

## Extra Ordinary Meeting

**Meeting Date:** Thursday, 19 June, 2025  
**Location:** Council Chambers, City Administrative Building, Bridge Road, Nowra  
**Time:** 5.00pm

**Membership** (Quorum – 7)

**Clr Patricia White – Mayor**

**Ward 1**

Clr Jason Cox  
Clr Matthew Norris - Assist. Deput Mayor  
Clr Peter Wilkins - Deputy Mayor  
Clr Selena Clancy

**Ward 2**

Clr Ben Krikstolaitis  
Clr Bob Proudfoot  
Clr Jemma Tribe  
Clr Luciano Casmiri

**Ward 3**

Clr Denise Kemp  
Clr Gillian Boyd  
Clr Karlee Dunn  
Clr Natalee Johnston

**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.

Shoalhaven City Council live streams its Ordinary Council Meetings and Extra Ordinary Meetings. These can be viewed at the following link

<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. Apologies / Leave of Absence
2. Declaration of Interests
3. Reports

CEO

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## **CL25.209 Community Strategic Plan 2035, Delivery Program Operational Plan, Budget 2025/26 - Exhibition Outcomes**

**HPERM Ref:** D25/168346

**Department:** Government Relations, Strategy & Advocacy

**Approver:** James Ruprai, Acting CEO

**Attachments:**

1. Community Strategic Plan 2035 - Post Exhibition (under separate cover)
2. Delivery Program Operational Plan 2025/26 - Post Exhibition (under separate cover)
3. Fees and Charges Part 1 - Post Exhibition (under separate cover)
4. Fees and Charges Part 2 - Post Exhibition (under separate cover)

### **Purpose:**

The purpose of this report is to seek Council's adoption of the Community Strategic Plan 2035, the Delivery Program and Operational Plan 2025/26, Budget and Fees & Charges. The report provides a summary of the outcomes of the public exhibition process undertaken from 1 May to 29 May 2025.

### **Summary and Key Points for Consideration:**

- Each Local Government Area is to have a Community Strategic Plan that has been developed and endorsed by the Council on behalf of its community. Council must review the Community Strategic Plan before 30 June in the year following an ordinary election of Council.
- Following public exhibition, the Final Draft Community Strategic Plan 2035 is presented to Council for adoption.
- The Delivery Program inclusive of the Draft Operational Plan and Budget for 2025/26, and Fees and Charges, is also presented to Council for adoption.
- Between 6 February 2025 and 12 June 2025, Councillors participated in 7 briefings/workshops relating to the preparation of the Draft Community Strategic Plan 2035, Delivery Program and Operational Plan 2025/26, including Budget, Capital Works Program and Fees and Charges. A full Schedule of briefings is provided at Table 7.
- The current anticipated General Fund Net Operating Result Before Capital stands at a deficit of \$18.5M for the year ended 30 June 2026, which is a \$3.2M improvement from the adopted Long Term Financial Plan (LTFP) at the 17 December 2024 meeting (MIN24.690). The Operating Result Before Capital for the Water Fund and Sewer Fund for the year ended 30 June 2026 are surpluses of \$5.6M and \$15.2M, respectively.

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## Recommendation

That having considered the submissions received as part of the exhibition process for the Draft Community Strategic Plan 2035, Delivery Program and Operational Plan 2025/26 including Budget, Capital Works Program and Fees and Charges, Council:

1. Adopt the Community Strategic Plan 2035
2. Adopt the 2025/26 Delivery Program and Operational Plan and Budget inclusive of the following changes:
  - a. Updates to DPOP Actions and KPIs as outlined in this report
  - b. Revision of the capital works listing as outlined in Attachment 2
  - c. Inclusion of context related to ex-gratia rates and charges for land owned by the Commonwealth of Australia
3. Adopt the 2025/26 Fees and Charges Part 1 and Part 2 with the following changes:
  - a. Amended the Negotiation of Planning Agreement and Work in Kind Agreement Fee when staff hourly rate applies from 30 hours to 20 hours
  - b. Rectified the Water availability charge (non-residential) 80mm fee to be \$2,921
  - c. Added 2 new fees for hire of the newly constructed Sand Dressage Arena, Worrigeo Equestrian Common
  - d. Removed 2 winter camping fees. Camping seasons have been reclassified to peak season and shoulder season only
  - e. Amended Section 10.7 (2) planning certificate fees under Environmental Planning Environmental Planning and Assessment Regulation 2001
  - f. Added additional comments for Kerb & Gutter Adjacent to Boundary fee for additional charges not included in the standard rate
  - g. Inclusion of references to specific charges (waste, water and sewer charges) applicable to properties owned by the Commonwealth of Australia
4. Resolve to make the following rates and charges in accordance with Section 535 of the Local Government Act 1993, inclusive of a 12.00% Special Variation increase as per Section 508(2) of the Local Government Act 1993:
  - a. Make an Ordinary Rate, consisting of an ad valorem rate of 0.10997c for each dollar of rateable land value in addition to a base amount of eight hundred and forty dollars (\$840.00) per rateable assessment, under Section 537 of the Local Government Act 1993, on all rateable land categorised as “Residential”, in accordance with Section 516, for the period 1 July 2025 to 30 June 2026 and, in accordance with Section 543(1), this rate be named “RESIDENTIAL”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of eight hundred and forty dollars (\$840.00) per rateable assessment for the “RESIDENTIAL” category will not produce more than 50% of the total amount payable by the levying of the “RESIDENTIAL” rate in accordance with Section 537(b) [base amount percentage is 49.98%].
  - b. Make an Ordinary Rate, consisting of an ad valorem rate of 0.10997c for each dollar of rateable land value in addition to a base amount of fifty-seven dollars (\$57.00) per rateable assessment, in accordance with Section 537 of the Local Government Act 1993, on all rateable land which is zoned so as not to permit any building (i.e.; Small Lot Rural Subdivisions) and categorised as “Residential”, in accordance with Section 516, sub category “NON-URBAN”, in accordance with Section 529(2)(b), for the period 1 July 2025 to 30 June 2026, and in accordance with Section 543(1), this rate be named “RESIDENTIAL NON-URBAN”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of fifty-seven dollars (\$57.00) per rateable assessment for the “RESIDENTIAL NON-URBAN” category will not produce more than 50% of the total amount payable by the levying of the “RESIDENTIAL NON-URBAN” rate in accordance with Section 537(b) [base amount percentage is 39.19%].

- c. Make an Ordinary Rate, consisting of an ad valorem rate of 0.22323c for each dollar of rateable land value, in accordance with Section 518 of the Local Government Act 1993: “Land is to be categorised as ‘business’ if it cannot be categorised as farmland, residential or mining”. Excepting all rateable land in the subcategories of Commercial/Industrial, Nowra, and Major Retail Centres, an ordinary rate be now made for the period of 1 July 2025 to 30 June 2026 and, in accordance with Section 543(1), this rate be named “BUSINESS”.

- d. Make an Ordinary Rate, consisting of an ad valorem rate of 0.57940c for each dollar of rateable land value in addition to a base amount of eight hundred and forty dollars (\$840.00) per rateable assessment, in accordance with Section 537 of the Local Government Act 1993, on all rateable land determined to be a centre of activity and categorised as “Business”, in accordance with Section 518, sub-category “NOWRA”, in accordance with Section 529(2)(d), for the period 1 July 2025 to 30 June 2026 and, in accordance with Section 543(1), this rate be named “BUSINESS - NOWRA”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of eight hundred and forty dollars (\$840.00) per rateable assessment for the “BUSINESS - NOWRA” subcategory will not produce more than 50% of the total amount payable by the levying of the “BUSINESS - NOWRA” rate in accordance with Section 537(b) [base amount percentage is 16.54%].

- e. Make an Ordinary Rate, consisting of an ad valorem rate of 0.19470c for each dollar of rateable land value in addition to a base amount of eight hundred and forty dollars (\$840.00) per rateable assessment, in accordance with Section 537 of the Local Government Act 1993, on all rateable land used or zoned for professional/commercial trade or industrial purposes, and categorised as “Business”, in accordance with Section 518, sub category “COMMERCIAL/INDUSTRIAL”, for the period of 1 July 2025 to 30 June 2026 and, in accordance with Section 543(1), this rate be named “BUSINESS - COMMERCIAL/INDUSTRIAL”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of eight hundred and forty dollars (\$840.00) per rateable assessment for the “BUSINESS – COMMERCIAL/INDUSTRIAL” category will not produce more than 50% of the total amount payable by the levying of the “BUSINESS – COMMERCIAL/INDUSTRIAL” rate in accordance with Section 537(b) [base amount percentage is 31.32%].

- f. Make an Ordinary Rate, consisting of an ad valorem rate of 0.81690c for each dollar of rateable land value in addition to a base amount of eight hundred and forty dollars (\$840.00) per rateable assessment, in accordance with Section 537 of the Local Government Act 1993, on rateable land Lot 2 DP 874730 determined to be a major retail centre of activity and categorised as “Business”, in accordance with Section 518, sub category “MAJOR RETAIL CENTRE - NOWRA”, in accordance with Section 529(2)(d), for the period of 1 July 2025 to 30 June 2026 and, in accordance with Section 543(1), this rate be named “BUSINESS - MAJOR RETAIL CENTRE - NOWRA”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of eight hundred and forty dollars (\$840.00) per rateable assessment for the “BUSINESS – MAJOR RETAIL CENTRE - NOWRA” category will not produce more than 50% of the total amount payable by the levying of the

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“BUSINESS – MAJOR RETAIL CENTRE - NOWRA” rate in accordance with Section 537(b) [base amount percentage is 0.95%].

- g. Make an Ordinary Rate, consisting of an ad valorem rate of 0.39350c for each dollar of rateable land value in addition to a base amount of eight hundred and forty dollars (\$840.00) per rateable assessment, in accordance with Section 537 of the Local Government Act 1993, on rateable land Lot 1 DP 1182358 determined to be a major retail centre of activity and categorised as “Business”, in accordance with Section 518, sub category “MAJOR RETAIL CENTRE - VINCENTIA”, in accordance with Section 529(2)(d), for the period of 1 July 2025 to 30 June 2026 and, in accordance with Section 543(1), this rate be named “BUSINESS - MAJOR RETAIL CENTRE - VINCENTIA”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of eight hundred and forty dollars (\$840.00) per rateable assessment for the “BUSINESS – MAJOR RETAIL CENTRE - VINCENTIA” category will not produce more than 50% of the total amount payable by the levying of the “BUSINESS – MAJOR RETAIL CENTRE - VINCENTIA” rate in accordance with Section 537(b) [base amount percentage is 1.82%]

- h. Make an Ordinary Rate, consisting of an ad valorem rate of 0.08410c for each dollar of rateable land value in addition to a base amount of one thousand one hundred and thirty-three dollars (\$1,133.00) per rateable assessment, in accordance with Section 537 of the Local Government Act 1993, on all rateable land categorised as “Farmland”, in accordance with Section 515, for the period 1 July 2025 to 30 June 2026 and, in accordance with Section 543(1), this rate be named “FARMLAND”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of one thousand one hundred and thirty-three dollars (\$1,133.00) per rateable assessment for the “FARMLAND” category will not produce more than 50% of the total amount payable by the levying of the “FARMLAND” rate in accordance with Section 537 (b) [base amount percentage is 33.00%].

- i. Make an Ordinary Rate, consisting of an ad valorem rate of 0.04480c for each dollar of rateable land value in addition to a base amount of one thousand two hundred and seventy-one dollars (\$1,271.00) per rateable assessment, in accordance with Section 537 of the Local Government Act 1993, on all rateable land categorised as “Farmland”, in accordance with Section 515, sub category “DAIRY FARMERS”, in accordance with Section 529(2)(a)(ii), for the period 1 July 2025 to 30 June 2026 and, in accordance with Section 543(1), this rate be named “FARMLAND - DAIRY FARMERS”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of one thousand two hundred and seventy-one dollars (\$1,271.00) per rateable assessment for the “FARMLAND – DAIRY FARMERS” category will not produce more than 50% of the total amount payable by the levying of the “FARMLAND – DAIRY FARMERS” rate in accordance with Section 537(b) [base amount percentage is 49.94%].

- j. Make a Special Rate, in accordance with Section 538, consisting of an ad valorem rate of 0.38260c for each dollar of rateable land value in addition to a base amount of two thousand six hundred and seventy-four dollars (\$2,674.00), for the cost of road upgrades required to enable property owners to develop their allotments in the Verons Estate. In accordance with Section 495(1), the special rate is to be levied only on those rateable properties with building entitlement within the Verons Estate which, in the opinion of Council, derive special benefit and are subject to this rate, in accordance with Section 495(2)(a)(b) and (c). The special rate be now made for the period 1 July 2025 to 30 June 2026 and, in accordance with Section 543(2), this rate be named “VERONS ROAD UPGRADE SPECIAL RATE – DWELLING

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POTENTIAL”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of two thousand six hundred and seventy-four dollars (\$2,674.00) per rateable assessment for the “VERONS ROAD UPGRADE SPECIAL RATE – DWELLING POTENTIAL” will not produce more than 50% of the total amount payable by the levying of the “VERONS ROAD UPGRADE SPECIAL RATE – DWELLING POTENTIAL” in accordance with Section 537(b) [base amount percentage is 49.98%].

- k. Make a Special Rate, in accordance with Section 538, consisting of an ad valorem rate of 0.07093c for each dollar of rateable land value in addition to a base amount of two hundred and ninety-seven dollars (\$297.00), for the cost of the road upgrades in the Verons Estate. In accordance with Section 495(1), the special rate is to be levied only on those rateable properties without building entitlement within the Verons Estate which, in the opinion of Council, derive special benefit and are subject to this rate in accordance with Section 495(2)(a)(b) and (c). The special rate be now made for the period 1 July 2025 to 30 June 2026 and, in accordance with Section 543(2), this rate be named “VERONS ROAD UPGRADE SPECIAL RATE – NO DWELLING POTENTIAL”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of two hundred and ninety-seven dollars (\$297.00) per rateable assessment for the “VERONS ROAD UPGRADE SPECIAL RATE – NO DWELLING POTENTIAL” will not produce more than 50% of the total amount payable by the levying of the “VERONS ROAD UPGRADE SPECIAL RATE – NO DWELLING POTENTIAL” in accordance with Section 537(b) [base amount percentage is 49.83%].

- l. Make a Special Rate, in accordance with Section 538, consisting of an ad valorem rate of 0.06743c for each dollar of rateable land value in addition to a base amount of one hundred and nineteen dollars (\$119.00) for the cost associated with the Nebraska road construction project. In accordance with Section 495(1), the special rate is to be levied only on those rateable properties within the Nebraska Estate which, in the opinion of Council, derive special benefit and are subject to this rate in accordance with Section 495(2)(a)(b) and (c). The special rate be now made for the period 1 July 2025 to 30 June 2026 and, in accordance with Section 543(2), this rate be named “NEBRASKA ROAD CONSTRUCTION SPECIAL RATE”.

Further, to comply with Section 500 of the Act, the total amount payable by the levying of the base amount of one hundred and nineteen dollars (\$119.00) per rateable assessment for the “NEBRASKA ROAD CONSTRUCTION SPECIAL RATE” will not produce more than 50% of the total amount payable by the levying of the “NEBRASKA ROAD CONSTRUCTION SPECIAL RATE” in accordance with Section 537(b) [base amount percentage is 49.62%].

- m. Make a Special Rate, in accordance with Section 538, consisting of an ad valorem rate of 0.02436c for each dollar of rateable land value categorised as Business – Commercial / Industrial to meet the costs of business promotions for the Sussex Inlet area and surrounds, in accordance with Section 495(1), which in the opinion of Council is of special benefit to the rateable assessments subject to the rate in accordance with Section 495(2)(a)(b) and (c). The special rate be now made for the period 1 July 2025 to 30 June 2026 and, in accordance with Section 543(2), this rate be named “SUSSEX AREA SPECIAL RATE”.

- n. Make an Annual Charge for Water Usage and Water Availability, in accordance with Sections 501, 502, and 552(1) (a) and (b), for the period 1 July 2025 to 30 June 2026, comprising a Water Usage Charge of \$2.85 per kilolitre for all residential, commercial and Community Service Obligation categorised properties and a Water

Availability Charge based on water meter size:

<b>Size of Water Meter Service Connection</b>	<b>Charge 2025/26</b>
20 mm	\$173
25 mm	\$289
32mm	\$465
40mm	\$731
50mm	\$1,147
80mm	\$2,921
100mm	\$4,570
150mm	\$10,270
200mm	\$18,263

Properties with multiple water meter service connections will be levied an availability charge for each connection. In accordance with Section 552 of the Local Government Act 1993, any vacant land where the service is available will be levied an availability charge. These charges also apply to properties owned by the Commonwealth of Australia.

The charges be named “WATER USAGE CHARGE” and “WATER AVAILABILITY CHARGE”, in accordance with Section 543(3).

- o. Make an Annual Charge for Sewer Usage and Sewer Availability, in accordance with Sections 501, 502, and 552(3) (a) and (b), for the period 1 July 2025 to 30 June 2026, comprising a Sewer Usage Charge of \$2.44 per kilolitre for all applicable, commercial and Community Service Obligation categorised properties and a Sewer Availability Charge for all residential, commercial and applicable Community Service Obligation categorised properties based on water meter size:

<b>Size of Water Meter Service Connection</b>	<b>Charge 2025/26</b>
20 mm	\$1,110
25 mm	\$1,547
32mm	\$2,363
40mm	\$3,133
50mm	\$4,431
80mm	\$9,142
100mm	\$13,107
150mm	\$22,585
200mm	\$35,041

Properties with multiple water meter service connections will be levied a sewer availability charge for each connection. In accordance with Section 552 of the Local Government Act 1993, any vacant land where the service is available will be levied an availability charge. These charges also apply to properties owned by the Commonwealth of Australia.

The charges be named “SEWER USAGE CHARGE” and “SEWER AVAILABILITY CHARGE”, in accordance with Section 543(3).

- p. Make Annual Charges for the availability of a Domestic Waste Management Service, pursuant to Section 496(1) and 496(2) of the Local Government Act 1993, for the period 1 July 2025 to 30 June 2026, on all rateable properties categorised as

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Residential or Farmland for rating purposes, and for participating non-rateable properties (including properties owned by the Commonwealth of Australia) used for residential purposes, and comprising of a building which is deemed to be a dwelling and located within the domestic waste collection area.

The amount for the standard domestic waste management service be \$531 for one 120-litre bin for landfill waste and one 240-litre bin for recycling. The landfill bin is collected weekly, and the recycling bin is collected fortnightly other than for a 6-week period from the last Monday that is before Christmas Day during which it is collected weekly. The 120-litre landfill bin may be substituted for a 240-litre landfill bin with a higher annual charge of \$915 or for an 80-litre landfill bin with a lower annual charge of \$403. The amount for each 240-litre recycling bin service additional to that included in the domestic waste management service, is \$108.

In accordance with Section 543(3), the charge be named “DOMESTIC WASTE CHARGE” and “ADDITIONAL RECYCLING BIN CHARGE”.

- q. Make an Annual Charge for a Wheel Out Wheel In special on property collection service, pursuant to Section 496 of the Local Government Act 1993, for the period 1 July 2025 to 30 June 2026, for participating properties in the domestic waste collection area where residents are not able to move bins to and from the kerb for collections and have no option for others to do so and therefore require assistance to present bins to the kerbside for collection.

The amount for the wheel out wheel in service is \$300 per bin service.

In accordance with Section 543(3), the charge be named “WHEEL OUT WHEEL IN OTHER CHARGE”.

- r. Make an Annual Charge for a Wheel Out Wheel In special on property collection service, pursuant to Section 496 of the Local Government Act 1993, for the period 1 July 2025 to 30 June 2026, for participating properties in the domestic waste collection area that are the residence of the elderly or the sick, where assistance is required to present bins to the kerbside for collection and a medical certificate is provided.

The amount for the wheel out wheel in service is \$17 per bin service.

In accordance with Section 543(3), the charge be named “WHEEL OUT WHEEL IN INFIRM CHARGE”.

- s. Make Annual Charges for Waste Management Services pursuant to Section 501 of the Local Government Act 1993, for the period 1 July 2025 to 30 June 2026, extending the Domestic Waste Service to participating properties categorised as Business for rating purposes, and for participating non-rateable properties used for non-residential purposes (including properties owned by the Commonwealth of Australia), located within the domestic waste collection area.

The amounts for the Waste Management Service, be \$531 for one 120-litre bin for landfill waste and one 240-litre bin for recycling. The landfill bin is collected weekly, and the recycling bin is collected fortnightly other than for a 6-week period from the last Monday that is before Christmas Day during which it is collected weekly. For a higher annual charge of \$915, the 120-litre landfill bin may be substituted for a 240-litre landfill bin. For a lower annual charge of \$403, the 120-litre landfill bin may be substituted for an 80-litre landfill bin. The amount for Business, and non-rateable properties used for non-residential purposes, opting for a recycling only service is \$163 for the first 240-litre MGB for recycling. The amount for each 240-litre MGB recycling service additional to either that included in the extended domestic waste management service or the first recycling only bin service, is \$108.

Tiered charging applies to properties categorised as Business for rating purposes,

for multiple 240-litre services; \$915 for one service, \$936 for the second service, and \$1,180 for each additional 240-litre service.

In accordance with Section 543(3), the charges be named “COMMERCIAL WASTE CHARGE”, “COMMERCIAL RECYCLING BIN CHARGE” and “ADDITIONAL COMMERCIAL RECYCLING BIN CHARGE”.

- t. Make an Annual Charge, pursuant to Section 496 of the Local Government Act 1993, for the period 1 July 2025 to 30 June 2026, of \$115 per assessment for administration and new works associated with future provision of domestic waste management services. The charge to be applied to any properties categorised as Residential for rating purposes, which have any boundary adjacent to a road on which domestic waste management services are provided and
  - i. does not have a dwelling situated thereon, or
  - ii. the closest point of the dwelling is 100 metres or more from the boundary of the road and the ratepayer chooses not to receive a domestic waste management service.

This charge also applies in limited cases to residential properties where, in agreement with Council, Council’s domestic waste management service has been foregone, for the provision of waste services by a private waste contractor.

In accordance with Section 543(3), the charge be named “VACANT LAND SERVICE AVAILABILITY CHARGE”.

- u. Make an Annual Charge for Stormwater Management Services, pursuant to Section 496A of the Local Government Act 1993, for the period 1 July 2025 to 30 June 2026, of \$25.00 per eligible residential or business rate assessment and \$12.50 per strata assessment. In accordance with Section 543(3), the charge be named “STORMWATER MANAGEMENT SERVICE CHARGE”.
- v. Make Annual Charges for Onsite Sewer Management Services, pursuant to Section 501 of the Local Government Act 1993, for the period 1 July 2025 to 30 June 2026, contributing to the costs associated with the ongoing inspection and approval to operate requirements for an onsite sewer management (OSSM) system/s, based on number of systems, located on residential and commercial properties, reduced for eligible pensioners:

<b>Number of systems</b>	<b>Service Charge 2025/26</b>
<b>1-2 systems - Residential</b>	\$73.00
<b>1-2 systems – Residential pensioner</b>	\$58.00
<b>3-5 systems – Residential</b>	\$122.00
<b>3-5 systems – Residential pensioner</b>	\$106.00
<b>More than 5 systems - Residential</b>	\$147.00
<b>More than 5 systems – Residential pensioner</b>	\$131.00
<b>1-3 systems - Commercial</b>	\$132.00
<b>More than 3 systems – Commercial</b>	\$175.00
<b>Single pump-out or private pump station inspection - Commercial</b>	\$90.00
<b>High Risk Large system – Commercial</b>	\$502.00

In accordance with Section 543(3), the charges be named “ONSITE SEWER MANAGEMENT CHARGE”.

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- w. Make Annual Charges for Effluent Removal pursuant to Section 501 of the Local Government Act 1993, for the period 1 July 2025 to 30 June 2026, for both residential and commercial properties, where the first 2,500 litres is levied within the service charge, based on the following service frequencies:

Frequency	Service Charge 2025/26
<b>Bi-weekly</b>	\$8,762.00
<b>Weekly</b>	\$4,381.00
<b>2-weekly</b>	\$2,190.50
<b>3-weekly</b>	\$1,432.25
<b>4-weekly</b>	\$1,095.25
<b>5-weekly</b>	\$842.50
<b>6-weekly</b>	\$674.00
<b>7-weekly</b>	\$589.75
<b>8-weekly</b>	\$505.50

In accordance with Section 543(3), the charges be named “EFFLUENT REMOVAL CHARGE”.

- x. Grant a further \$10 annual rebate in addition to the existing statutory maximum \$250 pensioner concession included on a Rate Notice for the period 1 July 2025 to 30 June 2026, for eligible pensioners.
- y. Grant a further \$20 annual rebate in addition to the existing statutory maximum \$175 pensioner concession included on a Water Account, applied evenly across Water and Sewer charges for the period 1 July 2025 to 30 June 2026, for eligible pensioners, split \$10 for Water charges where water charges apply, and \$10 for Sewer charges, where sewer charges apply.
- z. Make an Interest Rate of 10.50% per annum, pursuant to Section 566(3) of the Local Government Act 1993, for the period 1 July 2025 to 30 June 2026 (inclusive), not exceeding the maximum permissible interest rate chargeable on overdue rates and charges, calculated daily, on a simple interest basis.
5. The Chief Executive Officer be delegated to make administrative and/or minor changes if required.
6. Thank the community for providing their submissions as part of the exhibition process and provide a response to each submission, outlining the outcome and actions undertaken relating to the issues raised.

### Options

1. To endorse the Community Strategic Plan 2035, Delivery Program, Operational Plan and Budget 2025/26, and the proposed recommendations for the making of ordinary and special rates and annual charges.

Implications: Community Strategic Plan, Delivery Program, Operational Plan and Budget and rates and charges will be adopted as required by legislation.

2. Not endorse the recommendations and resolve to make changes to the Community Strategic Plan 2035, Delivery Program, Operational Plan and Budget 2025/26, or to make rates and annual charges using different values.

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Implications: Council would need to provide direction to staff in relation to necessary budget adjustments to accommodate changes to the Community Strategic Plan 2035, Delivery Program, Operational Plan and Budget 2025/26, or the recommended alternate rates and charges.

Delays in adoption of the draft documents as presented can delay the routine levy of the 2025/26 annual rates and charges which can result in a late issue of Rates Notices that will have detrimental impacts on Council's cash flow.

## **Background and Supplementary information**

In accordance with the Integrated Planning and Reporting (IP&R) requirements in the NSW Local Government Act, Council has drafted the Community Strategic Plan 2035 (CSP) and Delivery Program for the period 2025-2029 and Operational Plan (DPOP) and Budget and Fees & Charges for 2025/26. A report was provided to Council at the Ordinary Meeting on 29 April 2025 to seek to place the draft documents on exhibition. The suite of documents was endorsed for public exhibition for 28 days between 1 and 29 May 2025.

This report outlines recommended changes and presents the final suite of planning documents to be endorsed.

## **Public Exhibition**

The engagement was set at the level of inform and consult within the International Association for Public Participation (IAP2) framework. The focus of the engagement was to inform the community and ask for feedback on the draft documents. Submissions could be made to Council either via the online Get Involved page, email, or letter to Council.

Communication and engagement activities included:

- Email invitations to provide feedback sent to Community Consultative Bodies (CCB) Executive Committee members and presentation at CCB Executive Meeting 29 May 2025
- "Get Involved" website including online submissions:
  - Draft CSP page - 496 visits
  - Draft DPOP page - 994 visits
- Social media posts and campaigns (3,648 total reach)
- 1 media release with related media mentions/articles
- Details in Council's monthly e-news, website news items
- Promotional posters, copies of documents at Council's Admin and Library facilities

The overall purpose of the community engagement activities was to raise awareness that the draft documents were on exhibition and to encourage submissions.

## **Summary of Submissions**

A total of 61 individual submissions were received during the exhibition period on the draft CSP, DPOP, Budget or Capital Works program. Within these submissions there were several items, requests and suggestions.

Many of the individual submissions also included requests for new projects or items for funding. Some submissions contained multiple issues, items or requests. A summary of each of the 28 submissions received on the CSP is included in Table 1. The 33 submissions received on the DPOP and Budget is included in Table 2. The submissions are accompanied with a staff comment or proposed action in response.

A copy of the original submissions has been provided to Councillors via email on 2 June 2025 after a Councillor briefing held on 29 May 2025.

All submitters will receive an email response following adoption of the final documents with additional staff comments. The tables also indicate if the submission was received from a Community Consultative Body (CCB), organisation or individual.

Table 1 – Draft CSP 2035 - Submission items, staff comment and recommended action

Ref #	Submission from	Subject/Comment/Issue	Staff comment / Recommended Action Required
C001	Community/ Resident	Query on Capital Works Program individual item costs	Council has nominated to advertise budgets for the FY2025/26 Capital Works program by program line rather than itemised projects. From time to time, projects need to change and it is more informative and relevant to detail how much funding is available throughout the entire program.
C002	Community/ Resident	Capital Works Program - landslip Berry	Further response regarding this submission will be provided directly.
C003	Community/ Resident	Capital Works Program - footpath Badgee Bridge, Sussex Inlet	Council's Active Transport Strategy identifies a future Shared Path along Suncrest Avenue and then a linkage through to the development on the golf course site. The path along Suncrest Avenue is ranked as a Low priority in the Active Transport Strategy, relative to other missing links and new paths identified across the Shoalhaven.
C004, C006, C007, C011, C013, C016, C017, C024,	Community/ Resident	Sussex Inlet - Childcare and sports infrastructure improvements	Council does not have any project planning at this time that relates to the potential projects raised and therefore is not in a position to consider including them in the draft capital budget. However, a review was recently commenced of Shoalhaven City Council's Community Infrastructure Strategic Plan (CISP). This review will provide an evidence-based framework to guide the provision and strategic management of open space and community facilities owned or managed by Council. Details of this request have been added to our Register of Community Requests.
C005	Community/ Resident	CSP / DPOP Environmental Metrics improvements	Progress indicators in the Community Strategic Plan (CSP) are included to show whether as a community we are moving towards our long-term outcomes. Specific actions which Council will take to address the CSP key priorities are included in the Delivery Program Operational Plan. In 2025/26 Council intends to develop a community emissions reduction plan which will provide guidance on how the whole community can reduce emissions and help achieve emission reduction goals. Other Council environmental plans will set relevant indicators and targets as appropriate.
C008, C010, C028,	Community/ Resident	United Nation Sustainable Development Goals objection	Council does not have a formal adoption, endorsement or alignment to the United Nations Sustainable Development Goals. Council's Community Engagement Strategy 2025-29 outlines how Council will engage, providing community with equal opportunities to provide feedback and inform decision making through consultation, participation and collaboration.
C009	Community/ Resident	Sustainability Net Zero objection	Noted.
C011, C012, C013, C014, C015, C022, C023, C024,	Community/ Resident	Sussex Inlet – Need for adequate Childcare facilities	Need for Childcare facilities noted. Council does not currently deliver Childcare facilities in our LGA. Importance of access to this service proposed to be recognised.  <b>RECOMMENDATION:</b> Amend community outcome in CSP '1.1 Community life, civic engagement and community support' to read "People have access to well-resourced local health and support services <i>such as childcare</i> "
C018	Community/	Improve roads / basic	Noted.

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Ref #	Submission from	Subject/Comment/Issue	Staff comment / Recommended Action Required
	Resident	Infrastructure	
C019	Community/ Resident	Objection to Plan	Noted.
C020	Community/ Resident	Sussex Inlet - Childcare and sports infrastructure improvements Support for Bomaderry multi-unit housing	See response C004. Noted.
C021	Community/ Resident	Support for Total Flood warning system	The Flood Alert System Replacement and Shoalhaven Total Flood Warning System are included in the Draft Capital Works Program as presented for adoption.
C025	Hyams Beach Villagers Association (CCB)	Feedback on the level of support provided to resolve issues raised by Hyams Beach Villagers Association (CCB)	Detailed response provided. Council employs a Community Connections Officer responsible to providing information and advice to CCBs. The position is not designed to circumvent or provide short cuts to normal Council processes but is available to assist CCB's with day-to-day enquiries.
C026	Community/ Resident	Importance of environmental protection and sustainable development	Noted.
C027	Bawley Point, Kioloa and Termeil Community Association (CCB)	Support for Draft Community Strategic Plan 2035 and alignment with community led plan for BPKTCA	Noted.

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Table 2 – Draft DPOP 2025-26 - Submission items, staff comment and recommended action

Ref #	Submission from	Subject/Comment/Issue	Staff comment / Recommended Action Required
D001, D012,	Community/ Resident	DPOP positive feedback	Noted.
D002	Community/ Resident	Parks drainage improvements Conjola Park	The completion of Stage 1 of the Conjola Park Drainage Improvements project has been proposed for inclusion in the 2025/26 budget, however Stage 2 is proposed to be deferred into future years.
D003, D011,	Community/ Resident	Objection to rates increase.	Noted.
D004	Community/ Resident	St Anne Street Drainage reserve improvements	No planning work undertaken to date. Included in Register of Community Requests as part of the CISP review.
D005, D006,	Community/ Resident	Water Rates - objection	Noted.
D007	Community/ Resident	Sewage treatment plant - Kioloa/Bawley	Suggestion noted by Shoalhaven Water.
D008	Community/ Resident	Nowra Showground improvement suggestions	While the 2025/26 Delivery Plan Operational Plan does not specifically note significant capital projects, over the past 3 years Shoalhaven Council have committed over \$3m of enhancements to the Nowra Showground. Council is committed to continuing to activate the Nowra Showground, as planning progresses further for large infrastructure projects and the implementation of the Masterplan, this will be reflected in future years of the Delivery Program Operational Plan.

Ref #	Submission from	Subject/Comment/Issue	Staff comment / Recommended Action Required
D009,	Community/ Resident	Water Rates - effluent management - roll over volume entitlements	Council does not provide the option for customers to roll over unused volume from one service to another. Once Council determines the fees and charges for 2025-26 our staff will be writing to all customers and providing them an online calculator to help them assess the most cost effective service frequency for their property.
D010	Burrill Lake Community Association (CCB)	Budget queries on staff costs, materials and contracts	Detailed response to queries provided. Financial performance benchmarks are set by the Office of Local Government. The Local Government Code of Accounting Practice determines the format required for the annual financial accounts of the Council and the Budget is prepared on the same basis for the purposes of consistency. Actual contractor spend by department is provided each quarter in the quarterly reviews.
D013, D015, D016, D017,	Community/ Resident	Water Rates - effluent management - objection	<p>The effluent removal service is provided to customers at a full cost recovery, the service is contracted through a tender process with the contractor that demonstrates best value to the community awarded the contract. The cost charged by each contractor is commercial value and a market process and hence not set by a CPI indexation rate. The fees for scheduled effluent services are proposed to increase by 1.87% in 2025-26, this is the largest proportion of the cost of the service to a customer.</p> <p>To support our customers determine the most cost-effective service frequency for their property, Council will be sending all customers that receive a regular services information on the confirmed fees and charges along with an online calculator. The calculator will be designed to help each customer work out the most cost-effective service frequency for their property.</p>
D014	Community/ Resident	Water Rates - objection	We acknowledge the increase in water prices will have an impact on certain members of our community and we continue to provide a support program to those in our community that may be experiencing financial stress.
D018	Community/ Resident	Water Rates objection, against water additives fluoride and chlorine	As a Local Water Utility, we must produce water that meets the Australian Drinking Water Guidelines, fluoride and chlorine levels are identified in this guideline.
D019	Community/ Resident	Sussex Inlet - Childcare	See C012
D020	Cambewarra Residents & Ratepayers Association (CCB)	Suggested Capital Works Program for Cambewarra - Main Road footpaths, roads, welcome and historical signage.	<p>Consistent with Council's commitment to improve its financial sustainability, projects have been prioritised for inclusion in the FY26 capital program based on the following key considerations:</p> <ul style="list-style-type: none"> <li>• Consideration of any legal obligations imposed on Council to undertake the project (through legislation or a contractual requirement); or</li> <li>• Requirements to meet a minimum acceptable level of service for a critical service; or</li> <li>• A minimum level of funding to allow key operation to continue uninterrupted (Pools, sports fields, Holiday Haven, admin facilities etc.); and</li> <li>• Prioritise renewal of existing over new or upgrade; and</li> <li>• Their delivery readiness (cost estimates and designs in hand)</li> </ul> <p>With a highly constrained budget for FY26 only the most critical projects have been able to be funded which meet the above criteria. Council recognises that there are many worthy projects unable to be programmed at this time, and these projects will continue to be considered through future budgets for funding. The pathway programs included in the current budget are all either existing externally funded projects or high priority renewals.</p>

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Ref #	Submission from	Subject/Comment/Issue	Staff comment / Recommended Action Required
D021	Community/ Resident	Jarretts Lane request for improvements	Council develops its road resealing program by taking a range of factors into consideration, including surface condition, traffic count, road hierarchy and management of pavement life. Jarrett's Lane is recognised as having poor road surface condition however on the balance of Council-wide priorities and available funding is not included in the draft resealing program for 2025/26.
D022	Community/ Resident	Objection to rates increase / make provision for project cost overruns	Noted.
D023	Worrigee Equestrian Common	Fees & Charges feedback Worrigee Equestrian Common	Suggestion for fee changes noted by staff. Will require further investigation. Response will be provided directly.
D024	Community/ Resident	Hyams Beach infrastructure / Coastal Management / Facilities improvements	See response D020.
D025	Community/ Resident	Hyams Beach Coastal Management Capital works and infrastructure, Community consultation on projects, Customer Service performance.	See response D020. The Coastal Management Program is captured in the DPOP by one action covering the whole program. Staff then provide specific projects delivered in the DPOP reporting each quarter. In 2025, the average completion time of customer requests has been 6 business days and 36% of customer requests were submitted by the customer online. As part of the Council's continuous improvement efforts, a system change has been made that gives the customer the ability to respond to system generated correspondence.
D026, D028,	Community/ Resident	Collingwood Beach Dune care, vegetation risk management and public safety	Two comprehensive reports were provided to Council Ordinary Meeting 13 May 2025 on both the maintenance of Collingwood Beach and foreshore vegetation management. (Report CL25.150 and CL25.151).
D027, D031, D032,	Community/ Resident	Recreational activities - pickleball tennis courts	Council does not have any project planning at this time that relates to the potential projects raised and therefore is not in a position to consider including them in the draft capital budget. However, a review was recently commenced of Shoalhaven City Council's Community Infrastructure Strategic Plan (CISP). This review will provide an evidence-based framework to guide the provision and strategic management of open space and community facilities owned or managed by Council. Details of this request have been added to our Register of Community Requests
D029	Shoalhaven Business Chamber	Support for Special Rate Variation, Objection to Water rates and charge increases	Proposed prices for water and sewer underpin the long term financial sustainability of these two funds. The long-term financial planning focus for Shoalhaven Water includes: <ul style="list-style-type: none"> <li>• Maintenance and renewal of critical infrastructure that is reaching end of life.</li> <li>• Planning for and delivery of infrastructure to support the growth of the Shoalhaven in new urban release areas along with infill development areas to meet the needs of the region's growing community.</li> <li>• Delivery of Bamarang to Milton Water Trunk Main Stage 2 project at \$175 million. Planning and design is under way with construction to begin in 2030.</li> <li>• Major sewerage treatment plant refurbishment as part of the Northern Water Recycling Plants at \$100 million. Early feasibility and design has begun with construction to begin in 2030.</li> </ul>
D030	Tomerong Community Forum (CCB)	Capital Works Program - Entrance Signage, safety lighting, Gateway signage reinvigoration, sewage scheme, footpath	See Response D020. In regard to the Tomerong Sewage project, Shoalhaven Water is progressing based on the Council Resolution from 27/4/2021 (MIN 21.464) with design work scheduled to commence in 2026/27 and construction to commence 2027/28 for completion in 2028/29.

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Ref #	Submission from	Subject/Comment/Issue	Staff comment / Recommended Action Required
		links, wildlife signage.	
D033	Community/ Resident	Collingwood beach stormwater and accessways safety / Public transport / Community engagement / Pickleball / Revenue from Tourism	Suggestions have been noted. See response D026 regarding Collingwood Beach, and D027 regarding pickleball. Beach scraping works undertaken at Collingwood beach in April 2025 were delivered in accordance with the intended scope and met the requirements of the contract. Works were delivered within the advised date range that was provided as notification to stakeholders prior to implementation of the dune management measures. The advised date range accommodated for scheduling contingency in consideration of environmental constraints. The contractor delivered works under conditions of the agency permits from Crown Land and Marine Parks. Desired outcomes of the works were met in line with the objectives that were agreed upon via consultation and collaboration with the grant partner.

### Community Strategic Plan 2035

There is one proposed amendment to the Community Strategic Plan (CSP) from the version placed on exhibition as outlined in Table 3, amended text is underlined. Minor editorial and formatting changes were identified and changes have also been made. The Final Draft CSP 2035 is included as **Attachment 1** to this report.

Table 3 – Amendments to CSP 2035 Outcomes

CSP Item #	Amendment	Rationale
1.1	<b>Updated Community outcome</b> People have access to well-resourced local health and support services <u>such as childcare</u> .	Important that access to childcare services is a priority raised in community submissions.

### Delivery Program Operational Plan 2025-26

The following proposed amendments to Council’s Operational Plan Actions from the version placed on public exhibition are outlined in Table 4. The 2025/26 Final Draft DPOP is included as **Attachment 2** with the Fees and Charges included as **Attachment 3** (Part 1) and **Attachment 4** (Part 2).

Table 4 – Amendments to 2025/26 Draft DPOP Action Items

DPOP Original Item #	Amendment	Rationale
New – 2.1.3.02	<b>New action:</b> Review and update Council's Waste Reduction Management Strategy <b>New Measure (target):</b> *Updated Waste Reduction Management Strategy endorsed by Council by June 2026 (100%)	Important strategic work already underway has been reflected in the plan by inclusion of an additional action item.

### Considerations and Proposed Changes to 2025/26 Budget

#### Operational Budget

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A combination of both bottom-up and incremental increase budget processes were adopted in building the FY2025/26 operational and capital budgets, following an intensive bottom up approach undertaken in 2024/25. This approach to the 2025/26 budget provides a realistic outcome 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.

During the 2024/25 financial year Council's dedicated Financial Sustainability Review project team coordinated financial sustainability actions and initiatives in response to previous Council resolutions and initiatives noted in the November 2023 AEC Financial Sustainability review. This resulted in the creation of Council's Sustainable Financial Futures Plan (SFFP). Throughout 2024/25 operational savings were realised through the Financial Sustainability Review project, and funds were quarantined with the expectation they would be used to rebuild Council's unrestricted cash position, assist in funding future capital works, and assist with the repayment of Council borrowings. The 2025/26 Final DPOP incorporates \$7M in operational savings as detailed in the SFFP.

#### Proposed changes to Draft budget

The operational budget deficit when compared to the Draft exhibited budget has increased by \$1.2M, to \$18.5M (Draft: \$17.3M).

Materials and Contracts in General Fund have increased by \$974K, and Employee Benefits and On Costs in General Fund have increased by \$253K primarily due to fully funded new Operational Natural Disaster Projects.

The remaining Natural Disaster work that is not anticipated to be completed by 30 June 2025 relates to repair and maintenance work which does not result in the construction or renewal of a capital asset. Therefore, it is deemed operational in nature, and as such these costs cannot be capitalised and are reflected in the General Fund operating statement.

Proceeds of Land Sales were revised downwards by \$2M to reflect both a more recent estimate of property sales expected in 2025/26 and the sale of a property originally budgeted for 2025/26 being sold in the 2024/25 financial year.

#### ***Proposed Borrowings***

Council has an objective to reduce its debt obligations and has not proposed any borrowings as part of the 2025/26 DPOP. This was reflected in the published Draft DPOP document placed on public exhibition on 1 May 2025. No changes to borrowings are proposed from what was published in the Draft DPOP.

#### ***Capital Works Listing***

It is important to note that the Draft DPOP was prepared prior to the March 2025 Quarterly Budget Review. As such, further changes were made to refine the Capital Works Program as outlined in **Attachment 2**.

A total of \$10.3M in capital carry forwards and revotes were resolved by Council on 27 May 2025 (MIN25.255) via the March Quarterly Budget review. The entire capital program (including carry forwards and revotes) was reviewed prior to determining an appropriate deliverable FY2025/26 capital program. As such, the entire \$10.3M in carry forwards and revotes were not added to the FY2025/26 capital program as part of the post exhibition process.

Council proposes a capital spend for the year ended 30 June 2026 of \$138M with the final program being \$11.1M more than the FY2024/25 of \$126.9M, and an increase of \$2.3M on the Draft DPOP.

Compared to the 2025/26 Draft DPOP, General Fund capital works decreased by \$585K, Water Fund capital works increased by \$1.2M and Sewer Fund capital works increased by \$1.7M. A summary of adjustments is provided in the below table:

**Summary of adjustments from Draft to Final DPOP**

Adjustments	\$'000
<b>Draft DPOP</b>	<b>135,654</b>
<b>Add</b>	
Q3 Carry Forward adopted 27 May 2025 (MIN25.255)	10,308
Projects brought forward into FY2025/26 from future years (FY2026/27 onwards)	1,271
<b>Remove</b>	
Deferred to future years (FY2026/27 onwards)	- 7,744
Carry back into FY2024/25 or already completed under budget	- 1,485
<b>Final DPOP</b>	<b>138,004</b>
<b>Variance - Draft DPOP to Final DPOP</b>	<b>2,350</b>

A more detailed breakdown of the above table is provided below:

- Deferred to future years (FY2026/27 onwards) - \$7.74M
  - \$240K of the \$10.3M carry forward and revotes, has been deferred to future years relating to East Nowra Sub Arterial Design works
  - \$7.5M from the Draft DPOP has been deferred to future years, primarily relating to Shoalhaven Roads Projects
- Carry Back into FY2024/25 Completed in FY2024/25 under budget - \$1.48M
  - \$708K has been removed for projects carried back to be completed in FY2024/25 primarily relating to The Wool Rd, Old Erowal Bay sinkhole and Extension of Jervis Bay Territory Water Infrastructure because of works being delivered ahead of schedule
  - \$776K has been removed for projects completed under budget primarily for Smarts Bridge, Croobyar Rd, Croobyar
- Brought Forward into FY2025/26 from future years (FY2026/27 onwards) - \$1.27M
  - \$1.27M has been brought forward from future years for Bolong Rd – Abernethys Creek (funded from Roads to Recovery) and Moss Vale Rd South Stage 3 Open Space which was carried forward in Q2 FY2024/25 and planned for future and is now ready for delivery (funded from loans and section 7.11)

Conditions assessments on Councils assets are still underway with the focus being on roads, pathways and preliminary drainage conditions assessments. Roads assessments are complete and pathway conditions assessments are being captured in June 2025. Drainage condition assessments are planned over multiple years due to the size of the network and funding constraints. Therefore, Council has only presented a 1-year capital program in the FY2025/26 Delivery Program Operational Plan as there is insufficient certainty around the build of the capital works program in future years at this time. The Enterprise Project Management Office will now be able to adopt a rigorous process of vetting projects in conjunction with financial sustainability measures, considering contemporary condition data as it becomes available with the view of prioritisation and readiness of projects for Councils capital works program. As rigour and confidence in the longer-term program develops, it is likely that a listing of projects planned to be completed in future years will be provided to the community.

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## Rating Structure

In order for Council to levy rates and charges for the 2025/26 rating year, Council is required to resolve the making of all rates and annual charges, in accordance with the Local Government Act 1993 and Local Government (General) Regulations 2021.

The Independent Pricing & Regulatory Tribunal (IPART) approved Council's application for a 12% special rates variation increase on 16 May 2025.

Following publication of Council's draft Statement of Revenue Policy, and in accordance with Section 532 of the Local Government Act 1993, maximum permissible income has been recalculated to incorporate new properties from the ongoing issue of supplementary land values from the Valuer General. This recalculation of maximum permissible rates income has resulted in minor changes.

The final rating structure for 2025/26, for both ordinary rates and special rates, is shown in the following tables. These changes have already been included in the DPOP documentation that has been provided with this report.

Table 5 - Ordinary Rates

Sub-Category	No. of Rateable Properties	Land Value	Ad Valorem (c in \$)	Base Rate Amount (\$)	Total Rate Yield (\$)
Residential Rates	56,848.29	\$43,453,543,555	0.10997	\$840.00	\$95,538,425
Residential Non-Urban Rates	922	\$74,138,270	0.10997	\$57.00	\$134,084
Ordinary Farmland Rates	611	\$1,671,085,000	0.08410	\$1,133.00	\$2,097,645
Farmland Rates - Dairy Farmers	138	\$392,415,000	0.04480	\$1,271.00	\$351,200
Business Ordinary Rates	146	\$3,177,832	0.22323		\$7,094
Business Nowra Rates	380	\$277,974,980	0.57940	\$840.00	\$1,929,787
Business Commercial / Industrial Rates	1,945	\$1,839,783,678	0.19470	\$840.00	\$5,215,859
Business - Major Retail Centre - Nowra	1	\$10,700,000	0.81690	\$840.00	\$88,248
Business - Major Retail Centre - Vincentia	1	\$11,500,000	0.39350	\$840.00	\$46,093
	<b>60,992.29</b>	<b>\$47,734,318,315</b>			<b>\$105,408,435</b>

Table 6 - Special Rates

Sub-Category	No. of Rateable Properties	Land Value	Ad Valorem (c in \$)	Base Rate Amount (\$)	Total Rate Yield (\$)
Verons Road Upgrade Special Rate - Dwelling Potential	22	\$15,386,000	0.38260	\$2,674.00	\$117,695
Verons Road Upgrade Special Rate - No Dwelling Potential	10	\$4,215,000	0.07093	\$297.00	\$5,960

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Nebraska Road Construction Special Rate	24	\$4,300,400	0.06743	\$119.00	\$5,756
Sussex Area Special Rates	96	\$85,060,900	0.02436		\$20,721
<b>Total</b>	<b>152</b>	<b>\$108,962,300</b>			<b>\$150,132</b>

In accordance with Sections 534 and 535 of the Local Government Act 1993, Council can resolve to make rates and charges for the 2025/26 financial year.

**Fees and charges**

Two new fees for hire of the newly constructed Sand Dressage Arena at Worrigea were added at a cost of \$100 per day and \$50 per half day. The timetable of camping seasons was amended to remove the Winter season which ran from 1 June to 31 August and subsequently two separate fees for camping on powered and unpowered sites at rates of \$21.45 and \$16.95 per night were removed. Water availability charge (non-residential) 80mm fee was amended to \$2,921 as it was misprinted in Part 2 of the Draft DPOP.

The Negotiation of Planning Agreement and Work in Kind Agreement Fee was amended to apply when staff time exceeds 20 rather than 30 hours, and Section 10.7 Planning Certificate Fees under the Environmental Planning and Assessment Regulation 2001 were adjusted in accordance with changes to the regulation.

The updated 2024-25 Fees and Charges (Part 2) is included as **Attachment 4**.

**Councillor Engagement**

Councillors have had the opportunity to participate in several briefings and workshops throughout the preparation of the 2025/26 DPOP. The full schedule of briefings is shown below in Table 7.

*Table 7 - Councillor Engagement Schedule*

Description	Date
<b>Councillor Briefing</b> <b>Community Strategic Plan Workshop</b>	Thursday 6 February 2025
<b>Councillor Briefing</b> <b>Budget Workshop 1: Capital Carry Forwards &amp; Revotes</b>	Thursday 27 February 2025
<b>Councillor Briefing</b> <b>Budget Workshop 2: Capital Program &amp; MRF Update</b>	Thursday 13 March 2025
<b>Councillor Briefing</b> <b>Budget Workshop 3: Operational Income &amp; Expenditure</b>	Thursday 20 March 2025
<b>Councillor Briefing</b> <b>Budget Workshop 4: Overview &amp; Cash Position</b>	Thursday 27 March 2025
<b>Fees and Charges: hardcopy provided</b>	Thursday 6 March 2025
<b>Department Budget Packs: uploaded to Councillors' portal</b>	Monday 24 March 2025
<b>Councillor Briefing</b> <b>Submissions received from public exhibition</b>	Thursday 29 May 2025
<b>Councillor Briefing</b> <b>Budget Workshop 5: Final DPOP</b>	Thursday 12 June 2025

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### Conclusion

The 2025/26 Draft Budget was prepared based on the principles of prudent financial management and fiscal discipline. As demonstrated in the table below, the proposed changes to the 2025/26 Draft Budget have minimal impact on net unrestricted cash, being \$22K, and the 2025/26 Final Budget will remain balanced and does not result in a negative unrestricted cash movement. This indicates 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 consequently conforms to the requirement of no cash deficit budgeting.

2025/26 Draft Budget	2025/26 Budget (\$'000)			
	General Fund	Water Fund	Sewer Fund	Consol.
Net Operating Results	13,671	17,166	17,194	46,166
Net Surplus/(Deficit) before Capital	-17,284	5,666	15,196	1,686
<b>Other Cash Adjustments</b>				
Capital Expenditure	-79,278	-24,705	-31,672	-135,655
New Borrowings	0	0	0	0
Proceeds from Borrowings and Advances	0	319	0	0
Loan Principal Repayments	-16,510	0	-5,268	-21,459
Net Gains from the disposal of assets	-1,360	0	0	-1,360
Proceeds from the disposal of assets	14,804	300	200	15,304
Receipt of Internal Loan Repayment	0	0	0	0
Depreciation Adjustment	69,013	16,982	18,963	104,958
Dividend Paid to General Fund	0	-300	-1,565	0
Net Cash Outflow	339	9,762	-2,148	7,953
<b>Reserve Movements</b>				
Net Transfers from Reserves	17,619	-9,762	2,148	10,005
General Fund Net Cash Movement	17,958	0	0	17,958

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Adjustments to 2025/26 Draft Budget Post-Exhibition:	2025/26 Budget (\$'000)			
	General Fund	Water Fund	Sewer Fund	Consol.
Net Operating Results	-4,395	-300	0	-4,695
Net Surplus/(Deficit) before Capital	-1,225	-150	-27	-1,375
<b>Other Cash Adjustments</b>				
Capital Expenditure	586	-1,203	-1,732	-2,349
New Borrowings	0	0	0	0
Loan Principal Repayments	0	0	0	0
Net Gains from the disposal of assets	0	0	0	0
Proceeds from the disposal of assets	-2,000	0	0	-2,000
Receipt of Internal Loan Repayment	0	0	0	0
Depreciation Adjustment	0	0	0	0
Dividend Paid to General Fund	0	0	0	0
Net Cash Outflow	-5,808	-1,503	-1,732	-9,043
<b>Reserve Movements</b>				
Net Transfers from Reserves	5,830	1,503	1,732	9,065
General Fund Net Cash Movement	22	0	0	22

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Following the consideration of the submissions received and the identification of the required changes, it is recommended that the Draft Delivery Program and Operational Plan 2025/26, Draft Budget and Fees and Charges be adopted by Council, with proposed changes, as outlined in the recommendation at the beginning of this report.

### Internal Consultations

Development of the draft documents occurred with input from across the management team and internal working group comprising of representatives from each Council Directorate.

### External Consultations

Engagement activities have been held with community, business and industry organisations as part of drafting the documents which went on public exhibition.

### **Community Consultations**

Public exhibition of the draft documents was held for 28 days the outcomes of which are outlined in this report.

### **Policy and Statutory Implications**

Adoption of the draft documents as presented will ensure that statutory requirements are met.

### **Financial Implications**

Adopting a budget helps councils manage their finances, track performance, and ensure accountability to the community and stakeholders.

### **Risk Implications**

Delays in adoption of the draft documents as presented can delay the routine levy of the 2025/26 annual rates and charges which can result in a late issue of Rates Notices that will have detrimental impacts on Council's cash flow.

## 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.