

## Ordinary Meeting

**Meeting Date:** Monday, 06 May, 2024  
**Location:** Council Chambers, City Administrative Building, Bridge Road, Nowra  
**Time:** 5.30pm

**Membership** (Quorum - 7)  
All Councillors

**Please note:** The proceedings of this meeting (including presentations, deputations and debate) will be webcast, recorded and made available on Council's website, under the provisions of the Code of Meeting Practice. Your attendance at this meeting is taken as consent to the possibility that your image and/or voice may be recorded and broadcast to the public.

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<https://www.shoalhaven.nsw.gov.au/Council/Meetings/Stream-a-Council-Meeting>.

### Statement of Ethical Obligations

The Mayor and Councillors are reminded that they remain bound by the Oath/Affirmation of Office made at the start of the council term to undertake their civic duties in the best interests of the people of Shoalhaven City and to faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the Local Government Act or any other Act, to the best of their skill and judgement.

The Mayor and Councillors are also reminded of the requirement for disclosure of conflicts of interest in relation to items listed for consideration on the Agenda or which are considered at this meeting in accordance with the Code of Conduct and Code of Meeting Practice.

## Agenda

1. **Acknowledgement of Country**
2. **Moment of Silence and Reflection**
3. **Australian National Anthem**
4. **Apologies / Leave of Absence**
5. **Confirmation of Minutes**
  - Ordinary Meeting - 22 April 2024

**6. Declaration of Interests**

**7. Presentation of Petitions**

**8. Mayoral Minute**

Mayoral Minute

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**11. A Committee of the Whole (if necessary)**

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Notices of Motion / Questions on Notice

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**15. Confidential Reports**

Reports

CCL24.13	Tenders - Comerong Island Levee Remediation Works
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*Local Government Act - Section 10A(2)(d)(i) - Commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.*

*There is a public interest consideration against disclosure of information as disclosure of the information could reasonably be expected to reveal commercial-in-confidence provisions of a contract, diminish the competitive commercial value of any information to any person and/or prejudice any person's legitimate business, commercial, professional or financial interests.*

## **MM24.15 Mayoral Minute - Advocacy Post COP28 to Include Local Government in the National Agenda for Setting Australia's Net Zero Plan**

**HPERM Ref:** D24/168636

### **Recommendation**

That Council:

1. Calls on LGNSW to form a working party to work closely with the Federal Government on Australia's ongoing commitments to tackling climate change.
  - a. To support funding models to assist councils to meet their emissions targets, without overburdening rate payers through unnecessary cost shifting.
2. Request the Federal Government make Local Government an active participant through the State and Territory Associations Network when setting the Net Zero Plan for Australia.
3. Request the Federal Government to honour its commitment to Local Government to place this issue on the agenda for the Mayor's Roundtable to be held post ALGA Conference in July 2024.

**MM24.15**

### **Details**

Shoalhaven City Council is a member of the Climate Councils *City Power Partnership Program*, we are a multi award winning council who have been recognised for our innovation and resilience in the face of many natural disasters which are set to worsen as climate change deepens.

Other Australian local government representatives that attended COP28 in December 2023 where Lord Mayor's of Hobart Anna Reynolds, Lord Mayor of Newcastle Nuatali Nelms and Cllr William Chan from City of Sydney.

Councils all across Australia have been on the front foot due to a Federal Government policy vacuum lasting over a decade, and have advanced plans in place on carbon emissions reductions and other sustainability measures that also have a financial benefit to councils.

Councils however, will reach a point where the more difficult parts of the carbon reduction road map will incur additional costs, yet for councils highly vulnerable to natural disaster, like Shoalhaven, it is imperative that we continue to play our part in carbon emissions reduction.

Councils need financial support from the Federal Government and need to be included in the national conversation about the how and when, to assist all levels of Government and our communities to achieve alignment with International, National, State and Regional climate priorities. Australia committed to the international treaty on climate change via the United Nations, and federally has planned to reach net-zero by 2050. NSW net-zero plan includes a 70% reduction in emissions by 2035 (compared to 2005 levels). The cascading impact of these policies imparts strong climate reduction mechanisms, but does impose increased responsibility and costs on Council's.

Shoalhaven has resolved strong climate commitments, including joining the Cities Powered Partnership in 2017, and achieved four key outcomes as a result:

1. Set a city-wide renewable energy and emissions target;

2. Installed renewable energy on Council buildings;
3. Set renewable energy benchmarks for new developments; and,
4. Encouraged sustainable transport use through our transport planning and design.

Federal Minister Bowen has committed to convening the Roundtable of Mayors to discuss the Net Zero Plan for Australia, this was meant to happen in 2022 and 2023 and with 2024 ALGA approaching quickly, it is imperative that there are a number of councils to remind Minister Bowen of his commitment and the value that Local Government brings to the table considering the many and varied approached across the continent.

Local Government COP28 Debrief attendees heard that there are several opportunities for the Local Government sector to take advantage of in 2024 on climate change policy, namely

1. At COP28 the Australian Government signed the **Coalition for High Ambition Multilevel Partnerships (CHAMP) for Climate Action** – see <https://www.cop28.com/en/cop28-uae-coalition-for-high-ambition-multilevel-partnerships-for-climate-action> - which commits the federal government to consulting and collaborating with local government around its next Nationally Determined Commitment (national target).
2. The **Net Zero Plan for Australia** is being developed by a Canberra based Taskforce and these six sectoral plans will be the basis for policy and programs that could either support / accelerate, or undermine the climate change work of local Councils.

The NSW Government has also recently released its first ever State Disaster Mitigation Plan, which is a real step in the right direction to in their words “making our communities safer, more resilient and better prepared to face the challenges of disasters caused by natural hazards such as floods, bush fires, storms and cyclones and coastal erosion and inundation.” [State Disaster Mitigation Plan | NSW Government](#)

The Local Government Sector across NSW is experiencing one of the worst periods of financial pain, as the sector grapples with increased costs to do business, staff shortages, COVID related impacts, higher than ever cost shifting and for a council like Shoalhaven, millions of dollars of damage from multiple natural disasters. There is no doubt that as always Local Government’s become the vehicle for actions, however there is also no doubt that action will result in continued financial burden transfer through the rate base which is the worst form of wealth redistribution / tax. It is imperative that before the Commonwealth locks down its Net Zero Plan for Australia that there is clear communication with Local Government as the major stakeholder, to ensure that the sectors needs are met and cost burdens not shifted to the rate base rather than the income tax or GST base.

Despite ongoing challenges at a local level in dealing with natural disasters (particularly for Local Governments managing significant stretches of coastline and sensitive environments in growing areas), Shoalhaven has continued leadership in sustainability and climate policy. With 165km of fragile coastline, the LGA is particularly vulnerable to the impacts of sea level rise, inundation and storm surge. Our hinterland and forest areas are vulnerable to bushfire and flooding. Our adopted Sustainability and Climate Action Plan 2023-2027 details our vision for a sustainable Shoalhaven, and Council’s commitment to low emissions and climate readiness.

The actions arising from our plan include:

1. Increasing renewable energy;
2. Utilising the Revolving Energy Fund;
3. Embedding sustainability into our procurement processes;
4. Transitioning to low emission vehicles;
5. Prioritise low-carbon building materials across our infrastructure;

6. Capturing emissions (such as those from landfill activities); and,
7. Supporting large scale renewable projects.

The Shoalhaven continues to experience escalating impacts of climate change, and in doing so, are grappling with increasing costs to manage emissions.

Council's play a critical role in the managing of emissions at a practical and community level (including scope 1 and 2 emissions categories), and have a significant value add in being included in conversations regarding the setting of national net-zero targets. To not include local government in these discussions and formulations would mean missing a link that sees climate mitigation and adaptation measures practically come to fruition.

Shoalhaven City Council has in the past supported and represented to the National General Assembly the need for the government to apply a national levy that assists with recovery after disaster, funds resilience measures and could also include a financial pathway for reaching net zero.

## **MM24.16 Mayoral Minute - Professor Patricia M Davidson Vice- Chancellor and President of UOW**

**HPERM Ref:** D24/169700

### **Recommendation**

That Council thank Professor Patricia M Davidson for her contribution over the past three years as Vice-Chancellor and President of University of Wollongong, noting her recent decision to stand down from the position, Council wish her well in her future endeavours.

### **Details**

Council would like to recognise Professor Patricia Davidson for her contribution to the University of Wollongong during her three year tenure as the Vice-Chancellor and President.

As the first UOW Alumna to hold the position, Professor Davidson provided strong leadership through the turbulence of the COVID-19 pandemic, and the educational transition period that followed.

Professor Davidson's inclusive and collaborative approach in working with Council has been greatly appreciated and has assisted in forming long lasting relationships and mutually beneficial partnerships, a benefit warmly welcomed by the community.

Throughout her time at UOW, the Vice-Chancellor advocated strongly for Aboriginal and Torres Strait Islander students, staff and communities, led UOW's and Woolyungah Indigenous Centre in the pledge to the Uluru Statement from the Heart, and was an integral part of the launch of the Indigenous Education and Engagement Strategy 2024 - 2028.

Professor Davidson leaves a legacy of impassioned advocacy for equality in education, and helped path the way for the next generation of UOW academics and researchers.

On behalf of Shoalhaven City Council we wish Professor Davidson well in her future endeavours and thank her for her wonderful contribution to UOW and the Shoalhaven.

**MM24.16**

## **MM24.17 Mayoral Minute - Condolence Motion - Anna Gardner, President of Callala Bay Community Association**

**HPERM Ref:** D24/169941

### **Recommendation**

That Council notes the passing of Anna Gardner, acknowledges her significant contribution to the Shoalhaven community and the Callala Bay Community Association in particular and extends condolences to her family.

### **Details**

It is with sadness that we acknowledge the passing of Anna Gardner. Anna passed away on Easter Sunday aged only 46 years.

Anna Gardner, having been a member of the Callala Bay Community Association (CBCA) since 2016, was elected to the position of President in March 2023 and was re-elected to that position on 13th of March 2024.

During her tenure as President, Anna chaired meetings and was Master of Ceremonies at events (such as the CBCA Callala community Australia Day event). Anna conceived the idea of a Christmas Lunch for underprivileged and lonely members of the Callala community, her actions resulted in initiation of proceedings for that event which will take place on Christmas Day this year.

Prior to her involvement with CBCA, Anna was involved with The Callala Soccer Club (Callala Brumbies) as President of that organisation.

On behalf of Council, I extend my condolences to her husband and young son and to all who knew her.

**MM24.17**



## **CL24.116 Report of the Shoalhaven Motor Sports Working Group - 17 April 2024**

HPERM Ref: D24/160819

### **MS24.6 Additional Item - Membership - Nowra District Motorcycle Club**

#### **Recommendation**

That Council endorse two (2) representatives of the Nowra District Motorcycle Club (Board) becoming members of Shoalhaven Motor Sports Working Group.

CL24.116

## CL24.117 Financial Sustainability Monthly Report

**HPERM Ref:** D24/165758

**Department:** Financial Sustainability

**Approver:** Robyn Stevens, Chief Executive Officer

### Reason for Report

The purpose of this report is to adopt the recommendations tabled in the Financial Sustainability workshops and report the status of the Financial Sustainability project.

### Recommendation

That Council:

1. Endorse placing the BLERF showground upgrades projects (Kangaroo Valley, Milton, Berry and Nowra) construction on pause until Council's financial position improves (unfunded \$7.6 million)
2. Receive an update on matters discussed in the April 2024 financial sustainability workshops, including 2024/25 budget and service planning workstreams.

### Options

1. Adopt the recommendation as proposed.

Implications: Council staff will communicate decisions with impacted community groups and key project stakeholders.

2. Adopt an alternative recommendation.

Implications: The financial benefits identified in this report may be reduced and lessen the positive impact on Council's financial sustainability issues.

### Background

In November 2023, AEC provided a report (CL23.420) to Council on its financial sustainability. In this report, Council was informed that the general fund net operating position has been in a deficit position over the past eight years and there is a structural deficit to fund recurrent expenditure of \$25-35 million per annum. AEC made 27 recommendations, including an SRV, and that all had to be implemented to ensure Council's financial sustainability.

In January 2024, Council resolved under MIN24.44 not to proceed with an application for a special rate variation with IPART. A special rate variation is considered to be a necessary step in improving Council's financial position. Instead, Council resolved to pursue all other recommendations in the AEC report as well as additional actions to improve financial sustainability.

The Financial Sustainability project has been established to coordinate Financial Sustainability actions and initiatives in response to MIN23.667, MIN24.44 and from report CL23.420 – AEC Financial Sustainability review from November 2023. The project commenced in February 2024 and has 3 major workstreams:

1. Asset and Project Management

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2. Financial Management
3. Service Planning

The Financial Sustainability project will report to Council monthly on all matters relating to Council’s financial sustainability that were tabled in the November 20 and January 29 Ordinary meetings. This report will provide:

- Summary of work undertaken in the period, including items workshopped with Councillors.
- Status of project workstreams.
- Recommendations to Council to support the improvement of Council’s financial position.

Recommendations may call for projects to be paused until Council’s financial position improves. This means that projects will be reconsidered by Council at a point in time where Council has met the defined measures of financial sustainability:

- Maintain Council’s unrestricted cash reserve at \$15 million.
- Achieve and maintain an operating surplus of at least 4%.
- Met the asset renewal ratio of 85%.

Paused projects are retained on the capital projects list, managed by the enterprise project management office, for prioritisation by Council when funding becomes available.

### Internal Consultations

A fortnightly workshop schedule has been agreed with Councillors, with the first workshop occurring on the 20 February 2024. The workshops are exploring all financial sustainability items raised in MIN23.667, MIN24.44 and the recommendations from the AEC report CL23.420.

The workshops held to date include:

Workshop	Agenda	Report to Council
Workshop 1 – 20 February	Budget parameters Strategic projects review	CL24.68
Workshop 2 – 5 March	Community donations program Outdoor dining annual fees Strategic projects review	CL24.68
Workshop 3 – 12 March	2024/25 budget workshop 1	CL24.95
Workshop 4 – 19 March	Excess and under-utilised assets Use of consultants and contractors Strategic projects review	CL24.95
Workshop 5 – 4 April	2024/25 budget workshop 2	Included in this report
Workshop 6 – 16 April	Service planning Strategic projects review	Included in this report

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Over the next month, Financial Sustainability workshops are scheduled on 30 April (Asset Management Plans and Bereavement Services business overview) and 14 May (Sports fees and charges model and Family Day Care business overview).

### **Workshop 5 overview – 4 April**

The Mayor and 10 Councillors were present at the 4 April workshop, with apologies received from Cr Watson and Cr D'Ath.

The agenda for this workshop included:

- 2024/25 proposed water and waste services pricing.
- 2024/25 final general fund operational result.
- 2024/25 first capital budget discussion.

### **Workshop 5 – summary of financial sustainability items discussed**

#### 1. Councillor responsibilities

At the start of the workshop, Councillors were reminded over their responsibility to manage Council's significant finances on behalf of their communities as follows:

- The responsibility and accountability for the financial management of a Council rests with the governing body.
- Council signs off the strategic plan, annual budget, and financial statements.
- Managing Council's money and assets to meet current and future needs.

#### 2. 2024/25 water and waste services pricing

During the workshop, Councillors were reminded that Shoalhaven Water has been in a deficit position for the past 3 financial years. It was discussed that Water fees and charges should be set to enable a breakeven position in financial year 2024/25. Councillors were presented with a summary of Shoalhaven Water fees and charges compared with 7 other NSW Water Utilities which included other Council owned water providers. Based on current pricing, Shoalhaven Water's was the cheapest average household bill (155kL), but this is producing an unsustainable deficit. Proposed pricing to enable Shoalhaven Water to break even still kept Shoalhaven Water's pricing competitive with the other NSW Water Utilities (3<sup>rd</sup> cheapest).

Waste fees and charges are proposed to increase by 7.5% (from CL24.41 budget parameters and strategies 2024/25). The budget discussion showed that the waste fund is tracking for a modest cash surplus in 2024/25.

#### 3. 2024/25 general fund budget discussion

Councillors were shown the updated general fund 2024/25 budget, including a breakdown of materials and contracts budgets for 2024/25 by directorate and department and a comparison to what was spent in 2022/23. Materials and contracts have been reviewed as part of the 2024/25 budget preparation and adjustments have been made to ensure that materials and contracts spend is budgeted in the correct department budget moving forward and is also correct based on the actual requirement. An example of this is legal costs in Development Services, where the budget has increased to match historical actuals. Other departments have received a reduction in materials and contracts budget. An example of this is in Strategic Planning, where high actuals in 2022/23 (COVID contributions) have meant that a reduced budget is required in 2024/25.

#### 4. 2024/25 first capital budget discussion

The Chief Financial Officer summarised the general fund operational budget position based on the application of agreed 2024/25 budget parameters. After considering income and expenses, the available cash for capital projects is minimum and will not enable Council to meet its critical capital activity in 2024/25 without intervention. During the workshop, funding options to increase cash for essential capital projects was discussed. This is considered necessary to operate in 2024/25 but is not sustainable for future years. Further context is provided in the Draft Delivery Program Operational Plan and Budget 2024-25 report that will be discussed at the 6 May 2024 Ordinary meeting – see capital works program section.

### **Workshop 6 overview – 16 April**

The Mayor and 10 Councillors were present at the 16 April workshop, with apologies received from Cr Watson and Cr D'Ath. Audit, Risk and Improvement Committee (ARIC) members John Gordon and Peter McLean were also present for this workshop.

The agenda for this workshop included:

- Presentation from ARIC
- Service planning
- Strategic projects review

### **Workshop 6 – summary of financial sustainability items discussed**

#### 1. Presentation from Audit, Risk and Improvement Committee (ARIC) members

ARIC committee members John Gordon and Peter McLean presented to the financial sustainability workshop attendees. This was an opportunity for the independent ARIC committee members to brief Councillors on their thoughts about Council's financial issues, including the AEC report, and actions being taken through the Financial Sustainability project.

#### 2. Service planning

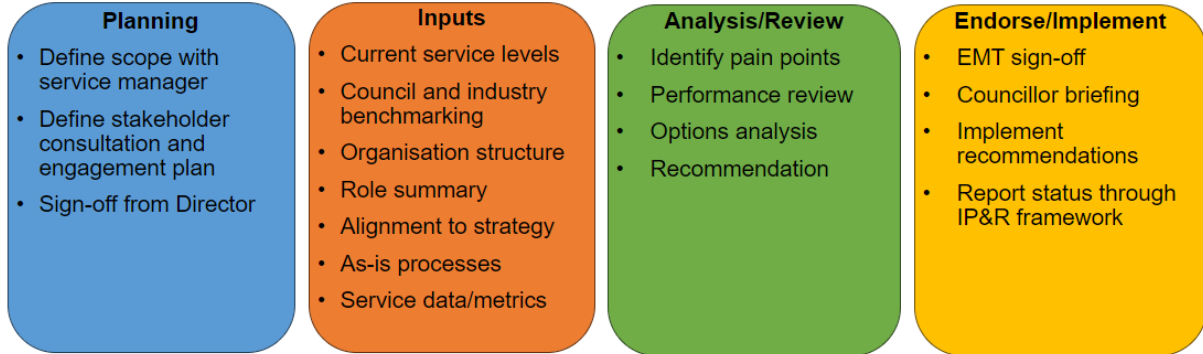
Councillors were briefed on the current status of the service planning workstream in the workshop. Under service planning, the following scope items were identified through the AEC report and relevant resolutions from MIN23.667 and MIN24.44:

- Define Council Productivity and Efficiency Improvement Plan and track the delivery of the agreed actions (includes AEC list)
- Agree comprehensive calendar of service reviews
- Review non-core services
- Continue work on the service planning framework, by documenting and reviewing service levels
- Define and measure key productivity and efficiency metrics to benchmark with comparable Councils and complete trend analysis as part of budget process
- Complete legal team service review
- Complete Holiday Haven service review
- Complete Bereavement Services review
- Complete asset custodian review
- Review all of Council's commercial undertakings and define expected return on capital
- Review of corporate functions, focused on areas with largest cost base

- Get involved page to continue tracking financial sustainability initiatives

A detailed project and workstream status will be reported to Council as part of the Quarterly Productivity and Efficiency report in June 2024.

Council’s service review methodology is:



Service reviews have been categorised under the following categories:

- Major commercial business model review (may require seed funding for specialist consultant to support service review).
- Minor internal business model review (review insourcing versus outsourcing of relevant internal service).
- Internal process and structure review (consider current service levels, team structure and processes for identified departments).
- Business process improvement (service reviews identified for completion through Council’s formal Business Improvement Program as per Office of Local Government Integrated Planning & Reporting Framework requirements).

Major commercial business model reviews

4 major business model reviews have been identified as a priority for completion:

- Bereavement Services
- Holiday Haven
- Family Day Care
- Shoalhaven Entertainment Centre

These service reviews are currently in scope definition and are expected to commence from July 2024 once seed funding is available to resource the reviews. This budget has been requested in the 2024/25 budget process.

The order of reviews will be confirmed once the scoping is complete. Councillors will be consulted on the scope of the reviews in May and June as part of the financial sustainability workshops. Each business will present an overview of the business and recommend scope of the review for discussion with Councillors. Bereavement Services is on the agenda for the 30 April workshop.

Minor internal business model reviews

2 minor internal business model reviews have commenced in March 2024. The first is for legal services. Legal services are currently provided through a hybrid insource/outsource arrangement. The outsource costs associated with litigation have increased due to increased legal activity particularly through the Land and Environment Court. This review will consider what is the right mix of insource and outsource legal services in the future.

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The second review is of Council’s model for workers compensation insurance. Council is self-insured for workers compensation and costs are increasing in this space. This review will consider if the self-insurance model is optimal in the future.

Internal process and structure reviews

6 areas of Council have been flagged by Councillors as the focus to complete internal process and structure reviews:

- Asset custodian model – in progress
- Customer experience – in scope definition
- Communications and media – in scope definition
- Tourism and economic development – in scope definition
- Fleet – in progress
- Visitor centre – in progress

Councillors will be briefed on the outcomes of these reviews through the financial sustainability workshops.

Business process improvement reviews

There are 2 business process improvement reviews agreed for completion in 2024:

- Holiday Haven – complete
- Library Services – not started

The agreed scope of the Holiday Haven business improvement review was:

- a. Asset Reporting
  - Identify opportunities to develop robust reporting capabilities.
  - Analyse operating maintenance system maturity and practices
  - Analyse asset data quality and maturity
- b. Marketing
  - Identify opportunities to improve mid-week occupancy
  - Analyse current strategies, resources, and agreements

6 recommendations from the Holiday Haven business improvement review have been endorsed and are scheduled for implementation in the coming 12 months. The implementation of these recommendations will be tracked in Council’s initiative register.

Other efficiency ideas – from staff

The Shoalhaven Leadership Team (SLT) have been tasked to find cost savings or revenue generating initiatives within their department to complement the efficiencies that will be realised from the defined service review programme. This is a whole of Council approach to finding financial sustainability and is in recognition that finding efficiencies at a department level will be needed to achieve a savings target.

3. BLERF showground upgrade projects

Project summary	Bushfire Local Economic Recovery Funding (BLERF) Resilience Improvements for four Shoalhaven Showgrounds (Kangaroo Valley, Nowra, Milton and Berry)
Total project cost	Estimated at \$11.5 million (partially funded – 4 showgrounds)
Funding source	\$3,835,367 BLERF Grant

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	<p>\$3,700,000 Loan 23/24 – loan to be drawn down prior to 30 June 2024.</p> <p>\$4,000,000 unfunded</p>
Status	<p>External PM &amp; design consultant engaged.</p> <p>Concepts being developed with schematic cost estimates provided of \$11.5 million.</p> <p>Variation submitted to grant fund for an extension of time and a reduction in scope (Option 2). Funding body is unlikely to approve the reduced scope and extension of timeframe for construction.</p>
Impact if 'on hold'	<p>Require negotiations with grant administrator</p> <p>Risk of grant funding may need to be returned</p> <p>Existing contracts with PM/design lead may lead to renegotiating/exit costs.</p>
Increase in Operational Costs	<p>Maintenance &amp; depreciation costs TBC</p> <p>Increase in income forecasted for Milton with the approval of additional camping sites.</p>
% renewal	80% new, 20% renewal
Staff recommendation	<p>Place projects on hold and progress all 4 sites to DA approval only.</p> <p>Return grant funding.</p> <p>Reduce proposed loan borrowings (loan will cover spend to date and DA approval costs only)</p>

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### Financial Implications

By adopting the recommendations in this report, the following financial implications will be realised:

- Return grant funding for BLERF Showground upgrade projects.
- Reduced loan to be drawn down, reducing future interest payable.

### Risk Implications

#### Pausing projects

There may be reputational risks to Council associated with the recommendations in this project to pause projects and programs. The consequence to these decisions may be a loss of trust with key community stakeholders. However, other community members may recognise Council's diligence in making sound financial decisions that improve our long-term financial sustainability, which would have a positive reputational impact.

Return of grant funds may impact the ability to receive future grant funding.

#### Service planning

The delivery of initiatives under service planning will achieve a cost benefit to Council and will support the financial sustainability objective. The timeframe to recognise benefits is yet to be determined and can only be reported once the service reviews are completed, and



agreed recommendations implemented. Achieved savings, and impact to Council's financial position, will be reported quarterly in the Productivity and Efficiency report.

CL24.117

## **CL24.118 Draft Delivery Program Operational Plan and Budget 2024-25 - Public Exhibition**

**HPERM Ref:** D24/109532

**Department:** Corporate Performance & Reporting  
**Approver:** Robyn Stevens, Chief Executive Officer

**Attachments:**

1. Draft Delivery Program Operational Plan and Budget 2024-25 - Exhibition (councillors information folder) [↗](#)
2. Draft Fees and Charges 2024-25 - Part 1 - Exhibition (councillors information folder) [↗](#)
3. Draft Fees and Charges 2024-25 - Part 2 - Exhibition (councillors information folder) [↗](#)

### **Reason for Report**

The purpose of this report is to provide the elected Council with the Draft Delivery Program and Operational Plan (DPOP), Draft Budget and Draft Fees and Charges for the 2024/25 financial year, and to seek the endorsement of Council to place these documents on public exhibition in accordance with legislative requirements.

### **Recommendation**

That Council:

1. Endorse the Draft 2024/25 Delivery Program and Operational Plan, Draft Budget, Draft Fees and Charges (including the proposed funding strategy for the delivery of general fund capital works) for the purpose of placing on public exhibition for a period of 28 days.
2. Maintain the previous 2023/24 rating structure, comprising both base and ad valorem amounts which is a commonly used ratings structure that results in bringing the higher and lower values closer together and in effect spreads the burden across the board to all ratepayers.
3. In accordance with Section 566(3) of the Local Government Act, 1993, and Council's policy POL22/88 *Revenue – Overdue Interest Rate* endorse the rate of interest payable on overdue rates and charges for the period 1 July 2024 to 30 June 2025 (inclusive) to be the maximum 10.5% per annum as determined by the Minister of Local Government.
4. Note that interest charges will continue to be waived for ratepayers that are experiencing financial hardship and they can apply for financial assistance under Council's Hardship Policy.
5. Approve the Minister's allowable limit of a 4.5% rate peg increase in 2024/25 to the notional yield as permitted by Section 511 of the Local Government Act, 1993.
6. Receive a report on feedback from the community on the Draft 2024/25 Delivery Program Operational Plan and Budget following the public exhibition period.

CL24.118

**Options**

1. Council resolves to place the Draft DPOP, Budget and Fees and Charges for 2024/25, on public exhibition for 28 days inclusive as recommended.

Implications: The documents will be placed on public exhibition as presented in the report with a report back to a Council in June with details of submissions received including any community feedback on the Draft DPOP.

2. Council defers a decision in respect of the Draft DPOP, Budget and Fees and Charges for 2024/25 being placed on public exhibition pending either further information being provided, or the documents being amended.

Implications: A delay in placing the Draft DPOP on public exhibition could result in Council not adopting the DPOP and Budget prior to 30 June 2024, as required by legislation. Any delay beyond 30 June 2024 could delay the routine levy of the 2024/25 annual rates and charges. A late issue of Rates Notices will have detrimental impacts on Council's cash flow.

**Background**

In accordance with the Integrated Planning and Reporting (IP&R) requirements in the NSW Local Government Act, Council has adopted a Delivery Program for the period 2022-2026. The Delivery Program inclusive of the draft Operational Plan and Budget for 2024/25, is presented to Council for endorsement for public exhibition and community feedback.

The adoption of a high-level budget strategy and economic parameters by Council enables staff to prepare the draft budget with an improved level of confidence that the draft budget, when discussed at budget workshops and ultimately presented formally for consideration, will meet Council's expectations. It is also considered that the adoption of a high-level budget strategy and economic parameters by Council makes the budget preparation more transparent and efficient with strategic priorities and budget constraints being identified in advance.

Council adopted the 2024/25 budget strategies and economic parameters on Monday 26 February 2024.

**Table 1 - The Strategic Budget Principles are outlined below:**

Adopted Budget Strategy/Parameter	Achieved
The budget will not result in an unrestricted cash deficit.	✓
Prioritise funding in the following order: <ol style="list-style-type: none"> <li>Provide sufficient funding for all continuing services</li> <li>Continue Council's commitment to asset renewal</li> <li>Continue a program of capital improvements to address historic budget shortfalls</li> </ol>	✓
Maintain or improve Council's financial and asset management performance indicators reported in the annual financial statements.	Partly*
Maintain an adequate working funds balance.	✓
Minimise carry forwards through substantial completion and long-term planning of the capital works program	✓

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Adopted Budget Strategy/Parameter	Achieved
Rates are increased by 4.5%	✓
User fees and charges are increased by a minimum of 7.5%	✓
Salaries and wages are increased by 3.5%, plus bonus payable, as per the Local Government (State) Award	✓
Superannuation guarantee is to be increased from 11% to 11.5% in line with legislated increases	✓
Materials and other expenditures increase by a maximum of 5%	✓
The capital works program is reduced in order to assist in the management of Council's financial sustainability challenges and to ensure there is no reduction in Council's unrestricted cash balance	✓
Borrowing for capital works is limited to those projects identified for loan borrowings in the AEC Financial Sustainability Review. No other loan borrowings are to be taken out unless a funding source is identified for the ongoing repayments or principal and interest.	✓
Should the need arise during the year for additional borrowings, the following options will be considered: <ul style="list-style-type: none"> <li data-bbox="236 987 699 1021">i. Internal borrowing opportunities</li> <li data-bbox="236 1037 549 1070">ii. Asset rationalisation</li> </ul>	✓
Repairs to Council's Road Network be a primary focus of the initial draft of the Capital Works Program.	✓
Budget Workshops be scheduled with all Councillors in the preparation of the draft 2024/25 budget which will include consideration of any recommended re-prioritisation of capital works projects listed in the current Delivery Program and Operational Plan.	✓

Notes:

\*A number of indicators are forecasting a deterioration due to the need to a reduction in available funds for capital works.

### Council Priorities

The Delivery Program details what activities Council intends to undertake to achieve the key priorities outlined in the Community Strategic Plan 2032. These priorities are grouped under the themes of:

- Resilient, safe, accessible, and inclusive communities.
- Sustainable, liveable environments.
- Thriving local economies that meet community needs.
- Effective, responsible and authentic leadership.

Each of the themes and key priorities that have been identified by the community have been allocated 4-year objectives (54 in total) in the Delivery Program, and 1-year actions in the Operational Plan. The combined DPOP outlines these objectives and the actions, projects and services Council will deliver in the 2024/25 financial year.

### 2024/25 Projects and Initiatives

Full details on Council's planned projects and initiatives are included in **Attachment 1** – Draft Delivery Program Operation Plan & Budget 2024/25.

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There are numerous new initiatives programmed for 2024/25 including:

- Coordinate delivery of the Financial Sustainability Project to address the recommendations outlined in the 2023 financial review across key pillars of Asset and Project Management, Financial Management and Service Planning
- Establish an Enterprise Project Management Office to oversee and support project governance through management of the corporate Project Management Framework and assess project readiness for inclusion in capital budgets
- Establish the Maritime Commercial Services Unit, identify key assets and determine future actions and performance measures
- Manage Council's Flood Alert Network
- Develop planning controls and character statements to manage the contribution new development makes to neighbourhood or local character, including contemporary development and heritage controls for Berry
- Preparation of a new local infrastructure contributions scheme and governance framework
- Maintain Council's Key Projects Advocacy Document as a living prospectus to drive government investment
- Ensure effective and efficient recording of water consumption through continuation of water meter replacement program
- Increase the community awareness of the Shoalhaven Water financial support program and provide additional support and training to all key agencies that administer the Payment Assistance Scheme on behalf of Shoalhaven Water

Council Draft Capital works program includes:

- Boxsells Bridge – Meroo Meadow, Murrays Bridge – Conjola, Smarts Bridge – Croobyar (all grant funded)
- Local Roads Upgrade Program (Stage 1 Federal Government \$40M grant funding)
- George Evans Road – Yalwal Interchange
- East Nowra Sub-Arterial – Detailed Design and Early Works (grant dependent)
- Shared User Paths including Matron Porter Drive, Murramarang Road – Shelly Beach / Kioloa, Old Southern Road (all grant funded)
- Waste Facilities West Nowra - Materials Recovery Facility, Waste Education Centre
- Shoalhaven Water - Water and Sewer capital works including the Bamarang to Milton Water Trunk stage 2, Huskisson Vincentia Sewer Pumping Station upgrade and South Nowra Surcharge Sewer Main package 2

Council's Natural Disaster Reconstruction Team will continue delivery of infrastructure recovery works from the numerous significant weather events that have impacted the Shoalhaven since 2020. Progress in delivery of these works can be found on Council's website through the following master page: [Natural Disaster Reconstruction Works](#). Planned Natural Disaster projects are not currently captured in Council's 2024/25 draft capital works program (which is discussed later in this report). Natural Disaster projects will be added to the capital program after public exhibition, and will be endorsed as part of the final adoption of the Delivery Program Operation Plan & Budget 2024/25.

## Performance measures

Performance measures against each Operational Plan action have been included to ensure that Council continues to be accountable against the objectives that have been set and to better manage community expectations. These measures can be targets, benchmarks or milestones. Performance against the adopted DPOP Actions and measures are reported to Council and the community on a quarterly basis.

## Statement of Revenue Policy

### Rating Structure and 2024/25 Rates Increase

Council has resolved to maintain the same approach to rating used in the previous 2023/24 year, structured on an ad valorem basis using land values issued by the Valuer General in accordance with Section 497 of the NSW Local Government Act 1993, subject to base amounts for ordinary and special rates. The use of a base amount brings the higher and lower land values closer together and in effect spreads the burden across the board to all ratepayers.

Permissible increases in rates revenue are determined by the Independent Pricing & Regulatory Tribunal (IPART) through two distinct processes; the industry standard rate peg and/or a council Special Variation. Following recent review of the rate peg methodology, IPART now considers changes to base costs for council groups, Emergency Services Levy (ESL) contributions, and population growth, in determining the annual rate peg for each council. IPART has determined a rate peg of 4.5% for Shoalhaven for 2024/25.

Whilst Council officers pursued an application for a Special Rate Variation to be applied from 1 July 2024, this was not endorsed by the Council.

The proposed rating structure for 2024/25 has a flat base amount of \$761, with the exception of the Residential – Non-Urban category that has a base of \$50, the Farmland category which has a base of \$1,022, and the Farmland – Dairy category which has a base amount of \$1,142.

Business – Ordinary category does not have a base amount and is subject to an ad valorem rate in the dollar levied on the value of the property supplied by the Valuer General of NSW.

Business – Ordinary rates are levied on parcels of land held by the Crown and categorised as Business Ordinary (i.e., Crown leases such as permissive occupancies, jetties, slipways, moorings, pastoral leases, etc.).

The following rates are proposed for 2024/25 in respect of each category of ordinary rates levied by Council:

- Residential: Will be levied a base amount of \$761 and an ad valorem rate of 0.09908 cents in the \$ for Ordinary Residential Rates and a base amount of \$50 and an ad valorem rate of 0.09908 cents in the \$ for Residential Non-Urban Rates.
- Farmland: The rates for Farmland will be levied a base amount of \$1,022 and an ad valorem rate of 0.07480 cents in the \$. The rates for Farmland – Dairy will be levied a base amount of \$1,142 and an ad valorem rate of 0.03980 cents in the \$.
- Business: All sub-categories will utilise the same base amount of \$761, excluding Business (Ordinary – Business category), where no base amount is applied given the type of properties within this category. However, different ad valorem rates have been applied, depending upon the level of service provided in each area. An ad valorem rate for Nowra CBD business rates is 0.51580 cents in the \$, Business Ordinary 0.19932, Business Commercial/Industrial 0.17330, Business – Major Retail Centre – Nowra 0.72930 and Business – Major Retail Centre – Vincentia 0.35130.

Note: The proposed 2024/25 rates and charges shown in the preceding section are subject to immaterial change between draft exhibition and final Council adoption of the DPOP for 2024/25. This potential for immaterial change relates to the daily addition of new properties (subdivision and consolidation), and daily changes to property land values, changes in categorisation, and rateability.

Draft Fees & Charges 2024/25 are included as **Attachment 2 (Part 1)** and **Attachment 3 (Part 2)**.

#### Interest on Overdue Rates & Charges

Council's current policy POL22/88 is to adopt the maximum permissible interest rate for each year on overdue rates, charged on a simple interest basis. This is consistent with the policy of the other local councils in the region.

The Minister for Local Government has announced the maximum rate of interest payable on overdue rates and charges for the period 1 July 2024 to 30 June 2025 at 10.5% per annum. Interest charges will be waived for ratepayers that experience financial hardship and can apply for financial assistance under the Council Hardship Policy.

#### 2024/25 Water and Sewer Fees and Charges

The 2024/25 water and sewer (wastewater) pricing is derived in accordance with the Local Government Act 1993; in compliance with the NSW Government Water Supply, Sewerage and Liquid Trade Waste Pricing Guidelines and Council Policy 22/129. These documents are publicly available.

The water and sewer availability charges are levied in accordance with Sections 501 and 552 of the Local Government Act, to provide access to facilities for the supply of water and sewerage services. In 2024/25, the water availability charge for a residential connection (20mm) has increased to \$145 (\$57 increase) per annum, the sewer availability charge will increase to \$1,028 (\$72 increase) per annum.

The two-part tariff for water charges will continue (usage and availability). In 2024/25 the treated water usage charge will increase from \$2.00 to \$2.50/kL.

The impact of these price increases on customers have been modelled using a residential customer's average water consumption of 155kL per year. Based on the average water consumption the total increase in this customer's annual water and sewer account would be \$206.50 for the full year.

Further information regarding Water and Sewer Fees and Charges can be found in **Attachment 2 (Part 1)**.

#### 2024/25 Domestic Waste Management Charges

Under section 496 of the Local Government Act 1993, Council must make and levy an annual charge for providing domestic waste management services. Under section 504 of the Act, income from the charge must not exceed the reasonable cost to the Council of providing those services. A standard 120L Domestic Waste Management Charge service is proposed to increase 7.9% from \$468 to \$505 in 2024/25.

Further information regarding Domestic Waste Management Charges can be in **Attachment 2 (Part 1)**.

### **Budget Summary**

Not dissimilar to many other NSW councils, Council has experienced a growing gap between operating revenue and operating expenditure. The growth in the cost base of current services provided has exceeded the growth in revenue. This has placed Council in a difficult financial position.

A bottom-up budget process was adopted in building the FY2024/25 operational and capital budgets. This approach provides a realistic budget that is reflective of the cost incurred to deliver our current services at the current agreed service level. It also ensures all costs required to meet legislative requirements are adequately budgeted for. This results in a draft 2024/25 operating deficit which is larger than Council's previous budget however, is in line with the historical actual results achieved by Council.

Whilst the severity of Council's current financial position is well documented, the FY2024/25 budget further reinforces the need for financial intervention. The current lack of available cash will continue to be a major concern throughout FY2024/25 and Council will continue to struggle with its aged infrastructure. This lack of investment in asset renewal has led to a significant deterioration in the condition of Council's assets and has created infrastructure backlog issues. Council's current financial position does not allow for Council to actively deal with its backlog of infrastructure, nor the adequate funding of asset renewals moving forward.

In the 2008 audited financial statements, all of council infrastructure assets were rated as either category 1 or 2, category 1 being assets of excellent condition requiring normal maintenance and category 2 being assets in good condition requiring only minor maintenance work. As reported in the recently adopted 30 June 2023 financial statements, 51.3% of Council's assets by value are rated in category 1 and 2, with 48.7% of assets now reported in categories 3 (satisfactory) to 5 (very poor).

More information pertaining to Council's limited cash and its impact on capital budgets is discussed later in this report.

Management of Council's cash position will continue to require considerable effort from Finance staff, diverting these resources from other financial responsibilities. Further, as the conditions of assets continues to deteriorate and funding needs to be diverted to increased reactive maintenance, the community will have a worse experience from poorer quality infrastructure and reduced service over time.

Council's dedicated Financial Sustainability Review project team will continue to coordinate financial sustainability actions and initiatives in response to previous Council resolutions and those noted in the November 2023 AEC Financial Sustainability review, with the aim of returning Council into a financially sustainable position. As operational savings are identified through the Financial Sustainability Review project, and these savings are resolved by Council and ready for implementation, the operating budget will be revised at each Quarterly Budget Review process with the savings being quarantined with the expectation they are used to rebuild Council's unrestricted cash position, assist in funding future capital works, or assist with the repayment of Council borrowings.

**Table 2: Income Statement by Fund**

	(\$'000)			
	General Fund	Water Fund	Sewer Fund	Consol.
Income from Continuing Operations	337,022	46,012	64,866	373,214
Expenses from Continuing Operations	335,347	44,027	54,600	361,204
Net Operating Result	1,675	1,985	10,266	12,010
Net Operating Results Before Capital	(25,291)	345	8,241	(18,621)
Net Cash Movement	(20,088)	3,125	870	(16,093)
Net Reserve Movement	(20,119)	3,125	870	(16,124)
<b>Net Unrestricted Cash Movement</b>	<b>31</b>	<b>0</b>	<b>0</b>	<b>31</b>

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The proposed Draft 2024/25 Budget includes a capital expenditure of \$111.4M across General, Water and Sewer funds along with the \$361.2M of operating expenditure required to provide the essential services to our community which brings the next year’s consolidated budget to \$472.6M.

**Table 3: Capital and Operating Budget by Fund**

	(\$'000)			
	General Fund	Water Fund	Sewer Fund	Consol.
Capital Budget	76,767	14,385	20,225	111,377
Operating Budget	335,347	44,027	54,600	361,204
Total Budget	412,114	58,412	74,825	472,581

The budget was prepared based on the principles of prudent financial management and fiscal discipline. It is a balanced budget meaning that the budgeted general fund operational and capital expenditures do not exceed the general revenue and available internal and external restrictions of the Council and conforms to the requirement for generally no cash deficit budgeting.

**Table 4: Draft 2024/25 Budget (provisionally balanced)**

	2024/25 Budget (\$'000)			
	General Fund	Water Fund	Sewer Fund	Consol.*
Rates & Annual Charges	129,346	8,669	55,143	193,158
User Charges and Fees	71,701	30,673	4,839	107,213
Interest and Investment Revenue	5,904	1,851	722	8,477
Other Revenues	4,967	105	19	5,091
Internal Revenue	69,494	3,074	2,118	0
Grants and Contributions provided for Operating Purposes	22,545	0	0	22,545
Grants and Contributions provided for Capital Purposes	26,966	1,640	2,025	30,631
Net Gains from the disposal of assets	6,099	0	0	6,099
<b>Total Income</b>	<b>337,022</b>	<b>46,012</b>	<b>64,866</b>	<b>373,214</b>
Employee Benefits and On-Costs	101,977	12,520	12,222	126,543
Borrowing Costs	4,767	0	2,907	7,674
Materials and Contracts	85,951	9,399	14,439	109,420

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Depreciation and Amortisation	64,553	15,144	17,523	97,220
Other Expenses	20,249	59	39	20,347
Internal Expenses	57,850	6,905	7,470	0
<b>Total Expenses</b>	<b>335,347</b>	<b>44,027</b>	<b>54,600</b>	<b>361,204</b>
<b>Net Operating Results</b>	<b>1,675</b>	<b>1,985</b>	<b>10,266</b>	<b>12,010</b>
<b>Net Surplus/(Deficit) before Capital</b>	<b>-25,291</b>	<b>345</b>	<b>8,241</b>	<b>-18,621</b>
<b>Other Cash Adjustments</b>				
Capital Expenditure	-76,767	-14,385	-20,225	-111,377
New Borrowings	3,751	0	0	3,751
Loan Principal Repayments	-26,165	0	-5,045	-30,782
Net Gains from the disposal of assets	-6,099	0	0	-6,099
Proceeds from the disposal of assets	18,965	120	100	19,185
Receipt of Internal Loan Repayment	0	428	0	0
Depreciation Adjustment	64,553	15,144	17,523	97,220
Dividend Paid to General Fund		-167	-1,749	0
<b>Net Cash Outflow</b>	<b>-20,088</b>	<b>3,125</b>	<b>870</b>	<b>-16,093</b>
<b>Reserve Movements</b>				
<b>Net Transfers from Reserves</b>	<b>20,119</b>	<b>-3,125</b>	<b>-870</b>	<b>16,124</b>
<b>General Fund Net Cash Movement</b>	<b>31</b>	<b>0</b>	<b>0</b>	<b>31</b>

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*\*Note: Consolidated results include interfund adjustments not listed in the table.*

### Capital Works Program

On completion of the operational budget, Council had \$1.4M available in unrestricted general fund cash to contribute towards its general fund (excludes Water and Sewer Funds) capital program. This amount will continue to deteriorate as rises in expenditure (inflation) continue to grow at a faster rate than increases in revenue (rate peg). Originally Council had \$900k in unrestricted general fund cash to contribute to general fund capital projects however, during the budget workshop with Councillors it was proposed that the Tourism and Economic Development Budget be permanently reduced by \$500k in order to allocate this money to capital. The draft budget has been prepared on this basis.

Council’s Enterprise Project Management Office (ePMO) received requests for critical capital projects requiring \$29.3M in unrestricted general fund cash contributions, representing a shortfall in available cash of \$27.9M.

The ePMO performed a thorough review of all requests and focused on those outstanding capital works projects that have commenced and will be incomplete by 30 June 2024 (carry forwards), and projects not yet commenced but need to be delivered in FY2024/25 due to funding deed or other contractual obligations.

This resulted in a proposed total capital works program of \$111M (General Fund \$66.7M, ShoalWater and Waste \$44.6M) and includes a general fund unrestricted cash contribution of \$17.9M.

The critical capital works have been categorised into Categories 1, 2 and 3. These are defined as follows:

- **Category 1** - Essential works required to meet minimum road renewals, urgent renewals of other asset types and critical grant co-contributions. “Required to keep the lights on”.
- **Category 2** - Next most urgent renewals to meet Council’s basic obligations, fund other secured grant co-contributions and provide for urgent reactive capital works.
- **Category 3** - Still urgent renewals including some more commercially focussed projects and compliance attainment.

Excluding Shoalhaven Water (Water and Sewer) and Waste funded projects, the proposed general fund capital program is \$66.7M. This is broken up by:

Category	Total project cost	General fund Unrestricted cash contribution
1	\$56,346,190	\$9,267,343
2	\$4,892,183	\$4,348,589
3	\$4,993,782	\$4,274,045
<b>Total</b>	<b>\$66,732,154</b>	<b>\$17,889,976</b>

It is proposed to fund the \$17.9M general fund unrestricted cash capital requests through the following mechanisms:

- \$1.4M available in unrestricted general fund cash.
- \$5.2M of council’s projected 2024/25 Special Rate Variation (SRV) Program (approved in 2018/19) is to be made available to fund all capital works. \$4.7M will go to funding road and building renewals which are the capital projects the SRV was approved to be spent on. The remaining \$500K has been allocated to bridge renewal projects. Bridge renewal projects were not noted in the original SRV application, however they are closely related to the road renewal works and staff deem it appropriate that the remaining SRV be allocated to capital works closely aligned with its original purpose.
- \$5.5M in current unspent loan funds (previously drawn down to fund the Sanctuary Point Library design) being repurposed whilst a decision on the final scope of this project is determined. Future borrowings for completion of the Sanctuary Point Library are already included in Council’s Long Term Financial Plan (most recent draft was placed on public exhibition in December 2023 and presented to Council in January 2024 – (however not endorsed).
- \$5.375M of proceeds from land sales (budgeting for \$15M in proceeds from land sales – remaining \$9.625M will go towards paying of Council loans).

- \$400K in uncommitted capital previously allocated to the Nowra CBD Committee (in FY2023/24) will be carried forward and repurposed due to there being no ePMO approved projects identified by this committee for FY2024/25.

In addition, as there are no Nowra CBD Committee projects that have been verified by Council’s ePMO there will be no additional capital allocation to this Committee in FY2024/25.

There was a further \$11.4M in general fund unrestricted cash capital requests that have not been included in the categories above but were still considered to be priorities for FY2024/25 by the organisation. Due to funding limitations, these will need to be funded in FY2025/26. Council’s financial position will need to drastically improve in FY2025/26 in order to provide funding to complete these outstanding works, the FY2025/26 recurrent capital expenditure (for example, roads reseals) and any further works that arise between now and 30 June 2025.

Due to the funding constraints documented throughout this report, it is unlikely there will be unrestricted general fund cash to commit to capital in FY2025/26, and onwards, unless a Special Rate Variation (SRV) is adopted. Therefore, Council has only presented a 1 year capital program in the FY2024/25 delivery program operational plan as there is no certainty around the future of the capital works program at this time.

Work on the proposed 2025/26 Long Term Financial Plan is underway, and the need to address Council’s funding issues is the top priority of Council staff. Council’s dedicated Financial Sustainability project team will continue to coordinate Financial Sustainability actions and initiatives in response to previous Council resolutions and those noted in the AEC Financial Sustainability review, with the aim of returning Council into a financially sustainable position. However, it is the opinion of Council officers that an application for a SRV will be required in FY2025/26 in addition to the outcomes achieved through the Financial Stationarity Review.

The proposed 2025/26 Long Term Financial Plan will be presented to Council later this calendar year.

Table 5 below shows the total capital works by program and indicates the proposed funding sources for the capital program.

**Table 5: Total Capital Works by Program**

Capital Program	\$'000
Roads and Transport	22,795
Strategic Roads & Bridges	8,500
Open Space, Sport, and Recreation	1,325
Buildings and Property	12,399
Internal Corporate Services	4,134
Waste and Recycling Program	10,035
Bridges	7,661
Commercial Undertakings	5,828
Environmental Management	1,210
Community and Culture	563
Stormwater	712
Waterways Infrastructure	1,605

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<b>Total General Fund</b>	<b>76,767</b>
Water and Sewer Capital Works	34,610
<b>Total Capital Program</b>	<b>111,377</b>

It is important to note that the capital works program for 2024/25 will be adjusted throughout 2024/25 having regard to:

- I. Carry forward and Revotes which are to be determined in conjunction with the March and June 2024 Budget Reviews.
- II. Outcomes from the comprehensive review of Council’s Long-Term Financial Plan to be undertaken in the first quarter of 2024/25.

**Budget Details – General Fund**

The Operating Result for 2024/25, excluding capital grants, is a deficit of (\$25.3M). With the inclusion of capital grants, the net operating result is a surplus of \$1.6M. There is no net impact on the cash flow result for unrestricted general fund, that is, the budget is provisionally balanced as previously stated.

Key drivers of the 2024/25 operating results:

- Increase in income due to anticipated assets sales
- Increase in net employee operating costs – whilst the gross employment costs have increased in line with the Local Government Award, Council has budgeted for a reduction in the amount of employee costs that are recovered through grant funded projects and capital works
- Increase in depreciation costs due to the forecast increase in assets values resulting for the 30 June 2024 revaluation process
- Increase in loan repayments and interest due to the approved 2023/24 general funded loans
- Increase in maintenance budgets to address historical shortfalls in building maintenance and compliance, as well as parks maintenance

Council has reduced its reliance on borrowing in FY2024/25, only budgeting to borrow loans that were included in its draft Long Term Financial Plan, which was reported to Council, but not endorsed in January 2024. The future loans budgeted for in the long term financial plan include:

- Material Recovery Facility (Waste Fund)
- Waste Education Centre (Waste Fund)
- Sanctuary Point Library (Unrestricted general fund cash)

Borrowings are proposed for the Materials Recovery Facility and Waste Education Centre in the FY2024/25 budget. No borrowings are proposed to be drawn down in relation to the Sanctuary Point Library. Due to a change in project scope, construction will not commence on the library in FY2024/25 and therefore loan borrowings will not be needed until future years. There is currently no change in the amount anticipated to be borrowed for the library, only the timing of the loan drawn down (will occur in FY2025/26 or later).

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**Budget Details – Shoalhaven Water**

The Operating Result for the Water Fund for 2024/25, excluding capital grants, is a surplus of \$345K. When capital grants and contributions are included, the net operating result is a surplus of \$2.0M. Key drivers of the 2024/25 operating results:

- Increase in revenue due the proposed increase in annual and user charges (noted earlier in this report)
- Increase in employee costs as per the award
- Increase in depreciation expense due to the forecast increase in assets values resulting for the 30 June 2024 revaluation process
- Increase in operating costs on capital projects – demolition and removal of asbestos
- The Operating Result of Sewer Fund for 2024/25, excluding capital grants, is a surplus of \$8.2M. When capital grants are included, the net operating result is a surplus of \$10.2M. Key drivers of the 2024/25 operating results:
  - Increase in depreciation expense due to the forecast increase in assets values resulting for the 30 June 2024 revaluation process
  - A significant increase in haulage due to standards changing of how to dispose of biosolids

The Shoalhaven Water Directorate capital expenditure of \$34.6M has been allocated in the Draft Budget for 2024/25. The total includes the following significant projects/programs:

**Water Fund:**

- Bamarang to Milton Water Trunk stage 2 - \$1.8M
- Water mains replacement program - \$4.3M

**Sewer Fund:**

- Huskisson Vincentia Sewer Pumping Station upgrade - \$2.1M
- South Nowra Surcharge Main package 2 - \$5.6M
- Erowal Bay sewer protection - \$0.8M

No new loans are proposed for either Water or Sewer Fund.

**Key Performance Indicators**

The key performance indicators are set by the Office of Local Government to measure financial performance and suitability of local councils across NSW. The projected 2024/25 indicators for each of the funds as well as consolidated funds for Shoalhaven City Council is outlined below.

It was documented throughout the AEC Financial Sustainability review that Council was not meeting the required OLG targets, and that in order to return to a financially sustainable position and meet these required targets, a SRV would be required.

The tables 6 and 7 below highlight that Council is continuing to not meet the OLG targets in 2024/25.

**Table 6: Financial Performance Indicators**

	Description	Calculation	Target	Fund	2023/24
Operating Performance Ratio	Measures Council's achievement of containing operating expenditure within operating revenue	Total continuing revenue (excl Cap Grants & Contributions) - Operating Expenses	Greater than 0%	Consolidated	-7.4%
		Total continuing revenue (excl Cap Grants & Contributions)		General	-10.3%
				Water	0.8%
				Sewer	13.1%
Own Source Operating Revenue Ratio	Measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions	Total continuing operating revenue (less ALL grants and Contributions)	Greater than 60%	Consolidated	85.5%
		Total continuing operating revenue		General	85.0%
				Water	96.4%
				Sewer	96.9%
Unrestricted Current Ratio	To assess the adequacy of working capital & its ability to term for the unrestricted activities of Council	Current assets less all external restrictions	Greater than 1.5	Consolidated	1.21
		Current liabilities less specific purpose liabilities		General	1.21
				Water	5.14
				Sewer	1.82
Debt Service Cover Ratio	Measures the availability of operating cash to service debt including interest, principal and lease payments	Operating result before capital excluding EBITDA	Greater than 2.0	Consolidated	2.68
		Principal Repayments + Borrowing Interest Costs		General	1.94
				Water	No Debt
				Sewer	3.49
Rates, Annual Charges, Interest and Extra Charges Outstanding Percentage	To assess the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts	Rates, annual and extra charges outstanding	Less than 10%	Consolidated	6.2%
		Rates, annual & extra charges collectible		General	4.9%
				Water	9.6%
				Sewer	8.5%

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Cash Expense Cover Ratio	To assess the number of months a Council can continue paying for its immediate expenses without additional cash inflow	12* Current year's cash and cash equivalents plus all term deposits	Greater than 3 months	Consolidated	4.99
		Payments from cash flow of operating and financing activities		General	2.94
				Water	15.73
				Sewer	3.15

**Table 7: Infrastructure Asset Performance Indicators**

	Description	Calculation	Target	Fund	2024/25
Infrastructure Renewal Ratio	To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating	Asset Renewals	Greater than 100%	Consolidated	55.89%
		Depreciation, amortisation, and impairment		General	48.04%
				Water	76.74%
				Sewer	64.10%
Infrastructure Backlog Ratio	The ratio shows what proportion the backlog is against the total value of a Council's infrastructure	Estimated cost to bring assets to a satisfactory standard	Less than 2%	Consolidated	TBA
		Net carrying amount of infrastructure assets		General	TBA
				Water	TBA
				Sewer	TBA
Asset Maintenance Ratio	Compares budget vs required annual asset maintenance. A ratio above 1.0 indicated Council is investing enough funds to stop infrastructure backlog growing	Actual asset maintenance	Greater than 1x	Consolidated	TBA
		Required asset maintenance		General	TBA
				Water	TBA
				Sewer	TBA

TBA: Council is not in a position to provide estimates of these required benchmarks due to asset management planning not currently being mature enough to provide these estimates confidently. The required asset maintenance is in excess of the current budgeted maintenance.



**Comments on the indicators that do not meet the benchmark are as follows:**

Operating Performance Ratio Greater than 0%:

The budgeted ratios for general fund and water fund are below the benchmark, though water is only just below the benchmark. The actual ratios for these benchmarks for the years ended 30 June 2023, and 2022 were below zero and the budgeted benchmark for these ratios for the year ended 30 June 2024 is also below zero. Without increasing operating income or reducing operating expenditure, these benchmarks will continue to be below zero.

Unrestricted Current Ratio Greater than 1.5

General Fund has an Unrestricted Current Ratio below 1.5 due to cash anticipated to be spent on capital works projects reducing our anticipated cash balance, combined with a reduction in estimated grant funding arising from councils revised grants policy.

Debt Service Cover Ratio greater than 2.0

General fund ratio is below zero because of the decision to voluntarily pay debt down next year increasing value of principal repayments that will be made in 2025.

Cash Expense Cover Ratio Greater than 3 months

Cash payments from operating, investing and financing activities from general fund are greater than normal due to the anticipated repayment of additional debt in 2025.

Infrastructure Renewal Ratio, 100%

The budgeted expenditure on asset renewal for General, Water, and Sewer fund does not meet or exceed the anticipated relevant depreciation, amortisation and impairment for those funds. This is a consequence of the General Fund, Water Fund, and Sewer Fund having insufficient anticipated cash to commit to the projects required to meet its obligations under this benchmark.

**Councillor Engagement**

Councillors have had the opportunity to participate in a number of briefings and workshops throughout the preparation of the Draft 2024/25 DPOP. These workshops included our fortnightly Financial Sustainability Workshops, as well as 3 additional workshop sessions dedicated to the preparation of the draft budget. The full schedule is shown below in Table 8.

**Table 8: Councillor Engagement Schedule**

<b>Description</b>	<b>Date</b>
Financial Sustainability workshop 1	Tuesday, 20 February 2024
Financial Sustainability workshop 2	Tuesday, 5 March 2024
Financial Sustainability workshop 3	Tuesday, 19 March 2024
Councillor Budget Workshop 1 – General Fund	Tuesday, 12 March 2024
Councillor Budget Workshop 2 – Water and Sewer Fund	Thursday, 21 March 2024
Councillor Budget Workshop 3 – All Funds	Thursday, 4 April 2024
Councillor Budget Workshop 4 – Capital program	Thursday, 11 April 2024
Fees and Charges: provided by email	Friday, 1 March 2024
Fees and Charges: provided by email	Wednesday, 17 April 2024

As is normal practice, the results from the Councillor engagement are represented in the combined documents presented in this report with a recommendation that they be placed on public exhibition for community engagement and feedback.

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## **Community Engagement**

A community engagement plan has been prepared to ensure that the Community can be informed about the contents of the Draft Delivery Program and Operational Plan, Budget, and Fees & Charges. These engagement activities include the following:

- Information at Council facilities with QR code link directing to more information.
- Online feedback form on Council's Get Involved page.
- Social media posts to raise awareness and drive traffic to the Get Involved page.
- Media releases and communications to key groups such as Advisory Committees, Community Consultative Bodies and Community Groups.

The exhibition will also be promoted at scheduled community engagement sessions occurring throughout the 28-day period. Submissions will be able to be provided to Council online through our engagement webpage, via email or in written form.

## **Conclusion**

A draft 2024/25 Delivery Program and Operational Plan, Draft Budget, Draft Fees and Charges has been prepared and are recommended to be placed on public exhibition for a period of 28 days.

The Delivery Program and Operational Plan, Draft Budget, Draft Fees and Charges (the documents) represent a considered approach to sustainable and affordable budgeting. Under the current budgetary constraints facing the Council, this is extremely difficult.

Councillors and staff are now wanting to hear from the Community what its views are on the proposed budget and to that end, a 28 exhibition is proposed to enable comment to be received.

## CL24.119 2023/24 Council Borrowings - TCorp Loan Agreement

**HPERM Ref:** D24/148244

**Department:** Finance

**Approver:** Kerrie Hamilton, Director City Performance

**Attachments:** 1. Loan 1 2023-2024 - Waste Projects [↓](#)  
2. Loan 2 2023-2024 - General Fund Projects [↓](#)

### Reason for Report

This reason for this report is to seek Council approval to enter into loan agreements with NSW Treasury Corporation (TCorp) for both General Fund and Waste Fund borrowings that have previously been endorsed by Council.

### Recommendation

That Council:

1. Enter into a loan agreement, with New South Wales Treasury Corporation (TCorp) for \$15,856,000 (to be repaid over 10 years with an indicative interest rate of 5.07%) to cover the General Fund borrowing requirements that have been previously endorsed by Council and included in the 2023/24 Delivery Program and Budget (MIN23.326).
2. Delegate authority to the Chief Executive Officer to execute the loan agreement.

### Options

1. Adopt the recommendation in the report.

Implications: Council will be able to take up loans and fund capital projects in accordance with the adopted 2023/24 Delivery Program and Budget.

2. Not adopt the recommendation and make an alternative resolution.

Implications: Council will need to seek borrowings from other financial institutions and pay higher interest on loans or delay capital works.

### Background

As part of the Fit for the Future reforms, the NSW Government announced that councils who were declared “Fit” would be able to borrow funds from TCorp at reduced interest rates. Given that Shoalhaven City Council was deemed “Fit” in October 2015, it is eligible to utilise TCorp for borrowing funds at reduced rates for approved purposes.

The borrowings outlined in this report were approved in principle by Council as part of the 2023/24 Delivery Program (MIN23.326).

The proposed loan program for 2023/24 is:

Purpose of the Loan	2023/24	Funding Source
<b>Buildings and Property</b>	<b>\$6,015,000</b>	
Depot safety improvement works	\$750,000	General Fund
Woollamia Depot - Administration Office Building Upgrade	\$515,000	General Fund
Ulladulla Civic Centre Improvements	\$700,000	General Fund
Showground Buildings	\$4,050,000	General Fund
<b>Open Space, Sport and Recreation</b>	<b>\$5,400,000</b>	
Bay and Basin Leisure Centre Redevelopment - Design & Invest	\$900,000	General Fund
Shoalhaven Community and Recreational Precinct - Northern Section - design and investigation	\$1,000,000	General Fund
Shoalhaven Community and Recreational Precinct - Southern Section - Artie Smith	\$3,500,000	General Fund
<b>Tourism Projects</b>	<b>\$1,042,400</b>	
Sustainable Tourism Infrastructure Grant (matching funds)	\$1,042,400	General Fund
<b>Roads and Transport</b>	<b>\$1,519,800</b>	
George Evans Rd - Traffic Facilities Yalwal Intersection	\$1,519,800	General Fund
<b>Shoalhaven Entertainment Centre (SEC)</b>	<b>\$628,000</b>	
SEC Compliance works	\$628,000	General Fund
<b>Waste and Recycling Program</b>	<b>\$3,750,800</b>	
Materials Recovery Facility	\$1,831,600	Waste Fund
Waste Education Centre	\$1,919,200	Waste Fund
<b>Total</b>	<b>\$18,356,000</b>	
<b>Total General Fund Loans</b>	<b>\$14,605,200</b>	

During the current financial year there were a number of amendments to the capital works program which has changed the purpose of some of the proposed loans. Loans originally identified for George Evans Road and the Bay and Basin project will be used to fund various projects (detailed below). Additionally, proposed borrowings for Bushfire Local Economic Recovery Fund projects (included in the proposed loan for Showground Buildings) will reduce from \$3.7 million to \$1.2 million, reducing Council totals proposed borrowings for 2023/24 by \$2.5 million.

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The summary of the proposed borrowings along with the estimated interest expenditure is summarised in the 10-year projections table below:

Loan #	Project	Loan Amount \$	Total Interest over Life of the Loan \$	Funding Source \$
1	Materials Recovery Facility	1,831,600	531,236	Waste Fund
1	Waste Education Centre	1,919,200	556,643	Waste Fund
	<b>Total Funded by Waste Fund:</b>	<b>3,750,800</b>	<b>1,087,879</b>	
2	SEC compliance works	628,000	182,145	General Fund
2	Shoalhaven Community and Recreational Precinct projects (Northern and Artie Smith)	4,500,000	1,305,177	General Fund
2	Building improvements (Depot and Civic Centre improvement works)	1,965,000	569,927	General Fund
2	Sustainable Tourism	2,739,912	794,682	General Fund
2	Showground Buildings (reduced due to BLERF changes)	1,550,000	449,561	General Fund
2	Various (minor building works, road upgrade)	722,288	209,492	General Fund
	<b>Total Funded by General Fund:</b>	<b>12,105,200</b>	<b>3,510,984</b>	
	<b>Total</b>	<b>15,856,000</b>	<b>4,598,863</b>	

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### Financial implications

It is important for Council to gain the best interest rates on borrowings and locking this agreement in place will ensure the lowest interest rate available for the full term of the loan agreement. The current indicative interest rate provided by TCorp is 5.07%, an updated interest rate will be provided when the drawdown date has been confirmed. This rate is more favourable when compared to indicative interest rates from the financial sector of 5.50%, and results in an estimated interest saving over 10 years of \$420,705.

<b>Loan 1 - Waste Projects</b>				<b>5.07%</b>
<b>Payment</b>	<b>Interest</b>	<b>Principal</b>	<b>Total</b>	<b>Balance</b>
23/05/2024				3,750,800.00
23/11/2024	95,864.28	146,069.68	241,933.96	3,604,730.32
23/06/2025	106,150.91	135,783.05	241,933.96	3,468,947.27
23/11/2025	73,723.21	168,210.75	241,933.96	3,300,736.52
23/06/2026	97,199.00	144,734.96	241,933.96	3,156,001.56
23/11/2026	67,072.38	174,861.58	241,933.96	2,981,139.98
23/06/2027	87,787.63	154,146.33	241,933.96	2,826,993.65
23/11/2027	60,080.20	181,853.76	241,933.96	2,645,139.89
23/06/2028	78,260.63	163,673.33	241,933.96	2,481,466.56
23/11/2028	52,736.94	189,197.02	241,933.96	2,292,269.54
23/06/2029	67,502.00	174,431.96	241,933.96	2,117,837.58
23/11/2029	45,008.98	196,924.98	241,933.96	1,920,912.60
23/06/2030	56,566.40	185,367.56	241,933.96	1,735,545.04
23/11/2030	36,884.37	205,049.59	241,933.96	1,530,495.45
23/06/2031	45,069.53	196,864.43	241,933.96	1,333,631.02
23/11/2031	28,342.76	213,591.20	241,933.96	1,120,039.82
23/06/2032	33,138.14	208,795.82	241,933.96	911,244.00
23/11/2032	19,366.06	222,567.90	241,933.96	688,676.10
23/06/2033	20,279.91	221,654.05	241,933.96	467,022.05
23/11/2033	9,925.31	232,008.65	241,933.96	235,013.40
23/06/2034	6,920.60	235,013.40	241,934.00	(0.00)
	<b>1,087,879.24</b>	<b>3,750,800.00</b>		

<b>Loan 2 - known General Fund Projects</b>				<b>5.07%</b>
<b>Payment</b>	<b>Interest</b>	<b>Principal</b>	<b>Total</b>	<b>Balance</b>
23/05/2024				12,105,200.00
23/11/2024	309,389.01	471,420.15	780,809.16	11,633,779.85
23/06/2025	342,587.72	438,221.44	780,809.16	11,195,558.41
23/11/2025	237,931.69	542,877.47	780,809.16	10,652,680.94
23/06/2026	313,696.65	467,112.51	780,809.16	10,185,568.43
23/11/2026	216,467.05	564,342.11	780,809.16	9,621,226.32
23/06/2027	283,322.71	497,486.45	780,809.16	9,123,739.87
23/11/2027	193,900.72	586,908.44	780,809.16	8,536,831.43
23/06/2028	252,575.61	528,233.55	780,809.16	8,008,597.88
23/11/2028	170,201.36	610,607.80	780,809.16	7,397,990.08
23/06/2029	217,853.58	562,955.58	780,809.16	6,835,034.50
23/11/2029	145,260.40	635,548.76	780,809.16	6,199,485.74
23/06/2030	182,560.42	598,248.74	780,809.16	5,601,237.00
23/11/2030	119,039.33	661,769.83	780,809.16	4,939,467.17
23/06/2031	145,455.81	635,353.35	780,809.16	4,304,113.82
23/11/2031	91,472.44	689,336.72	780,809.16	3,614,777.10
23/06/2032	106,948.88	673,860.28	780,809.16	2,940,916.82
23/11/2032	62,501.33	718,307.83	780,809.16	2,222,608.99
23/06/2033	65,450.66	715,358.50	780,809.16	1,507,250.49
23/11/2033	32,032.58	748,776.58	780,809.16	758,473.91
23/06/2034	22,335.29	758,473.91	780,809.20	0.00
	<b>3,510,983.24</b>	<b>12,105,200.00</b>		

## **CL24.120 Report Back - Nowra CBD Planning Controls Review and Related Regional Planning Work**

**HPERM Ref:** D24/119353

**Department:** Strategic Planning  
**Approver:** Coralie McCarthy, Acting Director - City Futures

### **Reason for Report**

To consider possible next steps following the briefing provided by the NSW Government (Department of Planning, Housing and Infrastructure - DPHI) on their Nowra City Centre Strategic Roadmap process, given Council's previously resolved review of planning controls for the Nowra CBD.

### **Recommendation**

That Council:

1. Reaffirm its support to await the outcomes of the NSW Government's Nowra City Centre Strategic Roadmap process before implementing, if needed, the previously resolved review of planning controls for Nowra CBD (MIN21.249).
2. Receive a further report back on the Strategic Roadmap Discussion Paper when it is released for public consultation.

### **Options**

1. As recommended.

Implications: The outcomes of DPHI's Nowra City Centre Strategic Roadmap process will be considered before making any changes to planning controls for the Nowra CBD.

This will ensure that any required Council planning amendments/adjustments are consistent with or compliment the Strategic Roadmap and do not result in duplication or unnecessary effort.

2. Adopt an alternative recommendation.

Implications: Council could re-commence its review of the planning controls for the Nowra CBD sooner, without considering the outcomes of the Strategic Roadmap process, however, this may result in duplication, inconsistency and costs. The Strategic Roadmap may ultimately include planning amendments that negate the need for any Council initiated changes. As such, this is not the recommended option.

### **Background**

On 11 December 2023 Council received an update on the review of planning controls in the Nowra CBD / commercial core area and the related Nowra City Centre Strategic Roadmap process (the Roadmap) that the NSW Government commenced after its previous resolution.

The December 2023 report to Council can be viewed [here](#) (item CL23.456)



The Roadmap is Action 2 of the NSW Government's *Illawarra-Shoalhaven Regional Plan 2041* and it is being developed by the NSW Department of Planning, Housing and Infrastructure (DPHI) in collaboration with Council.

Stage 1 of the Roadmap work analysed the feasibility, planning control and market factors influencing development and investment in Nowra CBD. The analysis was undertaken for DPHI by a specialist consultant (Astrolabe Group). It was informed by targeted engagement with a range of key stakeholders including Council's Nowra CBD Revitalisation Strategy Committee. The key findings and recommendations from the Stage 1 report were summarised in the 11 December 2023 report. More information is also available on the Astrolabe Group website at: <https://astrolabegroup.com.au/projects/activating-nowra-city/>

DPHI has provided the Stage 1 report confidentially to key stakeholders but has not formally released it publicly yet.

Council resolved on 11 December 2023 (MIN23.733) as follows:

1. *Await the outcomes of the NSW Government's Nowra City Centre Strategic Roadmap process before implementing the previously resolved review of planning controls for the Nowra CBD (MIN21.249).*
2. *Request a briefing from the NSW Government in early 2024 to provide an urgent update on the recommendations and insight from Nowra City Centre Strategic Roadmap and discuss the importance of the Nowra CBD.*
3. *Receive a further report back after the briefing outlining next steps and any recommended planning amendments for Nowra CBD.*

Consistent with Part 2 of the resolution, Council received a briefing from DPHI on 15 February 2024 which is discussed below.

### **DPHI briefing**

DPHI staff gave an overview of the findings and recommendations from the Stage 1 report. These highlight the need for the Roadmap to go beyond traditional planning control amendments and take a more holistic approach to enable/encourage development, investment and activation in Nowra City Centre. The briefing then considered options/actions that the Roadmap could seek to implement and how well they might respond to the Stage 1 findings:

- **Option 1: Develop a Place Strategy for Nowra.**  
*Comments: Not recommended. Substantial strategic planning has already been undertaken in recent years and this could be perceived as a backwards step. Would not include a governance framework to coordinate the delivery of actions.*
- **Option 2: Review and amend planning controls (e.g. building heights).**  
*Comments: Not recommended. Amending planning controls alone without implementing other interventions will not address other market factors that are impacting feasibility in Nowra City Centre.*
- **Option 3: Work with key institutions and across government(s) to establish a collaborative, flexible and coordinated approach to investment in Nowra.**  
*Comments: This is the recommended option. Will facilitate greater coordination and innovative planning changes (for example, a new flexible planning pathway for development) in combination with other interventions to deliver outcomes. Will also allow for consideration of Nowra City Centre (including the Riverfront Precinct) in a holistic manner.*

### Next Steps

DPHI will continue to work with Council to prepare a Discussion Paper outlining the possible scope, governance framework and implementation mechanisms for the Roadmap. This will follow the approach at Option 3 above. The Discussion Paper and the Stage 1 report are expected to be released for consultation this year.

It is recommended that Council actively participate in and continue to support and advocate for Nowra as Shoalhaven's principle regional centre via the DPHI Roadmap process and not re-commence work on its review of planning controls if needed, until the Roadmap is further progressed. This will ensure a coordinated and outcomes driven approach is pursued and prevent duplication or any unintended inconsistencies.

### Consultation

The NSW Government has undertaken preliminary stakeholder engagement with agencies, peak bodies, housing providers and institutions to test the findings from the feasibility analysis undertaken across different development typologies and understand key barriers to development in the Nowra City Centre, as part of the Phase 1 work undertaken by the Astrolabe Group.

The Government will undertake consultation on the Strategic Roadmap Discussion Paper, most likely later this year.

### Policy Implications

Council and DPHI's respective projects aim to deliver identified goals and objectives relevant to Nowra CBD, in the *Illawarra Shoalhaven Regional Plan 2041*, Shoalhaven Local Strategic Planning Statement and Nowra CBD Revitalisation Strategy, including:

- Removing existing planning barriers to increased residential development.
- Providing more affordable housing options and mixed densities, e.g., apartments, townhouses, within walking distance of work, shops, services, and facilities.
- Activating street frontages and public spaces.
- Supporting the growth of Nowra CBD as Shoalhaven's key regional centre.

### Financial Implications

The Strategic Roadmap process is funded by DPHI with no direct financial contribution required from Council.

If Council was to re-commence work on its review of planning controls, a budget would need to be allocated to undertake supporting planning investigations.

## CL24.121 Report Back - Notice of Motion - Bomaderry Lions - Storage Access - Thurgate Oval Bomaderry

**HPERM Ref:** D24/109477

**Department:** Building Services  
**Approver:** Carey McIntyre, Director - City Services

**Attachments:**

1. Thurgate Oval - Latest Building Concept, Bomaderry Lions Club March 2024 [↓](#)
2. Thurgate Oval - Bomaderry Lions Club Building Modification - Estimate of Costs April 2024 [↓](#)

### Reason for Report

The reason for this report is to provide a response to the Notice of Motion requested by Council at the Ordinary Meeting held on 26 February 2024 (CL24.52).

### Recommendation

That Council Receive the report regarding the Bomaderry Lions proposal for storage access at Thurgate Oval.

### Options

1. That Council receive the report regarding the Bomaderry Lions proposal for storage access at Thurgate Oval.

Implications: Response to the Notice of Motion and the Bomaderry Lions proposal for storage access at Thurgate Oval is received.

2. That Council does not receive the report regarding the Bomaderry Lions proposal for storage access at Thurgate Oval.

Implications: Nil

### Background

Brief history- Lions club requesting a site from Council.

The Bomaderry Lions Club (BLC) have a strong history in supporting our local community. Council has been approached on several occasions to assist the BLC by providing accommodation to support their operations.

BLC was unsuccessful in an EOI application to lease the old Rural Fire Station located at 177 Illaroo Road in 2021.

At the Ordinary Meeting of the Council of 26 October 2021, it was resolved:

**RESOLVED** (Clr Gash / Clr Findley)

MIN21.785C

That Council:

1. Approve the Veterans MC South Coast Chapter Incorporated (VMC) for the use and occupation of 177-179 Illaroo Road, North Nowra for a term of ten (10) years at a commencing rental of \$510 per annum with Council. Subject to any formal approval process

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2. *Endorse a budget to Building Services for an amount of \$12,000 per annum for outgoings and repairs in order to maintain the property during the term of the lease.*
3. *Delegate approval to the CEO for the execution of relevant documentation required for this resolution to occur.*
4. *Authorise the CEO (Director City Services) to continue investigating suitable premises for occupation by the Bomaderry Lions Club Inc. Noting that the Lions Club currently have an informal arrangement for storage amongst their members.*

**CARRIED**

Building Services staff was authorised by the City Services Director to investigate premises suitable for the BLC to occupy. Several meetings have been held between Council Staff and members of the BLC to determine their needs.

At the Ordinary Meeting of the Council on 26 February 2024, it was resolved that:

**RESOLVED** (Clr Copley / Clr White)  
MIN24.95

1. *That Council receive a full report on the Bomaderry Lions proposal for storage access at Thurgate Oval.*

#### BLC Accommodation needs

The Bomaderry Lions Club has expressed its requirements for sole tenure of a secure building in the Bomaderry local area. The building ideally would be sized to accommodate the following:

##### Needs

- Caravan storage (caravan dimensions 2700W x 9500L x 3200H)
- Tow vehicle storage.
- An area and power supply suitable for freezers/ fridges.
- A hot water service.
- A sink (to wash up catering equipment).
- Shelving to store catering and event type equipment and when not in use.
- A location to wash the caravan and tow vehicle.
- The building should be suitable to access the site safely (i.e. not on main road with high traffic flow).

##### Wants

- A separate space within the building where meetings could take place.

#### Potential Sites

Although there are limited Council owned sites/ buildings in the Bomaderry local area, Council investigated the following sites before they were deemed unsuitable.

- 4 McIntyre Way, Bomaderry – Council depot / operational site.
- 76 Railway Street, Bomaderry – Vacant land, Shoalwater asset.
- 5 Birriley Street, Bomaderry – Heritage restrictions of the site.

Preferred Site

Council is the owner of a building located on Lot 21 Sec 27 DP2886, Bomaderry, known as Thurgate Oval (**Figure 1**). This building was identified by Council officers as a potential site for BLC; provided modifications are undertaken, it would meet most of its requirements.

This building is an old changeroom facility including two toilets located on the western side of Thurgate Oval. The building is accessed via an off-street gravel road into a carpark (trafficable by caravan). This building was damaged by fire approximately seven years ago and has been left vacant since being repaired. This building has been subject to consistent vandalism over recent years.



Figure 1- Thurgate Oval change room Building

The existing building in its current form meets all ‘needs’ of the BLC except for the secure undercover storage area for the caravan and tow vehicle. Some initial design work was completed by Council staff to consider options to house the caravan, tow vehicle and a separate meeting space; however, this was deemed unaffordable by both parties.

The BLC have since revised its need to have a separate meeting space within the building; thereby, reducing the building footprint from the initial design. The revised criteria can be satisfied by removing the internal walls, raising the roof height to achieve an eave height of 4200mm, extending the building footprint towards the gravel access road by 1500mm and installing two roller doors in the front of the building to cater for the caravan and tow vehicle access and storage. **Attachment 1** is a concept plan provided by BLC which illustrates intended modification required to the building.

Financial implications of proposal

The BLC understands the current financial situation that Council is experiencing. In a bid to secure the preferred site for their sole tenure, the BLC has requested some funding support

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from Council. Although not designed and costed, the BLC has proposed to fully fund the modifications to the building via grants and donations. Council has been requested to provide some financial support by funding Development Application (DA) related fees and waste/dumping costs during construction. **Attachment 2** provides a summary of expected project related costs and funding responsibilities.

#### BLC Leasing expectations.

Assuming that this site is approved for lease and BLC are selected as the preferred organisation to tenant this building, the BLC have the following expectations:

- Entering a long-term lease.
- Paying a low rent.
- No responsibility for managing access to the Public Amenities (currently closed) within the building footprint.
- Continued maintenance of the building funded by Council.
- BLC will take out required insurances and pay outgoings.

Any negotiations regarding the lease will be managed by Councils Property Department via a lease agreement.

#### **External Consultations**

A local Development Planner has provided advice confirming that the BLC proposal is permissible under the planning provisions that apply to the land.

#### **Community Consultations**

Although there has not been any community consultation, there is potential that several community organisations could be interested in leasing this building from Council.

Notification of the development will be consistent with any approval process and the requirement for public exhibition of the proposal.

#### **Policy Implications**

If a decision was made by Council to lease this building, an Expression of Interest process will need to be undertaken by staff to ensure that all community organisations have equal opportunity to apply to lease this building.

All applications will be assessed against an evaluation criterion and the preferred candidate reported to Council.

#### **Financial Implications**

The BLC have indicated that if successful, they will be responsible for most of the DA preparation costs. BLC have confirmed that they would be responsible for raising the required funds to complete all modifications to the building without any further financial or in-kind contribution from Council. Council's requested contribution to fund development works would be approximately \$15,000 as detailed in **Attachment 2**.

The modification works would need to comply to National Construction Code requirements.

In addition to Councils contribution towards the building works, there would be ongoing cost to Council for the life of this agreement and occupancy.

The additional yearly costs are estimated (only) as follows.

- Rental Subsidy (based on 90% of \$10,000 market rent) say \$9,000
  - Building Maintenance (reactive / programmed) say \$7,500
- \$16,500 p.a.**

Note: The market rent has been estimated based on market rates sourced from operators of similarly sized storage facilities. Applicable rental subsidy will be determined through assessment using the rental subsidy calculation.

If Council resolved to reopen and maintain the public amenities within the same building the costs to council to provide this service annually will be in the order of **\$6,400 p.a.**

**Risk Implications**

Building Risks

BLC have indicated that it is reliant on the support of grants and the local community to fund and complete building modification works. BLC will need to ensure that all workers/contractors are insured adequately and hold the required licences to work on site. A builder engaged by BLC will need to be appointed as the Principal Contractor and be responsible for the site during construction.

Were the site to be used for BLC purposes, Council should stipulate that all works shall be estimated by a quantity surveyor and ensure that work can only commence when all of the works are fully funded. There is a risk that cost overruns in the construction phase may result in a prolonged “Construction Site” duration, resulting in higher risk of vandalism and public pressure for Council to complete the build.

Consideration needs to be given to the construction methodology. A Council staff member should be appointed and attend the Project Control Group (PCG) meetings. Council staff will also request and review all site-specific construction documentation to ensure all risks are mitigated throughout the construction.

BLC intend to complete modifications to the building that prevents the building being returned to the original use without substantial cost. Although this building is currently vacant, consideration should be given to the future long-term use of this building to prevent costs to Council.

The public amenities, located within the same building footprint are currently closed permanently due to repeated vandalism and public health and safety concerns which occurs during all hours of the day.

Although the BLC is interested in accessing and using the public amenities for their members, they have expressed that they are not interested in being responsible for the daily opening and closing these facilities.

The increased surveillance provided to this site by the BLC is expected to be ineffective if these facilities were to be reopened to the public. These facilities will remain closed to the public unless an agreement can be made between BLC and Council.

Bomaderry Community Inc. representing users of Bomaderry Dog Bowl have expressed a need to open the public amenities for park users. This is an extenuating consideration in relation to this building.

CL24.121

EOI Process

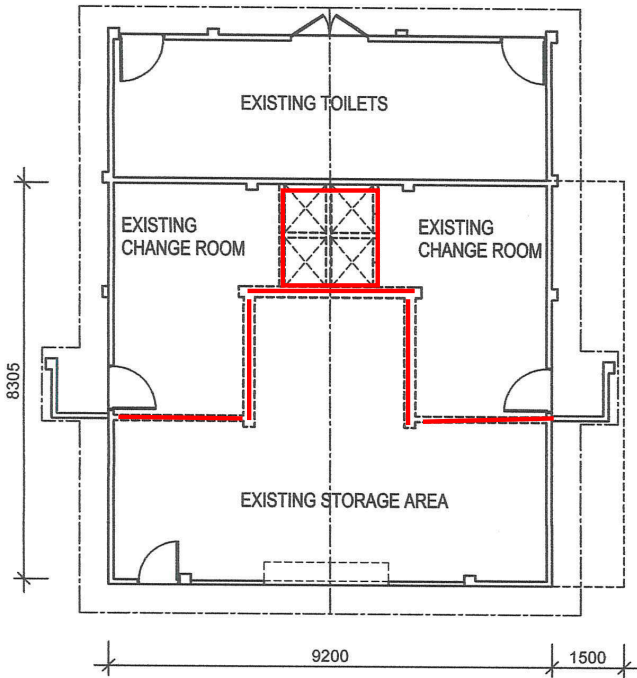
Any Expression of Interest must follow an adopted process to ensure that the Council conforms to Local Government General Regulations 2021- Part 7 Tendering.

CL24.121



**EXTENT OF WORKS**

1. REMOVE EXISTING INTERNAL WALLS AND EXTERNAL WALLS
2. REMOVE EXISTING ROOF AND PROVIDING NEW METAL ROOF AND RAISING CEILING HEIGHT TO 4200MM
3. PROVIDE 2 NEW ROLLER DOORS

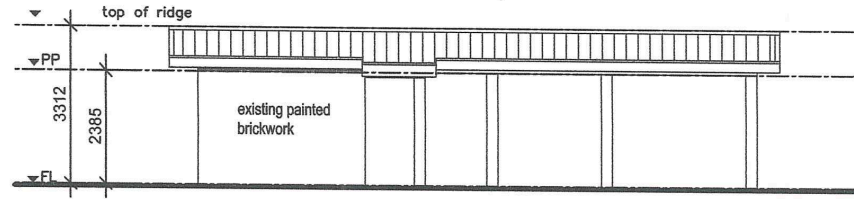


**Existing Floor Plan**

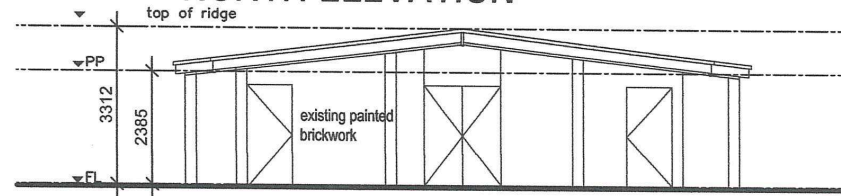
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**Existing Floor Plan & Elevations**

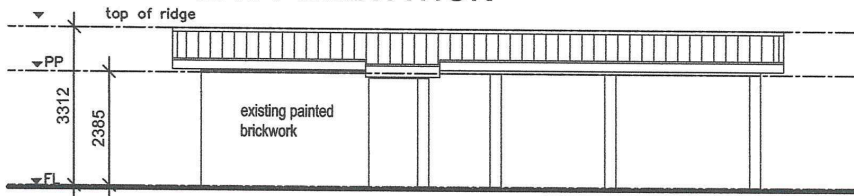
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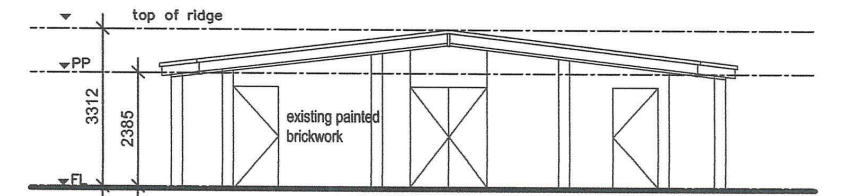
**NORTH ELEVATION**



**EAST ELEVATION**



**SOUTH ELEVATION**



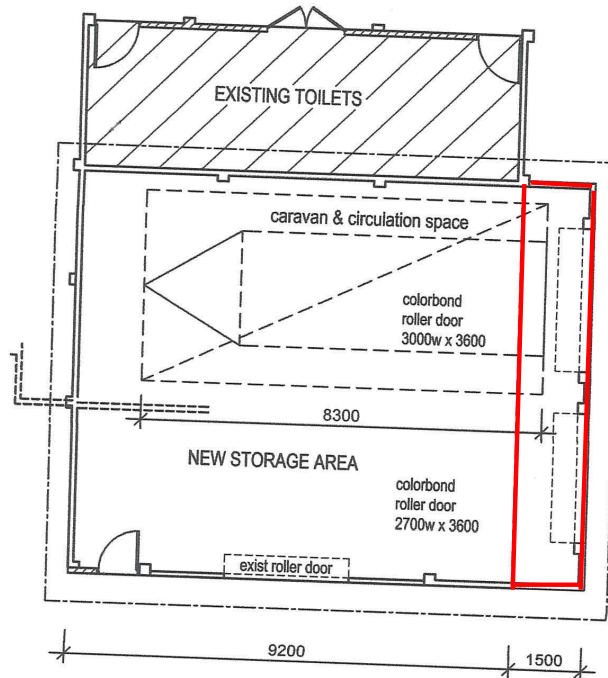
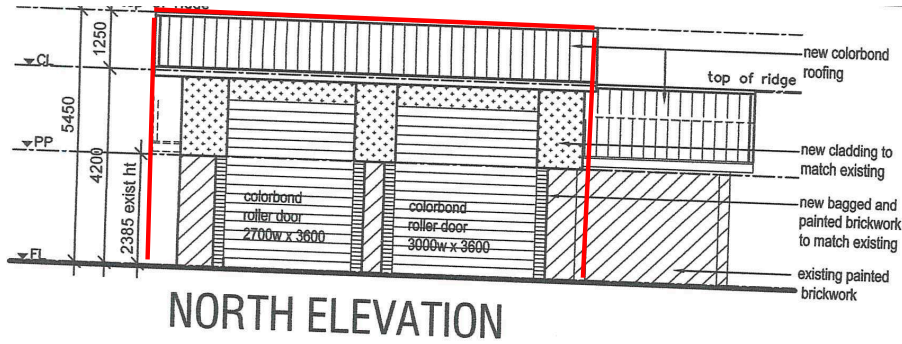
**WEST ELEVATION**

<b>1</b>	<b>QUALITY DRAFTING SERVICE</b>		<small>CONTRACTOR MUST VERIFY ALL DIMENSIONS AND LEVELS AT THE JOB PRIOR TO COMMENCING ANY WORK OR MAKING ANY SHOP DRAWINGS</small>  <small>DO NOT SCALE DRAWINGS. ALWAYS USE WRITTEN DIMENSIONS</small>
	<small>Bill McEwan, 23 Page Ave, Nth Nowra, 2541          TEL: - (02) 4422 7665 FAX: - (02) 4422 7665          TEL: - (MOB) 0438 426 441</small>		

REVISION	DESCRIPTION	INITIAL	DATE

<small>JOB ADDRESS: THURGATE OVAL          COOMEA ST          BOMADERRY</small>		<small>CLIENT:          BOMADERRY NOWRA LIONS</small>
<small>DRAWN: WMc</small>	<small>DRAWING No: 221115</small>	
<small>DATE: 17.02.2023</small>	<small>SHEET: 1</small>	<small>REV: A</small>
<small>SCALE: AS SHOWN</small>	<small>REV: A</small>	

CL24.121 - Attachment 1



Proposed Floor Plan & Elevations

Scale: 1:100

- EXTENT OF WORKS**
1. REMOVE EXISTING INTERNAL WALLS AND EXTERNAL WALLS
  2. REMOVE EXISTING ROOF AND PROVIDING NEW METAL ROOF AND RAISING CEILING HEIGHT TO 4200MM
  3. PROVIDE 2 NEW ROLLER DOORS
  4. WE WILL HAVE TO LOCATE DRAINAGE FOR SMALL KITCHEN
  5. LOCATE POWER POINTS FOR FRIDGE / FREEZERS

**2 QUALITY DRAFTING SERVICE**  
Bill McEwan, 23 Page Ave, Nth Nowra, 2541  
TEL: - (02) 4422 7665 FAX: - (02) 4422 7665  
TEL: - (MOB) 0438 426 441

CONTRACTOR MUST VERIFY ALL DIMENSIONS AND LEVELS AT THE JOB PRIOR TO COMMENCING ANY WORK OR MAKING ANY SHOP DRAWINGS  
DO NOT SCALE DRAWINGS. ALWAYS USE WRITTEN DIMENSIONS

REVISION	DESCRIPTION	INITIALS	DATE

JOB ADDRESS: THURGATE OVAL COOMEA ST BOMADERRY		CLIENT: BOMADERRY NOWRA LIONS
DRAWN: WMc	DRAWING No: 221115	
DATE: 17.02.2023	SHEET: 2	
SCALE: AS SHOWN	REV: A	

CL24.121 - Attachment 1

Responsibility Matrix- Estimate of costs

Discipline	Company	Estimate of fees	Incl.GST	Lions Responsible (incl. GST)	SCC Responsible (incl. GST)
<i>Documentation</i>					
Architect Plans	Edmiston Jones	7750	8525	8525	
Waste Management Plan	Edmiston Jones	300	330	330	
Storm Water Civil design	WestLake Punnett	2600	2860	2860	
Flood Certificate	Shoalhaven City Council	0	0	0	
BCA Compliance	BCA Vision	1400	1540	1540	
Bushfire Risk Management compliance report	Bushfire and Evacuation Solutions	1200	1320	1320	
Statement of Environmental effects report	Cowman Stoddart	5900	6490	6490	
Acoustic report	Harwood Acustics	2200	2420	2420	
Quantity Surveyor		1600	1760	1760	
Project Management		1100	1210	1210	
Long Service leave contributions (NSW)- construction cost				0	
<i>Fees</i>					
DA NSW Portal fee (PAN)		43	43		43
DA concil fee		547	547		547
Construction Certificate (portal fee)		40	40		40
Construction Certificate (PC fees)		1144	1144		1144
Occupational Certificate inspection fee		530	583		583
Occupational Certificate Portal fee		43	43		43
		<b>\$ 26,397.00</b>	<b>\$ 28,855.00</b>	<b>\$ 26,455.00</b>	<b>\$ 2,400.00</b>

Construction Costs

Total cost of construction (estimate only)  
Dumping Fees (estimate only)

	400000	440000	440000	
	10000	11000		11000
<b>\$</b>	<b>410,000.00</b>	<b>\$ 451,000.00</b>	<b>\$ 440,000.00</b>	<b>\$ 11,000.00</b>

Estimated Total spend - BLC                           \$                           **466,455.00**  
Estimated Total Spend - Council                   \$                           **13,400.00**

## CL24.122 Proposed Lease - Marine Rescue NSW - Part Lot 34 DP 755971 - 'Pilot House' - Crookhaven Heads - Prince Edward Ave, Culburra Beach

**HPERM Ref:** D24/122801

**Department:** Building Services  
**Approver:** Carey McIntyre, Director - City Services

**Attachments:**

1. Site Map [↓](#)
2. Proposed Lease Terms [↓](#)
3. Long Term Financial Plan [↓](#)

### Reason for Report

The purpose of this report is to allow Council to consider options for the proposed Lease renewal to Marine Rescue NSW at the Crookhaven Heads 'Pilot House' on Prince Edward Ave, Culburra Beach (Part Lot 34 DP 755971) for a term of four by five year leases, totalling 20 years.

The proposed Lease would commence 1 January 2023 at a determined rental amount of \$556 + GST per annum. The site is owned by Crown Land with Shoalhaven City Council acting as Crown Land Manager. The land is classified as Community Land.

### Recommendation

That Council

1. Approve Marine Rescue NSW to continue to occupy the 'Pilot House' at Crookhaven Heads (Part of Part Lot 34 DP 755971) and enter into a lease renewal for four by five years commencing 1 January 2023.
2. Authorise the Chief Executive Officer to execute relevant documentation for the lease of the 'Pilot House' at Crookhaven Heads, Prince Edward Ave, Culburra Beach to Marine Rescue NSW at an annual rental amount of \$556 + GST with an annual CPI increase on the anniversary of the commencement date.

### Options

1. As Recommended

Council approves the Recommendation for the Lease Renewal to the Marine Rescue at the statutory minimum.

Implications: Council will secure the existing tenant and the long term provision of this essential service for the local community.

2. Opportunities for New Tenants

Investigate the opportunity for new Lessees (via a public advertising process) for the leasing of the 'Pilot House' at Crookhaven Heads, Prince Edward Rd, Culburra Beach, and report back to Council on the responses and recommendation which would provide for a lease term of five years.

Implications: If Marine Rescue were unsuccessful in renewing the lease at this location, another site would need to be found to house this essential service in the local area.

CL24.122

## Background

The Marine Rescue NSW have occupied the Crookhaven Heads 'Pilot House' on Prince Edward Avenue, Culburra Beach since prior to 2003.

Marine Rescue NSW are a professional training and equipped organisation that provides boating services that includes 24/7 emergency search and rescue, a vessel tracking service, around the clock monitoring of marine radio for distress calls from boaters in trouble and boating safety education and advocacy including boat and jet ski licence checks and marine radio courses for boaters to the community. The Marine Rescue organisation operates with over 3,200 volunteers that assist in providing these services across the state.

## Property

The building is on Crown Land with Shoalhaven City Council acting as Crown Land Manager. The land is classified as community land.

The entire lot comprises of approximately 5790.56m<sup>2</sup>. The Marine Rescue NSW building is located on the Northern Point of Culburra Beach and occupies the part lot comprising of approx. 1321m<sup>2</sup> with frontages to the Crookhaven River and Prince Edward Ave. The site includes the Marine Rescue NSW building and a Bushcare Community Nursery (refer to **Attachment A** – Site Plan).

The building has been identified as having local heritage significance and is associated with the Crookhaven Heads lighthouse. Any works on the building and site will need to be reviewed from a heritage perspective.

## Property Strategy

This building is well positioned on Crookhaven Heads to view boats entering the Shoalhaven River via Greenwell Point. Whilst the building is in poor condition, Marine Rescue has expressed interest in developing the premises to ensure that the building is suitable for their future needs.

It is considered, Council should consider renewing the lease for four by five-year lease agreements. This will guarantee the Marine Rescue long-term tenure of the site and provide confidence in the organisation to fund required upgrades.

## Community Engagement

As per Section 47 of the Local Government Act 1993, the proposed Lease Renewal to the Marine Rescue NSW was advertised for 28 days. No objections were received.

## Financial Implications

Council will continue to receive an annual rental income of \$566 + GST (statutory minimum at the commencement date of 01 January 2023) and provides for annual CPI increases. On the commencement date of each lease agreement, the rental amount will be increased to the statutory minimum rent, in accordance with the Crown Land statutory minimum rental amounts (see **Attachment B** – Proposed Terms Schedule has been issued to and approved by the Marine Rescue NSW).

A Long-Term Financial Plan (see **Attachment C**) for the proposed lease reflects an estimated total income for the first five years totalling \$2,780 + GST.

The operation budget provided to Building Services for the maintenance of all Emergency Buildings is required to be spread across this entire asset class leaving an annual budget of \$1,362 to maintain the building. This is insufficient, particularly given the poor condition of the

building, which is expected to further deteriorate in the absence of sufficient annual maintenance budget for Emergency Buildings.

Further, although there is a forecast capital renewal expenditure of approximately \$515,000, in the 10 year plan, this funding is not guaranteed, will need to be approved by Council and will be inadequate to meet the future needs of building/ Marine Rescue.

100% of the following outgoings will be recovered by Council:

- Water/Water Usage/ Services.
- Sewer/Sewer Usage/ Services.
- Electricity.
- Gas.
- Garbage.
- Fire equipment, maintenance, and servicing.
- Other services supplied to the Lessee or consumed in or on the Premises by the Lessee.

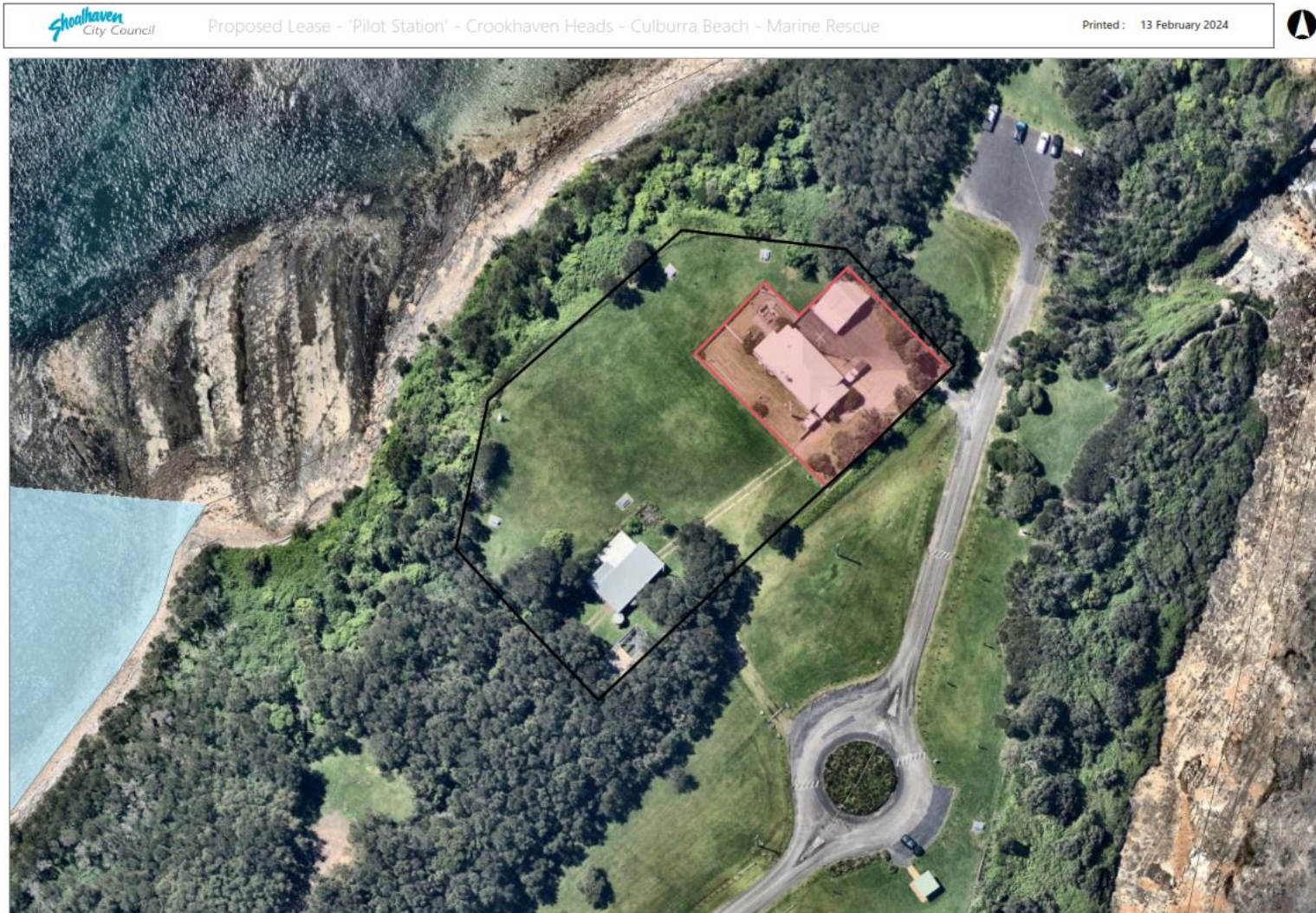
### **Risk Implications**

If the proposed lease renewal was not to proceed, Council would be expected to find another site for Marine Rescue to occupy in the Crookhaven Heads area so this essential service could continue.

By providing security of tenure at this site will increase the likelihood of Marine Rescue securing funds to upgrade this building, which may relieve the reliance on Council to fund future capital expenditure at this site.

CL24.122

Attachment 1 – Site Map



**Attachment 2 – Proposed Lease Terms**

<b>Item 1</b>	<b>Premises</b>	The 'Crookhaven Heads Pilot Station' at Part Lot 34 DP 755971 – Crown Reserve R180073 – Prince Edward Ave, Culburra Beach
<b>Item 2</b>	<b>Lessee</b>	<b>Volunteer Marine Rescue NSW</b> PO Box 579 Cronulla NSW 2259 Attention: John Kelly Phone: 0455 422 785 Email: <a href="mailto:john.kelly@marinerescuensw.com.au">john.kelly@marinerescuensw.com.au</a>
<b>Item 3</b>	<b>Lessor</b>	<b>Shoalhaven City Council</b> Nowra Administration Building 42 Bridge Road, Nowra NSW 2541 Senior Property Officer, Building Services Tel: 02 4429 3111 Email: <a href="mailto:Council@shoalhaven.nsw.gov.au">Council@shoalhaven.nsw.gov.au</a>
<b>Item 4</b>	<b>Permitted Use</b>	Radio control room residence curtilage and communication tower
<b>Item 5</b>	<b>Term</b>	Five (5) Years
<b>Item 6</b>	<b>Commencement Date</b>	01 January 2023
<b>Item 7</b>	<b>Termination Date</b>	31 December 2027
<b>Item 8</b>	<b>Subsequent Leases</b>	Three x five years
<b>Item 9</b>	<b>Rent</b>	\$556.00 + GST per annum
<b>Item 10</b>	<b>Rent Reviews</b>	CPI increase annually on the anniversary of the commencement date.
<b>Item 11</b>	<b>Outgoings</b>	100% tenancy related outgoings: <ul style="list-style-type: none"> <li>• Water / Water Usage / Services</li> <li>• Sewer / Sewer Usage / Services</li> <li>• Electricity</li> <li>• Gas</li> <li>• Garbage</li> <li>• Building Insurance</li> <li>• Other services supplied to the Lessee or consumed in or on the Premises by the Lessee</li> <li>• Fire, Equipment, maintenance and servicing - AFSS</li> </ul>
<b>Item 12</b>	<b>Lessors Improvements</b>	The Lessor owns all buildings and structures on the Premises
<b>Item 13</b>	<b>Lessees Improvements</b>	The Lessee owns any fit out within the Premises
<b>Item 14</b>	<b>Lessor Maintenance</b>	The Lessor is responsible for structural works and the integrity of the building and site including roof repairs
<b>Item 15</b>	<b>Lessees Maintenance</b>	The Lessee is responsible for the maintenance of the Premises as per the Annexure – Maintenance Responsibilities which includes cleaning of the Premises, ensuring that the Premises is in a condition suitable for the Permitted Use.
<b>Item 16</b>	<b>Redecoration</b>	Redecoration will include the cleaning of the Premises and removal of all the Lessees Improvements
<b>Item 17</b>	<b>Makegood</b>	Upon Lease expiry or vacation, the Lessee will vacate the Premises and hand back the Premises to the Lessor in a suitable condition taking into consideration Redecoration and maintenance responsibilities
<b>Item 18</b>	<b>Public Risk Insurance</b>	\$20,000,000.00
<b>Item 19</b>	<b>Bank Guarantee/Guarantor</b>	Not Applicable
<b>Item 20</b>	<b>Document and Preparation costs</b>	The Lease preparation costs incurred are to be payable by the Lessee
<b>Item 21</b>	<b>Interest</b>	Not Applicable
<b>Item 22</b>	<b>Percentage of Rental Subsidy</b>	Not Applicable
<b>Item 23</b>	<b>Land Classification</b>	Community
<b>Item 24</b>	<b>Other</b>	The Premises are provided in their current condition.  Any Permitted Use and installation of walls or additional works within the tenancy may require planning approval. It is the Lessee's responsibility to review these requirements prior to requesting the Lessors approval.  Note: Lessor's approval is required before ANY alterations to the premises even if planning approval is not required.



**Attachment 3 – LONG TERM FINANCIAL PLAN**

	Y1	Y2	Y3	Y4	Y5
<b>TERMS / YEARS</b>					
<b>RENTAL INCOME</b>					
Rental Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Rent</i>	\$ 556	\$ 556	\$ 556	\$ 556	\$ 556
<b>EXPENDITURE (NON RECOVERABLE)</b>					
Operational - Reactive R&M	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Existing Budget</i>	\$ 1,362	\$ 1,362	\$ 1,362	\$ 1,362	\$ 1,362
<b>Operational - TOTAL</b>	\$ 1,362	\$ 1,362	\$ 1,362	\$ 1,362	\$ 1,362
Capital Renewal	\$ -	\$ 515,000	\$ -	\$ -	\$ -
<b>SURPLUS / (LOSS)</b>	\$ 556	\$ (514,444)	\$ 556	\$ 556	\$ 556
<b>SURPLUS / (LOSS) INCL RENTAL SUBSIDY</b>	\$ 556	\$ (514,444)	\$ 556	\$ 556	\$ 556

## **CL24.123 Road Naming Proposal - Far North Collector Road (Bannada Way)**

**HPERM Ref:** D24/144616

**Department:** Technical Services

**Approver:** Carey McIntyre, Director - City Services

### **Reason for Report**

The purpose of this report is to request Council to endorse the road naming proposal for the new road currently referred to as the Far North Collector, which links Illaroo Road (near the western end of West Cambewarra Road, Bangalee) to Moss Vale Road (at Bells Lane) in Badagarang.

### **Recommendation**

That Council:

1. Endorse the road name “Bannada Way” for the new road currently referred to as the Far North Collector.
2. Authorise Council Staff to make a submission to the Geographical Names Board of NSW with the road naming proposal.

### **Options**

1. Proceed with process to name the road Bannada Way.

Implications: A submission will be made to the Geographical Names Board of NSW with an intent to have the road formally named.

2. Provide further direction to staff and propose an alternative recommendation.

Implications: This is not recommended as a new consultation process for an alternative proposed name will need to be undertaken. This may delay the operational use of the road.

### **Background**

The Far North Collector Road network includes the 1.8km road that connects Illaroo Road in Bangalee to Moss Vale Road in Badagarang. This major road is part of an exciting infrastructure project that connects communities and provides a long desired second access to North Nowra. This project is 100 percent federally funded with \$32.8Million committed to the development and construction of the road. The project involves:

- The new Far North Collector Road (two lane, two way)
- A new link road between Far North Collector Road and Taylors Lane (two lane, two way)
- Bridgeworks, a roundabout, intersection, and shared path.

The road is due for completion in mid-2024.

CL24.123

Council is seeking to provide a meaningful name for this major road. As per Council's Road and Place Names Guidelines, due consideration has been given to using Aboriginal names.

### Community Consultation

In September 2022 Council announced a naming competition for the new 1.8km road. The community was asked to consider a relationship to the local area e.g. flora and fauna, Aboriginal, and historical significance.

Council received 66 responses from community members with the following results:

- 59 people suggested Bernie Regan Drive/Way (there was a high level of consistency response within these submission.)
- The seven other suggestions included:
  - Zieria Road
  - Mountain of Fire View Road
  - Watson's Way
  - Mandjar Road (nb. while Aboriginal, it's in Western Australian Aboriginal language).
  - Roobell Road
  - Bomaderry Creek Way
  - Greater Glider Road

With limited community participation and minimal responses influenced by local Aboriginal heritage, Council contacted Noelene Clarke from Nowra Local Aboriginal Land Council (NLALC) in February 2023 who suggested that Council pursue a name in the local dialect of Dharawal. Council's internal Community Capacity Officer referred the project team to Jacob Morris who is a language teacher in Southern Dharawal and consultant from Gadhungal Marring.

### External Consultations

Jacob Morris is the great grandson of Lena Chapman née Carpenter, the last fluent speaker of the local dialect of Dharawal, and is an oft-referenced person when it comes to south coast language revival from Sydney to Eden. Mr Morris was engaged by Council to provide a recommendation for the road name.

Mr Morris is the lead language teacher and consultant for Gadhungal Marring and has been teaching language, traditional song and dance at Nowra East Public School for four years and Nowra Public School for two. Mr Morris's language programs - created and delivered alongside Joel Deaves and Drew Longbottom - are supported by their families and organisations such as the NSW Aboriginal Language Trust.

The following is a quote from the proposal:

*For the naming of the new road connecting Cambewarra Road and North Nowra, I have chosen the word "Bannada".*

*The word Bannada is southern Dharawal for the Bomaderry Creek or Running Water.*

*Banna is the word for rain up and down the coast and is even a reference to water as far Qld. "-Da" or "-Da" is a suffix for past tense, therefore "Bannada" or "Bannaḍa" translates to "rained". The reason "Bannada" or "Bannaḍa" is the name for Bomaderry Creek is it's a reference to how the Creek flows after rain.*

*“Bannada Way” I believe is the perfect name for the connecting road between Cambewarra Rd and North Nowra, as it crosses the Creek and Bannada is in Bomaderry and North Nowra; and it’s also a little play on words, when asked which way to North Nowra someone can reply “go Bannada Way”.*

Outlined below is a timeline of the consultation undertaken with the aboriginal community and the endorsement received to date:

- **June 2023** – site visit by Jacob Morris from Gadhungal Marring and confirmation of name Bannada Way.
- **July 2023** - Jacob Morris proposes name Bannada Way.
- **July 2023** - Jacob Morris liaises with NLALC for endorsement.
- **August 2023** - NLALC confirm their Board is “happy with the road naming proposal by Gadhungal Marring.”
- **August 2023** - Council proposed the new name with the Aboriginal Advisory Committee. The committee deferred a decision to the next meeting.
- **September 2023** - It was advised that the AAC does not have the ability to endorse and that the project team seek endorsement from the Nowra LALC. It was also advised that the item will not go to the November AAC meeting.

Based on the previous response from NLALC in August 2023 in support of the “Bannada Way” name, and no further feedback being received in the months since, the consultation process is considered complete.

### **Policy Implications**

As per Council’s [Road and Place Names Guidelines](#), any request for commemorative naming shall be accompanied by letters of support from the community including the relevant CCB, Progress Association or Local Aboriginal Land Council if the name is Indigenous in origin. Endorsement for the road name Bannada Way has been received from the Nowra Local Aboriginal Land Council

The proposed road naming has been carried out in accordance with the aforementioned policy.

CL24.123

## CL24.124 Tenders - Comerong Island Levee Remediation Works

HPERM Ref: D24/142791

Department: Works & Services

Approver: Carey McIntyre, Director - City Services

### Reason for Report

The reason for this report is to inform Council of the tender process for Contract 76101E – Comerong Island Levee Remediation Works.

In accordance with Section 10A(2)(d)(i) of the Local Government Act 1993, some information should remain confidential as it would, if disclosed, prejudice the commercial position of the person who supplied it. It is not in the public interest to disclose this information as it may reveal commercial-in-confidence provisions of a contract, diminish the competitive commercial value of any information to any person and/or prejudice any person's legitimate business, commercial, professional or financial interests. This information will be considered under a separate confidential report.

### Recommendation

That Council consider a separate confidential report in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993.

### Options

1. Accept the recommendation

Implications: Consider a separate confidential report on the matter.

2. Council make a different resolution

Implications: This is not recommended as an extensive evaluation process has been undertaken by the tender evaluation team in accordance with the tender evaluation plan

### Details

#### ***Project Description***

In recent years, significant damage has occurred to several sections of the levee along the Shoalhaven River, triggering an urgent need for repairs. Council has proposed to repair the damage that occurred around Comerong Island and implement adequate shore protection measures to ensure the levee in this area is able to withstand future weather events. The works will involve cutting and filling along the riverbank as well as installation of geotextiles and rock protection along damaged sections.

#### ***Tendering***

Council called tenders for Comerong Island Levee Remediation Works on 6 February 2024 which closed at 9.30am on 12 March 2024. Ten tenders were received at the time of closing. **Table 1** shows from where Tenders were received:

CL24.124

**Table 1 – List of Tenderers**

<b>Tenderer</b>	<b>Location</b>
Brown Environmental Earthworks Planning Pty Ltd	Swansea Heads
CBK Constructions Pty Ltd	Gerringong
Cleary Bros (Bombo) Pty Ltd	Port Kembla
Coastwide Civil Pty Ltd	Albion Park
Denrith Pty Ltd t/a DivallsEarthmoving and Bulk Haulage	Goulburn
Rec Group Australia (Grassit Pty Ltd)	Melbourne Vic
Mauger Earthworks Pty Ltd	Southern Highlands
McMahon Services Australia Pty Ltd	Alexandria
MGN Civil Pty Ltd	Hemmant QLD
Unicivil (NSW) Pty Ltd	Fairy Meadow

Details relating the evaluation of the tenders are contained in the confidential report.

**Policy Implications**

Nil. The tender process has followed the requirements under the provisions of the Local Government Act 1993.

**Financial Implications:**

Sufficient funds have been allocated in the Comerong Island Levee Remediation Works budget for Financial years of 23/24 and 24/25. Funding is available to cover the tender amount including other project costs.

**Risk Implications**

Details relating to the Risk Implications are contained in the confidential report.

CL24.124

## CL24.125 Report Back - Havilland St Boat Ramp (Stage 1 & 2) and related works along Havilland Street and Lake Conjola Entrance Road

**HPERM Ref:** D24/125296

**Department:** Works & Services

**Approver:** Carey McIntyre, Director - City Services

**Attachments:** 1. Stage 2 Concept Plan - Conjola Park - Havilland St Boat Ramp & Carpark [↓](#)

### Reason for Report

The reason for this report is to update Council on the status of works at the Havilland Street Boat Ramp (Stages 1 & 2) and related roadworks along Havilland Street and Lake Conjola Entrance Road.

### Recommendation

That Council receives the update report on the status of works at the Havilland Street Boat Ramp (Stages 1 and 2) and related roadworks along Havilland Street and Lake Conjola Entrance Road as required by MIN23.673.

### Options

1. Adopt the recommendation

Implications: Council will be informed of the status of works at the Havilland Street Boat Ramp (Stages 1 & 2) and related roadworks along Havilland Street and Lake Conjola Entrance Road.

2. Not adopt the Recommendation and seek additional information

Implications: A further report to the Council will need to be prepared by staff in response to the information sought.

### Background

Council resolved on 27 November 2023 as follows:

MIN23.673

*That Council:*

1. *Note the Conjola Park CCRA Interim Executive & Lake Conjola CCA are working with Council staff in relation to the use of monies donated to the CCRA in the aftermath of the 2019/20 Black Summer bushfires, and may soon reach agreement that:*
  - a. *\$308K be allocated to the completion of Stage 1 of the Conjola Park Jetty Replacement project;*
  - b. *\$50K be allocated for preliminary investigations for a shared user pathway to connect Conjola Park to Lake Conjola (with option to be further extended to Fishermen's Paradise), and;*

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- c. *\$19K be allocated for preliminary investigations for a half-court basketball court to be installed at the Lake Conjola Community Hall complex (Arthur Jones Reserve).*
2. *Note the release of funds for projects listed in part 1 of this recommendation may be agreed to by the CCRA Interim Executive and CCA on the condition that:*
  - a. *A report be provided to Council on the status of works at the Havilland Street Boat Ramp (stage 1 and stage 2) and related roadworks along Havilland Street and Lake Conjola Entrance Road.*
  - b. *Council gives further consideration to the allocation of sufficient funds in the Delivery Program Operational Plan 2024/25 to enable:*
    - i. *Commencement and completion of detailed design works for a shared user pathway between Conjola Park and Lake Conjola (with option to further extend to Fishermen’s Paradise), including consultation with directly affected property owners and communities along the proposed route.*
    - ii. *Commencement and completion of investigations and shovel ready detailed designs for a toilet at Hoylake Grove Reserve (including provision of a watering point for the picnic facilities at Hoylake Grove Reserve).*
3. *Direct the CEO (Director – City Services) to provide a report to Council in December 2023 in relation to Havilland Street Boat Ramp (stage 1 and stage 2) and related works along Havilland Street and Lake Conjola Entrance Road.*
4. *Direct the CEO (Director – City Services) to submit a budget bid for Council’s consideration to fund commencement and completion of detailed design works for a shared user pathway between Conjola Park and Lake Conjola (with option to further extend to Fishermen’s Paradise), including consultation with directly affected property owners and communities along the proposed route, in the draft Delivery Program Operational Plan 2024/25.*
5. *Direct the CEO (Director – City Lifestyles) to submit a budget bid for Council’s consideration for commencement and completion of investigations and shovel ready detailed designs for a toilet at Hoylake Grove Reserve (including provision of a watering point for the picnic facilities at Hoylake Grove Reserve) in the draft Delivery Program Operational Plan 2024/25.*
6. *Considers lessons learned in community recovery after disaster with regards to immediate, medium and longer term needs and delivery of these within appropriate time frames.*

CL24.125

This report is to provide an update on the progress of the project.

**Havilland Street Boat Ramp Stage 1**

Havilland Street Boat Ramp Stage 1 was completed and opened to the public on 14 September 2022. Stage 1 works were completed in full.

Community Feedback

User feedback on stage 1 has been overwhelmingly positive with only two issues being raised to date:

1. Concern was raised by the community regarding the lack of amenities at the boat ramp. It was advised that an amenities block is part of the Stage 2 works and funding did not permit it to be constructed with Stage 1. As a temporary solution City Services has been providing a Portaloo at the boat ramp during peak usage periods.
2. Concern was raised by a user regarding the grade of the boat ramp, claiming that the ramp is too shallow and their rear car tyres needed to be in the water for them to launch



their boat. The design was reviewed, and it was determined that the approved design shows a grade of 5% (1:20) transitioning directly to 12.5% (1:8) as per the guidelines and that the work as executed information shows the works are adequately close to the design levels.

### **Havilland Street Boat Ramp Stage 2**

The Stage 2 concept plan has been included as an attachment to this report. The current scope for Stage 2 works includes:

- An additional 20 car-trailer spaces and turning bay,
- An amenities block, and
- A tap for the wash down bay.

Stage 2 works are currently unfunded. Council will continue to seek funding opportunities through appropriate grant programs, including Boating for Now. Based on user feedback received to date it is likely that only the amenities block, and tap will be progressed as no issues with the current number of car-trailer spaces have been raised. Reducing the scope to the higher priority items should increase the chances of obtaining grant funding.

### **Road Works on Havilland Street**

Council applied for natural disaster funding for the pavement damage along Havilland Street, Conjola Park. The claim was successful for the area south of Stewart Street, between Stewart Street and Lake Conjola Entrance Road. This area is expected to be rehabilitated in late May / early June 2024.

The claim for the damaged pavement at the entrance to the boat ramp was unsuccessful. Council will undertake repairs to this area in conjunction with the other works on Havilland Street.

### **Road Works on Lake Conjola Entrance Road & Havilland Street Intersection**

The Traffic Impact Statement completed for Stage 1 determined the existing intersection to be adequate and upgrade unnecessary at this stage. The intersection will be monitored, and further improvements can be made, when further grant funding becomes available, if and when it is deemed necessary.

### **Financial Implications**

Havilland Street Boat Ramp Stage 1 – Nil.

Havilland Street Boat Ramp Stage 2 – to be determined. Council is pursuing grant funding opportunities which provide 100% funding without requiring a Council co-contribution. If a Council co-contribution is required, this will be presented to Council for consideration against all other projects and priorities.

Havilland St Road Works – Operational budget estimate of \$40,000 required for the boat ramp entrance works. These works will be undertaken as part of operational budgets in 23/24 to provide the best outcome with matching funds from Natural Disaster grants.

Lake Conjola Entrance Road Intersection – Nil. Works at the intersection are currently not proposed.



## **CL24.126 Harry Sawkins Park Nowra - Park Audit - Lighting / Maintenance / Garbage Bins / Water Quality**

**HPERM Ref:** D24/125602

**Department:** Works & Services

**Approver:** Carey McIntyre, Director - City Services

### **Reason for Report**

The purpose of this report is to provide an update on the resolution passed at the Council Meeting on 28 August 2023 regarding a report being sought in relation to works within Harry Sawkins Park, including the potential removal of the sediment build up in the pond and removal of the floating gardens (MIN23.426).

### **Recommendation**

That Council:

1. Note the report which provides an update on the actions taken to date at Harry Sawkins Park.
2. Endorse the short-term works in the park of:
  - a. removing rubbish on a regular maintenance schedule,
  - b. regular maintenance of the gross pollutant traps,
  - c. planting of native vegetation,
3. Undertake the work set out in Recommendation 2. in financial year 2024/25, utilising operational budgets from that year.

### **Options**

1. As recommended

Implications: Council note the report which provides an update on the actions taken to date at Harry Sawkins Park, and recommend the short-term works to improve the dissolved oxygen levels within the park, which can be carried out from 24/25 FY operational budgets.

2. Alternative recommendation

Implications: Council note the report updating Council on the action taken to date at Harry Sawkins Park and recommend an alternative recommendation for water quality improvements.

### **Background**

At the Council meeting on 28 August 2023, it was resolved that Council:

1. *Note that the lighting in Harry Sawkins Park is adequate for the current use but not compliant with AS1158.3.1. The lighting in the underpass under Princes Highway should be improved with brighter luminaires, and cleaning/pressure washing of the underpass be undertaken regularly. This work can be funded from Operational Budgets and undertaken in the 23/24 financial year.*

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2. *Note that a review of the current open space maintenance schedules including the rubbish receptacles has found the frequency of servicing and physical assets to be adequate and fit for purpose.*
3. *Note that water quality monitoring has been completed for the pond in Harry Sawkins Park in accordance with the WSUD Audit Report prepared for Harry Sawkins Park. From an analysis of the monitoring a report was provided recommending five actions to be taken to improve the water quality of the pond.*
4. *Implement the five actions from the WSUD report being:*
  - a. *Regular rubbish removal from the water and environs*
  - b. *Regular maintenance of gross pollutant traps*
  - c. *Removal of sediment build-up*
  - d. *Removal of the dilapidated floating gardens*
  - e. *Pond aeration and circulation*

*The implementation of recommendations a), b), d) and e) can be accommodated from existing 23/24 financial year budgets.*

5. *Receive a briefing and report back in relation to the potential removal of the sediment build up in the pond and dilapidated floating gardens removal.*

An update on each item is as follows:

1. Upon investigation of the upgrades to the lighting of the underpass, it was found that the responsibility of the underpass rests with Transport for NSW (TfNSW). Council officers have requested TfNSW to arrange the installation of brighter luminaires and cleaning of the underpass.
2. No further action was required as the rubbish receptacles were adequately serviced.
3. No further action was required as the water quality monitoring is complete for the Harry Sawkins Park pond.
4. The actions have been undertaken as described below.
  - a. Rubbish is regularly being removed and no complaints have been received since September 2023.
  - b. Maintenance of the gross pollutant trap has been placed on a regular cleaning schedule and the schedule is being implemented.
  - c. See point 5 below.
  - d. The dilapidated floating gardens have been removed.
  - e. This work will be completed by the end of June 2024.
5. A briefing of Councillors was held on 23 November 2023 by officers from City Development (Environmental Services) and City Services (Works & Services). Following that briefing a short-term solution was developed to attempt to delay the removal of sediment from the pond. This work involves continuing the actions in point 4 above, deepening the edge of the pond (within environmental limitations) and planting native vegetation to increase the dissolved oxygen within the pond.

***Financial Implications***

The works associated with item 5 can be accommodated within the 24/25 FY operational budgets.

***Risk Implications***

The works recommended are a short-term solution that will assist with the increase of dissolved oxygen levels which will minimise the mortality of wildlife in Harry Sawkins Park, however, there is the potential for more outbreaks of botulism.

CL24.126

## CL24.127 Adoption of the Open Coast and Jervis Bay Coastal Management Program

**HPERM Ref:** D24/124909

**Department:** Environmental Services

**Approver:** James Ruprai, Director - City Development

**Attachments:**

1. Stage 4 Report - Final Draft CMP Open Coast and Jervis Bay (under separate cover) [⇒](#)
2. Open Coast and Jervis Bay CMP - Public Exhibition Response to Submissions Document (under separate cover) [⇒](#)

### Reason for Report

To present to Council the Open Coast and Jervis Bay Coastal Management Program (CMP). The CMP is being presented to Council for adoption and for subsequent CMP certification by the NSW Government Minister for Local Government.

### Recommendation

That Council:

1. Adopt the Open Coast and Jervis Bay Coastal Management Program (CMP) and the CMP be submitted to the Minister for Local Government for certification.
2. Note resourcing requirements encompassed by the plan and its actions (Stage 5 implementation), with capital and operational allocations to be determined via budget processes, and the reliance on grant funding for delivery.

### Options

1. As recommended.

**Implications:** Council's adoption of the CMP will support the finalisation and certification of this document, and subsequent implementation by Council. This CMP provides an integrated and strategic approach to the management of the Shoalhaven open coastline and Jervis Bay area (CMP Study Area) consistent with the objectives of the *Coastal Management Act 2016* (NSW) and has integrated community feedback following substantial consultation. Once certified, Council can proceed with the implementation of the identified management actions to ensure the comprehensive, risk-based management and mitigation of coastal hazards within the CMP Study Area can occur to meet the needs of the community.

2. Not adopt, or, seek further modification to the Open Coast and Jervis Bay CMP.

**Implications:** Additional modifications to the CMP, if significant, would require further public exhibition and reporting back to the Coastal Management Program Advisory Committee's and Council. Under such a scenario, additional Council and consultant time and budget would be required for the project team to complete this work, which would delay the implementation of high priority management actions to address coastal hazards. This will also place further demands on community members who have already provided significant input into the development of this CMP. This project has been funded by the NSW Department of Planning and Environment's (DPE, now the Department of Climate Change, Energy, the Environment and Water – DCCEEW) Coast

and Estuaries Grants Program with a one-third contribution by Council. Applications for additional funding, if significant, may not be successful and is dependent on available funding allocations from the State Government and Council.

## Background

In accordance with the *Coastal Management Act 2016* (NSW) (CM Act), local councils are to prepare Coastal Management Programs (CMPs) to meet legislative obligations. The CMP covers and applies to the coastal zone of the Shoalhaven Open Coast and Jervis Bay – as legally defined in the CM Act and the *State Environmental Planning Policy (Resilience and Hazards) 2021* (RH SEPP). The Study Area spans from Shoalhaven Heads in the north, to North Durras Beach in the south, and includes Jervis Bay to ensure a consistent and holistic management approach across the entire open coastline of the Shoalhaven Local Government Area (LGA).

Coastal Management Programs consider measures and outcomes to manage natural resources critical to lifestyle and economy, educate communities, and manage and respond to coastal changes over time. The Shoalhaven comprises 165km of coastline, with over 100km being under the management of Council. This coastline plays a key factor in tourism and tourism related economies, community amenity and overall lifestyle that residents of the region enjoy.

The Open Coast and Jervis Bay CMP has been developed in accordance with the CM Act and the staged process for developing and implementing a CMP, as detailed in the NSW Coastal Management Manual. The stages completed to support this CMP include the preparation of:

- **Stage 1 – Shoalhaven CMP Scoping Study:** This included a review of relevant background information, a first-pass risk assessment, a data gap analysis, and formulation of a plan for the development of the suite of CMPs covering the Shoalhaven's coastline and estuaries.
- **Stage 2 – Shoalhaven Open Coast and Jervis Bay CMP Stage 2 – Risks, Vulnerabilities and Opportunities:** This included a detailed assessment of the various threats and risks affecting the environmental, social, cultural, and economic assets and values of the coastline.
- **Stage 3 – Shoalhaven Open Coast and Jervis Bay CMP Stage 3 Summary Report:** This included stakeholder engagement and options analysis to identify and prioritise coastal management actions that can effectively address issues and risks, take advantage of new opportunities, and give effect to the objectives of the CM Act.
- **Stage 4 – Coastal Management Program for the Shoalhaven Open Coast and Jervis Bay:** This included the preparation of a draft CMP for public exhibition and the finalisation of the CMP following the exhibition. This document outlines the identified management actions and business plan for their implementation over a 10-year period. It is this document that is being presented to Council for adoption.

The CMP comprises a program of integrated management actions that are intended to address key issues, and harness new opportunities for the management of the Shoalhaven coastal zone. It outlines specific actions that are to be implemented over a forward 10-year management timeframe under seven overarching strategies for managing the coast, which include:

- Governance and Management
- Community and Stakeholder Engagement
- Land Use Planning and Adaptation

- Protection of the Coastal Environment
- Protection of Cultural Heritage
- Asset Management
- Emergency Planning and Response

These overarching strategies are also supplemented by four Local Area Action Plans that detail management actions to be implemented at specific locations throughout the CMP Study Area. The Local Area Action Plans are as follows:

- Northern Local Government Area (LGA) (Shoalhaven Heads to Currarong Beach)
- Jervis Bay Area (Callala Bay to Hyams Beach)
- Central LGA (Cudmirrah Beach to Ulladulla Harbour)
- Southern LGA (Rennies Beach to Durras Beach)

This has resulted in the development of a total of 116 management actions to be delivered through Stage 5 (Implementation) of the CMP over the next 10-years.

A Business Plan has been developed which outlines the key components of the funding strategy for the CMP to implement the management actions, including the cost of proposed actions, proposed cost-sharing arrangements, and other potential funding mechanisms. Delivery of the CMP is estimated to cost \$45 Million (2023 dollars) over 10 years, with approximately \$15 Million of this funding coming from Council.

Sustainable funding and financing arrangements for management actions will be established in consultation with key stakeholders. Funding for management actions may be gained from various sources, including competitive State Government grant programs, Council's internal funds, and local third parties.

The CMP document was presented to the Northern, Central and Southern CMP Advisory Committees to gain their support and endorsement before the CMP was presented to Council. The combined Committee meeting was held on 15 April 2024 and all Committees unanimously carried the recommendation that the CMP be presented to Council for adoption, and subsequent submission to the NSW Minister for Local Government for certification.

The CMP is now being presented to Council to request their adoption. Following this, the CMP is required to be submitted to the Minister for Local Government for certification before Council can commence Stage 5 (Implementation) of the CMP.

### **Internal Consultations**

Throughout Stages 1-4 of the CMP development, internal consultation was carried out within Council. This included consultations across and within Council Directorates to obtain feedback on the existing coastal hazards, risks, and opportunities within the Shoalhaven LGA, as well as the development and implementation of proposed management actions. For actions that involve the construction of new or upgrade of existing Council assets, asset custodians were consulted with to ensure integrated and consistent delivery of works across Council. Internal consultations will be ongoing throughout the implementation of the CMP.

### **External Consultations**

Throughout Stages 1-4 of the CMP development, external consultation was carried with a range of representatives from State Government Agencies, adjacent local Councils and Non-Government Organisations. These included:



- NSW Department of Planning and Environment – Environment and Heritage (DPE, now the Department of Climate Change, Energy, the Environment and Water (DCCEEW)), and Crown Lands
- NSW Department of Primary Industries (DPI) – Fisheries (including the Jervis Bay Marine Park).
- Transport for NSW (TfNSW)
- National Parks and Wildlife Service (NPWS)
- State Emergency Services (SES)
- Local Land Services (LLS)
- Eurobodalla Council
- Kiama Council
- Jerrinja Local Aboriginal Land Council (LALC)
- Jerrinja Tribal Group
- Ulladulla LALC

Consultations were undertaken to obtain feedback on the existing coastal hazards, risks, and opportunities within the Shoalhaven LGA, as well as the development and implementation of proposed management actions. Throughout this process, external entities provided information to support Council in developing a CMP that meets statutory obligations for the management of the coastal zone within the CMP Study Area. Council is currently seeking letters of support from the relevant NSW State Government agencies listed above, for submission of the CMP for certification by the Minister for Local Government. To date, all agencies have expressed in principle support for the CMP.

The management actions within the CMP identify where these external entities have been identified as a ‘supporting partner’ in the implementation of the management actions. Council will continue to engage with these entities throughout the implementation of the CMP.

### Community Consultations

A detailed Stakeholder and Community Engagement Strategy was developed as part of the CMP, outlining the timing, content, and engagement methods to be utilised for all community and stakeholder engagement activities. This strategy has been implemented progressively through each stage of the CMP. The engagement strategy was developed in line with CMP Engagement Guidelines developed by the NSW State Government (DCCEEW), the Shoalhaven City Council Community Engagement Strategy, and the use of the International Association for Public Participation (IAP2) guidelines. This included engagement with Traditional Owner Groups, local communities, and public authorities through a range of methods – including workshops, drop-in sessions, surveys, and one-on-one meetings.

The draft CMP was on public exhibition from 30 November 2023 to 2 February 2024 to obtain final stakeholder feedback on the proposed management actions included in the draft CMP. Council is required under the CM Act to publicly exhibit the draft CMP for a period of at least 28 days. The draft CMP was placed on public exhibition from 29 November 2023 until 2 February 2024 – a total of 66 calendar days (over 9 weeks). The public exhibition process was comprised of:

- Provision of the document electronically on the Shoalhaven City Council *Get Involved* webpage for the project: <https://getinvolved.shoalhaven.nsw.gov.au/open-coast-and-jervis-bay-cmp>, and the *Documents on Exhibition* section of the Council website.

- A series of community information sessions held across the Shoalhaven LGA during December 2023.

Other engagement methods deployed during the Public Exhibition Period included the distribution of pamphlets, *Get Involved* page posts and updates, direct emails to Council community and stakeholder participation lists – and the creation of an ‘explainer video’ summarising the CMP outcomes. As part of the public exhibition, Council also hosted a meeting for all CMP Advisory Committee Members on the 14 December 2023 from 10:00 am to 12:00 pm. This informal meeting provided CMP Advisory Committee Members the opportunity to discuss the draft CMP document with Council and an opportunity to ask questions about this document before providing feedback.

The following summarises the engagement achieved throughout the public exhibition process:

- 63 Online submissions on the draft CMP through the *Get Involved* page.
- 27 email submissions on the draft CMP.
- 55 attendees to the community information sessions.

Following the public exhibition period, the draft CMP has been updated based on the submissions received. A response to submissions (RTS) document has also been prepared and is available as an appendix to the final CMP outlining how each submission has been considered in the finalisation of the CMP document.

The CMP document and RTS document were presented to the Northern, Central and Southern Coastal Management Program Advisory Committees to gain their support and endorsement before the CMP was presented to Council. The combined committee meeting was held on 15 April 2024 and all committees unanimously carried the recommendation that the CMP be presented to Council for adoption, and subsequent submission to the NSW Minister for Local Government for certification.

### **Policy Implications**

The CMP has been prepared in accordance with the NSW Coastal Management Framework, which is governed by the CM Act. Council has prepared the CMP in accordance with relevant legislation, environmental planning instruments and statutory guidelines applicable to the coastal zone within the CMP Study Area. Furthermore, as part of the CMP development process, DCCEEW is required to confirm that the CMP satisfies the objectives of the CM Act and the mandatory requirements for a CMP as set out in the Coastal Management Manual. DCCEEW has indicated in principle support for the draft CMP and are currently reviewing the final CMP to confirm that it meets the objectives of the CM Act and mandatory requirements for a CMP.

The CMP has also been prepared in line with existing Council Policies for the management of the foreshore and coastal environment including, but not limited to, Council’s Tree Management Policy (Public Land) (POL21/51), Vegetation Vandalism Prevention Policy (POL22/24), and the Foreshore Reserves Policy (POL19/76).

The CMP is considered a ‘living document’ that is to be reviewed and updated continually throughout its lifecycle. A strategic review of the CMP should occur at least once every ten years to assess the effectiveness of the CMP in achieving its objectives and to incorporate changes considering new information, legislative and policy changes, and improved understanding of the local coastal processes.

Following the certification of the CMP, existing Resolutions from Council Meetings relating to coastal management that have been actioned by Council will be superseded, with the CMP to become the overarching strategy for the management of the coastal zone within the

Shoalhaven. As outlined above, the CMP has been developed considering Council's statutory obligations for coastal management as outlined with the CM Act, Council's existing policies relevant to the coastal environment, best practice coastal management as documented within State Government guidelines and literature, as well as the outcomes of extensive consultation with the community and State Government agencies over the preceding years. Subsequently, the CMP will be the primary mechanism for Council to manage the coastal zone of the Shoalhaven Open Coast and Jervis Bay region in an integrated and holistic approach.

### **Financial Implications**

The CMP has been prepared by Council with funding assistance received from NSW DPE (now DCCEEW) through a Coast and Estuaries Planning Stream Grant. This grant funding has provided a two-thirds contribution from the State Government for the completion of the CMP.

A Business Plan has been developed which outlines the key components of the funding strategy for the CMP to implement the management actions, including the cost of proposed actions, proposed cost-sharing arrangements, and other potential funding mechanisms. Delivery of the CMP is estimated to cost \$45 Million (2023 dollars) over 10 years, with approximately \$15 Million of this funding coming from Council.

Following the certification of the CMP, Council will be eligible to apply for grant funding for the implementation of management actions through the DCCEEW Coast and Estuaries Implementation Stream Grants. This funding has been specifically created to provide a two-to-one funding ratio for actions within a certified CMP. This grant funding program is contestable, prioritised to Council applications with certified CMPs and subject to State Government funding priorities and allocations. However, the availability of these funding opportunities provides a clear indication of the financial benefits a certified CMP provides to Council for the implementation of the management actions identified through the CMP.

In preparing the CMP, it has been recognised that for Council to implement and deliver the identified management actions, additional resourcing is likely to be required. Management Action S1.02 of the CMP has been developed to respond to this and set outs for Council to "Establish two new Full Time Equivalent (FTE) Coast & Estuary Officer roles within Council". The Business Plan within the CMP has assigned this management action an expected cost of \$2.4 million over the 10-year lifecycle of the CMP to ensure that internal capability is maintained to oversee and carry out strategic actions. This operational funding (and any capital project allocations) will be decided on through standard budget processes, accounting for whole of organisational resourcing requirements and capability.

Staff resourcing and associated Council budgets for the Open Coast and Jervis Bay CMP implementation is vital to ensure the delivery of Stage 5 in line with the business plan. This is paramount given the significant increase in workload requirements for Council staff. Furthermore, it must be acknowledged that current resources are working on the development of high priority estuary CMPs to meet stakeholder expectations. Additional resources will enable the efficient and complementary implementation and continued development of all CMPs throughout the LGA.

### **Risk Implications**

#### Consideration of Risk in the CMP process

A First Pass Risk Assessment was completed in the Stage 1 Scoping Study for the Shoalhaven CMPs. This provided a high-level assessment the various issues, vulnerabilities, and opportunities affecting the Shoalhaven Open Coast and Jervis Bay. The risk assessment was further refined in Stage 2 of the CMP and included an updated and detailed risk

assessment of coastal hazards. This involved identifying and assessing risks and benefits to environmental, social, and economic values across the coastline, with the aim of informing the development of management options in Stages 3 and 4.

The risk-based framework applied in Stage 2 was consistent with those applied in Council's existing coastal hazard risk assessment, and the CMP Stage 1 Scoping Study, as well as Council's organisational Risk Management Framework. This framework is also broadly consistent with the framework applied in the NSW Marine Estate Threat and Risk Assessment (TARA), and the following national standards and guidelines:

- *International Standards Organisation (ISO) 31000: 2018 Risk management – Principles and guidelines, provides principles, framework, and a process for managing risk.*
- *Australian Standard (AS) 5334:2013 Climate change adaptation for settlements and infrastructure – a risk-based approach.*

The key risk and threats identified in the Stage 2 risk assessment included:

- Coastal hazard risks to land, property, assets, and infrastructure – including risks posed by the coastal hazards defined in the CM Act. The Shoalhaven LGA coastline has a long history of experiencing severe coastal hazard impacts, with the greatest impacts felt by coastal erosion and coastal inundation generated by 'East Coast Lows'.
- Social, cultural, and environmental risks. These include risks to environmental values and biodiversity, social and recreational amenity (and public safety), as well as risks to both tangible and intangible cultural heritage values.

As required by the CM Act, the key risks and threats have been considered over a range of timeframes, including the present day, as well as future planning horizons 20 years, 50 years, and 100 years – to account for future climate changes impacts, and the impacts of population growth and future development on the coastal zone. The nature and severity of these risks varies widely across the Study Area. To adequately inform the derivation and assessment of management options, these risks were also assessed at a local level on a beach-by-beach basis.

#### Risk of not adopting the recommendations of this report

Additional modifications to the draft CMP, if significant, would require further public exhibition of the draft document and reporting back to the CMP Advisory Committee's and Council. Under such a scenario, additional time and budget would be required for the project team to complete this work, which would delay the implementation of high priority management actions to address coastal hazards. This will also place further demands on community members who have already provided significant input into the development of this CMP. This project has been funded by the NSW DPE Coast and Estuary Grants Program with a one-third contribution by Council. Applications for additional funding, if significant, may not be successful and is dependent on available funding allocations from the State Government and Council.

## CL24.128 Connection to Town Sewerage System - 30 Pulman Street Berry - DA23/1329

HPERM Ref: D24/158350

Department: Water Asset Planning & Development

Approver: Brenden Logue, Water Business Services Manager

### Reason for Report

Council is in receipt of an application for the alterations and additions to a dwelling house development at Lot 211 DP 1124317 No. 30 Pulman Street Berry. The applicant is seeking approval to connect the proposed dwelling (under DA23/1329) and ancillary structures to the Council's sewerage system. The lot is zoned RU1 (Primary Production) and R2 (Low-Density Residential) and as such must be considered by the Council following assessment under its Non-Urban Wastewater Connection Policy (POL 22/135).

### Recommendation

That Council approve the connection of DA23/1329 to the Berry Sewerage Scheme by a pressure sewer system subject to the applicant complying with all conditions specified in the Shoalhaven Water Development Notice for the development.

### Options

1. Adopt the recommendation.

Implications: This is recommended as there is sufficient capacity in the Berry Sewerage Scheme and the proposal is considered a minor development.

2. Council may choose not to permit the development to connect to the town sewerage scheme.

Implications: The applicant will continue to manage their effluent via on-site sewage management and in accordance with the "Report – Statement of Environmental Effects (rev.A) – 30 Pulman Street Berry Lot 211 DP 11224317" and "Report – Effluent Disposal – 30 Pulman Street Berry – Lot 211 DP 11224317" by the applicant's consultant (Cowman Stoddart).

### Background

The subject property is located at the southern end of Pulman Street BERRY and has upon it a primary dwelling (which is an item of Environmental Heritage), detached workshop, pool, and pool retreat.

Other development approvals over the property include:

- DA16/1402 – Detached Pool Retreat.
- DA16/1394 – In Ground Swimming Pool.
- DA04/3954 – Home Activity.

Council received a Development Application DA23/1329 for proposed dwelling alterations and additions on 4 May 2023.

The applicant engaged the services of a consultant to investigate and design of the on-site sewage disposal for the proposed development. The findings in the “Report – Statement of Environmental Effects (rev.A) – 30 Pulman Street Berry Lot 211 DP 11224317” and “Report – Effluent Disposal – 30 Pulman Street Berry – Lot 211 DP 11224317” by Cowman Stoddart show that there is sufficient land area as required to support on-site sewage management system, however, due to the disposal area being flood prone this would necessitate an elevated mound of 1.0m in height, with an additional distribution bed having a height of 0.3m being above this mound. The mound is to have a length of 25.5m and a width of 20.0m, and be constructed of imported topsoil.

The report outlines that a pressure sewer servicing option is possible due to the lots proximity to the reticulated sewerage system and such a connection would be the most environmentally acceptable option, which is supported by Council's Environmental Services Section.

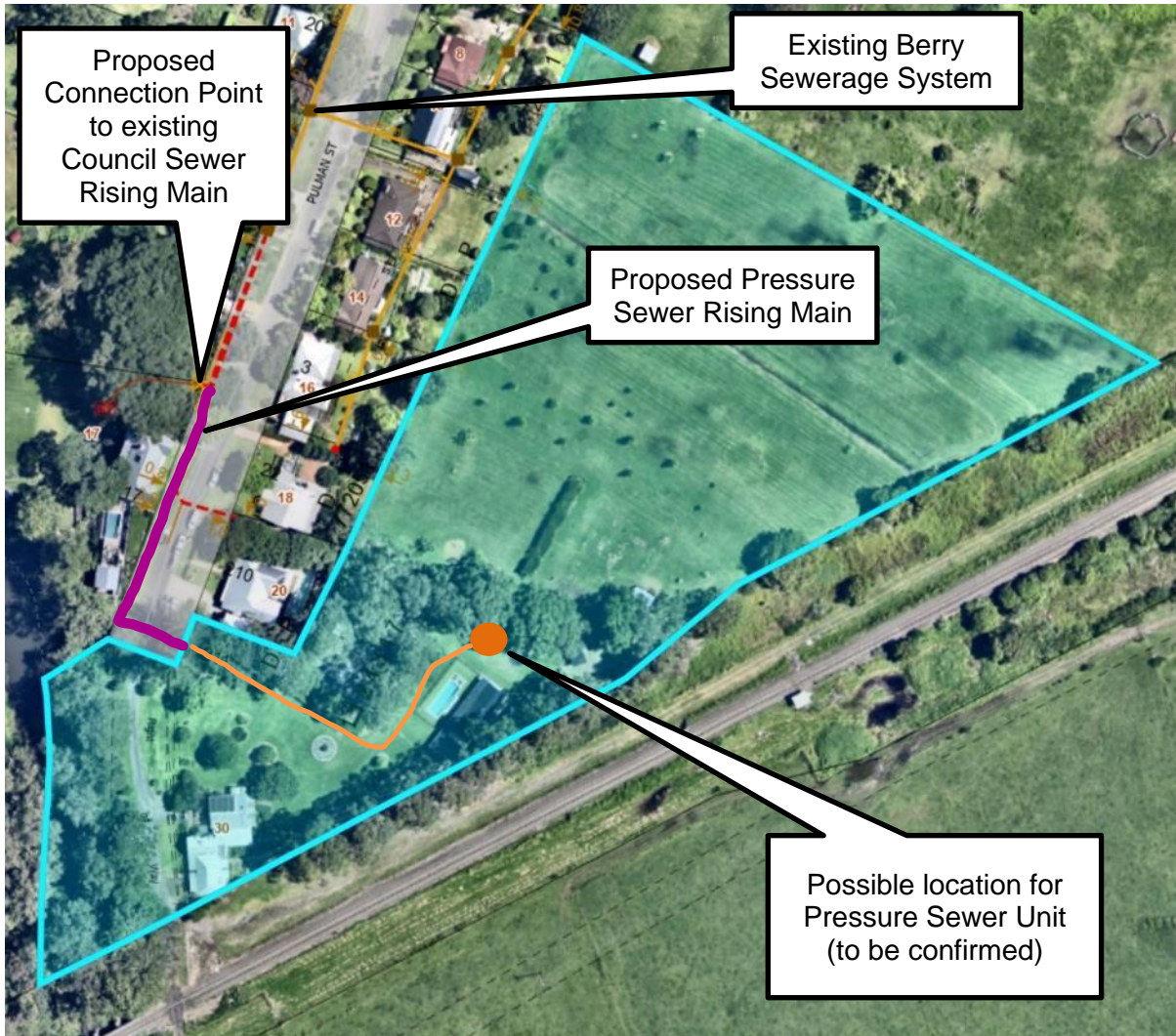
### **Pressure Sewer Servicing**

Shoalhaven Water has considered the findings of the report and proposes that the property (under the Development Application DA23/1329) be connected to the Berry Sewerage Scheme by a council-owned and maintained Pressure Sewer System as the most appropriate sewer strategy. Detailed assessment can be found below under Policy Implications.

A pressure sewer design will provide a connection to the Berry Sewerage Scheme. The design and construction work would include:

- the on-site pressure sewer unit, boundary kit, and control panel (these works are carried out by Shoalhaven Water), and
- approximately 90 metres of 40mm diameter HDPE sewer rising main (from the end of the existing Council-owned sewer rising main in front of No. 17 Pulman Street, extending in a southerly direction along Pulman St to the subject property). This work would be carried out by the developer, and
- interconnection works to the Council-owned rising main (near No. 17 Pulman Street). This work involves both the developer and Shoalhaven Water.

All works are at the developer's cost. In addition, the developer will need to obtain written approval for works within the road reserve of Pulman Street from Council.



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### Community Consultations

Local property owners will be notified as part of the proposed activities within the road reserve as part of the Section 138 Approval.

### Policy Implications

#### **Assessment under the Non-Urban Wastewater Connection Policy (POL22/135):**

Council's policy provides for non-urban zoned properties to connect to the town sewerage system subject to compliance with Section 3.3 *Criteria for Determination of an Application for a Property to Connect to Council's Sewerage System*, which states:

*"Connection to Council's sewerage system will only be made available to rural properties upon written application in the following circumstances:*

- *Where capacity exists in the existing system, and*
- *Where the current levels of service can be provided, and*
- *Where the property is paying the wastewater availability charge.*

*Properties not paying the wastewater availability charge will only be considered for connection to Council's sewerage system if it is not possible to manage wastewater by on site treatment. Approval in this situation is subject to Council resolution."*

Assessment under each of these criteria is outlined below:

**1. Where capacity exists in the existing system**

The proposed development (DA23/1329) is for the alterations and additions to a dwelling house which will result in a total of 5 bedrooms (with ensuites). The calculated loading by the development is 1.0 Equivalent Tenements (ET). The town sewerage system does have the capacity to support the proposed developments now and into the future.

**2. Where the current levels of service can be provided**

Current services are normally provided by gravity means. However, a gravity connection is not possible as the subject property is located too far from and below the existing gravity sewer system. In this instance, the development (DA23/1329) is to be serviced by a pressure sewer system in accordance with Shoalhaven Water's requirements. Current levels of service via pressure sewer can be provided.

**3. Where the property is paying the wastewater availability charge**

The property is not paying the wastewater availability charge.

***Properties not paying the wastewater availability charge will only be considered for connection to Council's sewerage system if it is not possible to manage wastewater by on-site treatment. Approval in this situation is subject to Council resolution.***

The applicant engaged the services of a consultant to investigate and design of the on-site sewage disposal for the proposed development. The findings in the "Report – Statement of Environmental Effects (rev.A) – 30 Pulman Street Berry Lot 211 DP 11224317" and "Report – Effluent Disposal – 30 Pulman Street Berry – Lot 211 DP 11224317" by Cowman Stoddart show that there is sufficient land area as required to support on-site sewage management system, however, due to the disposal area being flood prone this would necessitate an elevated mound of 1.0m in height, with an additional distribution bed having a height of 0.3m being above this mound. The mound is to have a length of 25.5m and a width of 20.0m and be constructed of imported topsoil.

The report outlines that a pressure sewer servicing option is possible due the lots proximity to the reticulated sewerage system and such a connection would be the most environmentally acceptable option and is supported by Council's Environmental Services Section.

**Financial Implications**

There is no negative financial implication to Council. If approval is granted Council would benefit by way of the sewer availability charge. All costs associated with connection to the sewer main will be charged to the developer.

The development will be levied the Section 64 (Sewerage) Charge by way of a condition under the Shoalhaven Water Development Notice for DA23/1329. The development would be levied based on a loading of 1.0 equivalent tenements (ETs). The calculated Section 64 Sewerage Contribution is \$8,339.00 (2023/24). However, after applying the *Water and Sewerage Headworks Charges (Section 64 Contributions) – Assistance for Developments* policy the amount payable is \$2,084.75 (2023/24) for the development.

**Risk Implications**

There are no new risk implications to Shoalhaven Water's role in maintaining the new pressure sewer main and pressure sewer unit on the property.

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## **CL24.129    Circularity Live Conference - November 2022**

**HPERM Ref:**     D24/157524

**Submitted by:**    Clr John Kotlash

**Attachments:**    1. Conference Report [↓](#)

### **Reason for Report**

To provide a report (Attachment 1) from Clr John Kotlash on the Circularity held in Circularity Live 2022 in accordance with Clause 3.3(e) of the Council Members – Payment of Expenses and Provision of Facilities Policy.

### **Recommendation**

That Council receive the report from Clr John Kotlash on the Circularity Live 2022 for information.

### **Options**

1. Receive the report for information.
2. Request further information on the conference.

**CL24.129**





## **CL24.130 11th Australian Small Bridges Conference - 2023**

**HPERM Ref:** D24/159754

**Submitted by:** Clr Mark Kitchener

**Attachments:** 1. Conference Report [↓](#)

### **Reason for Report**

To provide a report (Attachment 1) from Clr Mark Kitchener on the 11<sup>th</sup> Australian Small Bridges Conference held in the Gold Coast, QLD 16-17 May 2023 in accordance with Clause 3.3(e) of the Council Members – Payment of Expenses and Provision of Facilities Policy.

### **Recommendation**

That Council receive the report from Clr Mark Kitchener on the 11<sup>th</sup> Australian Small Bridges Conference 2023 for information.

### **Options**

1. Receive the report for information
2. Request further information on the conference

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## **CL24.131 Rescission Motion - CL24.98 Councillor Expenses and Facilities Policy for Public Exhibition**

**HPERM Ref:** D24/167814

**Submitted by:** Clr Evan Christen  
Clr Tonia Gray  
Clr Matthew Norris

### **Purpose / Summary**

The following Rescission Motion, of which due notice has been given, is submitted for Council's consideration.

### **Recommendation**

That Council rescind the Motion relating to Item Rescission Motion - CL24.98 Councillor Expenses and Facilities Policy for Public Exhibition of the Council Meeting held on Monday 22 April 2024.

### **Background**

The following resolution was adopted at the Ordinary Meeting held 22 April 2024 (MIN24.202).

*That Council re-endorse the existing Council Members – Payment of Expenses and Provision of Facilities Policy in its current format without amendment.*

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## **CL24.132 Notice of Motion - CL24.98 Councillor Expenses and Facilities Policy for Public Exhibition**

**HPERM Ref:** D24/167832

**Submitted by:** Clr Evan Christen  
Clr Tonia Gray  
Clr Matthew Norris

### **Purpose / Summary**

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

### **Recommendation**

That Council:

1. Amend the draft Councillor Expenses and Facilities Policy (Formerly known as "Council Members – Payment of Expenses and Provision of Facilities Policy") which was provided [as Attachment 1 to Council Report CL24.98](#) to amend the Model Policy definition of 'Official Business' by allowing the following as official business:
  - a. Meetings and functions of Council Committees and Boards
  - b. Government events in the Shoalhaven
  - c. Meetings of Community Consultative Bodies (CCB's), Community groups and Business Chambers
  - d. Responding to ratepayers' enquiries
  - e. Australia Day and Anzac Day Ceremonies
2. In accordance with Section 253 of the Local Government Act 1993, publicly exhibit the attached draft Councillor Expenses and Facilities Policy (Formerly known as "Council Members – Payment of Expenses and Provision of Facilities Policy").
3. A report be provided to Council on any submissions received. Should no adverse submissions be received the amended Policy be adopted at the close of the submission period.

### **Note by the CEO**

This Notice of Motion will be dealt with if the preceding Rescission Motion is carried.

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## **CL24.133 Notice of Motion - Rest Area Crookhaven Boat Ramp**

**HPERM Ref:** D24/165673

**Submitted by:** Cllr Paul Ell

### **Purpose / Summary**

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

### **Recommendation**

That Council

1. Notes that the top carpark at the Crookhaven Boat Ramp is underutilised and has become a hotspot for anti-social behaviour and illegal dumping.
2. Directs the CEO (Director City Services) to prepare timely report, in regard to possible use of the top car park at Crookhaven Boat Ramp as a venue for a trial, allowing RV Travellers to use a portion of the carpark for overnight stays, with that report to consider:
  - a. Existing anti-social behaviour and illegal dumping and whether that is expected to be mitigated by the trial.
  - b. The permissibility of this as a function of classification and zoning and whether a Development Application may be required.
  - c. The potential cost implications of signage, regulation and monitoring of the car park
  - d. Whether, for the purposes of the trial, only fully self-contained RVs will be allowed to use the area, with sleeping in cars and camping in tents not being permissible.
  - e. Whether maximum stay times to be 24 hours are able to be supported.
  - f. How rubbish may be managed.
  - g. Forgone potential income by making such parking free to users.
3. Directs the CEO (Director City Services) to keep Councillors updated on the progress of the report before having it considered at an upcoming Council Meeting.

### **Background**

RV Travellers are a growing segment of the tourism market. Every single weekend travellers visit the Shoalhaven and are constantly in search of appropriate locations they can pull in for the night. Whilst in a particular town or village they take the time to restock and patronise local venues.

The use of this area for overnight parking by fully self-contained RVs will not have any impact on the nearby Culburra Beach Holiday Haven Tourist park. It is my understanding that these types of travellers are visiting to explore the area and are not the classic short term holiday maker.

The feedback I have received is that they do not like to pay park fees for just one night. This is often because they are travelling for weeks or months at a time and can't afford to pay site fees every single night. As a result, many just move on and Culburra Beach businesses potentially miss out on money that may have otherwise been spent in the village.

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Another benefit of allowing RV Travellers to utilise part of the Crookhaven Boat Ramp top car park is it may help deter the current problem of rubbish dumping & hoon vehicle behaviour through the creation of 'passive surveillance.'

This motion calls for Council to implement a trial subject to conditions and to report back to Councillors on the matter.

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## **CL24.134 Notice of Motion - Nowra Bridge Light Display**

**HPERM Ref:** D24/167199

**Submitted by:** Cllr Paul Ell

### **Purpose / Summary**

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

### **Recommendation**

That Council

1. Notes that the NSW State Government has yet to make any announcement regarding the future use of the Old Nowra Bridge.
2. Directs the CEO to contact Transport for NSW to investigate the potential for a lighting display to be installed on the bridge which can be utilised to recognise important occasions such as ANZAC Day.
3. Requests the CEO to contact Maitland City Council to find out more information about the lighting of Morpeth Bridge including the protocols in place with Transport for NSW.
4. Directs the CEO to provide a report to Councillors on the results of the above investigations.

### **Background**

The future use of the Old Nowra Bridge is still unclear. I am seeking the support of councillors to see if we can one day have a lighting display installed. As an example, Maitland City Council were able to light up Morpeth Bridge for ANZAC Day and do so on other special occasions.

This motion is simply asking the CEO to investigate the matter with Transport for NSW and to look in to what they do in Maitland. Once we have this information to hand, we can consider what would be involved and any necessary advocacy to the state government to be able to light up the bridge.

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## **CL24.135 Notice of Motion - Adjusting Timing of Infrastructure Levies**

**HPERM Ref:** D24/165698

**Submitted by:** Clr John Wells  
Clr John Kotlash

### **Purpose / Summary**

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

### **Recommendation**

That the CEO give consideration to and report upon the possibility and implications of incentivising more significant forms of residential development (e.g. appropriate apartment/unit developments and residential subdivisions) by adjusting the timing of part or all of infrastructure levies (e.g. Sec 7.11 & Sec 64) to occupation certificate or similar stage of development.

### **Background**

From July 2024, NSW & other States and Territories will enter into a National Housing Accord, an agreement to facilitate the completing of 1.2m homes nationwide between 2024 - July 2029.

NSW target for year 1 of the accord is 75,000 residences, a target Premier Minns has already stated is unachievable. If communities are sensing that the housing crisis is getting worse rather than better, they are right. For example, in NSW, housing completions for the quarter September 2023 collapsed by 3-4000 homes per quarter LESS than the previous three quarters, and 30,000 short of the National Accord Target for our state (ABS building activity, NSW 8752.0). The housing pipeline is blocked and across-government reforms and support is needed to meet the supply target. The supply freefall has been growing for some years – the approvals of multi-unit and stand-alone dwellings in NSW is recorded as follows:

Year to December	Total Dwelling Approvals
2016	74,778
2017	72,534
2018	66,423
2019	52,123
2020	50,864
2021	63,052
2022	54,004
2023	44,456

Source ABS Building Approvals 2024.

Urban Task Force Australia, in its 24/25 pre-budget submission, puts forward a series of recommendations to boost supply of housing including greater intervention by State planning in housing development, greater resourcing for TfNSW for road infrastructure and creation of housing funds. It also recommends changing the headworks/infrastructure payment timelines to ease the squeeze on cash flow and finance availability to the housing delivery

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pathway. This would mean changing/amending part or all of developer contributions from construction certificate stage to a later point on the delivery timeline.

It is known that a number of building developers in the Shoalhaven have projects which risk abandonment, owing to them being invoiced for headworks at construction certificate stage. It is noted that financial institutions will not grant loans for such costs/charges.

One prominent local architectural firm has indicated it has almost a dozen townhouse apartment developments, comprising approximately 140 units, which are at the “at risk point” of the construction pathway arising from “upfront” demands for payment of head works charges in full.

The recommendation requests staff advice on this issue and consideration of options, if any, to assist industry with the cash flow problem described above to unlock essential housing supply.

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## **CL24.136 Notice of Motion - South Coast Railway Upgrade**

**HPERM Ref:** D24/166450

**Submitted by:** Cllr Matthew Norris

### **Purpose / Summary**

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

### **Recommendation**

That Council

1. Write to the Minister for Transport, Hon Jo Haylen MP and Transport for NSW requesting the urgent prioritisation of the duplication and electrification of the South Coast railway south of Kiama to Bomaderry
2. Send a copy of the letter to the Member for Kiama, Gareth Ward MP and Member for South Coast, Liza Butler MP

### **Background**

For many residents, commuters, and visitors in the Shoalhaven region, navigating their way to Kiama, Wollongong, and Sydney often involves a tough decision: endure the highway or contend with the limited railway service.

The South Coast railway line, particularly the stretch from Kiama to Bomaderry, operates with minimal frequency, offering just one train per hour, with only slightly more during the morning and afternoon rush. This dearth of reliable transportation options pushes people towards the highway, despite its headaches of traffic jams and bottlenecks. And with new urban release areas like those along Moss Vale Rd South and North coming online, the strain on our roads is only set to worsen.

This reliance on the highway as the primary mode of travel between Kiama, Wollongong, and Sydney highlights the urgent need to revamp our railway infrastructure.

We envision a modernized railway system, complete with double-deck electric trains, equipped with CCTV and informative passenger displays.

Increasing the frequency of services is essential to meet the diverse transportation needs of our growing Kiama, South Coast, and Shoalhaven communities.

Safety has also become an issue for many travelling on this section of the rail line as school children and young adults are using the train line to travel to school and other educational institutes as well as attending events which may require travelling back late at night.

As our region experiences a surge in population growth, in addition to our season tourism influx and the development of new urban areas, such as the North and South Moss Vale Rd, the need for action becomes even more pressing.

We must ensure that everyone has access to reliable transportation options that facilitate connectivity, accessibility, and economic opportunities.

It's about aligning our transportation networks with the demands of the 21st century. In this endeavour, we are grateful for the tireless efforts of Unions Shoalhaven, who have been instrumental in keeping this issue at the forefront of public consciousness. Their dedication to

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advocating for the duplication and electrification of the railway line is commendable, and we stand in principle support of their petition.

Together, we can champion the interests of our constituents and rally behind vital infrastructure investments that will benefit the entire region.

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## **CL24.137 Notice of Motion - Sanctuary Point Library**

**HPERM Ref:** D24/167769

**Submitted by:** Cllr John Kotlash

### **Purpose / Summary**

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

### **Recommendation**

That Council:

1. Discontinue the current design of the proposed Sanctuary Point Library which has been prepared by Brewster Hjorth.
2. Subject to fulfilling Council's own procurement obligations, seeks to secure the rights to utilise the designs prepared by Brewster Hjorth Architects for the Warilla Library in Shellharbour City.
3. Seeks to have those plans adapted by Brewster Hjorth Architects for the Warilla Library, to suit the Sanctuary Point site.
4. Have the project delivered by the City Services Directorate, with the project owner being the City Lifestyles Directorate.
5. Receive a report from staff to Councillors on two-monthly basis to include timeframes and level of compatibility with grant schedules.

### **Background**

Sanctuary Point Library was originally projected to cost approximately \$12.5 million, with funds comprising of a loan of \$5 million and a grant from Federal Member for Gilmore, Fiona Phillips. Shoalhaven City Council have been in receipt of these funds for some time.

Since this time, building costs have risen by approximately 70%, meaning that the current two storey design is now projected to cost between \$27 and \$30 million, which is no longer a viable option, nor one that the community wants.

In 2019, Shellharbour City Council completed a new library at Warilla, NSW for a total spend of \$5.5 million. This was designed by the same architectural firm that has been commissioned to design the proposed library at Sanctuary Point. The designs are very similar; however, the Warilla Library is only one story and does not have a rooftop garden or café.

Warilla Library incorporates a unique timber clad facade that creates an open light filled 'linear' building that wraps around a central courtyard, allowing strong visual connections between all parts of the building. The building comprises of several meeting rooms, study nooks, a children's area and a large community room.

This building is perfectly suited for what the community envisages a new library would look like in Sanctuary Point. The project will be a more realistic environment echoing the project that Shellharbour Library has created in their community at Warilla.

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It is recommended Council's City Services leads project delivery and City Lifestyles is the project owner in an endeavour to ensure the Sanctuary Point Library is progressed within the initial budget of \$12.5 million and meets expected timeframes.

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## LOCAL GOVERNMENT ACT 1993

### Chapter 3, Section 8A Guiding principles for councils

#### (1) Exercise of functions generally

The following general principles apply to the exercise of functions by councils:

- (a) Councils should provide strong and effective representation, leadership, planning and decision-making.
- (b) Councils should carry out functions in a way that provides the best possible value for residents and ratepayers.
- (c) Councils should plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community.
- (d) Councils should apply the integrated planning and reporting framework in carrying out their functions so as to achieve desired outcomes and continuous improvements.
- (e) Councils should work co-operatively with other councils and the State government to achieve desired outcomes for the local community.
- (f) Councils should manage lands and other assets so that current and future local community needs can be met in an affordable way.
- (g) Councils should work with others to secure appropriate services for local community needs.
- (h) Councils should act fairly, ethically and without bias in the interests of the local community.
- (i) Councils should be responsible employers and provide a consultative and supportive working environment for staff.

#### (2) Decision-making

The following principles apply to decision-making by councils (subject to any other applicable law):

- (a) Councils should recognise diverse local community needs and interests.
- (b) Councils should consider social justice principles.
- (c) Councils should consider the long term and cumulative effects of actions on future generations.
- (d) Councils should consider the principles of ecologically sustainable development.
- (e) Council decision-making should be transparent and decision-makers are to be accountable for decisions and omissions.

#### (3) Community participation

Councils should actively engage with their local communities, through the use of the integrated planning and reporting framework and other measures.

### Chapter 3, Section 8B Principles of sound financial management

The following principles of sound financial management apply to councils:

- (a) Council spending should be responsible and sustainable, aligning general revenue and expenses.
- (b) Councils should invest in responsible and sustainable infrastructure for the benefit of the local community.
- (c) Councils should have effective financial and asset management, including sound policies and processes for the following:
  - (i) performance management and reporting,
  - (ii) asset maintenance and enhancement,
  - (iii) funding decisions,
  - (iv) risk management practices.
- (d) Councils should have regard to achieving intergenerational equity, including ensuring the following:
  - (i) policy decisions are made after considering their financial effects on future generations,
  - (ii) the current generation funds the cost of its services

### **Chapter 3, 8C Integrated planning and reporting principles that apply to councils**

The following principles for strategic planning apply to the development of the integrated planning and reporting framework by councils:

- (a) Councils should identify and prioritise key local community needs and aspirations and consider regional priorities.
- (b) Councils should identify strategic goals to meet those needs and aspirations.
- (c) Councils should develop activities, and prioritise actions, to work towards the strategic goals.
- (d) Councils should ensure that the strategic goals and activities to work towards them may be achieved within council resources.
- (e) Councils should regularly review and evaluate progress towards achieving strategic goals.
- (f) Councils should maintain an integrated approach to planning, delivering, monitoring and reporting on strategic goals.
- (g) Councils should collaborate with others to maximise achievement of strategic goals.
- (h) Councils should manage risks to the local community or area or to the council effectively and proactively.
- (i) Councils should make appropriate evidence-based adaptations to meet changing needs and circumstances.