

17.1 FINAL ADOPTION OF LOCAL PLANNING POLICY DP10 – WORKFORCE ACCOMMODATION

File No:	P3283
Responsible Executive Officer:	Director Development Services
Reporting Author:	Planner/Compliance Officer
Date of Report:	10 October 2019
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s)	<ol style="list-style-type: none"> 1. Advertised version of DP10 Workforce Accommodation with recommended minor modifications as tracked changes 2. Workforce Accommodation Supply & Projected Demand Analysis (AEC, 2019) 3. Schedule of Submissions

PURPOSE

For Council to consider final adoption of Local Planning Policy (LPP) DP10 – Workforce Accommodation, with recommended minor modifications.

BACKGROUND

At the December 2017 Ordinary Council Meeting, Council resolved to adopt a revised draft version of Local Planning Policy DP10 – Workforce Accommodation (Draft DP10) for the purpose of public advertising. This latest version of DP10 was prepared concurrently with a final version of Scheme Amendment No.39 to the City of Karratha Local Planning Scheme No.8 (LPS8), which was adopted for final approval by Council at the same meeting.

The advertised version of DP10 addresses five key policy considerations:

Policy Consideration	Policy Position
Duration	All workforce accommodation approvals will be time-limited. The duration of time-limited approvals will be determined based on consideration of the factors listed below
Need	Proposals must demonstrate that demand exceeds supply
Location	Workforce accommodation proposals must be compatible with surrounding land uses and contribute to activity centres
Design	Built form and interface with public areas must be of high amenity
Integration	Patrons should be a part of the community and not be isolated

Since public advertising, the review of DP10 has been on hold pending finalisation of Scheme Amendment No.39. Scheme Amendment No.39 was approved by the Minister for Planning on 20 September 2019. Accordingly, DP10 can now be finalised.

Recommended Modifications

The following considerations have resulted in recommended modifications to the advertised version of DP10:

- Points made in submissions;
- A review of decisions that have been made on Workforce Accommodation proposals since Council adopted the version of DP10 for publicly advertising;
- Comments received as part of consulting on Scheme Amendment No.39, including the modifications required by the Minister following WAPC review; and
- Use of terminology consistent with the Planning Regulations.

The recommended modifications to DP10 are listed in the table below:

Issue raised	Recommended modifications
Use terminology for workforce accommodation that is consistent with the land use definition in the Planning Regulations and LPS8.	The LPP includes reference to ‘transient workforce accommodation’, ‘workforce accommodation’ and ‘WA’. It is recommended the revised LPP refer to the land use as ‘workforce accommodation’.
Where there is a reference to Clause 5.1 of Town Planning Scheme No.8 (TPS8), this shall be replaced with the relevant section in the Planning Regulations since this clause in TPS8 no longer applies under the current LPS8.	Clause 2 – Application, Replace the following: ‘This Local Planning Policy (the Policy) is made pursuant to Part V, Clause 5.1 of City of Karratha Town Planning Scheme No. 8 (the Scheme).’ With This Local Planning Policy (the Policy) is made pursuant to Schedule 2, Part 2, Clause 4 of the Planning and Development (Local Planning Schemes) Regulations 2015.
Where there is a clear demonstrated need, Council can consider granting development approval for a maximum period of ten years from the date of occupation. Where the need for the specific development is not explicitly stated, but the proposal is consistent with Council policy aims/objectives, Council may grant development approval from date of approval.	New sentence to end of Clause 5.1.5 – ‘Where there is a clear demonstrated need for a Construction Workforce, a maximum ten year time limited approval may be granted from the date of occupation.
Pilbara Development Commission raised in their submission when the draft DP10 was advertised that reference to ‘Building Code of Australia’ be replaced with the ‘National Construction Code’. The City’s Building Services agree with this recommendation.	Clause 5.4.7 Replace ‘Building Code of Australia’ with ‘National Construction Code’ (NCC).
Draft DP10 should not single out specific zones. It should be clear that workforce accommodation applications proposed on any land parcel in the City of Karratha, irrespective of zoning, must meet the	Clause 5.5 – Community Integration. Remove the opening statement: ‘Workforce accommodation proposed within the City Centre, Town Centre, Commercial, Urban Development and Residential zones are

<p>provisions of this clause, which states that any applications for workforce accommodation must be accompanied by a Social Impact Assessment and a Social Impact Management Plan.</p>	<p>required to integrate and be compatible with, the existing and future planned urban environment, and must meet the following provisions’</p>
<p>There is a reference to Clause 9.1 of TPS8. TPS8 has since been reviewed, and under LPS8 this clause does not exist. This clause refers to agreements between Council and applicants relating to contributions in respect of land.</p> <p>It is recommended to replace the above non-existent clause with reference to Schedule 2, Part 10, Clause 78 of the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i>, which states:</p> <p>78. Powers of Local Government (1) For the purposes of implementing this Scheme the local government may- (a) enter into an agreement in respect of a matter relating to this Scheme with any owner, occupier, or other person having an interest in land affected by this Scheme.</p>	<p>Clause 5.5.3 Replace the following sentence with reference to Regulation 78 of the Planning Regulations: ‘In accordance with Clause 9.1 of TPS 8, agreements can be reached between the Applicant and the Council regarding contributions to be made, the basis upon which contributions are made and the application of those contributions.’</p>
<p>The Policy should reflect Council’s recent decision to support the Ranges Stage 2 development, which was granted a time-limited Development Approval as Workforce Accommodation, after which the development will transition to Holiday Accommodation.</p>	<p>Clause 5.4 – Design Insert new clause: 5.4.9 Where applications for workforce accommodation in a suitable location propose a transition to a permanent form of accommodation (not to be used as workers accommodation) after the time-limited approval period will lapse, it may be supported, subject to the need for the transitional Workforce Accommodation use being demonstrated as a condition of approval and meets all other Policy considerations.</p>
<p>Where there is a reference to Clause 6.5.4 of TPS8 – Transient Workforce Accommodation, this shall be deleted. Clause 6.5.4 of TPS8 has been removed and is no longer in effect under LPS8.</p>	<p>Clause 6 – References to Related Documents Remove the following: Town Planning Scheme No.8 Clause 6.5.4 – Transient Workforce Accommodation</p>

All recommended modifications to the advertised version of draft DP10 have been marked as tracked changes (Attachment 1) and are described and explained under the Policy Implications section in this report. All recommended modifications are considered minor.

Workforce Accommodation Supply and Projected Demand Analysis (March 2019)

A Workforce Accommodation Supply and Projected Demand Analysis has been undertaken to provide a better understanding of the supply and demand context and to allow supply and

demand to be considered as part of preparing or assessing Workforce Accommodation proposals (Attachment 2).

The analysis indicates an oversupply of workforce accommodation beds in the City of Karratha, with an estimated base demand of 2,750 beds and a current supply of 3,073 beds (excluding the redeveloped Bay Village site and renovated and reopened Peninsula Palms). The AEC Report identifies four main workforce categories contributing to workforce accommodation demand:

1. Construction workforce, major projects;
2. Construction workforce, general projects and subcontractors;
3. Periodic maintenance shutdown, major projects; and
4. Operational workforce, integrated with the community, options for these workers to transition to residential forms of accommodation.

The way each of these workforce categories should be accommodated as part of a comprehensive workforce accommodation strategy that is accepting of the need for FIFO workforces but that is also aligned with the Council's vision, is set out in draft DP10.

In addition to the current supply of 3,073 beds, the workforce accommodation at the Ranges was approved for a 1,288 bed facility. The City has since received an application for Gap Ridge Village which proposes 2,500 beds, and is aware of a proposal at Madigan Estate for a 1500 bed facility. This totals an additional 5,288 additional beds, noting that Gap Ridge Village and Madigan Estate facilities are under consideration, with no final decision made yet. These workforce accommodation facilities are all linked to construction projects and not for general FIFO accommodation.

LEVEL OF SIGNIFICANCE

In accordance with Council Policy CG-8 Significant Decision Making Policy, this matter is considered to be of high significance in terms of social issues, parties affected and Council's ability to perform its role.

COUNCILLOR/OFFICER CONSULTATION

This item was presented at the December 2017 Ordinary Meeting of Council, and officers have regularly updated Councillors on the status and progress of Scheme Amendment No.39 and DP10.

COMMUNITY CONSULTATION

Draft DP10 was publicly advertised from 17 January until 14 February 2018 (28 days in total). Six submissions were received on DP10. These submissions are summarised in the Schedule of Submissions (Attachment 3). Should Council resolve to adopt DP10 for final approval, all submitters shall be notified.

STATUTORY IMPLICATIONS

DP10 has been made in accordance with Schedule 2, Part 2, Clause 4 of the *Planning and Development (Local Planning Schemes) Regulations 2015*. Adoption of DP10 (in addition to the Scheme provisions introduced via Amendment No.39) will provide the necessary statutory planning policy framework to assess Development Applications for Workforce Accommodation in the City of Karratha.

The City acknowledges and recognises the operation of State Agreements within the City, noting that the development of certain workforce accommodation facilities within the City may be provided for by State Agreements.

POLICY IMPLICATIONS

DP10 has been revised with minor modifications that have been influenced by a number of decisions on Workforce Accommodation development applications that have been made since Council’s December 2017 resolution. The revised DP10 compliments the changes to LPS8 through Scheme Amendment No.39 being approved.

FINANCIAL IMPLICATIONS

There are no financial implications.

STRATEGIC IMPLICATIONS

This item is relevant to the Council’s approved Strategic Community Plan 2016-2026 and Corporate Business Plan 2016-2021. In particular, the Operational Plan 2019-2020 provided for this activity:

Programs/Services:	2.c.1.1	Planning Services
Projects/Actions:	2.c.1.1.2	Finalise Workforce Accommodation Scheme Amendment and related Local Planning Policy

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	N/A	Nil
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	Moderate	Workforce Accommodation developments are of interest in the community.
Compliance	Moderate	All Workforce Accommodation applications will be subject to assessment against the provisions of LPP DP10.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer’s recommendation.

RELEVANT PRECEDENTS

The City often reviews LPP’s and makes amendments following public advertising.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:

Option 1

As per Officer’s recommendation.

Option 2

That Council by SIMPLE Majority pursuant to Schedule 2, part 2, Clause (3)(b)(iii) of the *Planning and Development (Local Planning Schemes) Regulations 2015* RESOLVES to NOT PROCEED with the revised draft Local Planning Policy DP10 – Workforce Accommodation, until it has been advertised in accordance with Schedule 2, Part 2, Clause 4 of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

CONCLUSION

A comprehensive review and consultation process to the draft revised version of Local Planning Policy DP10 has been undertaken.

Amendment No.39 has only recently been granted final approval, which now allows DP10 to be finalised. Since advertising of DP10, officers have reviewed all submissions. Furthermore, officers have reviewed the advertised version of DP10 based on a number of decisions on Workforce Accommodation development applications that have been made since Council's December 2017 resolution. The passing of time and this review process has resulted in some recommended minor modifications.

The revised DP10 is consistent with the WAPC Statement which provides comprehensive guidance for decision making on workforce accommodation proposals. There were no major objections received through advertising, and the revised DP10 compliments the changes to LPS8 through Scheme Amendment No.39 being approved. It is recommended that DP10 be adopted for final approval with the minor modifications as tracked in Attachment 1.

OFFICER'S RECOMMENDATION

That Council by SIMPLE Majority pursuant to Schedule 2, Part 2, Clause 5 of the *Planning and Development (Local Planning Schemes) Regulations 2015* RESOLVES to PROCEED with Local Planning Policy – DP10 Workforce Accommodation as modified, shown in Attachment 1 to this report.



TOWN PLANNING SCHEME NO.8 LOCAL PLANNING POLICY DP10 WORKFORCE ACCOMMODATION

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1. OBJECTIVE

The purpose of this Policy is to guide assessment and decision-making on development applications for **transient** workforce accommodation.

The overarching objective of this Policy is to manage the development of workforce accommodation with a longer term aim to maximise the resident workforce and ensure that where workforce accommodation is provided, that it is designed appropriately and contributes to the City's vision of Australia's most liveable regional City.

The specific objectives of this Policy are to:

- a) Manage the provision of workforce accommodation by requiring proponents of prospective workforce accommodation proposals or renewal requests to **demonstrate an identified need** for the beds and that such proposals are not speculative in nature.
- b) Ensure that the flexibility afforded in the location of workforce accommodation is balanced with controls that facilitate **development appropriate to the location**, and where development occurs within an urban setting, recognises principles of reciprocal benefits that can be realised for the local community and local business from an integrated workforce accommodation facility.
- c) Provide guidance and performance criteria to enable the preparation and assessment of proposals which are **appropriately designed** commensurate to their location.
- d) Facilitate development which enables occupants to integrate with the community and town services, recognising that an **appropriately integrated** workforce accommodation facility has the potential to form the foundation for the development of an urban centre.
- e) Enable decision makers to apply discretion in a responsible manner regarding the **duration (term) of approval** for a proposed development, acknowledging that workforce accommodation should be a temporary and transitional use.

2. APPLICATION

This Local Planning Policy (the Policy) is made pursuant to [Part V, Clause 5.1 of City of Karratha Town Planning Scheme No. 8 \(the Scheme\) Schedule 2, Part 2, Clause 4 of the Planning and Development \(Local Planning Schemes\) Regulations 2015](#).

This Policy applies to applications for Planning Approval for workforce accommodation made on land in all zones and reserves within the City. This Policy also applies to requests to renew the approval for existing workforce accommodation facilities on time-limited approvals.

This Policy provides further interpretation of the [City of Karratha Local Planning Scheme No.8 \(the Scheme\)](#) in terms of how the Council applies discretion to decision-making on applications for workforce accommodation in the City. The Policy also provides guidance for the consideration of workforce accommodation proposals under other legislation referred to the City for comment. The Policy further aims to set out the information requirements and provisions the City shall have due regard to in the assessment and determination of development applications.

The Policy is to be read in conjunction with the Scheme and any other relevant local planning policy.

3. CONSEQUENCES

This policy represents the formal policy and expected standards of the Council. Appropriate approvals need to be obtained prior to any deviation from the policy. Disregard for the policy is likely to result in delays in approval processes and a dissatisfied local community. Elected Members and Employees are reminded of their obligations under the Council's Code of Conduct to give full effect to the lawful policies, decisions and practices of the Council.

4. BACKGROUND AND COUNCIL POSITION

4.1 Background

The State Planning Strategy 2050 (WAPC, 2014) promotes substantial growth in population in the Pilbara over the next 30 years and seeks to balance competing demands. Statement of Planning Policy No.3 – Urban Growth and Settlement (WAPC, 2006) seeks to promote a sustainable and well planned pattern of settlement across the State, build on existing communities with established local and regional economies and manage the growth and development of urban areas in response to social and economic needs of the community, and in recognition of relevant community values. The Pilbara Planning and Infrastructure Framework (WAPC, 2012) anticipates that fly-in fly-out (FIFO) will have a lesser role in the work-living equation as the level of services, facilities and general amenity increase in cities and towns, making them more attractive places in which to live. There has been substantial investment in making this transformation.

The incorporation of workforce accommodation in a community is a complex issue. The resources sector and its peak bodies (i.e. the Chamber of Minerals and Energy) have a position that access to FIFO labour is an essential element of their operations. Local communities benefit from having workers and their families permanently located in their towns and can suffer negative impacts from a large FIFO presence.

It is acknowledged that the need for workforce accommodation is always changing. Experience shows that workforce accommodation can be established quickly to accommodate sharp spikes in demand but it should not be the preferred long term strategy. The supply of workforce accommodation should therefore be managed. This in-principle position has implications for any existing or proposed workforce accommodation development. The primary implications are that workforce accommodation should be subject to a time limited approval to allow for their need to be reviewed over time and that any workforce accommodation proposal should be justified based on demonstrated need.

Four main categories of ~~FIFO worker~~ [workforce accommodation](#) can be identified. Each has different requirements for accommodation arising from a combination of the nature of their work, their work hours/shift roster and the specific requirements of the project on which they are working.

1. Construction workforce, major projects. Workforce scale is very large with extended work hours and a temporary workforce.
2. Construction workforce, general projects and sub-contractors. These generally are engaged for a relatively shorter timeframe, with variable shift patterns, and may seek accommodation in general market workforce accommodation facilities provided by independent operators.
3. Periodic maintenance shutdown, major projects. These are characterised by very short term engagements of multi-skilled teams and extended shift patterns. The nature of the project task means that resource companies prefer control for the period of works with a preference for dedicated workforce accommodation facilities.
4. Operation workforce. These are more likely than other categories to include long term FIFO arrangements and for some to have shorter shift rosters.

The Council's preference is for workers to be accommodated in more integrated forms of town-based accommodation wherever possible, preferable dwellings. Operational workers are employed on a long term basis and ideally from a local community perspective, these workers

should be residential. There should at least be plans or options for these workers to transition to residential.

While Council's preference is clear, where FIFO operational workers are to be accommodated on a long term basis, Council expects their accommodation to be: of a high standard; suitably integrated with surrounding development and the community; and not a typical camp design or layout appropriate to an isolated/remote camp. Integration can bring a range of advantages – to the community in the form of an increased population within commercial catchments with consequent commercial and social benefits – and to the FIFO workforce with opportunities for involvement in the wider community on a regular basis.

The objectives of this Policy are consistent with the report on the parliamentary enquiry into FIFO practices by the House of Representatives Standing Committee on Regional Australia which noted:

...the (FIFO) work practice is eroding the liveability of some regional communities to such an extent that it is increasingly removing the choice to 'live-in' rather than simply 'cash-in'

and

Policy makers must develop a policy mix that ensures the FIFO/DIDO (Drive-In Drive-Out) work practice does not become the dominant practice, as it could lead to a hollowing out of established regional towns, particularly those inland.

In light of the above, workforce accommodation must be managed carefully, with a long term aim to minimise its use and maximise the residential workforce. This is a consistent approach for policy settings across all tiers of government in most if not all communities with a strong resources economy.

4.2 Council Position

The City of Karratha's position on Workforce Accommodation is set out as follows:

- a) The Council acknowledges the critical role Workforce Accommodation plays during the construction phase of major resource projects and to accommodate peak short-term workforce requirements associated with maintenance shut downs;
- b) The Council recognises that there needs to be a base-level supply of [WA Workforce Accommodation](#) beds. A base-level supply has been identified (AEC report 2016) which will be regularly reviewed and updated;
- c) The Council acknowledges the need for remote [WA Workforce Accommodation camps](#) for specific projects;
- d) The Council's preference is for operational workers to be town-based and the City will work with industry and the State Government to pursue options for increasing town-based workers;
- e) The Council's aspiration is for workforce accommodation needs to be met as much as possible through more permanent forms of town-based accommodation;
- f) The Council is committed to helping to grow and develop the local community and the local economy. Workforce accommodation facilities incur a relative loss of contribution compared to a resident workforce;
- g) It is Council's intention to transition towards a residential workforce over time. Accordingly, workforce accommodation is approved on a temporary basis in all cases. The intention to transition over time towards a residential workforce should be shared;
- h) Only [WA Workforce Accommodation](#) developments that are sufficiently integrated into the community shall receive longer term approval provided they meet the requirements of this policy; and
- i) The Council believes a community contribution should be made by [WA Workforce Accommodation](#) proponents at the time of initial approval as there is a relative loss of community service and benefit in approving [WAs Workforce Accommodations](#) due to association with FIFO working arrangements.

5. POLICY MEASURES

(MATTERS TO BE CONSIDERED IN EXERCISING DISCRETION)

5.1 Time Limited Approvals

Transient Workforce Accommodation is by its definition a temporary land use and therefore, unless specified otherwise below, any approval will be subject to a time limit. The following provisions apply:

- 5.1.1 Where existing workforce accommodation has a time unlimited approval, works including upgrades and maintenance, shall enjoy the same time unlimited approval rights. Should an increase in the number of beds be proposed, a time limited approval shall be applied to the entire workforce accommodation facility.
- 5.1.2 New workforce accommodation applications can be approved for a maximum period of ten years. Longer term approval periods exceeding ten years, may be approved where performance criteria set out in this policy are met.
- 5.1.3 Extensions of time may be permitted for a maximum period of five years.
- 5.1.4 Construction camp types of workforce accommodation shall be approved for a timeframe based on the timeframe for the related construction project.
- 5.1.5 Applications for new workforce accommodation and/or extensions of time limits will require lodgement of a new planning application. New applications will be subject to the current planning framework at the time of determination.
- 5.1.6 Applications for workforce accommodation will be required to identify the time period for which they are seeking development approval. In considering applications for development approval, decision makers will consider the consistency of the proposal with the planning framework at the date of application.
- 5.1.7 Decommissioning/transition plans are required. As a minimum, a condition will be included on any approval requiring a decommissioning or transition plan to be lodged with the Council 18 months prior to the expiry of the planning approval or a reduced time period considered appropriate at the discretion of Council.
- 5.1.8 At the conclusion of the approved timeframe, the planning approval will expire.

5.2 Need

Proposals for new workforce accommodation facilities, requests to extend approval periods for existing workforce accommodation facilities or proposals to increase the number of beds associated with existing facilities must be accompanied by information that demonstrates need.

Major projects that require review of workforce demands should be the catalyst for review of workforce practices. The potential for existing settlements to accommodate workers should be considered as part of the workforce model for any such project. As such, the need for additional beds must be considered against the capacity of existing settlements to meet the accommodation demands. The following provisions guide how need will be assessed:

- 5.2.1 A proponent of new workforce accommodation, or an increase in the number of beds for an existing facility, must demonstrate a need for the development, as part of their proposal. The need for beds must be demonstrated in the context of workforce accommodation provision across the City and across industry demands.
- 5.2.2 Proponents must demonstrate liaison with the City and evaluation of options regarding capacity in local housing and land supply markets, prior to applying for workforce accommodation facilities associated with major projects.

- 5.2.3 Assertions that there is adequate demand for workforce accommodation to support business investment which are not substantiated with demonstrable demand are not accepted as the basis for demonstrating need for workforce accommodation.
- 5.2.4 Advocating for new workforce accommodation in conjunction with a reduction of workforce accommodation beds elsewhere, is insufficient by itself to demonstrate need for workforce accommodation.
- 5.2.5 Evidence of occupancy, contracts or bookings may contribute to the demonstration of demand for workforce accommodation.
- 5.2.6 Assessment of workforce accommodation proposals must consider the cumulative impacts of multiple [WA workforce accommodation](#) developments on the sustainability and liveability of affected towns and the City generally.

5.3 Location

Workforce accommodation facilities are to be suitably located to deliver the objectives of this policy, guided by the following provisions:

- 5.3.1 The City encourages the provision of workforce accommodation at locations that lend themselves to providing for community integration. Where the location does not lend itself to community integration, the need for contributions to offset the relative community loss should be considered.
- 5.3.2 A workforce accommodation facility for which a longer term approval is sought (greater than ten years) must be co-located and integrated with an activity centre to support local business, activate public spaces and provide opportunities for occupants to interact and engage with the community.
- 5.3.3 Where a longer term approval is sought, proponents should liaise with the City prior to lodgement of an application to determine the suitability of the location for a longer term workforce accommodation facility.
- 5.3.4 Workforce accommodation proposals in urban environments should encourage occupants to mix and contribute to a strong sense of community.
- 5.3.5 Workforce accommodation proposals in City or Town Centres should foster a diversity of activities within the centre, supported by a legible street pattern and generally contiguous and active building frontages positioned at the street front boundary.
- 5.3.6 Remote [WA workforce accommodation](#) camps are considered acceptable where it can be demonstrated that it is not feasible or appropriate for workers to be town based.

5.4 Design

The acceptability of workforce accommodation is dependent upon standards associated with the location that it is intended for. When proposed in an urban setting, a seamless integration of a workforce accommodation facility with its surrounds, is the preferred outcome.

Where a proponent intends to accommodate FIFO operational workers in [WA workforce accommodation](#) on a long-term basis, it is expected that the development to be of a standard commensurate with permanent, high quality residential apartments and suitably integrated with surrounding development. Typical transportable camp buildings and layouts are unacceptable. Proponents intending to provide accommodation for FIFO operational workforces should discuss such proposals with the City to ensure they meet expectations.

The development design guidance provisions are as follows:

- 5.4.1 The standard of development must be commensurate to its location. In this regard, workforce accommodation within existing or proposed urban areas must consider the standard of development appropriate to its location in the design of the facility.

- 5.4.2 Applications for longer term approvals must foster the provision of a balanced and diverse built form which will contribute to the development of an active and interesting character in the public domain.
- 5.4.3 Proposals for longer term approvals must provide contiguous, activated street front development.
- 5.4.4 Proposals for longer term approvals must locate car parking areas behind street front buildings.
- 5.4.5 Proposals for longer term approvals must achieve high intensity land use and built form outcomes, including a range of medium to high density housing, within a walkable catchment of an activity centre.
- 5.4.6 Proposals must consider the compatibility of a use or development with its setting. Associated with this matter are amenity, character, streetscape, scale, integration and similar.
- 5.4.7 Unless an alternative emergency sheltering solution can be demonstrated to the satisfaction of the City, each facility must provide a building(s) designed for emergency (cyclone) sheltering purposes. Such building(s) must be designed to a Building Code of Australia importance level four (4).
- 5.4.8 Building design shall demonstrate regard for the guidelines for Australian Public Safety Shelters Report to Emergency Management Australia (2002).

5.4.85.4.9 Where applications for workforce accommodation in a suitable location propose a transition to a permanent form of accommodation (not to be used as workforce accommodation) after the time-limited approval period lapses and the proposal meets all other Policy considerations, it may be supported, subject to the need for the transitional workforce accommodation use being demonstrated as a condition of approval. permanent

5.5 Community Integration

~~Workforce accommodation proposed within the City Centre, Town Centre, Commercial, Urban Development and Residential zones are required to integrate and be compatible with, the existing and future planned urban environment, and must meet the following provisions:~~

- 5.5.1 All workforce accommodation applications are required to be accompanied by a Social Impact Assessment and Social Impact Management Plan in accordance with Council's relevant local planning policy. If the Social Impact Management Plan does not include contributions*, then other management measures need to be considered satisfactory for the purposes of offsetting any relative net loss in community service and benefit.
- 5.5.2 In considering applications for development approval, the community impacts associated with the development will be considered against DP20: Social Impact Assessment.
- 5.5.3 Contributions may be in the form of:
- The ceding of land for an agreed public purpose;
 - Construction of infrastructure works that are to be transferred to public authorities on completion;
 - Monetary contributions to acquire land, community infrastructure and/or facilities; and
 - Monetary contributions to Council programs and/or services.

~~In accordance with Clause 9.1 of TPS 8, agreements can be reached between the Applicant and the Council regarding contributions to be made, the basis upon which contributions are made and the application of those contributions.~~

~~In accordance with Schedule 2, Part 10, Clause 78 of the *Planning and Development (Local Planning Schemes) Regulations 2015* the local government may enter into an agreement in respect of a matter relating to the Scheme with any owner, occupier, or other person having an interest in land affected by this Scheme.~~

- * If a proponent does not believe a contribution is warranted, then the Social Impact Management Plan needs to clearly articulate in detail, and based on evidence/commitments, the reasons why they believe a contribution is not warranted so this can be considered in determining the merits of the proposal. It needs to be noted that the Council's position on the need for contributions is based on the adverse cumulative impacts of workforce accommodation developments on building sustainable local communities and local economies, not just the impact of an individual workforce on community facilities and infrastructure.

6. REFERENCES TO RELATED DOCUMENTS

~~• **Town Planning Scheme No.8**
Clause 6.5.4 – Transient Workforce Accommodation~~

- **State Planning Policies**
State Planning Framework Policy (Variation No 2)
- **Local Planning Policies**
DP20 - Social Impact Assessment

Other legislative documents which have potential to influence applications:

- *Treatment of Sewage and Disposal of Effluent and Liquid Waste Regulations 1974*
- *Roebourne Liquor Accord 2007*
- *City of Karratha Health Local Laws 1996*
- *Health Act 1911*
- *The Health (Aquatic Facilities) Regulations 2007*
- *City of Karratha Local Planning Strategy*

Policy Number:	DP10
Previous Policy Number:	TS18
Resolution Numbers:	11191-Jun 1998; 11948-Apr 2000; 12738-Sep 2002; 13497-Oct 2004; 14262 – Oct 2007, 14640 - May 2009, 14822 - Sep 2009, 152497-May 2013 (Draft), 152948–Sep 2014 (Draft); 153018-Dec2014
Last Review:	December 2014
Next Review:	December 2016
Responsible Officer:	Manager Planning Services

This Policy takes effect from the date of adoption by Council and shall remain valid until it is amended or deleted.

City of Karratha Local Planning Policy DP10 Workforce Accommodation - Schedule of Submissions

Summary of Comments Received	Officer Response	Officer Recommendation
1. Rio Tinto		
<p>1.1 Rio Tinto has a substantial presence within the City and owns a significant accommodation portfolio. This includes approximately 1500 residential dwellings of which, over 500 dwellings were built/purchased in the last 10 years to support ongoing and expanded port operations.</p> <p>Rio Tinto remain committed to having a residential based workforce within the City, and have introduced policies that encourage choice and flexibility for employees to either rent company owned housing, rent external housing or purchase their own housing. These policies have contributed to the increasing normalisation of the accommodation market, to the extent that now 50% of the Dampier/Karratha based employee households do not reside in company provided housing</p>	<p>Noted. Residential living for operational roles is strongly encouraged and this is reflected in the revised DP10.</p>	<p>No modification recommended.</p>
<p>1.2 Rio Tinto has intentions to refurbish, develop or redevelop many of our existing sites for WA uses in the future as business needs arise. Consequently, this submission seeks to safeguard Rio Tinto's interest within the City's boundaries which include:</p> <ul style="list-style-type: none"> • Existing WA development; • Existing Special Lease land granted under State Agreements which Rio Tinto has access due to our mining operations; and • Freehold land which is owned by Rio Tinto and our subsidiaries. <p>Rio Tinto has recently attended meetings with the City's Technical Officers where we discussed our ongoing operations and new developments, such as at Wickham Village and Peninsula Palms in Dampier.</p> <p>Whilst existing approvals are in place, these discussions notified the City of Rio Tinto's continued rationalising of WA across some of our sites and also notified of our intentions to ensure the ongoing use and operation of other WA developments such as Peninsula Palms.</p>	<p>Noted.</p> <p>Under the draft Policy there remains opportunities to refurbish, develop or redevelop existing and proposed workforce accommodation facilities in a manner which seeks to minimise the proliferation of unnecessary or speculative workforce accommodation.</p> <p>In preparing the draft Policy, the City seeks to collaborate with stakeholders to ensure an appropriate supply of workforce accommodation whilst delivering Council objectives to encourage and enable residential-based workforces where possible.</p>	<p>No modification recommended.</p>
<p>1.3 It is the position of Rio Tinto that our State Agreements provide certain exemptions that have the effect of making it beyond the power of the City to apply the Policy to Rio Tinto facilities.</p>	<p>Noted.</p> <p>The City acknowledges and recognises the existence and role of State Agreements.</p>	<p>No modification recommended.</p>
<p>1.4 Section 4.2(b)</p> <p>The AEC Report has not been released and Rio Tinto has not had an opportunity to review and provide comment. Without review of this report Rio Tinto retains concern of its application as a measure of base-</p>	<p>This Council report publicly releases the AEC Report.</p>	<p>No modification recommended.</p>

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<p>level supply. Notwithstanding, we would be happy to review and provide comment on AEC Group's report.</p>		
<p>1.5 Rio Tinto submits that it has not recently been asked for updated forecasts for FIFO demand by AEC as the report was commissioned over 12 months ago. Rio Tinto submits that industry forecasts can change quickly, as a result of not only new projects, but also from changes in maintenance schedules which can significantly impact the peak demand for accommodation.</p>	<p>Since the time of this submission AEC has contacted Rio Tinto and the results of that contact have informed the final AEC 2018 report which will be made publically available.</p>	<p>No modification recommended.</p>
<p>1.6 Furthermore, the resources sector sentiment can change quickly which may result in rapid accommodation demand, causing price distortion in accommodation markets as new supply has long lead times for approval and construction. Rio Tinto cautions the City against relying on forecasting done at a single point in time and relying on earlier statements such as <i>"no further increase in supply is required"</i> from the AEC report referred to on page 3 of "Shire of Roebourne Town Planning Scheme No. 8 Amendment No 39" prepared by Taylor Burrell Barnett September 2016.</p>	<p>The AEC report has been prepared and updated in 2015, 2016 and 2018. It is the intention of the City to maintain the relevance of the AEC research and findings through ongoing updates to ensure relevance in the consideration of workforce accommodation proposals against Council objectives regarding proliferation.</p>	<p>No modification recommended.</p>
<p>1.7 Rio Tinto submits that the City should build in flexibility to enable supply to respond rapidly when there is a change in demand, driven either by new project construction, or changes in maintenance schedules that impact on peak accommodation demand.</p>	<p>The City acknowledges the need for flexibility to allow for workforce accommodation supply to respond rapidly when there is a change in demand. The demonstration of change in the demand for workforce accommodation would satisfy the draft policy requirements for the demonstration of need. It is not clear from the submission how the draft Policy does not provide flexibility to respond to changes in demand.</p> <p>The Policy seeks to discourage speculative workforce accommodation proposals and approvals, based on potential development, as they undermine efforts to encourage a residential-based workforce where possible. The intent of the Policy is to allow for the demonstration of need to be satisfied where a reasonable degree of certainty can be demonstrated that a project is proceeding, and workforce accommodation associated with the project is warranted, following consideration of workforce accommodation supply across the City.</p> <p>Should rapid demand occur, then need for workforce accommodation may be demonstrated.</p>	<p>No modification recommended.</p>

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	<p>The preference to control workforce accommodation is acknowledged.</p> <p>As stated in the draft Policy, the need for additional beds to be added to the supply of workforce accommodation beds within the City must be demonstrated in the context of workforce accommodation provision across the City and across industry demands.</p>	
<p>1.8 Section 4.2(i)</p> <p>Rio Tinto submits that Workforce Accommodation is subject to increased shire rates in accordance with the City of Karratha's differential rating scheme of \$0.32/\$ GRV for WA compared to \$0,05/\$ GRV for tourist accommodation. In addition, the Community Infrastructure & Services Partnerships between RTIO and the City should be considered as part of our contribution for any existing and future WA developments. Rio Tinto would not support additional monetary contributions requested by the City for a specific development outside of the existing CISP arrangements and shire rates payable to the city.</p>	<p>Noted. The City is not after additional monetary contributed, rather it wishes to ensure that RTIO complies with the Policy.</p>	<p>No modification recommended.</p>
<p>1.9 Section 5.1.1</p> <p>Rio Tinto does not support existing developments which have long-term approvals being unduly restricted as a result of the potential upgrade and provision of additional accommodation. Many of Rio Tinto's existing developments have the potential for expansion due to the provision of existing communal facilities and access to undeveloped land which could be developed for additional accommodation. Whilst additional accommodation provided could be extensive, there is also the opportunity for modest increases in accommodation with refurbishment. With already substantial infrastructure in place, time limiting approvals for existing infrastructure could compromise the development opportunity and outcomes for Rio Tinto.</p> <p>Furthermore, should additional development occur co-located within an existing facility, the incidental increase in rooms should not extinguish the validity of the existing facility approval.</p> <p>As an alternative, should the City insist on time limiting all 'temporary' sites which have expansion proposals, then consideration should be given to allow a measure to be put in place to not unduly restrict sites which may only have modest expansion proposals. The test of significance could be applied to a development, using a metric such as</p>	<p>It is the position of the draft Policy that developments with long term approvals may continue unimpeded until such time as an intensification of the land use is proposed, as represented by an increase in bed numbers. Furthermore, the Policy seeks to create a level playing field in terms of all workforce accommodation being subject to time limited approvals where appropriate (recognising the aforementioned circumstances of development with long term approvals).</p> <p>Time limitations have been placed as conditions of Development Approval onto workforce accommodation proposals as they are temporary in nature. Appropriately designed and integrated workforce accommodation may be suitable for longer term approvals and the proposed Policy allows for longer term approvals to be granted.</p> <p>The ten-year timeframe with option for five-year extension has been proposed following a review of conditions relating to time limitations upon workforce accommodation proposals approved over the last decade.</p>	<p>No modification recommended.</p>

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<p>increase in accommodation rooms of greater than 20 % yield being significant and therefore warranting new development applications.</p>		
<p>1.10 Section 5.1.3</p> <p>Rio Tinto does not support the five-year maximum for extension of time associated with existing approvals. Rio Tinto submits that Council should provide five years as a guide for extension periods, with discretion for Council to increase the time period for extensions on a case by case basis. This would enable Council to consider proposals that have a more significant development investment to be treated differently to those facilities of a lower investment standard.</p> <p>Rio Tinto submits that it is important for the City to have the ability to provide subsequent approvals for existing facilities through a longer-term period which aligns with Rio Tinto's objectives. Longer-term approvals provide security for Rio Tinto for its ongoing supply to support operations workforce requirements.</p>	<p>As per Officer Response No.1.9.</p>	<p>No modification recommended.</p>
<p>1.11 Section 5.1.8</p> <p>Rio Tinto submits that flexibility should be accommodated to allow an approval to remain in place or be suspended if a facility is placed into care and maintenance. It is important that Rio Tinto can then seek to reopen existing sites with the certainty of existing / past approvals still being applied without the need to revisit approval procedures.</p>	<p>Irrespective of whether a workforce accommodation facility is active or in care and maintenance, there is a need to review the merit of retaining the facility and consideration against the impact that a potential oversupply of workforce accommodation beds may have upon the local community, in the opinion of the City.</p>	<p>No modification recommended.</p>
<p>1.12 Section 5.2.1</p> <p>Rio Tinto requests the City to provide flexibility regarding where and when demonstration of need is applied. Rio Tinto should not be placed at an unfair advantage regarding the upgrade and or expansion of its existing facilities as a result of this provision, which could possibly create a barrier for entry and create an unfair advantage for incumbent operators with permanent tenure.</p>	<p>The demonstration of need should be applied to all prospective workforce accommodation for consistency and equality.</p>	<p>No modification recommended.</p>
<p>1.13 It is not considered appropriate for the City to review commercial negotiations between incumbent operators and resource companies such as Rio Tinto, when demonstrating the need for additional beds.</p>	<p>The City has no intention of reviewing commercial negotiations. Public announcements regarding the progression of projects to a stage where workforce accommodation needs may be seriously entertained would, in most circumstances, satisfy the proposed demonstration of need requirements.</p>	<p>No modification recommended.</p>
<p>1.14 Section 5.2.5</p> <p>Rio Tinto suggests that this list includes reference to future projects</p>	<p>As per Officer Response No.1.7.</p>	<p>No modification recommended.</p>

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<p>1.15 Section 5.2.6</p> <p>Rio Tinto submits that this requirement is not feasible for a single proponent to provide as part of an individual application for a new or expansion of an existing facility. This is a regionally significant issue which should be led and undertaken by the City of Karratha for the reasons of the significant scope; access to information; and to ensure transparency.</p>	<p>The submitter refers provision 5.2.6 which states: <i>'Assessment of workforce accommodation proposals must consider the cumulative impacts of multiple workforce accommodation developments on the sustainability and liveability of affected towns and the City generally.'</i> This provision relates to the assessment of workforce accommodation proposals by regulatory bodies rather than information to be included within applications by proponents.</p>	<p>No modification recommended.</p>
<p>1.16 Section 5.4</p> <p>This requirement indicates a standard commensurate to high quality residential apartments. In the first instance, this can only be measured subjectively and if it is the City's endeavour to appropriately measure the form of development proposed, then a set of design guidelines or similar, should be formulated to provide better guidance for proponents and the decision making bodies. Residential apartment terminology is also a different housing typology to that of Workforce Accommodation, where that latter could be considered more akin to motel type development.</p>	<p>Design guidelines are not considered necessary as there are examples of integrated workforce accommodation which may be emulated. The Cajuput villas as an apartment style development within the catchment of an activity centre is the prime example of this.</p>	<p>No modification recommended.</p>
<p>1.17 In addition to the above, decision making relating to the appropriateness of design needs to take into consideration the location and context in which it is proposed. Residential apartments are generally constructed in locations where higher density is warranted, for example where there are amenity and facilities to support it. This is not necessarily the case for all Workforce Accommodation where lower density detached facilities are required. Therefore, the Policy needs to be flexible in its application of design standards.</p>	<p>Noted.</p> <p>The Policy is intended to be flexible and enable higher density, apartment style workforce accommodation in urban locations. It is noted that Scheme Amendment No.39 seeks to expand the land use zones where workforce accommodation may be a discretionary land use and includes the City Centre zone.</p>	<p>No modification recommended.</p>
<p>1.18 Recognition of partial high quality permanent built form within developments enabling longer term approvals is necessary. For example, a major project may have a larger construction than smaller ongoing operation and shut/project workforce. Flexibility is required to develop both transportable and high quality permanent construction accommodation within the same development. The transportable portion requires time limited approvals for the construction phase and the high quality permanent build accommodation should be granted permanent approval as warranted by this standard of construction.</p>	<p>A staged proposal may be considered on its merits. Furthermore, a design which balances a partial high quality permanent built form which screens traditional style workforce accommodation, may be considered.</p>	<p>No modification recommended.</p>
<p>1.19 Section 5.4.3</p> <p>This requirement is not supported by Rio Tinto as it is too prescriptive and does not provide flexibility to take into consideration the aspects of</p>	<p>Provision 5.4.3 states: <i>'Proposals for longer term approvals must provide contiguous, activated street front development'</i>. This requirement highlights the expectation of the draft Policy that</p>	<p>No modification recommended.</p>

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<p>a particular development such as context and location. Whilst in some circumstances this design approach is suited, it is not suited in all circumstances. As mentioned above, requirements such as this are better suited in a document such as design guidelines which can give consideration to a number of circumstances.</p> <p>This requirement also does not take into consideration proposals which are for expansion of existing facilities where this requirement may not be able to be achieved.</p>	<p>proposals for longer term approvals will be appropriately located and integrated i.e. within the catchment of an activity centre.</p> <p>The provision of contiguous street front development is considered to allow for greater opportunity for a proposed workforce accommodation facility to integrate with adjacent built form. It also addresses the concern of workforce accommodation providers regarding public access into facilities. This concern has been used to justify workforce accommodation facilities being surrounded by fencing.</p>	
<p>1.20 Section 5.4.4</p> <p>For similar reasons to that specified for Section 5.4.3 above, this requirement is not supported by Rio Tinto.</p>	<p>As per officer response No.1.12.</p>	<p>No modification recommended.</p>
<p>1.21 Section 5.5.1</p> <p>As mentioned above, the requirements relating to the preparation of a Social Impact Assessment and or a Social Impact Management Plan should be fit for purpose for the proposed development. Rio Tinto suggests that flexibility be provided in order to provide measures or scale when the preparation of such documents should be applied. This should similarly be applied in the context of the type and detail contained within such documents. There should also be flexibility to accommodate the preparation of such documentation as conditions of development approval, rather than 'upfront' as part of development applications.</p>	<p>Agreed that social impact assessments should be fit for purpose. As per Development Policy No. 20 Social Impact Assessment, proposals are assessed on their merits.</p> <p>Development Policy No.20 states Council position that potential social impacts should be identified as early as possible, where there is likely greatest flexibility and opportunity to maximise positive impacts and minimise and offset negative impacts. This would occur at the proposal scoping stage rather than as a condition of development approval.</p>	<p>No modification recommended.</p>
<p>1.22 Section 5.5.3</p> <p>The requirements specified under this Section are not supported by Rio Tinto as they are ambiguous and provide no certainty for which Rio Tinto can make decisions regarding development. Should the City wish to pursue this approach, then a set of defined criteria are required to provide certainty and understanding for proponents.</p> <p>Rio Tinto submits that the extensive investment made through the Community Infrastructure & Services Partnerships with the City (as outlined earlier in Section 4.2 (1) should be considered as part of our contribution for any existing and future WA developments. Rio Tinto would not support additional monetary contributions requested by the City for a specific development.</p>	<p>The current version of Development Policy No.10 includes a Framework for Contributions and was prepared in consideration of Clause 4.4 of Town Planning Scheme No.8 which states as one of the matters to be taken into account when determining the merits of a proposal: 'the potential loss of any community service or benefit resulting from the planning approval.'</p> <p>Research shows that there is a relative net loss in community service and benefit as a result of FIFO workforce accommodation compared to residential based workforce. This relative loss, and any contribution towards offsetting shall be considered, among other matters, in determining the merits of a proposal.</p> <p>The draft version of Development Policy No.10 states that '<i>In accordance with Clause 9.1 of Town Planning Scheme No.8, agreements can be reached between the Applicant and the Council regarding contributions to be made, the basis upon which</i></p>	<p>No modification recommended.</p>

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	<p><i>contributions are made, and the application of those contributions.</i> From this statement it is clear that there is flexibility to reach agreement on contributions which is recognised as a complex matter.</p> <p>As stated within the existing and proposed DP 10: <i>'If a proponent does not believe a contribution is warranted, then the Social Impact Management Plan needs to clearly articulate in detail, and based on evidence/commitments, the reasons why they believe a contribution is not warranted so this can be considered in determining the merits of the proposal.'</i></p> <p>It is noted that Council's position on the need for contributions is based on the potential adverse cumulative effects of workforce accommodation on building sustainable local communities and local economies, not just the impact of an individual workforce accommodation development on community facilities and infrastructure.</p>	
<p>1.23 Rio Tinto has a strong understanding of the manner in which WA is developed and operated in the Pilbara and the consideration necessary at the feasibility stages to understand if a project is viable. The City's position of WA as being temporary in all cases does not reflect the entire reality of Rio Tinto's workforce.</p> <p>WA is both permanent with ongoing demand for maintenance, operational and project needs as well as the more temporary form for defined construction needs. Rio Tinto's experience with building and subsequently decommissioning construction villages such as Kangaroo Hill (500 rooms) and Birra Birra (2400 rooms) as well as our ongoing facilities at Dampier, and Wickham shows that we use both temporary and permanent WA facilities.</p> <p>Rio Tinto appreciates the need to ensure there is integration between WA and the community and town services. However, it is expected that there will always be a need for WA, to allow Rio Tinto to operate and maintain their extensive assets within the City. Having time limited approvals and assuming WA is on a temporary basis in all cases is not compatible with our ongoing need for flexibility in accommodation requirements.</p>	<p>The City does not support permanent workforce accommodation subject to time unlimited approvals.</p>	<p>No modification recommended.</p>
<p>1.24 Rio Tinto submits that the needs analysis requirement may present commercial challenges, particularly if rapid demand exceeds baseline supply. Rio Tinto submits that there are commercial and operational reasons for a resources company to own and operate its own facility,</p>	<p>As per Officer Response No.1.7.</p>	<p>No modification recommended.</p>

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<p>such as Wickham Lodge, Wickham Cajuput Villas and Peninsula Palms rather than rely solely on third party facilities. Indeed, some accommodation demand such as for shut maintenance is volatile in nature and difficult to accommodate with certainty in third party operated facilities.</p>		
<p>1.25 Rio Tinto submits that it requires:</p> <ul style="list-style-type: none"> • the ongoing operation of existing WA facilities; and • sufficient flexibility to obtain approvals for: <ul style="list-style-type: none"> - the development of a range of WA uses on freehold land under our ownership and land we have access to via Special Lease under State Agreement; and - Refurbishment, development or redevelopment of sites with existing Rio Tinto assets that may or may not be currently being used for WA uses. 	<p>The ongoing operation of existing workforce accommodation facilities is unaffected.</p> <p>The draft Policy retains the ability to obtain approvals for new workforce accommodation, including refurbishments and/or redevelopment of existing workforce accommodation.</p>	<p>No modification recommended.</p>
<p>1.26 As detailed, time limiting simple and modest expansion proposals such as refurbishment and improvement of existing facilities could significantly restrict Rio Tinto's operations and town site development / contributions where existing facilities are left unused or not refurbished.</p>	<p>As detailed within the proposed Policy, refurbishments and additions which do not propose to increase the number of beds, would not trigger the application of a time limitation upon a time unlimited development.</p>	<p>No modification recommended.</p>
<p>2. Rowe Group on behalf of Cherratta Lodge, Velocity Village/Velocity Motel and Karratha Village</p>		
<p>2.1 Demonstration of Need</p> <p>Clause 5.2 of the Draft TWA Policy states that: <i>proposals for new workforce accommodation facilities, requests to extend approval periods for existing workforce accommodation facilities or proposals to increase the number of beds associated with existing facilities must be accompanied by information that demonstrates need.</i></p> <p>Council's position is outlined in Clause 4.2 and, amongst other things, refers to a "base-level supply of TWA beds" having been identified in an AEC Group report to the City of Karratha. This key Policy provision has no guidance or basis as the Draft TWA Policy lacks a quantitative figure with respect to what constitutes the "base-level supply of TWA beds". That is, the Draft TWA Policy makes no reference to the specific number of beds that represents the "base-level supply" nor how such a figure was derived.</p> <p>Due to the cyclic nature of the commodities industry and the fly-in/fly-out (FIFO) workforce it employs, it will be difficult to maintain accuracy with respect to the "base-level supply of TWA beds" and to respond to fluctuations in accommodation requirements as a result of economic changes. We have concerns that accommodating the FIFO workforce</p>	<p>As per Officer Response No.1.7.</p>	<p>No modification recommended.</p>

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<p>and responding to changes in the economic conditions will be delayed or frustrated by the ambiguous requirements imposed in Clause 5.2 of the Draft TWA Policy. Unless the City of Karratha is constantly updating and reviewing data relating to the "base level supply of TWA beds" the ability to respond to industry requirements for TWA accommodation will be unnecessarily hindered and open for interpretation.</p> <p>It is requested that the rigid and subjective "demonstration of need" requirements in the Draft TWA Policy be modified to make it clear to existing and prospective TWA operators how the "base-level supply of TWA beds" is measured. Doing so will remove any ambiguities with respect to the demonstration of need provisions and ought to provide greater certainty for the City if an applicant were to contest or appeal the City's assessment/determination of this (ill-defined) term.</p>		
<p>2.2 Time-Limited Approvals on Existing TWA Facilities</p> <p>We have obtained legal advice on the general content of the Draft TWA Policy and, specifically, on the Policy provisions that seek to impose time-limits on existing non-time limited approvals should an increase in the number of TWA beds be sought (at a TWA facility). This would directly impact on the operations of our Client group given they collectively have obtained development approvals (without any imposition of a time-limit) from the City for their existing TWA operations at the subject site.</p> <p>'Attachment 1 - Hotchkin Hanly Legal Advice' contains a copy of the legal advice (dated 2 February 2018) we received in this regard.</p> <p>Hotchkin Hanly has addressed the Policy provision contained in Clause 5.1.1 of the Draft TWA Policy with a recommendation that Clause 5.1.1 not be included in a final version of the Policy for the following (summarised) reasons:</p> <p><i>The concern about the City's strict approach ["due regard" given to the Policy versus "full effect"] particularly finds expression in clause 5.1.1 of the TWA Policy, which appears to require any consideration of a fresh development application to increase a number of beds in Transient Workers Accommodation to result in not only a limitation upon the period of any approval for the increased number of beds, but also a modification to a previous approval which did not carry such limit...</i></p> <p><i>...The Court of Appeal in Reid v Western Australian Planning Commission [2016] WASCA 181 held that a condition of a development approval will be invalid if it does not reasonably refer to the nature of the development, even if it is consistent with a Policy...</i></p>	<p>As per Officer Response No.1.9.</p>	<p>No modification recommended.</p>

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<p><i>...A time limit for future Transient Workers Accommodation to be built may justify the imposition of such a condition, but it should not justify the imposition of such a condition for an existing use which carries no time limit, simply because a Policy attempts to provide the City with an opportunity to do so.</i></p> <p><i>That misconceives the function of conditions for development approval, which the Court of Appeal made clear...</i></p> <p><i>...There is no power residing in the City to unilaterally decide to modify an existing approval by imposing time limits it did not have. The mere insertion of a clause in a planning Policy attempting to provide an opportunity to cap an existing TWA development is not properly a "price" to pay for a fresh development approval, unless it can be shown that there is a nexus between the proposed new development and the need to cap the existing one as part of the new development. What is it about the new development which calls for a time-limit on the old one? If the new development is not undertaken, the condition is unenforceable anyway.</i></p>		
<p>2.3 Community Contributions</p> <p>Clause 5.5 (Community Integration) of the Draft TWA Policy requires TWA proposals in the 'City Centre', 'Town Centre', 'Commercial', 'Urban Development', and 'Residential' zones to be accompanied by a Social Impact Assessment (SIA), Social Impact Management Plan (SIMP) and an outline of appropriate community contributions.</p> <p>On our reading of the Draft TWA Policy, we understand it is not intended that a SIA, SIMP and/or community contributions are required for TWA developments in other zones (including the 'Mixed Business' Zone, which is the zone the subject site is proposed to be altered to under the provisions of Amendment No. 39). To avoid any confusion the Draft TWA Policy should include wording to clarify this position (i.e. that TWA proposals in other zones do not require a SIA, SIMP or community contributions).</p>	<p>As per Officer response No.1.22.</p>	<p>No modification recommended.</p>
<p>2.4 General Comments</p> <p>As outlined in Hotchkin Hanly's legal advice (refer Attachment 1), the Draft TWA Policy conflicts with the deemed provisions of the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i>. In this regard, the legal advice states:</p> <p><i>There are several matters of concern in relation to the draft TWA Policy. Although it provides that it should "guide" assessment and decision-</i></p>	<p>The draft Policy is a guide that informs Council's position on the assessment of Workforce Accommodation applications.</p>	<p>No modification recommended.</p>

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<p><i>making on development applications, clause 3 and the mandatory nature of the way in which requirements have been stated, suggest that the City intends the Policy to be strictly applied. To do so is inconsistent with their obligation under the Deemed Provisions (incorporated into all Local Planning Schemes) to only pay "due regard" to relevant Local Planning Policies, not apply them strictly.</i></p>		
<p>2.5 There are a number of subjective terms used throughout the Draft TWA Policy. These include, but are not limited to, the following matters:</p> <ul style="list-style-type: none"> • No definition (or guidance) with respect to an "identified need" for TWA beds; 	<p>Part 5.2 of the draft Policy discusses need and provisions to guide how need will be assessed.</p>	<p>No modification recommended.</p>
<p>2.6 A lack of detail regarding how a TWA proposal would be deemed to be "appropriate to the location".</p>	<p>It is a stated objective of the proposed Policy to: <i>'Ensure that flexibility afforded in the location of workforce accommodation is balanced with controls that facilitate development appropriate to the location, and where development occurs within an urban setting, recognises principles of reciprocal benefits that can be realised for the local community and local business from an integrated workforce accommodation facility.'</i></p>	<p>No modification recommended.</p>
<p>2.7 A lack of detail regarding what is deemed to be an "appropriately designed" facility commensurate to its location.</p>	<p>The proposed controls which relate to the design of the facility i.e. the provision of contiguous street front development for proposals seeking longer term approvals, will determine whether a proposed facility is appropriately designed commensurate to its location.</p>	<p>No modification recommended.</p>
<p>2.8 A lack of detail regarding how a TWA proposal would be an "appropriately integrated" facility.</p>	<p>Part 5.5 of the proposed Policy provides guidance on how a workforce accommodation proposal would be appropriately integrated into the community.</p>	<p>No modification recommended.</p>
<p>2.9 No technical basis supporting the time-limit provisions referred to in Clause 5.1 of the Draft TWA Policy (i.e. maximum of 10 years and extensions for terms of five (5) years).</p>	<p>The ten-year timeframe with option for five-year extension has been proposed following a review of conditions relating to time limitations upon workforce accommodation proposals approved over the last decade.</p>	<p>No modification recommended.</p>
<p>3. Woodside</p>		
<p>3.1 Response to Draft Policy</p> <p>Woodside is concerned that the Draft Policy adds a layer of ambiguity and uncertainty which is not aligned with business' need for long-term certainty and stability. We need to work together to ensure a supportive regulatory environment that enables the long-term, capital intensive investments that drive our industry. Accommodation security will be essential if we are to successfully pursue our long-term projects on the</p>	<p>Notwithstanding the desire of the resource industry for certainty and flexibility, there is a need for the regulatory environment to consider and balance the objectives of the resources industry and the local community.</p>	<p>No modification recommended.</p>

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<p>Burrup Hub, which are aimed at extending the life of Karratha operations.</p>		
<p>3.2 Background</p> <p>The definitions in Clause 4.1 'categories of a FIFO worker' do not accurately reflect the demographics of Woodside's regular FIFO workforce. A majority of the FIFO workforce are contractor employees engaged on the multi-billion dollar Karratha Life Extension (KLE) project, which is aimed at extending the life of the Karratha Gas Plant. KLE is made up of a series of smaller work packages which are often short-term and/or flexible and/or highly skilled. As such, FIFO is offered for these roles.</p> <p>Another significant demographic in the FIFO workforce are gas plant operators. While these roles are operational, they are also highly skilled and highly sought after, both nationally and internationally. As such, while Woodside prefers to have residential operators, FIFO is also available for these roles.</p>	<p>The categories identified within Clause 4.1 are general in nature and not intended to represent the specific needs of Woodside at the current time.</p> <p>Gas plant operational workforces are captured within the definition of operational workforces. In regard to the competition for human resources and catering to the preferences of employees, it is stated within the proposed Policy that wherever possible, that it is Council's preference for workers to be accommodated within integrated forms of residential-based accommodation.</p>	<p>No modification recommended.</p>
<p>3.3 Time-Limited Approval</p> <p>Clause 5.1 of the Draft Policy relates to time limited TWA approvals.</p> <p>The Draft Policy states that: <i>Transient Workforce Accommodation is by its definition a temporary land use and therefore ... any approval will be subject to a time limit.</i></p> <p>Woodside refers you to the definition of 'Workforce Accommodation' as contained in the <i>Planning and Development (Local Planning Schemes) Regulations 2015 (WA)</i> (which we understand is the land use definition the City is adopting as part of Amendment No. 39). That is, 'Workforce Accommodation' is defined as (underlining for emphasis):</p> <p><i>"workforce accommodation means premises, which may include modular or relocatable buildings, used - primarily for the accommodation of workers engaged in construction, resource, agricultural or other industries on a temporary basis; and for any associated catering, sporting and recreation facilities for the occupants and authorised visitors. "</i></p> <p>The land use definition, and the practice of accommodating FIFO workers, is that the employee/worker is temporary (or transient) but the TWA facility itself may be permanent in nature. This is justified in the wording of the above definition and in the issuing of "development approvals in perpetuity" (i.e. with no time limits), which the City has done for numerous TWA facilities within its municipal boundary.</p>	<p>Reasoning for all workforce accommodation to be subject to time limitations has been provided and considered adequate.</p> <p>The granting time limited approvals became the regular practice following a period of both time limited and time unlimited approvals being granted. The submitter is referring to historical approvals and practices where time unlimited approvals were relatively normal.</p>	<p>No modification recommended.</p>

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<p>3.4 The provisions do not take into consideration any commercial arrangements underpinning proposed TWA facilities, such as leasing terms (and subsequent options) between a TWA operator (lessee) and the landowner (lessor), which is proposed in the case of Bay Village in the State of Western Australia. Longer tenure terms (in leasing documentation) may conflict with the time limited provisions contained within the Draft Policy if applied inflexibly to TWA development approval applications and the Policy is therefore considered inappropriate and inflexible.</p>	<p>Commercial considerations are not considered to be a relevant planning consideration. Leasing arrangements should support and reflect land use approvals. Land use approvals do not need to align with terms of lease.</p>	<p>No modification recommended.</p>
<p>3.5 Woodside has concerns with the proposed time limited approval provisions of the Draft Policy for the following reasons:</p> <ul style="list-style-type: none"> • It is inappropriate to apply a time limited approval on an existing TWA facility that has development approval in place in perpetuity (i.e. with no time limit) should an increase in the number of beds be proposed on that facility. • This provision fails to take into consideration reconfiguring of accommodation modules for the purposes of refurbishment, maintenance or replacing outdated modules that may result in an increase in the number of TWA beds at that facility. 	<p>The draft Policy seeks to create a level playing field in the consistent application of time limitations upon development approvals for workforce accommodation.</p>	<p>No modification recommended.</p>
<p>3.6 It is not clear in what circumstances an approval of greater than ten years could be granted. A consistent approach should be adopted throughout the Policy.</p>	<p>A longer term approval may be granted when:</p> <ul style="list-style-type: none"> • A workforce accommodation proposal demonstrates integration with the community; • Where performance criteria of the proposed Policy are satisfied; • Where a proposed facility is co-located and integrated with an activity centre to support local business, activate public spaces and provide opportunities for occupants to interact and engage with the community; • The City has confirmed the suitability of a location for a longer term workforce accommodation facility; • Where applications for longer term approvals foster the provision of a balanced and diverse built form which will contribute to the development of an active and interesting character in the public domain; and. • Where a proposal achieves high intensity land use and built form outcomes, including a range of medium to high density housing, within a walkable catchment of an activity centre. 	<p>No modification recommended.</p>

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	Notwithstanding the above comments, the Policy states under Clause 5.1.4 that construction camp types of workforce accommodation shall be approved for a timeframe based on the timeframe for the related construction project.	
3.7 A ten-year time limit appears to be at odds with the City of Karratha's preference for accommodation buildings that are high-quality, permanent and look and feel like part of the surrounding community.	The provision of high-quality longer term facilities is accommodated within the proposed Policy through the points raised in Officer Response No.3.6.	No modification recommended.
3.8 Demonstrated and Identified Need Clause 5.2 of the Draft Policy relates to demonstrating a need for a TWA proposal. This provision is a new provision that does not exist in the operative (current) TWA Policy DP10. In Woodside's view, determining workforce needs is a business decision that should not be determined by a local government authority.	The demonstration of the need for additional workforce accommodation beds is necessary to ensure that there is not a gross oversupply and proliferation of workforce accommodation beds within the City. The City seeks to prevent the proliferation of workforce accommodation and discourage proposals that are speculative in nature. Furthermore, given the increased number of land use zones within which workforce accommodation may be considered, as proposed by scheme amendment no.39, then the submitters concerns regarding a sufficient supply of available land is suitably addressed.	No modification recommended.
3.9 An objective of the Draft Policy is to: <i>demonstrate an identified need for the beds and that such proposals are not speculative in nature.</i> The "need for beds" is subjective in itself and is not clearly articulated in the Draft Policy.	As per Officer Response No.1.7.	No modification recommended.
3.10 Although it is the City's underlying assumption that there is ... <i>sufficient existing workforce accommodation to meet current and future demand</i> (see page 7 of the AEC Group Report 2016) it is unclear whether the quality of existing accommodation was considered or whether this assumption is consistent with current industry needs. This assumption appears to underpin the City's current view that Woodside's proposed 700-bed facility is not required.	The quality of existing accommodation and its ability to meet the expectations of the market is considered to be a market concern. There is considerable flexibility to allow for all types of refurbishments to meet the demands of the market with, or without, triggering a requirement for a time limited approval.	No modification recommended.
3.11 The Draft Policy also refers to the "base-level supply of beds" which Woodside argues is another subjective term that may not be supported by qualitative assessments and robust data.	It is not clear why the term 'base-level supply of beds' is subjective. Notwithstanding, the AEC report has been prepared by experts based upon information and analysis which has been made publically available.	No modification recommended.
3.12 The AEC Group Report, which was commissioned by the City, also noted that the closure of the GRV facility would mean that Woodside would need to find alternative accommodation given the significant	This submission refers to the draft and confidential AEC report which has been superseded by the finalised AEC report which is publically available.	No modification recommended.

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Summary of Comments Received	Officer Response	Officer Recommendation
<p>workforce associated with maintenance and shutdown campaigns that are required to operate the Karratha Gas Plant and Pluto LNG Project.</p>		
<p>3.13 Woodside is not supportive of the demonstrated and identified need provisions of the Draft Policy because determining need 10+ years into the future is difficult to accurately predict, as it is contingent on projects going through stringent business analysis before going ahead. A shortage of beds could be a driver in a project not going ahead (considering the significant capital investment that new accommodation facilities require).</p>	<p>It is unlikely that demonstrating need for workforce accommodation beds in ten-year's time would satisfy the proposed requirements relating to demonstration of need as part of preparing and lodging a proposal for development approval.</p>	<p>No modification recommended.</p>
<p>3.14 Woodside is not supportive of the demonstrated and identified need provisions of the Draft Policy as there is no current consideration given to demand from other industries/projects. Woodside needs certainty over bed numbers. Just because there are sufficient beds locally now, does not mean there will be in 5 years. Woodside needs to cover its own 'need' and the most logical way to do this is by having control of its own beds.</p>	<p>The KDCCI Economic Impact Study (2017) had, as a key finding, that there is already sufficient FIFO accommodation within the City at the present time. Since the study, there has been no reduction in the provision of workforce accommodation facilities or beds that the City is aware of.</p>	<p>No modification recommended.</p>
<p>3.15 Location and Community Integration</p> <p>The provisions contained within Clause 5.3 (Location) and Clause 5.5 (Community Integration) of the Draft Policy are (at least in Woodside's opinion) closely linked. Until Amendment No. 39 to the City's Local Planning Scheme No. 8 (LPS 8) was initiated in September 2016 Woodside (and other TWA operators and users) had the benefit of relying on specifically identified TWA zoned land by way of the 'Transient Workforce Accommodation' Zone (TWA Zone).</p> <p>The TWA Zone applies to strategic sites within the City's municipal boundary where a TWA land use has been considered appropriate in terms of its location. The TWA Zone applies to Woodside's Bay Village site and we specifically refer to our previous submissions objecting to the removal of the TWA Zone (by way of Amendment No. 39) and rezoning of TWA zoned sites. Our concerns and arguments contained in our previous submissions are still relevant and ought to be applied to the location provisions outlined in the Draft Policy.</p>	<p>Scheme Amendment No.39 has been approved by the Minister for Planning.</p>	<p>No modification recommended.</p>
<p>3.16 Woodside has issues with the location and community integration provisions of the Draft Policy as the Draft Policy contains no guidelines or quantitative measures that assist in defining "community integration" or "relative community loss". Such terms are considered subjective in the absence of any supporting (measurable) guidelines.</p>	<p>Development Policy No.20 provides guidelines for social impact assessment and preparation of social impact management plans which are referenced within the community integration section of the proposed Policy.</p>	<p>No modification recommended.</p>

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Summary of Comments Received	Officer Response	Officer Recommendation
3.17 The provisions contained in the Draft Policy regarding Social Impact Assessments, Social Impact Management Plans and community contributions are also subjective in nature and lack any meaningful guidance.	Development Policy No.20 was adopted in September 2014 and has been implemented in regard to workforce accommodation related proposals since that time.	No modification recommended.
3.18 The references to 'need for contributions' should reference appropriate offsets from existing or past contributions - Woodside is a significant contributor to Karratha particularly in the areas of education, infrastructure and community grants.	Contributions are not required and Development Policy No.20 recognises flexibility of options for offsetting community impacts.	No modification recommended.
3.19 The 'need for contributions' should also consider the benefits that flow to a community from capital-intensive projects that the transient accommodation workforce supports.	This argument is not supported in isolation and when thorough analysis is conducted into cascading, or trickle-down benefits, then there may be the loss of jobs and/or other community impacts associated with opportunity costs associated with the development. This was evidenced in the economic analysis of the bay village workforce accommodation facility proposal conducted by RFF on behalf of the KDCCI. This Economic Impact Study identified a nett impact post-construction loss of 69 permanent jobs within the community and a negative \$6.6 million per annum to the local economy.	No modification recommended.
<p>3.20 Design</p> <p>Clause 5.4 of the Draft Policy relates to the acceptability of the design of TWA facilities.</p> <p>The Draft Policy states that: <i>Where a proponent intends to accommodate FIFO operational workers on a long-term basis, it is expected that the development to be of a standard commensurate with permanent, high quality residential apartments and suitably integrated with surrounding development.</i></p> <p>The subjective nature of such provisions (particularly in respect of the reference to "a standard commensurate with permanent, high quality residential apartments") in the Draft Policy undermines long-term certainty for our industry with respect to accommodating our workforce.</p>	Appropriately located workforce accommodation i.e. in proximity to an Activity Centre that is built to a high standard, is considered appropriate for longer term approval periods. These developments intergrate workforce accommodation facilities within the towns that they have an integral relationship with.	No modification recommended.
3.21 We do note, however, that through collaboration with the City's planning team, Woodside has made significant progress in implementing design principles for the Bay Village proposal.	Noted.	No modification recommended.
4. Department of Jobs, Tourism, Science and Innovation		
4.1 Section 5.1 - Duration (term) of Approvals	As per Officer Response No.2.9.	No modification recommended.

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<p>The LPP proposes to limit approvals for workforce accommodation proposals to a maximum period of 10 years, with an option/s to extend for a maximum period of 5 years. The LPP does not outline the reasons for selecting the 10 year and 5 year timeframes.</p>		
<p>4.2 Section 5.1.1 of the LPP states that where an increase in the number of beds is proposed, a time limited approval will be applied to an entire workforce accommodation proposal. The Department recommends the City review the rationale and practicality of using such a trigger to retrospectively limit the timeframe of a wider development approval.</p>	<p>As per Officer Response No.1.9.</p>	<p>No modification recommended.</p>
<p>4.3 The lease terms for the underlying land tenure of workforce accommodation proposals typically align with the intended design life of the proposal and the major projects they support. Inconsistencies in the term of approvals across planning, leasing, and project design life can create uncertainty for industry and affect industry's ability to make long term financial investment decisions.</p> <p>The Department recommends the LPP, as a minimum, align the term of an approval for a workforce accommodation proposal with the corresponding term of the underlying lease and / or the intended design life of a proposal.</p>	<p>As per Officer Response No.3.4.</p>	<p>No modification recommended.</p>
<p>4.4 Section 5.2- Demonstrating Need</p> <p>The LPP requires new and extensions to existing workforce accommodation proposals to be accompanied by information demonstrating the need for the proposal.</p> <p>The City refers to the AEC Report in the LPP which identifies a base-level supply of workforce accommodation beds in the City.</p> <p>The timing and extent of demand for workforce accommodation is driven by a range of factors including the economic conditions of the resources industry, the changing and overlapping phases of mining, resource and industrial projects (construction, maintenance, operation), and commercial considerations and decisions.</p> <p>The Department recommends the City recognise the dynamic nature of workforce accommodation proposals in the LPP, and to consider applying a flexible, case-by-case approach in the implementation of the LPP.</p>	<p>As per Officer Response No.1.7.</p>	<p>No modification recommended.</p>
<p>4.5 Further, the requirements of the LPP in relation to demonstrating need are onerous. For example, the following provisions are included in</p>	<p>As per Officer Response No.1.9.</p>	<p>No modification recommended.</p>

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Summary of Comments Received	Officer Response	Officer Recommendation
<p>section 5.2: 'the need for beds must be demonstrated in the context of workforce accommodation provision across the City and across industry demands'; and 'proposals must consider the cumulative impacts of multiple WA developments on the sustainability and liveability of affected towns and the City generally'. Such open-ended provisions will be difficult for proponents of workforce accommodation proposals to define, measure and demonstrate, particularly in a commercially competitive environment where such information is not readily available.</p> <p>The Department recommends the City consider clarifying these provisions.</p>		
<p>4.6 Section 5.3 - Location and Section 5.5 - Community Integration</p> <p>Section 5.3 of the LPP encourages workforce accommodation proposals to lend themselves to community integration.</p> <p>The Department notes that while industries integrate part of their workforce within existing town based facilities, there is still a need for standalone facilities for commercial and operational reasons including the need to quickly accommodate and efficiently manage a large workforce over a short period of time.</p> <p>Section 5.3 of the LPP requires consideration for contributions where workforce accommodation do not lend themselves to community integration. Further, section 5.5 of the LPP requires the preparation of Social Impact Management Plans (SIMP) that include contributions or other management measures that offset any relative net loss in community service and benefit.</p> <p>The requirement for contributions is inconsistent with the WAPC's Workforce Accommodation Position Statement.</p>	<p>As per Officer Response No.1.22.</p>	<p>No modification recommended.</p>
<p>4.7 The LPP does not define or outline the way in which 'relative net loss in community service and benefit' will be measured. This further raises concern that the requirement for contributions is not aligned to the principle of need and nexus i.e. the LPP does not clearly demonstrate the need for the contributions in connection with the demand arising from the workforce accommodation development.</p> <p>The LPP proposes a case by case agreement between an applicant and the City on the contributions to be made, the basis upon which contributions are to be made and the application of those contributions. The Department is concerned that this provision is inconsistent with the</p>	<p>As per Officer Response No.1.22.</p>	<p>No modification recommended.</p>

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Summary of Comments Received	Officer Response	Officer Recommendation
<p>principles that should guide development contributions i.e. transparency, equity, certainty and consistency.</p> <p>The Department strongly recommends the City undertake a thorough review of these provisions in the LPP.</p>		
<p>4.8 Section 5.4 – Design</p> <p>Section 5.1.2 of the LPP states that longer term approvals, exceeding 10 years, may be approved where performance criteria set out in the LPP are met.</p> <p>Section 5.4 of the LPP sets out development design guidance provisions, however, there are no explicit performance criteria set out in the LPP. Further, the design guidance provisions refer to subjective planning principles such as 'active and interesting character', 'streetscape', 'scale' and 'integration'.</p> <p>The Department recommends the LPP define these planning principles in the context of workforce accommodation proposals and the specific zones within which they are located.</p>	As Per Officer Response No.1.16.	No modification recommended.
<p>4.9 Section 5.4 expects workforce accommodation to be of a standard commensurate with permanent, high quality residential apartments, and that typical transportable camp buildings and layouts are unacceptable.</p> <p>This requirement is inconsistent with the WAPC's Workforce Accommodation Position Statement.</p>	As Per Officer Response No.1.16.	No modification recommended.
<p>4.10 Terminology</p> <p>The LPP includes references to 'transient workforce accommodation', 'workforce accommodation' and 'WA'.</p> <p>The Department recommends the LPP refer to 'workforce accommodation' for consistency with the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i>.</p>	This is noted. Terminology should be consistent with the Model Scheme Text, which states 'workforce accommodation'.	Modify Policy to refer to Workforce Accommodation (WA).
<p>4.11 State Agreements</p> <p>The Department recommends the LPP acknowledge and recognise the operation of State Agreements within the City, noting that the development of workforce accommodation facilities within the City may be subject to State Agreement approval.</p> <p>The Department recommends the LPP give due regard to State Agreements when making decisions on development proposals within the City, and to consult with the Department before considering any land</p>	As per Officer Response No.1.3.	No modification recommended.

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use or development proposal that could impact on State Agreement projects.		
5. Pilbara Development Commission		
5.1 The Policy should note the WAPC's position statement on Workforce Accommodation from December 2017, which generally supports the City's policy	Noted.	No modification recommended.
5.2 The Building Code of Australia is now the National Construction Code (NCC).	Noted.	Replace reference to Building Code of Australia with National Construction Code.
6. RFF on behalf of Stayover by Ausco/Kingfisher		
<p>6.1 Time-limited Approvals</p> <p>Provision 5.1.1 outlines that:</p> <p><i>Where existing workforce accommodation has a time unlimited approval, works including upgrades and maintenance, shall enjoy the same time unlimited approval rights. Should an increase in the number of beds be proposed, a time limited approval shall be applied to the entire workforce accommodation facility.</i></p> <p>Ausco has an existing approval for transient workforce accommodation at the above-mentioned premises. This approval is not time-limited. This Policy provision suggests that Council would be able to retrospectively amend a previous approval to impose time-limited conditions. We contest the validity of Council to impose time-limited provisions retrospectively to an approval granted previously and that is not subject to an amendment.</p>	As per Officer Response No.1.9.	No modification recommended.
<p>6.2 Retrospectively applying new Policy to historical approvals is inconsistent with orderly and proper planning applied in such situations. Such situations should rather be dealt with in a non-confirming use type arrangement, whereby, the existing unrestricted time-limited nature of the approval stands (including minor additions or alterations) until such changes are made under the Town Planning Scheme to make the use not-permitted.</p> <p>This approach is consistent with an historically orderly and proper consideration of historical land use rights. It is also the arrangement that</p>	As per Officer Response No.1.9.	No modification recommended.

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<p>would be realised through changes to the local planning scheme as set out in the <i>Planning and Development (Local Planning Regulations) 2015</i> in the Model Scheme Text.</p> <p>Recommendation: Provision 5.1.1 be removed from the Local Planning Policy.</p>		
<p>6.3 Need</p> <p>Policy objectives and provisions under section 5.2 place a strong emphasis on the ability for a proponent to tangibly demonstrate need for additional rooms or an extension to a previous time-limited approval. Evidence is suggested to be based on occupancy, executed contracts or bookings to demonstrate demand/ need.</p> <p>Regulation 3 (3) of the Deemed Provisions of the Planning and Development (Local Planning Schemes) 2015 requires that:</p> <p><i>A local planning policy must be based on sound town planning principles and may address either strategic or operational considerations in relation to the matters to which the policy applies. A local planning policy must be based on sound town planning principles and may address either strategic or operational considerations in relation to the matters to which the policy applies.</i></p>	<p>As per Officer Response No.1.7.</p>	<p>No modification recommended.</p>
<p>6.4 The provisions under section 5.2 of the draft Policy create an environment which could restrict competition in the market and limit the opportunity to create a pipeline of supply to meet industry requirements in the longer term. Restricting competition by relying solely on a current demand profile to consider new proposals jeopardises established, sound town planning-based principles regarding:</p> <ul style="list-style-type: none"> • -The adequate pipeline of land and supply to ensure affordability; and • -Ensure there are opportunities to enable and promote improved quality and diverse accommodation options in communities. 	<p>The assertion that that the provisions under section 5.2 would restrict competition has not been demonstrated.</p>	<p>No modification recommended.</p>
<p>6.5 In our view, consideration of demand within the established town planning framework should focus on ensuring sufficient land has been identified in the Local Planning Strategy (and subsequently Scheme) to ensure affordable land supply and enable economic growth of the region. This is approach is consistent with the State Planning Strategy and Statement of Planning Policy 3 – Urban Growth and Settlement.</p> <p>Recommendation: The demand provisions of the draft Policy be removed and the City ensures through its Scheme review adequate</p>	<p>As per Officer Response No.3.8.</p>	<p>No modification recommended.</p>

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land is identified for workforce accommodation to meet long term demand and support the Local Governments economic development		

WORKFORCE ACCOMMODATION SUPPLY & PROJECTED DEMAND

City of Karratha

Summary Update: March 2019



SUMMARY

BACKGROUND

Workforce accommodation (WA) houses a significant proportion of the workforce (namely the Fly-in Fly-out (FIFO) component) associated with both construction and operational phases of resources and other projects in and around the City of Karratha (the City). Often these are temporary camps, although more permanent structures have been built in recent years.

The incorporation of workforce accommodation in a community is a complex issue. Resources companies and their peak bodies (e.g. the Chamber of Minerals and Energy) have a consistent position that access to FIFO labour is an essential element of their business. Local communities would like to have as many workers as possible based locally to contribute to the community and its economy.

The City's Local Planning Strategy summarises the City's position in relation to workforce accommodation:

'The City accepts the need for WA camps to accommodate short-term construction and maintenance workforces but whereas industry may prefer to use operational FIFO workers it is the City's strong preference for those operations workforces to be accommodated in more permanent forms of town-based accommodation that are well integrated into existing neighbourhoods.'

A long term aim to minimise the FIFO workforce use and maximise the residential workforce is a consistent approach for policy settings across all tiers of government in most if not all communities that depend on the resources economy. However, there is recognition by the City that some level of FIFO labour will be a feature of life for the City for some while. The current indications are that this will be at a reducing scale over time.

As a port and administrative City with a relatively diverse economy (compared with many other resource industry settlements), Karratha is well placed to provide a high level of amenity to residential workers and their families. With the significant government investment in urban infrastructure over recent years, the City now has

high level health and education facilities and services, good leisure and cultural facilities and good urban amenity, making the City's aspirations for an increasing proportion of residential workers increasingly viable.

KEY RESOURCE PLAYERS IN THE CITY OF KARRATHA

The Karratha economy is underpinned by the energy and resources industry.

There are three major resource companies operating in the City (Rio Tinto, Woodside Energy Ltd and Citic Pacific Mining). Each company is currently operating or rolling out mining and energy extraction infrastructure investments worth an estimated \$69 billion. The most significant include the Woodside operated North West Shelf Joint Venture, Woodside's Pluto project, Rio Tinto's operations at Dampier and Cape Lambert and Citic Pacific Mining operations at the Cape Preston Mine and Processing centre.

Outside of Karratha, Chevron has two main projects: Wheatstone and Gorgon - Wheatstone's onshore facilities are located 12 kilometres west of Onslow and Gorgon is located on Barrow Island. Karratha is a logistics and servicing base for Chevron projects, particularly the Gorgon project.

There are several medium scale downstream processing works and some small firms with specialised operations.

PROSPECTIVE PROJECTS

There is a range of projects, generally in the resources, energy and agriculture sectors, that are in various stages of planning and feasibility assessment. Some are by the major companies already in the City and some are by new entrants to the local economy. All rely on the particular location and resource advantages of the City and most build on the City's now well established industrial ecosystem. They range from very large projects to relatively small ones and the timing and probability of each of them varies. Their direct impact on workforce accommodation demand and its timing is difficult to gauge precisely. Larger projects are likely to require a

substantial FIFO construction workforce, but, as new projects, in operations phase might be expected to have a significant proportion (at least 80% and probably more) of workforce as Karratha residents. Smaller projects are likely to have a much higher proportion of Karratha residents both in construction and in operations.

THE CITY OF KARRATHA FIFO WORKFORCE

For the City of Karratha, the continuation of the Fly-in / Fly-out (FIFO) workforce takes place in the context of the overall size of the economy. The number of local jobs sharply increased to a peak of 20,453 in 2011 and then declined to 14,037 in 2017. With prospects of some increase in economic activity in the medium term this figure could rise again. The 2016 Census shows that around 3,520 workers in Karratha on census night lived outside of the area.

The number and proportions of Karratha workers who are not Karratha residents vary widely by industry, with the mining, construction and transport industries making up around two-thirds of the total. A high proportion of the almost 2,400 workers in these industry categories, perhaps up to 40% - 50% or around 1,200 of them, will be in locations classified as remote by the City (e.g. Cape Preston). That still leaves large numbers of FIFO workers in these industries located in the urban areas of the City. It is noteworthy that the other large employment industry categories (Accommodation and Food Services, Public Administration and Safety, Health Care and Social Assistance, Education and Training and Retail Trade) have low numbers of non-Karratha resident workers.

A conclusion to be drawn from this evidence is that the City has good engagement of a local workforce in all industries except the mining and to lesser degree, the construction and transport industries. The City is now at a scale that an increasing proportion of a resident workforce in these industries is viable. The benefits of investment in health and education services, recreation and cultural facilities and urban amenity are becoming manifest.

THE FIFO WORKFORCE AND WORKFORCE ACCOMMODATION DEMAND

Detailed demand assessment has been undertaken for the Karratha urban areas. It excludes the Cape Preston area – this is specific to the Citic Pacific projects and can be separately accounted for. The base data for the demand estimates is derived

from the results of a survey of major resources companies and contractors and local contractors undertaken for this report.

Operations

The survey results provide detailed data on the scale of the FIFO workforce for resource company operations and local contractors for the major on-going construction project, namely the Woodside Karratha Gas Hub life extension project. It thus accounts for the majority of FIFO workers in the Mining, Construction, Transport and Warehousing and manufacturing sectors in Karratha.

Short term demand fluctuations

There are two causes of short-term fluctuations in labour demand:

- **Operations:** there are routine but sometimes irregular aspects of operations of the large resource and processing projects in the City that require a large increase in workforce for short time periods. The maintenance shutdown operations are examples.
- **Construction projects:** While smaller construction projects in the City can be catered for by local contractors with a mostly residential workforce, larger projects require larger workforces and more diverse specialties. The very large major projects can require workforces of several thousand over extended periods. Most of the projects now in prospect for the City in the short to medium term are not at the major project scale, but still could require a temporary workforce of up to 1,000 or more for around 12 months. Beyond 2024, there is the prospect of the Pluto Train 2 project, which would be a major project and would substantially increase workforce accommodation demand and for several years.

The implications for workforce accommodation for each of these categories can then be drawn for the various FIFO categories:

- **Operational workforce.** These are more likely than other categories to include individuals with long term FIFO arrangements (for a range of personal or family reasons) and for some to have shorter (8-hour) shift rosters. The highest proportion of them are employees or direct contractors of the resource majors and are most likely to be accommodated in their facilities in the first instance.

- **Construction workforce, major projects.** Workforce scale is very large with extended work hours and a temporary workforce. In the past this has required the building of bespoke construction camps. These are now almost entirely closed. If new major projects eventuate (for example, Pluto Train 2) this may require the expansion of existing facilities or construction of new facilities.
- **Construction workforce, general projects and sub-contractors.** These generally are engaged for a relatively shorter timeframe, with variable shift patterns, and may seek accommodation in general market workforce accommodation facilities provided by independent operators.
- **Periodic maintenance shutdown, major projects.** These are characterised by very short-term engagements of multi-skilled teams and extended shift patterns. The nature of the project task means that resource companies prefer control for the period of works with a preference for dedicated workforce accommodation facilities. However, they are also commonly accommodated in general market workforce accommodation facilities.

The demand for workforce accommodation can be derived from estimates of the FIFO workforce considering several factors:

- On the one hand, not all FIFO workers will be in Karratha at any one time - the average shift roster means that they are working in Karratha for around two-thirds of total time (i.e. around two weeks out of three). This tends to reduce the total number of rooms required.
- On the other hand, there are many inefficiencies in room supply, including long term arrangements with major companies blocking out rooms; long occupancy periods and correspondingly extended changeover periods between occupancies; and permanent or long-term individual use of rooms for individuals. This tends to increase the total number of workforce accommodation beds required.

The net effect is that the total FIFO workforce figure is a good indicator of total workforce accommodation demand.

Table S.1: Workforce Accommodation Demand Summary – City of Karratha Urban Areas

	Operations and long-term construction	Short term fluctuations
Resource Companies	1,700	2,400
Local Contractors	213	250
Other industries	840	
Construction projects		1,000
Totals	2,753	3,650

Rounding these figures shows base demand of 2,750 beds and short-term demand fluctuations of up to 3,650 beds, not including major projects.

WORKFORCE ACCOMMODATION FACILITIES

Including the workforce accommodation projects planned, approved and under development there are or soon will be 4,341 registered WA beds in the City of Karratha urban areas. This is a considerable reduction from 2015, when there were 7,870 WA beds. Of these, 1,798 WA beds / rooms (41% of the total) are or will be in resource company-controlled facilities and some rooms in general market facilities currently under long term contract are likely to remain so, leaving around 2,000 bedspaces uncommitted and available to the general workforce accommodation market and for short term demand fluctuations.

DEMAND AND SUPPLY

In addition to the supply of 4,341 WA beds in the City of Karratha urban areas (i.e. Karratha, Dampier, Wickham, Point Samson), there are a further 701 rooms of serviced tourist accommodation. This would indicate that there is sufficient supply for the base demand of 2,825 beds, but limited supply for short term demand fluctuations.

Table S.2: City of Karratha Urban Areas, Short-Stay Accommodation 2015 & 2018

Workforce Accommodation Facilities (bedspaces)	2015	2018
Resource Company Owned / Controlled*	5,738	1,798
Independent	2,132	2,543
Total Workforce Accommodation	7,870	4,341
Serviced Tourist Accommodation		
Hotels/Motels (rooms)	457	350
Serviced Apartments (units)	155	126
Holiday Chalets (units)	219	225
Total Serviced Accommodation	831	701

* Includes redeveloped Peninsula Palms and Bay Village

At present there is only small demand for any construction projects not accounted for in the base demand, but even one short term project, for example a Woodside maintenance period or a moderate scale construction project, would be sufficient to cause temporary accommodation shortage and reliance on some of the tourist accommodation. This would most likely be felt by smaller companies and companies in industries outside of the resource and contracting sectors.

This is supported by survey results. Some companies, particularly smaller local contractors, report periods when workforce accommodation cannot be found. In these periods more use is likely to be made of tourist accommodation. These are most likely to be in facilities that have some suitability for longer stays, such as the range of serviced apartments.

FUTURE SUPPLY

Workforce Accommodation Facilities

Other new workforce accommodation projects may be sought over time, for many reasons:

- To replace ageing facilities – some of the existing facilities have been in place for some time and many were not built as permanent structures and the quality of accommodation available is variable across the City;
- To replace facilities that have time-limited approvals – many workforce accommodation facilities have development approval for a defined time and will be near the end of their approval period;
- Control and consistency - the major resource companies have consistently expressed their preference for a high degree of control of the workforce accommodation for their staff, to allow greater consistency across accommodation types and better manage their overall work environment. They see it as a means of better human resources management.

Expansion Capacity

There are proposed and possible expansions of several independent facilities. These are not currently in train, but could easily be activated with the right demand conditions. In total 2,008 additional rooms in existing facilities are in various stages of proposal and planning.

Tourist accommodation currently forms a backup reserve accommodation in periods of high workforce accommodation demand. The danger is that if it persists it will slow the growth of the tourism industry in the City of Karratha.

The Future

The WA supply of 4,341 beds in the City of Karratha urban areas gives a surplus of around 1,500 beds over base demand. This should be sufficient to barely cater for most normal demand fluctuations, including a Woodside maintenance shutdown, provided it does not coincide with other large demand variations, for example a Rio Tinto maintenance period.

If a medium-large sized new construction project comes to fruition (e.g. Perdaman Urea or Wesfarmers / Coogee Chemicals methanol plants), this is likely to increase demand for extended periods (12 months or more). This increases the chances of demand spikes coinciding and a consequent increase in scale in the short-term peak and will likely require additional short-term accommodation to be built. While this

might be a new facility, there is considerable capacity for additional accommodation in existing facilities and, if built, these would cover most foreseeable demand for the medium term.

Beyond 2024, if the Pluto Train 2 project eventuates this will bring a workforce accommodation demand of around 2,500 beds for several years. Depending on other activity at the time, some of this might be accommodated in existing facilities, particularly if smaller potential expansion projects have been completed by then, but it most likely would require additional facilities to be built. At minimum these would be short term construction camp facilities.

WORKFORCE ACCOMMODATION FACILITIES AND SERVICED TOURIST ACCOMMODATION

While workforce accommodation facilities and serviced tourist accommodation are each designed as short-term accommodation, there are many differences between these two categories, including:

Design considerations – Differences in location, micro- and macro-design of facilities are responsible for the suitability of one type of accommodation over another by FIFO workers and tourists alike. While there may be competition for room-nights at serviced tourist establishments during periods of peak demand when workforce accommodation facilities have reached capacity, this is not ideal and should be avoided as the accommodation requirements for FIFO workers versus tourists are very different.

Specific Workforce Requirements - Bespoke workforce accommodation facilities have food and beverage provision that accounts for shift times, or the option for self-service in kitchenette facilities, an environment conducive to good sleeping and rest patterns, and opportunities for social interaction and exercise regimes. Such environments are thought to maximise both work effectiveness and efficiencies while at the same time ensuring that health and safety standards meet company policy. As a result, these types of facilities are favoured by large resources and construction companies rather than tourists.

Serviced Tourist Accommodation

We consider there to be sufficient capacity from the existing and planned potential stock of serviced tourist accommodation to cater for projected increases in business and tourist visitor demands through the forecast horizon to 2025. In addition, any refurbishment plans at existing establishments should also help revitalise the quality of available accommodation and therefore enhance the tourist product experience.

Of concern will be the ability for current serviced tourist accommodation stock to meet the needs of tourists, with quality and historic price issues being potential obstacles to growing the tourism industry. The historic focus for accommodation providers and transport operators has been on meeting resource sector needs. As these demands stabilise, accommodation providers and the City of Karratha will need to re-engage with the different tourist markets (e.g. grey nomads, experience seekers etc.) through a well-executed tourism and marketing promotion strategy.

IMPLICATIONS FOR WORKFORCE ACCOMMODATION POLICY

Four main workforce categories of workforce accommodation demand are identified, namely:

- Construction workforce, major projects
- Construction workforce, general projects and sub-contractors.
- Periodic maintenance shutdown, major projects.
- Operational workforce.

Each has different requirements for accommodation arising from a combination of the nature of their work, their work hours and shift roster and the specific requirements of the project on which they are working. Table S.1 provides a summary of the different classes of workforce accommodation required to meet these different classes of demand, the implications for future planning and strategies in considering workforce accommodation proposals.

Of these, the operational workforce category is best suited to a location and building type that allows for a level of integration with the general community. It is this group that will most easily transition to a residential workforce in more permanent forms of town-based accommodation.

This is consistent with the City's objectives, namely:

The Council's preference is for operational workers to be town-based and the City will work with industry and the State Government to pursue options for increasing town-based workers;

The Council's aspiration is for workforce accommodation needs to be met as much as possible through more permanent forms of town-based accommodation;¹.

While in the past large construction camps were often sponsored by resource companies, of late a high proportion of workforce accommodation accommodation is provided by the market. However, resource companies retain their objective for increased control of accommodation for their FIFO employees and contractors. Their actions, and those of the independent market operators, will respond to changing demand and expectations over time and, in general, will seek to provide accommodation that meets their view of the accommodation preferences of whichever market / demand segment is being targeted. The regulatory system must account for this and enable the market players to respond to changing demand while simultaneously meeting the City's objectives and policies. In this time of transition towards a more stable local economy in the City of Karratha, compared with the frantic activity of the major project construction period, there is opportunity to refine workforce accommodation policy and pursue the City's objective of increasing the proportion of locally based workers.

For the immediate future, issues of major project construction camps are well understood and, as is likely, there will be fewer workforce accommodation camps required in the future (perhaps one for the Pluto 2 LNG Train extension), and then for only relatively short time periods. Similarly, short term accommodation for the general construction workforce for small projects is relatively small and well catered for by the market. Accommodation for the maintenance shutdown workforce, with its short term demand spikes, requires significant involvement and stewardship by the resource companies. For the City, a main target for the future is likely to be to assist in the transition of the long term operational workforce of major companies to a higher residential component. It is assisted in this by the major companies

themselves: each of the major resources companies based in the City urban areas already has a high proportion of local workers in its workforce and active programs to increase that proportion.

¹ City of Karratha. Local Planning Policy DP10, Transient Workforce Accommodation

Table S.1: Summary of Accommodation Requirements and Planning Implications for Future Development of Workforce Accommodation

Workforce Categories	Accommodation Requirements	Implications for Planning	Strategies for Consideration
Construction workforce – major projects	<ul style="list-style-type: none"> Accommodation required to support the life of a construction project only. Most suitable for the construction workforce for major projects. 	<ul style="list-style-type: none"> Appropriate for the outer lying zones, including: Urban Development, Strategic Industry and Rural zone, on the basis that construction camps are temporary and need to be in proximity to resource and major construction projects. To allow on-going workforce accommodation in the Strategic Industry zone once the industry is operational would compromise the industry’s operations. Any workforce accommodation in the Strategic Industry zone must not compromise industrial activity in that zone The standard of development for construction camps would be lower than that expected of temporary or permanent workforce accommodation. 	<p>Short Term Demand Fluctuations:</p> <ul style="list-style-type: none"> Encourage engagement of local labour and contractors for components of this work; Recognise the short-term and intermittent nature of this task and allow reduced expectations of community integration in workforce accommodation location and construction. Some of the same provisions that apply to time-limited construction camps might apply. For example, bespoke maintenance shutdown camps that have low levels of integration with the general community but are only used for short periods of high demand (i.e. specifically for maintenance shutdowns) might be appropriate. Where any new facilities are operated by the main resource companies and used primarily for the maintenance shutdown period, they might be required to be solely for employees and direct contractors of that company and not available to the general WA market. <p>Operational workforce:</p> <ul style="list-style-type: none"> Encourage a reduction in the FIFO component and increased use of locally based employees, with best available operational workers being afforded opportunities for residential based employment and for the City to encourage a trend of reduced FIFO operational workforces. Any new workforce accommodation for the operational workforce should be fully integrated into the community, with accommodation that is consistent in form with the local built form. Accommodation might include individual houses or units, or apartment style accommodation in the town centre and other appropriate locations. Encouragement for use of town-based commercial, recreational and community facilities.
Short term construction and maintenance workforce	<ul style="list-style-type: none"> Built for intermittent but on-going use (e.g. for maintenance shut-down labour) or for some of the construction workforce for general projects. 	<ul style="list-style-type: none"> Appropriate for the Urban Development, Tourism and Mixed Business zones and considered consistent with the objective of these zones. These zones are typically located on the perimeter of town sites which is considered an appropriate location for this style of accommodation. Given the temporary nature of the infrastructure, the expectations for the standard of development would not be as high as the permanent workforce accommodation. Temporary workforce accommodation is considered an appropriate use for the Tourism zone on the basis that the use will be subject to a time limited approval, and therefore Tourism zoned land would still be available for future tourism development. 	
Long term operational workforce	<ul style="list-style-type: none"> Built to an appropriate standard for its urban location and appropriately integrated into its urban context. It would be most suitable for the operational FIFO workforce and for much of the regular small projects and sub-contracts construction FIFO labour. 	<ul style="list-style-type: none"> Appropriate for Residential, Town Centre, Commercial and City Centre zones and is consistent with the objective of these zones. A high standard of development would be expected for this use, therefore allowing it to be appropriately integrated with other uses in these zones. Permanent workforce accommodation will therefore be required to be built to a higher standard than temporary workforce accommodation or construction camps. To promote tourism development, permanent workforce accommodation should not be permitted within the Tourism zone, to ensure the land is not permanently sterilised for tourism development. 	

Source: AEC, TBB

KARRATHA AS A SERVICE AND RESIDENTIAL HUB

The majority (around 88%) of operational FIFO workers in the City of Karratha urban areas are employees or contractors of the major energy and resources companies. Each of these has active programs to increase residential employment. However, despite this, changes in existing workforce residential arrangements is slow. It is time-consuming to change long-established workforce habits.

Other smaller projects and more recently established ones have an almost entirely local workforce. It is likely that the City of Karratha is now at a scale and level of economic and social sophistication that new projects will routinely seek a local-resident workforce.

Amongst locally-based contractors around 90% of employees are Karratha residents. Those who do have a proportion of FIFO workers perceive some difficulty in attracting sufficiently skilled or qualified people locally. This might reflect the actual situation, or it might indicate that local labour demand and supply is not always well matched or opportunities communicated.

The local general contractors surveyed employ around 630 people. (This does not include companies directly engaged in major resource company operations, for example stevedoring, marine services and freight and logistics companies.) Many of these general local contractors have work from projects in the Pilbara that are remote from Karratha, for example mine development projects. Most expect this to continue and expand. This indicates that this group of companies is forming the nucleus of a local services hub for Pilbara projects generally and expansion from this base is possible.

However, there are factors subduing this. These was evidence in the survey that any local advantage the local companies may have reduces quickly with greater distance from Karratha. For large and more remote projects, servicing from a Perth base with Perth-based contactors continues to be the norm. Other Pilbara locations continue to establish and expand.

It is possible that new mining projects that are close enough for Drive-in/Drive-out servicing from the City of Karratha may use it as a residential base and some recent analysis has confirmed that this is viable.

STRATEGIC PLANNING CONSIDERATIONS

Diversification of the economy is an important objective for the City. Tourism is identified as one of the industries that can viably and quickly contribute to this diversification. The City's Economic Development Strategy identifies a lack of tourism accommodation and a poorly developed tourism sector, which has been displaced over the years by the short-term workforce accommodation demands.

Appropriate planning is essential to ensure that:

- Appropriate and affordable housing supply is available to the existing and future resident populations to attract and support permanent residents and develop sustainable local communities.
- Where FIFO workforces are necessary, dedicated workforce accommodation is available in a timely manner to ensure that pressures are not placed on short stay accommodation and residential housing.
- The specific operational requirements of the main sources of workforce accommodation demand, namely Woodside Energy, Rio Tinto Iron Ore and CITIC Pacific, are recognized.
- Sufficient short-term accommodation is available for tourists, business/corporate and other visitors to ensure that town visitation and the broader tourism sector is not impeded.
- Where appropriate, long-term workforce accommodation (e.g. for operational FIFO workers) is integrated into the urban centre to maximise contributions to the local economy and community.

The City accepts that accommodation of FIFO labour and the consequent requirement for transient worker accommodation will be a long-term element of the City's accommodation inventory. However, in general, future demand is expected to be at a lower rate than the past, with stable long-term demand patterns, in contrast to previous periods of extreme demand and high variability. This gives opportunity for workforce accommodation to move towards forms that are consistent with the City's vision.

Nevertheless, there is a level of uncertainty about the scale and timing of some key projects that will impact on worker accommodation demand, particularly in the construction phase. There are some major projects that have been put on hold or now might become possible for which there is currently no time frame. The statutory framework needs to allow for associated accommodation requirements to be met, indicating a level of flexibility in approach is required. In doing this, it is important for the planning framework to account for the distinction between the operational workforce and short term workforces with their associated accommodation needs and options.

Coordination

The evidence is that the City is now entering a period of stable operations, with little change in long term demand for workforce accommodation. In this context, the maintenance shutdown events will continue to be disruptive events, placing very high demand on available workforce accommodation. This will particularly be so if company-specific accommodation is not sufficient to fully accommodate short term peak demand. It would be further exacerbated if the shut-down periods coincided.

There is therefore a role for an agency – the City of Karratha is the obvious one – to facilitate information-sharing between the organisations with large maintenance shutdown schedules with a view to spreading the demand across the year.

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