY PERFORMANCE INDICATORS

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the South West Development Commission's performance, and fairly represent the performance of the South West Development Commission year ended 30 June 2021.



Nick Belyea
Chairman of the Board
30 August 2021



Mellisa Teede
Chief Executive Officer
30 August 2021



SOUTH WEST DEVELOPMENT COMMISSION KEY PERFORMANCE INDICATORS For the year ended 30 June 2021

DESIRED OUTCOME

The South West Development Commission's outcome is to coordinate and promote an environment which is conducive to the balanced economic development of the South West Region.

Key Service:

The Commission aims to build quality of life in the South West Region through the development of new industries, more diverse opportunities for its residents, and community and industry infrastructure, while advancing sustainable jobs growth.

RELATIONSHIP WITH GOVERNMENT POLICY

The South West Development Commission delivers its services through four strategic themes: Investing in People and Place, Investing in Infrastructure, Investing in Industry and Business, and Investing in Community.

These four strategic themes integrate together to provide a balanced approach to regional development. They are also aligned with the State Government's goals, particularly 'WA Jobs Plan: local manufacturing and production, creating Western Australian jobs and training for the jobs of the future' and 'Growing our communities: protecting our environment with thriving suburbs and regions', with greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.

The activities of the Commission aim to ensure that the South West is a strong and vibrant region.

SOUTH WEST DEVELOPMENT COMMISSION

KEY PERFORMANCE INDICATORS

For the year ended 30 June 2021

KEY EFFECTIVENESS INDICATOR

The Commission measures its effectiveness indicators through an annual client satisfaction survey, conducted by an independent market research company.

Client Satisfaction Survey 2021

As part of the performance management component of the Commission's strategic planning process, independent research consultancy firm, Advantage Communications – Research, was employed to undertake the 2021 SWDC Client Satisfaction Survey. Key stakeholders were surveyed to determine their views and understanding of the Commission's role, activities and performance.

For all survey periods since 2003, two distinct sample populations have been identified – local governments and key clients.

Clients were sent an email invitation to complete the 2021 satisfaction survey online. Both online self completion and telephone interviews were used to obtain a total of 160 client responses (133 key clients and 27 Local Governments (LGAs)) from the 252 clients surveyed, representing a response rate of 63.5%. This results in a maximum standard error ratio of +/- 4.7% at the 95% confidence level.

87.7 per cent of the respondents were satisfied with the "Overall level of satisfaction with the quality of service and performance" for 2020-21.

Effectiveness of the South West Development Commission

(1 = strongly disagree to 7 = strongly agree)

	2018-19 ²		2019-20 ¹		2020-21 ²	
	Agree	Mean	Agree	Mean	Agree	Mean
Target	90%	n/a	n/a	n/a	90%	n/a
Total Client Average	87.3%	5.86	n/a	n/a	87.7%	5.91
Key Clients	87.4%	5.89	n/a	n/a	89.4%	5.99
Local Governments	86.6%	5.55	n/a	n/a	79.7%	5.49

1. Due to COVID-19 restrictions, and pursuant to Treasurer's instruction (TI) 904 para (3)(i) the commission sought and obtained an exemption from reporting the key effectiveness indicator for the 2019-20 financial year.

2. The Commission has previously used the satisfaction result of "The Advocacy for the region's needs is effective" as the measure of the effectiveness of the SWDC. It has been determined that the satisfaction result of "Overall level of satisfaction with the quality of service and performance" is a more appropriate satisfaction result to measure the effectiveness. Therefore, the comparative year have been restated accordingly.

SOUTH WEST DEVELOPMENT COMMISSION

KEY PERFORMANCE INDICATORS

For the year ended 30 June 2021

SERVICE: REGIONAL DEVELOPMENT

KEY EFFICIENCY INDICATOR

Average cost per hour of service

The operating costs of the South West Development Commission are based on the Statement of Comprehensive Income total cost of services (excluding grants and subsidies) for the relevant period. Hourly cost is determined by dividing the expenditure for the period by the total hours worked for the period.

Efficiency Indicator	Actual 2018-19	Actual 2019-20	Target 2020-21	Actual 2020-21
Average cost per hour	\$168	\$132	\$144	\$112

Notes on variance between Target and Actual

The Average cost per hour was 22% below target as the total cost of services were 13% below target while total number of hours was only 7% below.

Note 1: Operating cost information is sourced from the Statement of Comprehensive Income Total cost of services excluding grants and subsidies, funds returned to treasury and expenses offset by external revenue. Actuals were below target mainly as a result of delays to programs resulting from the impact of COVID-19, the impact of the caretaker period and the resulting priority regarding small grant election commitments further delaying other works.

Note 2: The target cost per hour is an estimated figure based on budgeted expenditure and staffing. Total number of hours is below budget due to some positions being vacant during the financial year.

South West Development Commission

Financial Statements

for the period ended 30 June 2021

Independent Auditor's Report

Disclosures and Legal Compliance

Certification of Financial Statements

For the reporting period ended 30 June 2021

The accompanying financial statements of the South West Development Commission have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2021 and the financial position as at 30 June 2021.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Carolyn Gibbon
Chief Finance Officer
30 August 2021



Mellisa Teede
Chief Executive Officer
30 August 2021



Nick Belyea
Chairman of the Board
30 August 2021



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Statement of Comprehensive Income
For the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1(a)	258	266
Supplies and services	2.3	3,752	3,335
Depreciation and amortisation expense	4.1, 4.2, 4.3	368	352
Finance costs	6.2	-	1
Grants and subsidies	2.2	789	446
Other expenses	2.3	175	2,600
Total cost of services		<u>5,342</u>	<u>7,000</u>
Income			
Commonwealth grants	3.2	30	83
Other income	3.3	213	4
Total income		<u>243</u>	<u>87</u>
NET COST OF SERVICES		<u>5,099</u>	<u>6,913</u>
Income from State Government			
Income from other public sector entities	3.1	941	399
Resources received	3.1	3,604	3,201
Total income from State Government		<u>4,545</u>	<u>3,600</u>
SURPLUS/(DEFICIT) FOR THE PERIOD		<u>(554)</u>	<u>(3,313)</u>
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation reserve	8.9	139	84
Total other comprehensive income/(loss)		<u>139</u>	<u>84</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		<u>(415)</u>	<u>(3,229)</u>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.



**Statement of Financial Position
As at 30 June 2021**

	Notes	2021 \$'000	2020 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	6.3	1,228	966
Restricted cash and cash equivalents	6.3	1,068	1,459
Receivables	5.1	85	9
Other current assets	5.3	-	6
Total Current Assets		<u>2,381</u>	<u>2,440</u>
Non-Current Assets			
Restricted cash and cash equivalents	6.3	11	11
Amounts receivable for services	5.2	1,253	1,253
Infrastructure, property, plant and equipment	4.1	17,659	17,888
Intangible assets	4.2	-	-
Right-of-use assets	4.3	-	20
Total Non-Current Assets		<u>18,923</u>	<u>19,172</u>
TOTAL ASSETS		<u>21,304</u>	<u>21,612</u>
LIABILITIES			
Current Liabilities			
Payables	5.4	213	112
Lease liabilities	6.1	-	4
Employee related provisions	2.1(b)	40	14
Total Current Liabilities		<u>253</u>	<u>130</u>
Non-Current Liabilities			
Lease liabilities	6.1	-	16
Total Non-Current Liabilities		<u>-</u>	<u>16</u>
TOTAL LIABILITIES		<u>253</u>	<u>146</u>
NET ASSETS		<u>21,051</u>	<u>21,466</u>
EQUITY			
Contributed equity	8.9	23,679	23,679
Reserves	8.9	10,190	10,051
Accumulated surplus/(deficit)		<u>(12,818)</u>	<u>(12,264)</u>
TOTAL EQUITY		<u>21,051</u>	<u>21,466</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes.



Statement of Changes in Equity
For the year ended 30 June 2021

	Notes	Contributed equity \$'000	Reserves \$'000	Accumulated surplus \$'000	Total equity \$'000
Balance at 1 July 2019		23,679	9,967	(8,951)	24,695
Deficit				(3,313)	(3,313)
Other comprehensive income	8.9		84		84
Total comprehensive income for the period		-	84	(3,313)	(3,229)
Balance at 30 June 2020		<u>23,679</u>	<u>10,051</u>	<u>(12,264)</u>	<u>21,466</u>
Balance at 1 July 2020		23,679	10,051	(12,264)	21,466
Deficit				(554)	(554)
Other comprehensive income	8.9		139	-	139
Total comprehensive income for the period		-	139	(554)	(415)
Balance at 30 June 2021		<u>23,679</u>	<u>10,190</u>	<u>(12,818)</u>	<u>21,051</u>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows
For the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
CASH FLOWS FROM STATE GOVERNMENT			
Funds from other public sector entities		941	399
Net cash provided by State Government		<u>941</u>	<u>399</u>
<i>Utilised as follows:</i>			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(229)	(253)
Supplies and services		(22)	(234)
Grants and subsidies		(789)	(446)
GST payments on purchases		(100)	(53)
Other payments		(175)	(2,464)
Receipts			
Commonwealth grants and contributions		30	83
GST receipts on sales		47	24
GST receipts from taxation authority		14	29
Other receipts		154	9
Net cash used in operating activities		<u>(1,070)</u>	<u>(3,305)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		-	(63)
Net cash used in investing activities		<u>-</u>	<u>(63)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principal elements of lease payments		-	(4)
Net cash used in financing activities		<u>-</u>	<u>(4)</u>
Net decrease in cash and cash equivalents		(129)	(2,973)
Cash and cash equivalents at the beginning of the period		2,436	5,409
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.3	<u><u>2,307</u></u>	<u><u>2,436</u></u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

1. Basis of Preparation

The South West Development Commission (Commission) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Commission is a not-for-profit entity (as profit is not its principal objective). A description of the nature of its operations and its principal activities have been included in the '**Overview**' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Commission on 30 August 2021.

Statement of compliance

These general purpose financial statements have been prepared in accordance with:

- 1 The *Financial Management Act 2006* (FMA)
- 2 The Treasurer's Instructions (TIs)
- 3 Australian Accounting Standards (AASs) - Reduced Disclosure Requirements
- 4 Where appropriate, those **AAS** paragraphs applicable for not-for-profit entities have been applied.

The FMA and the TIs take precedence over AASs. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Comparative figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated as contributions by owners (at the time of, or prior, to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

Notes to the financial statements

2. Use of Our Funding

Expenses incurred in the delivery of services

This section provides additional information about how the Commission's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Commission in achieving its objectives and the relevant notes are:

	Notes
Employee benefits expenses	2.1(a)
Employee related provisions	2.1(b)
Grants and subsidies	2.2
Other expenditure	2.3

2.1. (a) Employee benefits expenses

	2021 \$'000	2020 \$'000
Employee benefits	231	240
Superannuation - defined contribution plans	27	26
Total employee benefits expenses	258	266
Add: AASB 16 Non-monetary benefits	-	5
Net employee benefits	258	271

Employee Benefits: include wages and salaries, accrued and paid leave entitlements and paid sick leave.

Superannuation: The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds.

AASB 16 Non-monetary benefits: non-monetary employee benefits, that are employee benefits expenses, predominantly relate to the provision of Vehicle and Housing benefits are measured at the cost incurred by the Commission.

2.1. (b) Employee related provisions

	2021 \$'000	2020 \$'000
Current		
<u>Employee benefits provisions</u>		
Annual leave	26	9
Long service leave	13	5
	39	14
<u>Other provisions</u>		
Employment on-costs	1	-
Total current employee related provisions	40	14
Total employee related provisions	40	14

Notes to the financial statements

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities: Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

Long service leave liabilities: Unconditional long service leave provisions are classified as current liabilities as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Commission has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave is calculated at present value as the Commission does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Employment on-costs: The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'other expenses, Note 2.3 (apart from the unwinding of the discount (finance cost))' and are not included as part of the Commission's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2021 \$'000	2020 \$'000
Employment on cost provision		
Carrying amount at start of period	-	-
Additional/(reversals of) provisions recognised	<u>1</u>	<u>-</u>
Carrying amount at end of period	<u><u>1</u></u>	<u><u>-</u></u>

Key sources of estimation uncertainty- long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the Commission's long service leave provision. These include:

- expected future salary rates
- discount rates
- employee retention rates; and
- expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

Notes to the financial statements

2.2. Grants and Subsidies

	2021	2020
	\$'000	\$'000
Non Public organisations	460	321
Public sector organisations	50	-
Local Government agencies	279	125
Total recurrent grants and subsidies	789	446

Transactions in which the Commission provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant expenses'. Grants can either be operating or capital in nature.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools, and community groups.

2.3. Other expenditure

	2021	2020
	\$'000	\$'000
Supplies and services		
Board fees	84	75
Communications	14	1
Consultants and contractors	22	20
Consumables	3	5
Travel	12	10
Other	13	23
Resources provided free of charge by DPIRD ^(a)	3,604	3,201
Total supplies and services expense	3,752	3,335
Other expenses		
Building and infrastructure maintenance	108	37
Donations and sponsorships	13	-
Refund of revenue from prior years	-	2,500
Other expenses	54	63
Total other expenses	175	2,600
Total other expenditure	3,927	5,935

(a) Support Services provided by Department of Primary Industries and Regional Development to support the Commission in the fulfilment of its statutory functions and obligations under the Regional Development Commission Act 1993. See note 3.1 Income from State Government.

Notes to the financial statements

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Building and infrastructure maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

3. Our Funding Sources

How we obtain our funding

This section provides additional information about how the Commission obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Commission and the relevant notes are:

	Notes
Income from State Government	3.1
Commonwealth grants	3.2
Other income	3.3

3.1. Income from State Government

	2021	2020
	\$'000	\$'000
Income received from other public sector entities during the period:		
- Department of Justice - Withers Urban Renewal Project	170	170
- Department of Primary Industries and Regional Development - operational funding	771	229
Total grants and subsidies	941	399
Resources received from other public sector entities during the period:		
- Services received free of charge ^(a)	3,604	3,201
Total resources received	3,604	3,201
Total income from State Government	4,545	3,600

(a) Support Services provided by Department of Primary Industries and Regional Development to support the Commission in the fulfilment of its statutory functions and obligations under the Regional Development Commission Act 1993. See note 2.3 Other expenditure.

Income from other public sector agencies is recognised as income when the Commission has satisfied its performance obligations under the funding agreement. If there are no performance obligations, income will be recognised when the Commission receives the funds.

Notes to the financial statements

Resources received from other public sector entities are recognised as income (and assets or expenses) equivalent to the fair value of the assets, or the fair value of those services that can be reliably determined and which would have been purchased if not donated.

3.2. Commonwealth grants

	2021 \$'000	2020 \$'000
Recurrent grants	<u>30</u>	<u>83</u>

Recurrent grants are recognised as income when the grants are receivable.

3.3. Other income

	2021 \$'000	2020 \$'000
Other sundry income	<u>213</u>	<u>4</u>

4. Key Assets

Assets the Commission utilises for economic benefit or service potential

This section includes information regarding the key assets the Commission utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes
Infrastructure, property, plant and equipment	4.1
Intangibles	4.2
Right-of-use assets	4.3

Notes to the financial statements

4.1. Infrastructure, property, plant and equipment

Year ended 30 June 2021	Land \$'000	Buildings \$'000	Office equipment \$'000	Infrastructure \$'000	Works of art \$'000	Total \$'000
1 July 2020						
Gross carrying amount	4,316	13,517	199	809	50	18,891
Accumulated depreciation	-	-	(199)	(172)	-	(371)
Accumulated impairment loss	-	-	-	(632)	-	(632)
Carrying amount at start of period	4,316	13,517	-	5	50	17,888
Revaluation increments/(decrements) recognised in other comprehensive income	80	59	-	-	-	139
Depreciation	-	(368)	-	-	-	(368)
Carrying amount at 30 June 2021	4,396	13,208	-	5	50	17,659
Gross carrying amount	4,396	13,208	199	809	50	18,662
Accumulated depreciation	-	-	(199)	(172)	-	(371)
Accumulated impairment loss	-	-	-	(632)	-	(632)

(a) The Department of Planning, Lands and Heritage (DPLH) is the only Department with the power to sell Crown land. The land is transferred to DPLH for sale and the Commission accounts for the transfer as a distribution to owner.

Initial recognition

Items of property, plant and equipment and infrastructure, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment and infrastructure costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of land, buildings and infrastructure.

Land is carried at fair value.

Buildings and infrastructure are carried at fair value less accumulated depreciation and accumulated impairment losses.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Landgate) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Notes to the financial statements

Land and buildings were revalued at 1 July 2020 by Landgate. The valuations were performed during the year ended 30 June 2021 and recognised at 30 June 2021. In undertaking the revaluation, fair value was determined by reference to market values for land: \$2,970,000 (2020: \$2,890,000). Fair value of buildings was determined on the basis of current replacement cost: \$13,144,700 (2020: \$13,454,400) and balance of the fair value of land was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land).

Infrastructure is independently valued every 3 to 5 years by Landgate. Infrastructure assets were independently revalued by Landgate as at 30 June 2019.

Fair value for infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Significant assumptions and judgements: The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

4.1.1 Depreciation and impairment

	2021 \$'000	2020 \$'000
Buildings	368	344
Office equipment	-	3
Infrastructure	-	1
Total depreciation for the period	<u><u>368</u></u>	<u><u>348</u></u>

As at 30 June 2021, there were no indications of impairment to property, plant and equipment except for infrastructure which was impaired in 2018-19 and indicators have not changed since. This impairment is related to the Pemberton Hydro Power Station which has been non-operational since 2011 and its financial performance during operation was only 6% of what had been anticipated.

All surplus assets at 30 June 2021 have either been classified as assets held for sale or have been written-off.

Finite useful lives

All infrastructure, property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are as follows:

- Buildings 20 to 40 years
- Office equipment 3 to 10 years
- Infrastructure 20 to 29 years

Notes to the financial statements

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Land and works of art which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Impairment

Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the Commission is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

4.2. Intangible assets

Year ended 30 June 2021	Computer software \$'000	Total \$'000
1 July 2020		
Gross carrying amount	132	132
Accumulated amortisation	(132)	(132)
Carrying amount at start and end of period	<u>-</u>	<u>-</u>

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at significantly less than fair value, the cost is their fair value at the date of acquisition.

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets at a minimum of \$5,000 that comply with the recognition criteria as per AASB 138.57 (as noted above) are capitalised. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Notes to the financial statements

Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

4.2.1 Amortisation and impairment

As at 30 June 2021 intangible assets were fully amortised and there were no Indications of impairment to intangible assets (2020: Nil).

The Commission held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no Intangible assets not yet available for use.

Amortisation of finite life intangible assets is calculated on a straight line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the Commission have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Asset	Useful life: years
Software	3 to 5 years

Impairment of intangible assets

Intangible assets with finite useful lives are tested for Impairment annually or when an Indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 4.1.1.

4.3. Right-of-use assets

	2021 \$'000	2020 \$'000
Vehicles	-	20
Net carrying amount	<u>-</u>	<u>20</u>

There were no additions to right-of-use assets during the 2021 financial year (2020: \$nil).

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset.

Notes to the financial statements

The Commission has elected not to recognise right-of-use assets and lease liabilities for short-term lease (with a lease of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent Measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at the cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Commission at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 4.1.1.

The following amounts relating to leases have been recognised in the statement of comprehensive income:

	2021 \$'000	2020 \$'000
Vehicles	-	4
Total right-of-use asset depreciation	-	4
Lease interest expense (included in Finance Cost)	-	1

The total cash outflow for leases in 2021 was \$nil (2020: \$4,425).

The Commission's leasing activities for and how these are accounted for:

The Commission currently has no leases.

The Commission recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.1.

5. Other Assets and Liabilities

This section sets out those assets and liabilities that arose from the Commission's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Note
Receivables	5.1
Amounts receivable for services	5.2
Other assets	5.3
Payables	5.4

Notes to the financial statements

5.1. Receivables

	2021 \$'000	2020 \$'000
GST receivable	26	9
Other debtors	59	-
Total current receivables	85	9

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

5.2. Amounts receivable for services (Holding Account)

	2021 \$'000	2020 \$'000
Non-current at end of period	1,253	1,253

Amounts receivable for services represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability. Amounts receivable for services are considered not impaired (i.e. there is no expected credit loss of the Holding Account).

5.3. Other assets

	2021 \$'000	2020 \$'000
Prepayments	-	6
Total current other assets	-	6

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

5.4. Payables

	2021 \$'000	2020 \$'000
Trade payables	62	19
Other payables	-	3
Accrued expenses	148	90
Accrued salaries	3	-
Total current other payables	213	112

Payables are recognised at the amounts payable when the Commission becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

Notes to the financial statements

6. Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the Commission.

	Note
Lease liabilities	6.1
Finance costs	6.2
Cash and cash equivalents	6.3
Capital commitments	6.4

6.1. Lease Liabilities

	2021	2020
	\$'000	\$'000
Current	-	4
Non-current	-	16
Total lease liabilities	<u>-</u>	<u>20</u>

Initial measurement

The Commission measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Commission uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by the Commission as part of the present value calculation of lease liability include:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options (where these are reasonably certain to be exercised);
- payments for penalties for terminating a lease, where the lease term reflects the Commission exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Commission if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales, are recognised by the Commission in profit or loss in the period in which the condition that triggers those payments occurs.

Notes to the financial statements

This section should be read in conjunction with note 4.3 Right-of-use assets.

Subsequent measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

6.2. Finance costs

	2021 \$'000	2020 \$'000
Lease interest expense	<u>-</u>	<u>1</u>

'Finance cost' includes the interest component of lease liability repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

6.3. Cash and Cash Equivalents

	2021 \$'000	2020 \$'000
Non-restricted Cash and cash equivalents	<u>1,228</u>	<u>966</u>
<i>Non-Royalties for Regions fund restricted cash</i>		
Picton Land Development	553	553
South West Event	33	33
Tradestart	234	112
Withers Urban Renewal	118	455
Land Asset Management - SWDC	15	15
<i>Royalties for Regions Fund Projects Restricted cash</i>		
Regional Grant Scheme	80	256
Community Chest Grants Scheme	35	35
Current restricted cash and cash equivalents	<u>1,068</u>	<u>1,459</u>
Non-current restricted cash and cash equivalents		
Accrued salaries suspense account ^(a)	<u>11</u>	<u>11</u>
Total cash and cash equivalents	<u>2,307</u>	<u>2,436</u>

(a) Funds held in the suspense account used only for the purpose of meeting the 27th pay in a financial year that occurs every 11 years. This account is classified as non-current for 10 out of 11 years.

Notes to the financial statements

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

6.4. Capital Commitments

There are no known capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements (2020: None).

7. Financial instruments and Contingencies

	Note
Financial instruments	7.1
Contingent assets and contingent liabilities	7.2

7.1. Financial Instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2021	2020
	\$'000	\$'000
<u>Financial assets</u>		
Cash and cash equivalents	2,307	2,436
Financial assets at amortised cost ^(a)	1,312	1,253
Total financial assets	<u>3,619</u>	<u>3,689</u>
 <u>Financial liabilities</u>		
Financial liabilities at amortised cost ^(b)	213	132
Total financial liabilities	<u>213</u>	<u>132</u>

(a) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

(b) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

7.2. Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

There were no contingent assets or liabilities which would affect the Commission at the end of June 2021 (2020: None).

Notes to the financial statements

8. Other Disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Note
Events occurring after the end of the reporting period	8.1
Correction of period errors/changes in accounting policies	8.2
Key management personnel	8.3
Related party transactions	8.4
Related bodies	8.5
Affiliated bodies	8.6
Special purpose accounts	8.7
Remuneration of auditors	8.8
Equity	8.9
Supplementary financial information	8.10
Explanatory statement	8.11

8.1. Events occurring after the end of the reporting period

There were no events occurring after the reporting period date that impact on the financial statements.

8.2. Correction of prior period errors/changes in accounting policy

The Commission has adopted the following new Australian Accounting Standards in accordance with the transitional provisions applicable to each standard:

AASB 1059 Service Concession Arrangements: Grantors

AASB 2018-5 Amendments to Australian Accounting Standards – Deferral of AASB 1059

AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business

AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework

AASB 2019-2 Amendments to Australian Accounting Standards – Implementation of AASB 1059

AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform

AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia

AASB 2019-7 Amendments to Australian Accounting Standards – Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP/GFS Reconciliations

AASB 2020-4 COVID-19-Related Rent Concessions

The Commission considers the above standards do not have a material impact on the Commission.

Notes to the financial statements

8.3. Key management personnel

The Commission has determined key management personnel to include the members of the accountable authority, senior officers of the Commission and the Minister that the Commission assists. The Commission does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for members of the accountable authority and senior officers of the Commission for the reporting period are presented within the following bands:

Compensation band (\$)	2021	2020
Compensation of members of the accountable authority		
70,001 - 80,000	1	1
0 - 10,000	5	6
Compensation of senior officers		
240,001 - 250,000	1	-
180,001 - 190,000	-	1
170,001 - 180,000	2	1
160,001 - 170,000	1	-
150,001 - 160,000	1	2
	2021	2020
	\$'000	\$'000
Short-term employee benefits	754	656
Post-employment benefits	79	62
Other long-term benefits	84	34
Total compensation for members of the accountable authority and senior officers	917	752

Total compensation includes the superannuation expense incurred by the Commission in respect of senior officers.

8.4. Related party transactions

The Commission is a wholly owned and controlled entity of the State of Western Australia.

Related parties of the Commission include:

- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other agencies and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);

Notes to the financial statements

- associates and joint ventures, of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Material transactions with other related entities

Outside of normal citizen type transactions with the Commission there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

8.5. Related bodies

The Commission had no related bodies during the reporting period.

8.6. Affiliated bodies

The Commission had no affiliated bodies during the reporting period.

8.7. Special purpose accounts

The Commission had no special purpose accounts during the reporting period.

8.8. Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2021 \$'000	2020 \$'000
Auditing the accounts, financial statement controls, and key performance indicators	<u>28</u>	<u>28</u>

8.9. Equity

	2021 \$'000	2020 \$'000
<u>Contributed equity</u>		
Balance at start and end of period	<u>23,679</u>	<u>23,679</u>
<u>Asset revaluation surplus</u>		
Balance at start of period	10,051	9,967
<i>Net revaluation increments /(decrements)</i>		
Land	80	50
Buildings	<u>59</u>	<u>34</u>
Balance at end of period	<u>10,190</u>	<u>10,051</u>

Notes to the financial statements

8.10. Supplementary financial information

(a) **Write-offs**

There were no write-offs during the financial year.

(b) **Losses through theft, defaults and other causes**

There were no losses of public money and public and other property during the financial year.

(c) **Gift of public property**

There were no gifts of public property during the financial year.

8.11. Explanatory statement

The Commission is exempt from TI 945 Explanatory Statement as their Total Cost of Services is below \$10 million for the two most recent consecutive comparative periods.

South West Development Commission
2020-21 FY

	2020/21	2020/21		
	Budget	Actual	Variance	Explanation of Variance
Financial targets				
Total cost of services	6,112	5,342	770	Total cost of services is lower than the budget estimate by \$770k predominantly due to the delay in implementing business plans as a result of COVID-19 and prioritisation of small grant election commitments in the latter part of the year.
Net cost of service	6,022	5,099	923	Net cost of services is lower than the budget estimate by \$923k predominantly due to the delay in implementing business plans as a result of COVID-19 and prioritisation of small grant election commitments in the latter part of the year and the receipt of funds not budgeted for relating to the Withers Urban renewal project.
Total equity	20,107	21,051	-944	The variance of \$944k in equity results from the deficit for the year lower than budget by \$895k as a result of the budget underspend (refer above).
Net increase / (decrease) in cash held	-1,025	-129	-896	The decrease in cash held is \$896k less than budget predominantly due to the delay in implementing business plans as a result of COVID-19 and prioritisation of small grant election commitments in the latter part of the year and the receipt of funds not budgeted for relating to the Withers Urban renewal project.
Approved salary expense level	203	225	-22	Variance in approved salary expense level arises from the leave provision accrual to recognise the unused annual leave entitlement.

Working Cash Targets

	2020 Agreed limit (\$000)	2020 Target / Actual (\$000)	Variation (\$000)	Explanation of Variation
Agreed working cash limit (at Budget)	51	51	N/A	N/A
Agreed working cash limit (at Actuals)	21	1,228	1,207	Variation is due to brought forward cash balances which is planned to be spent in the 2021-22 financial year.



SOUTH WEST
DEVELOPMENT COMMISSION



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South West Development Commission

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