

8.2 Country University Centre Mudgee Region

REPORT BY THE DIRECTOR DEVELOPMENT AND MANAGER - ECONOMIC DEVELOPMENT
TO 15 FEBRUARY 2023 ORDINARY MEETING
GOV400103, ECO800022

RECOMMENDATION

That Council:

1. **receive the report by the Director Development and Manager - Economic Development on the Country University Centre Mudgee Region; and**
2. **amend the Budget to allocate \$100,000 in 2024/25, \$100,000 in 2025/26 and \$50,000 in 2026/27 towards CUC Mudgee Region operating expenses funded from Unrestricted Cash.**

Executive summary

In November 2019, Council resolved to provide principle support for the establishment of a Country University Centre (CUC) in Mudgee. Since this time, staff have worked to establish a CUC Mudgee Board and undertaken a range of tasks to develop a funding proposal to NSW and Commonwealth Governments.

In August 2021, Council committed \$450,000 towards the construction of a new purpose built facility at 70 Court Street, Mudgee. A MOU is in place with CUC with CUC Mudgee Region as the sole tenant of the new facility and includes an annual rental payment of \$20,000p.a. with the inclusion of electricity and security expenses.

The NSW Government (Department of Education) has committed to \$1,270,000 towards the construction and commencement operation of CUC Mudgee Region, however they have advised if further funding is not committed to ensure operation of a minimum of 3 years, the NSW government funding will be removed.

This report seeks Council's support by providing a commitment of \$100,000 in 2024/25, \$100,000 in 2025/26 and \$50,000 in 2026/27 towards the operational expenses of CUC Mudgee Region. This will ensure the NSW Government fulfils the commitment of \$1,270,000 towards construction and commence operations.

Disclosure of Interest

Council's General Manager holds the position Chairman of CUC Mudgee Region and acts as Council's representative on the board.

Detailed report

Since 2019, Council staff have been working with CUC Ltd on the proposal to open a CUC Mudgee Region. The first Country Universities Centre commenced operating in 2013. There are 13 CUCs and further planned in 2023. Mudgee was considered a priority opportunity for a CUC. There are approximately 367 students across the Mid-Western Region enrolled in higher education. A high proportion of students in the region are mature aged students, with 66% of students over 25 years of age, and 48% are over 25 studying part-time. The CUC Student Projection Model estimates that

during the first year of operation there will be 99 students utilising a CUC Centre in this location, growing to 211 over four years.

CUC received a NSW Government grant of \$1,270,000 (including funding towards Construction and Operational expenses) for the creation of CUC Mudgee Region. Council committed \$450,000 towards the construction of a new purpose built facility at 70 Court Street, Mudgee. A MOU is in place with CUC with CUC Mudgee region as the sole tenant of the new facility and includes an annual rental payment with the inclusion of electricity and security expenses.

A further grant was applied to the 2022 Commonwealth Government Regional University Centres Program for \$350,000 to ensure operational expenses were secured for the first three to four years. CUC Mudgee Region was advised it was a strong applicant, however was not successful and no funding was provided to any regional areas in NSW.

Further application has been made to the NSW Government Stronger Country Communities Fund (SCCF-5) however was not successful.

A corporate sponsorship prospectus has been created, to engage local business and major SSD projects for support and this has begun to be circulated. Due to the early stages of the project, sponsors are reserved to contribute until construction has begun.

The NSW Department of Education have advised that without further committed funding to ensure operation of a minimum of 3 years, the NSW government funding will be removed.

The establishment of the CUC has strong linkages to the operational plan for Council. The ability to retain young people in the region for further education, as well as to increase the skills within the region is an important part of ensuring and building a strong local economy.

With the increase in SSD projects and multiple proposals for Community Funds, CUC Mudgee Region board is confident that opportunities for corporate support will exist strongly into the future. However at this point in the project, committed funding is required to progress with the project.

This report seeks Council's support by providing a commitment of \$100,000 in 2024/25, \$100,000 in 2025/26 and \$50,000 in 2026/27 towards the operational expenses of CUC Mudgee Region. This will ensure the NSW Government fulfils the commitment of \$1,270,000 to construction and commence operations.

Community Plan implications

Theme	Building a Strong Local Economy
Goal	A range of rewarding and fulfilling career opportunities to attract and retain residents
Strategy	Build strong linkages with institutions providing education, training and employment pathways in the region

Strategic implications

Council Strategies

This project meets Council's strategy of building strong linkages with institutions providing education, training and employment pathways in the region.

Council Policies

Not Applicable

Legislation

Not Applicable

Financial implications

Funding is proposed to come from Unrestricted Cash.

Budget Year	Operating Performance Ratio	Own Source Revenue	Building & Infrastructure Renewal
2022/23	-	-	-
Future Years	X	-	-

Associated Risks

If Council does not provide additional funding, it is unlikely that the CUC will be established in Mudgee. This will create the risk of further students leaving the region for education opportunities or not undertaking further education studies.

The risk that CUC Mudgee Region operations do not continue post the initial 3 year period also exists, however with the committed funding, a full-time operations staff member will be employed and their role will include the seeking of commercial sponsorship, Commonwealth grants and other financial opportunities including corporate sponsorships.

ALINA AZAR
DIRECTOR DEVELOPMENT

23 January 2023

Attachments: Nil

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER