



PKUC FUNDING REQUEST 2024/25-2026/7

PROPOSAL NAME: Pilbara Kimberley University Centre Incorporated Funding Request 2024/25-2026/7

Assessment Criteria	Description	Administration Comments
1. Strategic Alignment	<ul style="list-style-type: none"> Contribution to Council's Vision and Strategic Themes with particular focus on Council's Economic Development Strategy. 	<p>This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. In particular, the Operational Plan 2024-2025 provided for this activity:</p> <p>Programs/Services: 4.d.1.1.19.1 Partner with resource companies, indigenous businesses and organisations.</p> <p>The establishment of a university centre is further mentioned as an opportunity to support employment and to address skill gaps in training, workforce development and education in the City within the current Economic Development Strategy. Strategy 2.4 within the Economic Development Strategy calls for the establishment of a high quality tertiary education hub in the city.</p>
2. Demand / Need	<ul style="list-style-type: none"> Demonstrated demand and need for the project 	<p>KPUC has demonstrated the demand and need for a university regional study hub within Karratha through its past performance, including:</p> <ul style="list-style-type: none"> PKUC has demonstrated strong demand through significant growth in student numbers and performance, supporting over 600 students with 54 graduates to date and a further 32 graduates expected by the end of 2024. The PKUC offers 76 courses with qualifications ranging from Certificate IVs to PhDs, with many students progressing from university preparation courses to Bachelor's degrees. The Center has also expanded its university course supplier network and now supports 20 universities and higher education institutions, Building on the findings of the Pilbara DAMA in March 2022, the PKUC has identified allied health, education, and additional engineering and technical skills as areas of acute skill shortages. This assessment is reinforced by the City's research, which indicates significant future demand for skills such as teachers and health professionals to provide adequate

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		<p>services to the City's growing population. The PKUC plans to replicate the success of its nursing course within allied health, education, and additional engineering and technical fields by implementing a "grow your own" strategy – supporting people already in Karratha to pursue higher education to supply the skills needed for the town to grow and realise its economic potential.</p> <ul style="list-style-type: none"> • The 2024 Annual Community Survey indicated that nearly three-quarters of the community consider education a high or very high priority for the City. However, about two-thirds believe the current educational offerings within the City are average or below par. This shows that the community considers the need for additional 'education opportunities' as a City priority.
3.Economic Impact	<ul style="list-style-type: none"> • Significance of the potential direct economic impact and return benefit of the project in the region. 	<p>Between 2018 and 2024, the PKUC's total economic impact within the Pilbara and Kimberley region amounted to \$21.96 for every dollar invested by the City. This calculation is based on the following:</p> <ul style="list-style-type: none"> • The City provided \$717,000 in funding to the PKUC between 2018 and 2023. • The PKUC received an additional \$9,319,438 in funding from other government sources during the period of 2019 to 2024. <p>Based on the total funding figures and utilising REMPLAN multipliers, the PKUC's total economic impact within the region was \$15,742,261, comprising of:</p> <ul style="list-style-type: none"> • Direct economic impact: \$10,036,438 • Indirect (supply-chain) economic impact: \$1,132,253 • Induced (consumption) economic impact: \$4,573,570 <p>In addition to this, other impacts include:</p> <ul style="list-style-type: none"> • Development of a viable pathway to address skill shortages within the region by: <ul style="list-style-type: none"> ○ Providing youth with career advice and enabling them to study and stay within the region. ○ Developing a skilled workforce; ○ Expanding employment options for students; • Socio-economic benefits within the region due to: <ul style="list-style-type: none"> ○ Positions being filled, particularly in healthcare and engineering; and ○ PKUC acting as a conduit and enabler for new and sustainable industries.

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		<ul style="list-style-type: none"> ○ Supporting and growing our local students and workforce will have a positive impact on filling employment opportunities without adding stress to housing.
4. Value for Money	<ul style="list-style-type: none"> • Identify all funding sources, both confirmed and sought, and contributors and/or partners to the project, and the extent that the funding is leveraged. • Likelihood of the project being utilised by other organisations to create further economic development activities in the City of Karratha. 	<p>Since its establishment in 2019, the PKUC has received significant funding from various sources:</p> <p>2018</p> <ul style="list-style-type: none"> • The City provided \$27,000 for the development of a feasibility study, business case and grant applications for the development of the PKUC. <p>2019</p> <ul style="list-style-type: none"> • The PKUC received \$3m (grant) from the Federal Government to establish a pilot university study centre in Karratha and a study hub in Port Hedland. • The PKUC received \$550,000 from the Pilbara Development Commission to assist with the set up & fit out of the PUC's Karratha premises located at L1, the Quarter. • The City provided \$450,000 over three years to assist with fit out costs and to support the establishment of mixed mode courses to enhance the offering to prospective students, attract more students and contribute to its long term sustainability <p>2022</p> <ul style="list-style-type: none"> • Federal Government awarded a further \$3,784,321 to the PKUC to continue its Karratha and Port Hedland operations for a further 4 years (until 30 June 2026). • The PKUC received \$875,600 to establish a study hub in Broome. • The City provided \$140,000 for 2022/23, and \$100,000 for 2023/24 to the PKUC to development and diversification of mixed mode courses offered to people attending the Karratha campus and the provision of scholarships and bursaries to local students. <p>2024</p> <ul style="list-style-type: none"> • The PKUC will receive \$1,109,517 as part of a 3-year funding agreement to establish 2 additional Pilbara study hubs in Onslow and Tom Price as part of a hub and spoke model with Karratha as the 'Head Campus' and supporting 4 study hubs (Tom Price, Onslow, Port Hedland and Broome). <p>In 2022, the PKUC requested a three-year funding agreement from the City. At the time, the PKUC was not considered financially sustainable, with a risk that it may cease operations . To mitigate the financial and reputational risk to council, it elected to fund the PKUC for two years, with the</p>

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		<p>understanding that the PKUC had to improve its financial position to receive future funding from the City.</p> <p>Since then, the PKUC has demonstrated an improvement in strengthening its financial position. It has made significant inroads in securing and broadening its funding base. The Federal Government continues to support the PKUC by providing additional funding to establish two new study hubs in Onslow and Tom Price, while Karratha remains the main facility and will provide support to these new facilities. The PKUC has further secured additional funding from various sources, including the resource and industry sectors, other local governments, and tertiary education institutions. The application indicates that PKUC are receiving significant support from organisations such as Rio Tinto, Santos, Woodside Energy, Roy Hill, Pilbara Ports Authority, Chevron, and Red Hawk Mining.</p> <p>While this strengthens PKUC's financial position, it may lead to a focus on areas dictated by available funding. Current funding from non-government sources is used for various purposes such as purchasing nursing equipment, providing scholarships, and developing programs like STEM in Sport, Community English, and PKUC's Year 13 Programme.</p> <p>The ad-hoc nature of the PKUC's funding enables it to create and develop programs but necessitates further support to achieve self-sustainability, as demonstrated by their nursing course. In the event the PKUC does not receive funding support from the City of Karratha the PKUC would look to:</p> <ul style="list-style-type: none"> • Reduce education support staff based at the Karratha campus as these positions are not funded by the Federal Government; • Reduce its scholarship programme (including its nursing bursary programme); and • Curtail its ambitions to pursue further education course opportunities such as allied health and education pathways. <p>Direct investment returns to the City is significantly more than the sum of all previous funding from the City to the PKUC. Between 2019 and 2024, the PKUC has paid the City some \$924,254.87 for rent, venue hire and other costs compared to the City's funding totalling \$717,000.</p>