

### 2.3. GM - 01/12/2025 - Proposal - Central West Academy of STEM Excellence

#### Strategic Context for this matter:

**Caring for Our Community** To retain, respect and strengthen both our overall sense of community, and the unique linked communities of groups, rural areas, villages and towns that make up the Lithgow LGA.

**Strengthening Our Economy** To provide for sustainable and planned growth through the diversification of the economic base, the development of diverse job opportunities and the provision of a broad range of formal and non-formal educational services.

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#### Executive Summary

In the recently adopted LEEP Action Plan update, there is a commitment to securing the ongoing presence of the Adaptive Skills Hub and STEAM education in the Lithgow LGA (LEEP Action Plan No. 25, 7.4.9).

This support is critical as Lithgow's relative workforce adaptive capacity is objectively assessed to be very poor and, without strategic intervention, the Lithgow LGA will not be well-positioned to meet the economic challenges the community faces in the medium to long term (the critical and structural period).

The NSW Government, via the NSW Department of Education, has made an offer of intention to fund \$71,860 on the basis of matched Council and other in-kind local funding to continue the work commenced by Council in its current pilot program.

The purpose of this report is to recommend that Council approve co-funding of \$100,604 to enable the continuation of the program to December 2026; with an allocation of \$50,302 in the 2025/2026 financial year and a commitment of \$50,302 in the 2026/2027 financial year. This would enable the continuation of the STEAM Academy efforts as detailed in this report.

#### Administration's Recommendation

THAT Council:

1. Accept the partnership with the NSW Department of Education to establish a Central West Academy of STEAM Excellence.
2. Approve a Transition Management budget adjustment (within the total Transition Management SRV funded 2025/26 allocation) of \$50,302 for co-funding the Academy in the 2025/26 financial year, and a commitment of \$50,302 for the 2026/27 financial year.

#### Attachments

Nil

#### Background and discussion

Priority in any transitions management program should be given to building workforce adaptive capacity. Over the past 12 months, LEEP has actively pursued initiatives that strengthen STEAM education and workforce development across the region. This includes collaboration with 13 of the 14 schools across the Lithgow LGA, local industry, and the NSW Department of Education to

promote STEAM education pathways. There is a well-documented link between STEAM education and the strength and adaptive capacity of a workforce.

STEAM education is a critical strategic intervention in the region's future by building versatile, high-demand skills that fuel innovation, attract industry, and future-proof the workforce. While strategic intervention in job creation and industry attraction in regional economic development is important, labour force intervention is more important. As noted in the Draft Regional Skills Roadmap:

*Regional Australia predominantly faces a people (or labour supply) issue rather than a jobs (or demand) issue.*

People are the economy's most important economic asset.

As Roberta Ryan of the University of Newcastle<sup>[1]</sup> noted in the context of the Hunter Region of New South Wales:

*Historically, the approach to regional development and planning has been framed by developing sector-specialisations based around physical resources or assets ... but that ... in an environment where new opportunities emerge quickly and existing markets can decline with little warning, the [Hunter] region needs to prioritise building a workforce with transferable skills across sectors and developing human capital that is nimble, adaptable and resilient to change.*

The focus on a region's adaptive capacity is also a strong focus of the findings of the Australian Productivity Commission. A significant – perhaps the most significant – factor shaping the relative adaptive capacity for each region relates to people-related factors (including educational achievement, skill levels, personal incomes and community cohesion).

Although the proposed program is sub-optimal and under-resourced compared to programs being delivered in other transitioning regions, the Administration recommends the allocation of funding to ensure that the program continues until such time as appropriate resources are set aside to deliver a more fulsome and apt program.

### **Current Program**

The current pilot program has been delivered through the Adaptive Skills Hub, which launched on 19 February 2025 and received significant media coverage. The room was constructed and prepared during January 2025 and equipped with high tech equipment to suit the STEAM curriculum developed for primary and secondary education delivery across the LGA.

**Primary program:** During 2025, the Adaptive Skills Hub has delivered STEAM primary school curriculum to schools across the Lithgow region, as well as regular in-class outreach for teachers to increase their capacity and confidence to teach STEAM content. The program has reached more than 300 stage 3 students across ten (of eleven) primary schools in the LGA.

**Secondary program:** During 2025, the Adaptive Skills Hub has hosted regular STEAM high school classes every Wednesday in the delivery of a 100-hour iSTEM Drone tech program, with all three secondary schools participating with a total of 35 students enrolled. Importantly, approximately 10% of the students are First Nations students and 13 (37%) young women.

[1] See statement accompanying release of *The Hunter Insight Series: The Geography of Jobs* accessed at <https://www.newcastle.edu.au/newsroom/featured/rethink-needed-on-hunters-economic-development-priorities>.

A grant application for future growth to continue the STEAM programs and create the Central West STEAM Academy (Lithgow and Mid-Western LGAs) was submitted to the NSW Government in

February 2025. The Council is still awaiting determination of this grant application. As such, the LEEP Team has sought to find an alternative funding stream to continue the STEAM outreach program in 2026. If an alternative program is not pursued, the program will need to be wound up, and a significant investment in the region's future will be lost (with \$80,000 worth of STEM equipment purchased for the pilot program).

### **STEM Industry School Partnerships (SISP) Program – establishing a Central West Academy of STEAM Excellence**

LEEP has worked with the NSW Department of Education on the establishment of a Central West Academy of STEAM Excellence, a Category B Academy under the statewide STEM Enrichment program. The Central West Academy of STEAM Excellence would be based at the Adaptive Skills Hub, and work with primary schools across the Lithgow LGA. Subsequent funding may enable the program to extend to secondary schools.

The Central West Academy of STEAM Excellence would be staffed by a 4-day a week STEAM Project Officer and 1-day a week STEAM Support Officer, funded jointly by the NSW Department of Education, and Lithgow City Council (LEEP).

### **Strategic Rationale**

#### **1. Continued momentum for transition-related workforce development**

- During 2025, LEEP's STEAM Pilot Program has built adaptive capacity in our future workforce through the delivery of STEAM education combined with engagement between schools, industry, and government.
- Council's support will sustain and expand this momentum, continuing to build adaptive capacity in the region and ensuring continuity in STEAM education outcomes, building teacher capability, expanding partnerships, and inspiring students to pursue future-focused STEM careers in support of our transition goals. It is anticipated the Council's contribution will decrease over time, as the NSW Department of Education increases input and direction to the program.
- The Central West STEAM Academy will deliver curriculum and career education aligned with transitioning workforce needs, supporting local employment and economic transition.

#### **2. Leveraged Investment**

- The NSW Department of Education has secured **\$71,860** for a 0.4 FTE STEAM Project Officer, which will be employed by Portland Central School and coordinated by Lithgow City Council. Additional grant funding (0.2 FTE) is pending, contingent on initial co-investment, and pending a successful Regional Economic Investment Program (RIEP) grant application outcome.
- Additional to the \$71,860 in funding from the Department of Education is an overheads allowance of \$28,744 in-kind (from local schools)
- Council's co-funding of at least **\$100,604** is sought to match this investment. Co-funding is also desirable to ensure delivery across all schools in the region.

Should funding become available through existing grant applications to the REIP, the NSW Virtual STEM Academy, the Regional Economic Development and Community Investment Program (RECIP), or the Better and Fairer Schools Agreement (BFSA), the program may be extended in scope or duration, and a further report will be provided.

#### **3. Expected educational and economic outcomes**

The establishment of the Central West Academy of STEM Excellence is designed to deliver measurable benefits across the Lithgow region, supporting both educational advancement and long-term workforce development. Key outcomes include:

- **Expanded STEAM education in primary schools:** Delivery of consistent, high-impact programming will increase both the quality and quantity of STEAM-based learning across local schools.
- **Improved student engagement and achievement:** The Academy will foster stronger student interest and performance in STEAM subjects, contributing to sustained educational and career pathways in science, technology, engineering, arts, and mathematics.
- **Strengthened regional collaboration:** The initiative will deepen partnerships between schools, Lithgow City Council, local industry, and the NSW Department of Education, reinforcing a shared commitment to future-focused learning.
- **Regional innovation hub:** The Academy will function as a central platform for linking schools to industry and government initiatives, promoting innovation and collaboration across the Central West.
- **Enhanced teacher capability:** Educators will benefit from targeted mentoring, professional development, and access to contemporary teaching practices, improving their capacity to deliver engaging STEAM education.
- **Educational equity and access:** Students from rural and independent schools gain access to the same high-quality STEM learning opportunities and career education that metropolitan students have.

**Support for Council's strategic goals:** The initiative aligns with Lithgow City Council's priorities around youth retention, skills development, and economic diversification, contributing to a more resilient and future-ready local economy.

### Consultation and Communication

N/A

### Policy

N/A

### Legal

The subject matter of this report is a function of Council conferred by the NSW Local Government Act 1993.

### Risk Management

N/A

### Financial

- There is \$50K currently unallocated against the SRV Transition Management Program.
- There is approximately \$193K uncommitted at this stage, which provides the opportunity to review timing of actions and the level of internal resource allocation to structure the program

to be able to leverage the funding opportunity and continue to build on the work undertaken by the Adaptive Skills Hub.

- There is also \$567K in the Transitions Management internally restricted reserve to fund most of the co-contributions identified in submitted grant applications that are yet to be determined.

### Budgetary Analysis

There is currently \$190K uncommitted to fund priority actions identified within the Refreshed LEEP Action Plan. The ability to leverage the available funding opportunity from the NSW Department of Education provides a mechanism to continue the Adaptive Skills Action for minimal investment from Council.

The proposed budget for the 2025/2026 financial year in relation to LEEP, including proposed adjustments included in the September 2025 Quarterly Review is outlined below.

Cost	Action	Budget	Actual & Committed	Available
<b>LEEP Transition Management Allocation</b>		<b>\$1,195,838</b>		
Employee Costs	All actions	\$351,280	\$351,280	\$0
Consultants / Contractors	Growth Management Strategy	\$340,000	\$340,000	\$0
	Destination Marketing Plan	\$130,000	\$130,000	\$0
	Energy Transition 10 Year Roadmap	\$5,000	\$0	\$5,000
	Marangaroo / Employment Lands Enabling Brief	\$50,000	\$0	\$50,000
	Mine and Power Station Re-use Masterplanning – Early Investigations	\$20,821	\$0	\$20,821
	Hermitage Site – Early Investigations	\$30,000	\$0	\$30,000
	Main Street Placemaking (matching for Open Streets grant)	\$5,000	\$0	\$5,000
	Targeted Improvements in Priority Precincts	\$30,000	\$0	\$30,000
	Establishment of Working Groups (Health, Skills, Tourism, Placemaking)	\$2,500	\$0	\$2,500
	Engagement & Business Attraction	\$10,000	\$0	\$10,000
	Review LEEP Governance	\$10,000	\$10,000	\$0
	Metrics Development for Reporting	\$10,000	\$10,000	\$0
	Value Capture Modelling	\$35,000	\$35,000	\$0
	Future Fund Establishment	\$20,000	\$20,000	\$0
	Transport and Logistics Readiness	\$10,000	\$10,000	\$0
	Managing State Significant Development	\$15,000	\$15,000	\$0
	Regional University Study Hub	\$5,935	\$5,935	\$0
Materials & Consumables	All actions – Engagement	\$65,000	\$28,733	\$36,267
	<b>Totals</b>	<b>\$1,145,536</b>	<b>\$955,948</b>	<b>\$189,588</b>
	<b>Total Unallocated</b>	<b>\$50,302</b>		

### Grants and Required Co-Contributions

The following grants have been secured or submitted under the LEEP program and require LEEP budget allocations to access external funding:

- Regional Economic Development and Community Investment Program (REDCIP)
- Project: Lithgow Health and Aged Care Precinct - Key Worker and Student Housing (Stage 1 – Site Preparation and Infrastructure)
- Grant funding: \$2,016,966
- LEEP co-contribution: \$305,601
  
- Regional Precincts and Partnerships Program – Precinct Development and Planning
- Project: Lithgow Economic Transition Precinct – Employment Land Readiness Program
- Grant funding: \$1,400,000
- LEEP co-contribution: \$360,000

At present there is \$567K available in a LEEP Transition Management Reserve. If both grant applications are approved and Council resolves to accept the funding deeds, a total of \$666K is required as Council funded co-contributions. This would involve an allocation of \$99K in the 2026/2027 budget to ensure that the Reserve holds sufficient funds to accommodate this requirement. As the timeframes of these projects would be across multiple years, this is feasible.