

## Ordinary Meeting

**Meeting Date:** Tuesday, 29 April, 2025  
**Location:** Council Chambers, City Administrative Building, Bridge Road, Nowra  
**Time:** 5.30pm

### 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. Acknowledgement of Country

Walawaani (welcome),

Shoalhaven City Council recognises the First Peoples of the Shoalhaven and their ongoing connection to culture and country. We acknowledge Aboriginal people as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to their Elders past, present and emerging.

Walawaani njindiwan (safe journey to you all)

Disclaimer: Shoalhaven City Council acknowledges and understands there are many diverse languages spoken within the Shoalhaven and many different opinions.

**2. Moment of Silence and Reflection**

**3. Australian National Anthem**

**4. Apologies / Leave of Absence**

**5. Confirmation of Minutes**

- Ordinary Meeting - 15 April 2025

**6. Declaration of Interests**

**7. Presentation of Petitions**

**8. Mayoral Minute**

**9. Deputations and Presentations**

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Notices of Motion / Questions on Notice

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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.*

CCL25.13	Tenders - Culvert Replacement - CH10312 - The Wool Rd, Old Erowal Bay
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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.*

CCL25.14	Proposed Works in Kind Agreement Negotiations - Associated with Subdivision at 70 Hillcrest Avenue, South Nowra (SF10525)
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*Local Government Act - Section 10A(2)(g) - Advice concerning litigation, or advice as comprises a discussion of this matter, that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.*

*There is a public interest consideration against disclosure of information as disclosure of the information could reasonably be expected to prejudice any court proceedings by revealing matter prepared for the purposes of or in*

*relation to current or future proceedings or prejudice the fair trial of any person, the impartial adjudication of any case or a person's right to procedural fairness.*

## **CL25.122 Rescission Motion - CL25.114 Sanctuary Point Library - Update Report 3 (Feasibility Study & Cost Estimates)**

**HPERM Ref:** D25/167666

**Submitted by:** Clr Matthew Norris  
Clr Gillian Boyd  
Clr Ben Krikstolaitis

### **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 CL25.114 Sanctuary Point Library - Update Report 3 (Feasibility Study & Cost Estimates) of the Council Meeting held on Tuesday 15 April 2025.

### **Background**

The following resolution was adopted at the Ordinary Meeting held Tuesday 15 April 2025 (MIN25.175).

*That in relation to the proposed Sanctuary Point Library:*

1. *The current Project (as outlined in the report) be abandoned and council investigate alternative sites including:*
  - a. *Francis Ryan Reserve; and*
  - b. *Paradise Beach Road (located at existing Sanctuary Point Library)*

CL25.122

## **CL25.123 Notice of Motion - CL25.114 Sanctuary Point Library - Update Report 3 (Feasibility Study & Cost Estimates)**

**HPERM Ref:** D25/167672

**Submitted by:** Clr Matthew Norris  
Clr Gillian Boyd  
Clr Ben Krikstolaitis

### **Purpose / Summary**

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

### **Recommendation**

That Council:

1. Receive the **Sanctuary Point Library - Project Update 3** report for information as an update on:
  - a. Close-out and rescoping processes as outlined in **Attachment 1**.
  - b. Outcomes of a *Feasibility Study* as presented in **Attachment 2 and Attachment 7 & 8**.
  - c. Project location, noting the recommendation to retain (reconfirm) a new library be constructed at the corner of Paradise Beach Road and Kerry Street, Sanctuary Point, as outlined in **Attachment 5 & 6**.
  - d. Project programme (timelines) as outlined in **Attachment 3**.
2. In accordance with the *Local Government Act 1993*, delegate authority to the Acting CEO (Director - City Services) to commence negotiations with grant funding partners to align the rescoped project with revised grant funding deeds, with a view to capping Council's co-contribution to the project at no more than half (50%) of the cost of delivery.
3. Direct the CEO (Director – City Services) to further examine financial considerations related to delivery of a new library in Sanctuary Point and submit a development application, as illustrated in **Attachment 7 & 8**, by completing the following activities utilising funds allocated to the Sanctuary Point Library project in the Section 7.11 reserve:
  - a. A *Business case*, in accordance with [MIN24.44](#), and *Expenditure review*, in accordance with the Office of Local Government's [Capital Expenditure Guidelines \(December 2010\)](#), and;
  - b. Documentation as required to submit a development application.
4. Direct the CEO (Director – City Services) to provide a future report upon completion of part 2 of this resolution (once development consent has been received) to enable Council to make a determination about next steps for this project.

### **Background**

This Notice of Motion will be dealt with if the preceding Rescission Motion is carried. Attachments can be found in the [Attachments](#) to the Agenda for 15 April 2025.

CL25.123

## **CL25.124 Notice of Motion - Public Toilets - Worrige**

**HPERM Ref:** D25/169473

**Submitted by:** Clr Bob Proudfoot

### **Purpose / Summary**

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

### **Recommendation**

Provision for public toilets in selected parks at Worrige be made in the most appropriate future budget, when Council's finances have recovered sufficiently in order to construct such facilities. Examples of parks with high needs is the park with playground facilities adjacent to Sullivan St and the park with playground facilities on the eastern end of Isa Rd.

### **Background**

The people of Worrige have for some time indicated their displeasure at the lack of public toilets in their suburb. Many community members claim that the only public toilet in their area is the one at the local shopping centre, and this toilet is not always unlocked. In addition, another assertion is that there are no public toilets in Twin Waters, Green Orchid, Rayleigh Gardens, Peppermint Grove, Mountain View and Carrington Gardens being neighbouring areas.

### **Note by the CEO**

The provision and condition of public toilets at Council parks is being considered through the review of Council's Community Infrastructure Strategic Pan (CISP).

Community engagement for the CISP review is scheduled for 12 May – 30 June 2025. The community is encouraged to provide feedback on the provision of public toilets at local parks in Worrige as part of this engagement activity.

The CISP review includes a comprehensive needs analysis. The needs analysis is approximately 50% complete.

The needs analysis includes an assessment of parks against a set of embellishment benchmarks, including the provision of public toilets. Embellishment benchmarks for parks have been developed according to their classification - regional, district and local.

Findings from the needs analysis and associated recommendations will be reported to Council in late 2025. Public exhibition of the draft CISP is planned for early 2026.

CL25.124

## **CL25.125 Notice of Motion - Milton/Ulladulla Bypass - Nowra Bypass**

**HPERM Ref:** D25/169486

**Submitted by:** Cllr Bob Proudfoot

### **Purpose / Summary**

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

### **Recommendation**

That staff provide regular up-date reports regarding both design work, funding commitments and potential construction timetables for the Milton-Ulladulla Bypass and the Nowra Bypass.

### **Background**

For many years now the residents of the Shoalhaven have had to endure a massive level of inconvenience as they attempt to move around their respective villages and townships. The root cause is the ever-increasing influx of tourists to our city, not just at peak times but also during the "shoulder period" and in fact for most weekends. The resultant traffic congestion is a big negative for both locals and the visitors themselves, which may well see the tourist industry not reaching its potential.

### **Note by the CEO**

Transport for NSW as the department responsible for Highway improvements provides updates to the public via project pages. The project pages for the Milton Ulladulla bypass and the Nowra bypass projects can be found below;

<https://www.transport.nsw.gov.au/projects/current-projects/milton-ulladulla-bypass>

<https://www.transport.nsw.gov.au/projects/current-projects/nowra-bypass-and-transport-improvements>

Transport for NSW also aim to provide quarterly Councillor Briefings with these 2 projects being agenda items. The next briefing is scheduled for the 29 May 2025.

Staff can endeavour to seek ongoing updates from TfNSW to provide to Council, noting any updates from Council staff will be dependent upon information being provided from TfNSW.

CL25.125



## **CL25.126 Report of the Southern Coastal Management Program Advisory Committee - 24 March 2025**

HPERM Ref: D25/159547

**SC25.1 Adoption of the Lake Conjola Coastal Management Program**

**HPERM Ref:  
D25/82747**

### **Recommendation**

That as recommended by the Committee:

1. The Entrance Management Policy be separated from Coastal Management Program.
2. The Lake Conjola Coastal Management Program (excluding the Entrance Management Policy) be endorsed for submission to Council at a later date.
3. Council advocate to the State Government for funding for the immediate dredging of the southern ebb tide channel.
4. Council re-exhibit the draft Entrance Management Policy along with the draft Review of Environmental Factors.
5. It be noted that Council still uses M2 for monitoring of the lake in combination with MHLFIT.
6. The Total Flood Warning System be budgeted for and delivered in next financial year.

**CL25.126**

## **CL25.127 Draft Community Strategic Plan 2035, Delivery Program Operational Plan and Budget 2025-26 - Public Exhibition**

**HPERM Ref:** D25/113149

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

**Approver:** James Ruprai, Acting CEO

**Attachments:**

1. Draft Community Strategic Plan 2035 - Exhibition (councillors information folder) [⇨](#)
2. Draft Delivery Program Operational Plan 2025-26 - Exhibition (councillors information folder) [⇨](#)
3. Draft Fees and Charges 2025-26 - Part 1 - Exhibition (councillors information folder) [⇨](#)
4. Draft Fees and Charges 2025-26 - Part 2 - Exhibition (councillors information folder) [⇨](#)
5. Community Engagement Report - Draft CSP 2035 (councillors information folder) [⇨](#)

### **Purpose**

The purpose of this report is to present the draft Integrated Planning and Reporting document suite to Council to endorse for a 28 day public exhibition in accordance with legislative requirements.

### **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.
- The current Community Strategic Plan (CSP) 2032 has been reviewed and updated with the draft Community Strategic Plan 2035 being presented to Council for endorsement for public exhibition and invite further community feedback.
- In accordance with the Integrated Planning and Reporting (IP&R) requirements in the NSW Local Government Act, Council has developed a Delivery Program for the period 2025-2029. The Delivery Program inclusive of the draft Operational Plan and Budget for 2025/26, and Fees and Charges, is also presented to Council for endorsement for public exhibition and community feedback.
- The current anticipated General Fund Net Operating Result Before Capital stands at a deficit of \$17.3M for the year ended 30 June 2026, which is a \$4.4M 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 \$5.7M and \$15.2M, respectively.

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## Recommendation

That Council:

1. Endorse the Draft Community Strategic Plan 2035, Draft Delivery Program 2025-29 and 2025/26 Operational Plan, Draft Budget, Draft Fees and Charges with the purpose of placing on public exhibition for a period of 28 days.
2. Maintain the previous 2024/25 rating structure, comprising both base and ad valorem amounts which is a commonly used rating 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 2025 to 30 June 2026 (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 maximum general rates increase for 2025/26 as allowed by the Minister, as per Sections 508A or 506 of the Local Government Act 1993. i.e. either, a permanent 12% special variation or a 3.8% rate-peg (depending on IPART's decision on Council's special variation due in May/June 2025).
6. Receive a report on feedback from the community on the Draft Community Strategic Plan 2035 and Draft Delivery Program Operational Plan and Budget 2025/26.

## Options

1. Council resolves to place the Draft CSP, DPOP, Budget and Fees and Charges for 2025/26, 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 Council in June with details of submissions received including any community feedback on the Draft CSP, DPOP and Budget.

2. Council defers a decision in respect of the Draft CSP, DPOP, Budget and Fees and Charges for 2025/26 being placed on public exhibition pending either further information being provided, or the documents being amended.

Implications: A delay in placing the Draft CSP and DPOP on public exhibition could result in Council not adopting the CSP, DPOP, and Budget prior to 30 June 2025, as required by legislation. Any delay beyond 30 June 2025 could delay the routine levy of the 2025/26 annual rates and charges. A late issue of Rates Notices will have critical negative 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 and updated Community Strategic Plan 2035 and developed a Delivery Program for the period 2025-2029. The Delivery Program inclusive of the draft Operational Plan and Budget for 2025/26, is presented to Council for endorsement for public exhibition and community feedback.

CL25.127

## Community Strategic Plan

The Community Strategic Plan (CSP) is the community's plan for the Shoalhaven. It has a minimum ten-year timeframe and should reflect the community's aspirations (needs and wants) for the Shoalhaven. Council's role in the production of the CSP is to facilitate its development and produce the document. It should be very clear that the CSP is not a Council plan but a community plan. While Council will use the CSP as a guide for creating other plans it is important to note that other State and Federal Agencies will also use the CSP to develop their own strategies and plans for the Shoalhaven.

The current CSP 2032 was endorsed by Council in September 2022 (MIN22.596). This report includes the outcomes of the community engagement activities to date, outlines any updates to the CSP pillars and priorities and presents the Draft Community Strategic Plan - Shoalhaven 2032 to be endorsed for public exhibition.

Building on findings from comprehensive CSP engagements in 2017 and 2021, Council undertook further consultation with the community between November 2024 and March 2025. Due to Council's engagement on the Special Rate Variation options during November 2024, the primary engagement activity was a survey held during March 2025 on Council's engagement platform Get Involved.

Overview of engagement numbers:

- 24,483 people reached through social media
- 1,300 video views on social media
- 1,200 visits to the Get Involved project page
- 384 surveys completed
- 49 discussions at pop-up stalls
- 3 stakeholder workshop sessions

Council held workshop sessions with the Community Consultative Committees Executive, Council's Inclusion and Access Committee and business and community services industry online session. Further engagements will occur with Council's advisory committees in the refinement of the plan. Another opportunity for community feedback on the draft suite of documents will be during public exhibition in May 2025. The complete Community Engagement Report is included as **Attachment 5**.

The draft CSP 2035 Pillars and Priorities are as follows:

### **Pillar 1: Vibrant, safe and active communities**

- 1.1. Community life, civic engagement and community support
- 1.2. Creativity, culture and lifelong learning
- 1.3. Active lifestyles
- 1.4. Safe behaviour and relationships
- 1.5. Preparedness for disasters and emergencies

### **Pillar 2: Sustainable environments and liveable communities**

- 2.1. Sustainable management of the natural environment
- 2.2. Liveable neighbourhoods and sustainable development
- 2.3. Safe built environment and business operations

### **Pillar 3: Resilient local economies and enabling infrastructure**

- 3.1. Economic opportunity and diversity

3.2. Transport facilities and services

3.3. Housing for all

**Pillar 4: Transparent leadership with good governance**

4.1. Financial sustainability

4.2. Transparent leadership

4.3. Effective collaboration and engagement

The Draft Community Strategic Plan 2035 is included as **Attachment 1**.

**Delivery Program 2025-29**

The Delivery Program details what activities Council intends to undertake to achieve the key priorities outlined in the CSP 2035. Each of the pillars and priorities identified by the community have been allocated 4-year strategies (25 in total) in the Delivery Program, and 1-year actions in the Operational Plan. The combined Delivery Program Operational Plan (DPOP) outlines the actions, projects and services Council will deliver in the 2025/26 financial year.

**2025/26 Projects and Initiatives**

Full details on Council's planned projects and activities are included in **Attachment 2** – Draft Delivery Program Operational Plan and Budget 2025/26.

Alongside Council's core service activities, there are numerous new initiatives programmed for 2025/26 including:

- Coordinate delivery of the agreed financial sustainability initiatives and realise the committed savings in the Sustainable Financial Futures Plan, to achieve the vision of being a financially sustainable organisation.
- Support communities to apply to deliver a community-led project on land owned/managed by Council, in accordance with the Community-Led Projects Policy.
- Undertake required actions to revise suite of Asset Management Plan documents (14 plans finalised by 30 June 2026).
- Formulate and implement the Nowra Key Moves Action Plan to support the rejuvenation of Nowra City Centre.
- Monitor and report on Per- and Polyfluoroalkyl Substances (PFAS) levels in all Shoalhaven Water supplies.
- Develop an Urban Greening Strategy delivered by June 2026.
- Develop a community emissions reduction plan by June 2026.
- Progress project planning for a new Library at Sanctuary Point in line with adopted position of Council.
- Finalise St Georges Basin and the Lower Shoalhaven Floodplain Risk Management Studies and Plans.
- Commence West Nowra Material Recovery Facility by December 2025.
- Finalise the local planning documents to guide the development of the Moss Vale Road North Urban Release Area.
- Develop and implement a combined Tourism and Economic Development strategy.

Key projects included within Council's Draft Capital works program (12% SRV option) include:

- \$38.4M capital budget for roads and transport program including:
  - Wool Road, Old Erowal Bay\*
  - Illaroo Road, North Nowra\*
  - East Nowra Sub-Arterial design works\*
  - Murrays Bridge, Conjola\*
  - Myola Active Transport pathways\*
- \$56.4M capital budget for water and wastewater program including:
  - Bamarang to Milton Water Pipeline Project
  - Jervis Bay Territory Pipeline\*
  - Culburra Wastewater Treatment Plant Upgrades
  - Moss Vale Road Urban Release Area water and sewer development

\$7.8M capital budget for waste and recycling program including:

- Materials Recovery Facility
- New landfill cell construction

\*project includes grant funding

### **Performance Measures**

Performance measures against each Operational Plan action have been included to ensure that Council continues to be accountable against the priorities 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.

### **Resourcing Strategy**

Council has an accompanying Resourcing Strategy 2022-26 (version 2024/25) which was adopted by Council in December 2024. The Resourcing Strategy addresses how Council will implement and resource the Delivery Program through planning for our finances, assets, and workforce. The Resourcing Strategy is an operational document which contains the Workforce Strategy, Asset Management Policy and Strategy, Information and Communication Technology Strategy, and the Long-Term Financial Plan 2025-2034.

A thorough condition assessment of our roads and community buildings is underway and will provide an evidence-based analysis of the amount of money required to fix our assets. Once this is completed, further conversations will be had with the elected Council about what's needed to repair our roads and buildings into the future. A revised Long Term Financial Plan (LTFP) will be prepared and presented to Council in late 2025. The plan will consider the need for future Special Rate Variations.

### **Budget Parameters**

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 2025/26 budget strategies and economic parameters on 28 January 2025 (MIN25.27).

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

Adopted Budget Strategy/Parameter	Achieved
1. Principal budgeting strategies:	
a. The budget will not result in an unrestricted cash deficit.	✓
b. Prioritise funding in the following order: i. Provide sufficient funding for all continuing services ii. Continue Council’s commitment to asset renewal iii. Continue a program of capital improvements to address historic budget shortfalls	✓
c. Maintain or improve Council’s financial and asset management performance indicators reported in the annual financial statements	✓
d. Increase Council’s working funds balance	✓
e. Minimise carry forwards through substantial completion and long-term planning of the capital works program	✓
2. Economic parameters for budgeting:	
a. Rates are increased by 12% (including rate peg) assuming Council’s application for a Special Rate Variation (SRV) is approved by IPART. Should the SRV not be approved, the 3.8% rate peg is to be applied.	✓
b. User fees and charges are increased by a minimum of 5%	✓
c. Salaries and wages are increased by 3%, plus bonus payable, as per the Local Government (State) Award	✓
d. Superannuation guarantee is to be increased from 11.5% to 12% in line with legislated increases	✓
e. Materials and other expenditures increase by 3%	✓
f. The capital works program is appropriately set 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	✓
g. Consistent with Council’s Long Term Financial Plan, no additional loan borrowings are to be taken out in FY 2025/26	✓
h. Should the need arise during the year for additional funding, the following options will be considered: i. Internal borrowing opportunities ii. Asset rationalisation	✓

CL25.127

Adopted Budget Strategy/Parameter	Achieved
3. Repairs to Council’s Road Network be a primary focus of the initial draft of the Capital Works Program	✓
4. Budget Workshops be scheduled with all Councillors in the preparation of the draft 2025/26 budget which will include consideration of any recommended re-prioritisation of capital works projects listed in the current Delivery Program and Operational Plan.	✓

**Statement of Revenue Policy**

Rating Structure and 2025/26 Rates Increase

Council has resolved to maintain the same approach to rating used in the previous 2024/25 year, structured on an ad valorem basis using land values issued by the Valuer General as at 01 July 2022, 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.

The next release of land values for landowners in the Shoalhaven Council area will occur in early 2026 for land values as at 01 July 2025. These land values will be used for rating from the following year, from 01 July 2026.

Council does not propose to review its existing rating structure in 2025/26, as the 2025/26 year may be a special variation rating year, and if so, the rating impacts of the special variation have been demonstrated to the community and to IPART using our existing rating structure. In addition, the second half of the year will see Council receive, upload, and analyse, new 01 July 2025 land valuations.

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, a productivity factor, a population factor for each council and an Emergency Services Levy (ESL) factor, in determining the annual rate peg for each council. IPART has determined a rate peg of 3.8% for Shoalhaven for 2025/26.

In February 2025, following engagement with the community, Council lodged an application with IPART for a 12% Special Rate Variation as a single year permanent increase for 2025/26, in accordance with Council’s resolution of 17 December 2024. IPART is scheduled to advise Council of its decision in May/June 2025.

Giving the timing, the draft Statement of Revenue Policy proposes an either or scenario between the two rates increase scenarios for 2025/26, i.e. a 12% special variation scenario or a 3.8% rate peg scenario. Assuming IPART approves Council’s application for a 12% special variation from 01 July 2025, Council’s 2025/26 ordinary rating structure will include a flat base amount of \$840, with the exception of the Residential – Non-Urban category that has a base of \$57, the Farmland category which has a base of \$1,137, and the Farmland – Dairy Farmers category which has a base amount of \$1,281.

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.).

CL25.127



The following rates are proposed for 2025/26 in respect of each category of ordinary rates levied by Council:

- Residential: Will be levied a base amount of \$840 and an ad valorem rate of 0.10988 cents in the \$ for Ordinary Residential Rates and a base amount of \$57 and an ad valorem rate of 0.10988 cents in the \$ for Residential Non-Urban Rates.
- Farmland: The rates for Farmland will be levied a base amount of \$1,137 and an ad valorem rate of 0.08400 cents in the \$. The rates for Farmland – Dairy Farmers will be levied a base amount of \$1,281 and an ad valorem rate of 0.04440 cents in the \$.
- Business: All sub-categories will utilise the same base amount of \$840, 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 0.57940 cents in the \$, Business Ordinary 0.22323, Business Commercial/Industrial 0.19460, Business – Major Retail Centre – Nowra 0.81690 and Business – Major Retail Centre – Vincentia 0.39350.

Note: The proposed 2025/26 rates and charges shown in the preceding section are 'draft' in that they are subject to immaterial change between draft exhibition and final Council adoption of the DPOP for 2025/26. This potential for immaterial change relates to the daily addition of new properties (including property cancellation, subdivision and consolidation), and daily changes to property land values, changes in categorisation, and rateability.

Draft Fees & Charges 2025/26 are included as **Attachment 3 (Part 1)** and **Attachment 4 (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 determined the maximum rate of interest payable on overdue rates and charges for the period 1 July 2025 to 30 June 2026 to remain unchanged 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.

2025/26 Water and Sewer Fees and Charges

The 2025/26 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 25/13. 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 2025/26, the water availability charge has increased, an example of the increase is a residential connection (20mm) has increased to \$173 (\$28 increase) per annum, the sewer availability charge for the same residential property will increase to \$1,110 (\$82 increase) per annum.

The two-part tariff for water charges will continue (usage and availability). In 2025/26 the treated water usage charge will increase from \$2.50 to \$2.85/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 \$164.25 for the full year.

The factors driving these increases are general cost recovery, as well as raising funds required for future capital works projects that have been identified in the Water and Sewer

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fund long term financial plans. Funding is required for major sewerage treatment plant refurbishments, and the Bamarang to Milton Water Trunk Main Stage 2 project, which will involve significant capital expenditure between now and 2033. It should be noted that the proceeds of these increases are restricted funds of Water Fund and Sewer Fund and cannot be utilised by General Fund.

Further information regarding Water and Sewer Fees and Charges can be found in **Attachment 3 (Part 1)**.

#### 2025/26 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 5.1% from \$505 to \$531 in 2025/26.

Further information regarding Domestic Waste Management Charges can be in **Attachment 3 (Part 1)**.

### **Budget Summary**

Financial sustainability is a concern for many NSW Councils, including Shoalhaven City Council. The severity of Council's current financial position is well documented, and the FY2025/26 budget supports Council in working towards improvements in our operating position, ratio performance and liquidity levels.

Over the last 24 months, there have been significant changes made in the organisation to reduce the operating deficit, including an operational restructure, service reviews, changes to fleet vehicle arrangements, property sales and reduction in operating hours of pools, libraries and facilities. To increase revenue, fees and charges have been reviewed to realise costs for services and a special rate variation proposal is under review by IPART, that would take effect from 1 July 2025 if approved. Should the IPART application be unsuccessful, Council's rate increase would reduce from the proposed 12%, to the 3.8% IPART rate peg. Additional tables are included in the Appendix of the Delivery Program Operational Plan to show the budget position if the application is not successful.

The NSW Auditor General released the NSW Audit Office Local Government 2024 annual report in March 2025. This report listed Shoalhaven Council as one of the least liquid councils in NSW. The current lack of available cash will continue to be a concern throughout FY2025/26 however, the proposed operational budget and capital works program responsibly budget for an improvement in Council's cash position. Through the combination of savings achieved through the Sustainable Financial Futures Plan (SFFP) and Council's property sales program, improvements in Council's liquidity position should be realised at 30 June 2026. With this improved liquidity, Council will be better placed to deal with one of the key problems effecting Council's cashflow in recent years being the spending required on grant funded projects prior to the receipt of funds from the relevant grant bodies.

A thorough condition assessment of our roads and community buildings is underway and will provide an evidence-based analysis of the amount of money required to fix our assets. Once this is completed, further conversations will be had with the elected council about what's needed to repair our roads and buildings into the future. A revised Long Term Financial Plan (LTFP) will be prepared and presented to Council in late 2025. The plan will consider the need for future Special Rate Variations.

Table 2 below shows that the current anticipated General Fund Net Operating Result Before Capital stands at a deficit of \$17.3M for the year ended 30 June 2026. When this figure is compared to the same period in the LTFP endorsed at the 17 December 2024 meeting (MIN24.690), which showed a projected anticipated General Fund Net Operating Result

Before Capital deficit of \$21.7M, it shows a \$4.4M improvement in the anticipated financial result between the endorsed LTFP and the Budget.

Considering that both the LTFP and the budget already incorporated \$7M in savings arising from the SFFP, which was communicated through the SRV process to both the community and IPART, the \$4.4M is an additional improvement over and above the original SFFP anticipated savings and demonstrates the extent of the cuts that were made to the 2025/26 budget.

Discipline at all levels of Council will be required to ensure that spending does not exceed adopted budget. If new budget priorities are identified, other priorities will need to be removed to ensure Council’s budgeted cash position does not deteriorate. Community and customer may also experience a reduction in service levels as a result of budget saving initiatives.

**Table 2: Income Statement by Fund**

	2025/26 Budget (\$'000)			
	General Fund	Water Fund	Sewer Fund	Consol.
Income from Continuing Operations	362,383	62,463	75,380	416,793
Expenses from Continuing Operations	348,712	45,297	58,186	370,627
Net Operating Result	13,671	17,166	17,194	46,166
Net Operating Results Before Capital	-17,284	5,666	15,169	1,686
Net Cash Movement	339	9,762	-2,148	7,953
Net Reserve Movement	17,619	-9,762	2,148	10,005
<b>Net Unrestricted Cash Movement</b>	<b>17,958</b>	<b>0</b>	<b>0</b>	<b>17,958</b>

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The proposed Draft 2025/26 Budget includes a capital expenditure of \$135.7M across General, Water and Sewer funds along with the \$370.6M of operating expenditure required to provide the essential services to our community, bringing the next year’s consolidated budget to \$506.3M.

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

	2025/26 Budget (\$'000)			
	General Fund	Water Fund	Sewer Fund	Consol.*
Capital Budget	79,278	24,705	31,672	135,655
Operating Budget	348,712	45,297	58,186	370,627
Total Budget	427,990	70,002	89,858	506,282

The budget was prepared based on the principles of prudent financial management and fiscal discipline. The budgeted general fund operational and capital expenditures do not exceed the general revenue and available internal and external restrictions of the Council and therefore this budget conforms to the requirement of no cash deficit budgeting.

**Table 4: Draft 2025/26 Budget**

	2025/26 Budget (\$'000)			
	General Fund	Water Fund	Sewer Fund	Consol.*
Rates & Annual Charges	141,286	9,969	62,555	213,810
User Charges and Fees	80,563	34,225	6,247	121,035
Interest and Investment Revenue	7,822	2,235	1,636	9,828
Other Revenues	4,987	52	15	5,054
Internal Revenue	74,184	4,482	2,902	0
Grants and Contributions provided for Operating Purposes	21,226	0	0	21,226
Grants and Contributions provided for Capital Purposes	30,955	11,500	2,025	44,480
Net Gains from the disposal of assets	1,360	0	0	1,360
<b>Total Income</b>	<b>362,383</b>	<b>62,463</b>	<b>75,380</b>	<b>416,793</b>
Employee Benefits and On-Costs	103,542	11,240	12,990	127,772
Borrowing Costs	4,226	0	2,683	6,909
Materials and Contracts	88,556	9,183	13,704	110,267
Depreciation and Amortisation	69,013	16,982	18,963	104,958
Other Expenses	20,636	0	85	20,721
Internal Expenses	62,739	7,892	9,761	0
<b>Total Expenses</b>	<b>348,712</b>	<b>45,297</b>	<b>58,186</b>	<b>370,627</b>
<b>Net Operating Results</b>	<b>13,671</b>	<b>17,166</b>	<b>17,194</b>	<b>46,166</b>
<b>Net Surplus/(Deficit) before Capital</b>	<b>-17,284</b>	<b>5,666</b>	<b>15,169</b>	<b>1,686</b>
<b>Other Cash Adjustments</b>				
Capital Expenditure	-79,278	-24,705	-31,672	-135,655
New Borrowings	0	0	0	0

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Proceeds from Borrowings & 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
<b>Net Cash Outflow</b>	<b>339</b>	<b>9,762</b>	<b>-2,148</b>	<b>7,953</b>
<b>Reserve Movements</b>				
<b>Net Transfers from Reserves</b>	<b>17,619</b>	<b>-9,762</b>	<b>2,148</b>	<b>10,005</b>
<b>General Fund Net Cash Movement</b>	<b>17,958</b>	<b>0</b>	<b>0</b>	<b>17,958</b>

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

### Capital Works Program

On completion of the operational budget, Council had \$4.86M available in unrestricted general fund cash to contribute towards its general fund (excludes Waste, Water and Sewer Funds) capital program.

Council’s Enterprise Project Management Office (ePMO) received requests for critical capital projects requiring \$77.6M in unrestricted general fund cash contributions, representing a shortfall in available cash of \$72.8M.

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 2025 (carry forwards), and projects not yet commenced but need to be delivered in FY2025/26 due to funding deed or other contractual obligations.

The Capital works have been categorised into Categories 0, 1, 2 and 3. These are defined as follows:

#### Category 0

- There is a legal obligation to undertake the work or failure to undertake the work would result in an unacceptable exceedance of Council’s risk appetite.
- Project is required to meet minimum acceptable obligations for a critical service.

#### Category 1

- Failure to undertake project will result in significantly increased likelihood that minimum levels of service will be compromised, significant increase in operational costs and increased risk of loss of revenue.

#### Category 2

- Failure to undertake project will likely increase operational costs and not arrest declining service levels.

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**Category 3**

- Still urgent renewals including some more commercially focussed projects and compliance attainment.

With key words defined as per below:

**Critical Service** – An asset which must be retained at a functional level of service to ensure Council can fulfill its essential obligations, including for example: Council administration, safe access to properties (roads), mitigate against flooding of property (stormwater system & flood levees), waste management.

**Risk Appetite** – Determined by review of the Council’s Risk Appetite Statement.

**Legal Obligation** – A Legislative requirement or a contractual commitment that cannot reasonably be amended.

This resulted in a proposed total capital works program of \$135.7M (General Fund \$71.5M, ShoalWater \$56.3M and Waste \$7.8M). The program calls for a general fund contribution of \$17.9M.

This has been funded as follows:

- \$4.86M available in unrestricted general fund cash.
- \$5.4M of council’s projected 2018/2019 Special Rate Variation (SRV) Program is to be made available to fund all capital works. \$1.15M will go to funding road renewals, \$3.8M will go to funding Building Renewals (\$356K upgrade/new) which are the capital projects the SRV was approved to be spent on. The remaining \$816K has been allocated to Bridge renewal (\$459K) and Building upgrade/new (\$356K) which were not noted in the original SRV application. However, bridges are closely related to the road renewal works and building upgrade/new is a component of the total project costs and therefore closely related to Building Renewals. Staff deem it appropriate that the remaining SRV be allocated to capital works closely aligned with its original purpose.
- \$7.6M of Council’s project 2025/26 Special Rate Variation (SRV) Program (not yet approved by IPART) \$6.2M will go to funding roads and transport renewals including roads and pathways, \$715K to mechanical service renewals, \$440K to building renewals, \$187K to stormwater renewals, and \$100K to waterways infrastructure renewals.

The total general fund program by category is:

Category	Total project cost	General fund Unrestricted cash contribution	Proposed SRV 2025/26
0	\$47,219,970	\$1,375,973	\$1,255,264
1	\$20,242,204	\$2,762,358	\$5,971,898
2	\$1,876,001	\$626,001	\$325,000
3	\$2,136,410	\$95,667	\$50,400
<b>Total</b>	<b>\$71,474,585</b>	<b>\$4,859,999</b>	<b>\$7,602,562</b>

It should also be noted that no allowance has been made in the 2025/26 Delivery Program Operational Plan for opt in fees for any newly declared natural disaster event. Should an event be declared between now and 30 June 2025 the opt in fee council will need to contribute is \$642,870 which would be payable in the 2025/26FY; and for each event declared in the 2025/26FY the opt in fee council will need to contribute is \$676,965 per event.

The timing issues surrounding the incurring of expenditure on grant funded projects prior to the receipt of grant funds has had a negative impact on Council’s General fund unrestricted cash in recent years. Of the total \$135.6M budgeted capital works program for 2025/26,

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\$43.3M is grant funded. \$33.8M of that total grant funded spend relates to general fund projects representing 42.60% of the general fund program. ShoalWater has budgeted spend of \$9.5M from grants (16.84% of the ShoalWater program) and Waste has no grant funding.

Whilst Council has entered into tripartite agreements with the NSW government to assist in obtaining funding at spending milestones along the life of natural disaster projects, these agreements do not cover all expenditure incurred in relation to natural disasters. Emergency Works (EW) and Immediate Reconstruction Works (IRW) costs incurred in the first three months after a disaster event are only reimbursed at the time of final acquittal and therefore any newly declared natural disaster(s) would further create a spend in advance issues until final acquittals were accepted and paid.

Council has presented a 1-year capital program in the 2025/26 delivery program and operational plan because at this stage, a thorough condition assessment of our roads and community buildings has not been completed. Once these assessments are completed, further discussions will be held with the elected Council about what funding is required to renew and repair our infrastructure assets, and this information will be incorporated into a revised Long Term Financial Plan (LTFP) which will be prepared and presented to Council later this calendar year. The LTFP will consider the need for future Special Rate Variations.

Table 5 below shows the total capital works by program.

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

Capital Program	\$'000
Bridges	5,109
Buildings and Property	6,704
Commercial Undertakings	6,848
Community and Culture	533
Economic Development	387
Environmental Management	1,699
Fire Protection and Emergency Services	1,134
Internal Corporate Services	4,050
Open Space, Sport and Recreation	2,750
Roads and Transport	38,476
Stormwater	3,078
Waterways Infrastructure	707
Waste and Recycling Program	7,803
<b>Total General Fund (including Waste)</b>	<b>79,278</b>
Water and Sewer Services	56,377
<b>Total Capital Program</b>	<b>135,655</b>

It is important to note that the capital works program for 2025/26 will be adjusted throughout 2024/25 having regard to:

- Carry forward and Revotes which are to be determined in conjunction with the March Budget Review and End of Financial Year Review.

**Budget Details – General Fund**

The Operating Result for 2025/26, excluding capital grants, is a deficit of \$17.3M. With the inclusion of capital grants, the net operating result is a surplus of \$13.7M. The net unrestricted cash movement for 2025/26 is a surplus of \$18.0M, mainly because of land sales and operational savings arising from Council's SFFP. This favourable cash movement is not proposed to be utilised for operational matters, but rather funding grants spent in advance and unexpected events such as mechanical failure of assets and opt-in fees for Natural Disasters.

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Key drivers of the 2025/26 operating results:

- Increase in Rates income subject to the approval of 12% SRV application
- Increase in Interest and Investment income due to higher interest rates
- Decrease 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 due to organisational restructures and critical review of vacant positions as proposed in Council's SFFP

No new borrowings are proposed to be drawn down for FY2025/26.

### **Budget Details – Shoalhaven Water**

The Operating Result for the Water Fund for 2025/26, excluding capital grants, is a surplus of \$5.7M. When capital grants and contributions are included, the net operating result is a surplus of \$17.2M. Key drivers of the 2025/26 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 materials to align with expected CPI increase
- Increase in operating costs on capital projects – demolition and removal of asbestos

The Operating Result of Sewer Fund for 2025/26, excluding capital grants, is a surplus of \$15.2M. When capital grants are included, the net operating result is a surplus of \$17.2M. Key drivers of the 2025/26 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 materials to align with expected CPI increase

The Shoalhaven Water Directorate capital expenditure of \$56.4M has been allocated in the Draft Budget for 2025/26. The total includes the following significant projects/programs:

#### Water Fund:

- Bamarang to Milton Water Trunk stage 2 - \$2.5M
- Water Mains Replacement Program - \$4.2M
- Water Infrastructure Extension to Jervis Bay Territory - \$9.5M (External Funding)
- Bamarang Water Treatment Plant Electrical Refurbishment - \$1.1M

#### Sewer Fund:

- South Nowra Surcharge Main package 2 - \$2.1M
- Worrigeer Road URA Sewer Rising Main – \$1.3M
- Culburra Wastewater Treatment Plant Upgrades - \$4.4M
- West Nowra URA Sewer Infrastructure - \$7.6M
- Ulladulla Wastewater Treatment Plant Upgrades - \$3.5M

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



### Key Performance Indicators

The key performance indicators are set by the Office of Local Government (OLG) to measure financial performance and sustainability of local councils across NSW. The projected 2025/26 indicators for each of the funds as well as consolidated for Shoalhaven City Council are outlined below.

Table 6 below highlights that Council is budgeted to meet most of the OLG’s Financial Performance targets in 2025/26, except for General Fund Operating Performance Ratio.

**Table 6: Financial Performance Indicators**

Indicator	Target	Fund	2025/26
<b>Local Government Industry Indicators</b>			
Operating Performance Ratio	Greater than 0%	Consolidated	0.1%
		General	-5.7%
		Water	11.1%
		Sewer	20.7%
Own Source Operating Revenue Ratio	Greater than 60%	Consolidated	84.2%
		General	85.6%
		Water	81.6%
		Sewer	97.3%
Unrestricted Current Ratio	Greater than 1.5	Consolidated	1.50
		General	1.50
		Water	17.44
		Sewer	1.52
Debt Service Cover Ratio	Greater than 2.0	Consolidated	5.28
		General	2.63
		Water	No Debt
		Sewer	4.63
Rates, Annual Charges, Interest and Extra Charges Outstanding Percentage	Less than 10%	Consolidated	6.8%
		General	6.1%
		Water	6.4%
		Sewer	8.4%
Cash Expense Cover Ratio	Greater than 3 months	Consolidated	9.16
		General	5.19
		Water	25.74
		Sewer	7.74

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Table 7 shows that Council is not anticipated to meet the OLG’s Infrastructure Asset Performance targets.

**Table 7: Infrastructure Asset Performance Indicators**

Indicator	Target	Fund	2025/26
<b>Infrastructure Asset Performance Indicators</b>			
Infrastructure Renewals Ratio	Greater than 100%	Consolidated	66.6%
		General	73.8%
		Water	43.4%
		Sewer	63.1%

Infrastructure Backlog Ratio	Less than 2%	Consolidated	TBA
		General	TBA
		Water	TBA
		Sewer	TBA
Asset Maintenance Ratio	Greater than 1x	Consolidated	TBA
		General	TBA
		Water	TBA
		Sewer	TBA
Cost to bring assets to agreed service level	No Benchmark	Consolidated	TBA
		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 ratio for general fund is below the benchmark, however, it is an improvement compared to FY2024/25 due to the \$7M operational savings as part of Council’s SFFP. It is expected that this ratio will continue to improve as Council progresses further with the proposed SFFP.

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 several briefings and workshops throughout the preparation of the Draft 2025/26 DPOP. The full schedule of briefings is shown below in Table 8.

**Table 8: Councillor Engagement Schedule**

Description	Date
Councillor Briefing Budget Workshop 1: Capital Carry Forwards & Revotes	Thursday 27 February 2025
Councillor Briefing Budget Workshop 2: Capital Program & MRF Update	Thursday 13 March 2025
Councillor Briefing Budget Workshop 3: Operational Income & Expenditure	Thursday 20 March 2025
Councillor Briefing Budget Workshop 4: Overview & Cash Position	Thursday 27 March 2025
Fees and Charges: hardcopy provided	Thursday 6 March 2025
Department Budget Packs: uploaded to Councillors’ portal	Monday 24 March 2025

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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.

### **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.

### **Community Consultations**

Community consultation activities held to date are outlined in **Attachment 5**.

A public exhibition community engagement plan has been developed to ensure that the community can be informed about the contents of the Draft CSP, DPOP, Budget, and Fees and Charges. These engagement activities will 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 the Get Involved engagement webpage, via email or in written form.

### **Policy and Statutory Implications**

Placing the draft integrated planning documents on public exhibition will work towards meeting statutory requirements.

### **Financial Implications**

Whilst the improvement in General Fund Operating Results before Capital is positive, the budget does not take into account fundings for future grants spent in advance and unexpected events such as mechanical failure of assets and opt-in fees for Natural Disasters.

The cuts made to the 2025/26 budget will make meeting budget a challenge. The anticipated increase in revenue from the new SRV will be spent on capital renewal projects but this additional funding will still not be enough for Council to meet its obligations in relation to asset renewal targets.

### **Risk Implications**

The CSP, DPOP and Budget must be placed on public exhibition for a 28 day period and be adopted before 30 June 2025 in accordance with legislation. Submissions made by the

public in relation to the CSP, DPOP and Budget must be collated and presented to Council for the adoption meeting which is likely to be the Council meeting scheduled for 17 June 2025. Delays in placing the CSP, DPOP and Budget on public exhibition will shorten the time available to compile public submissions prior to the adoption meeting and reduce the time available for consideration of public feedback and potentially delay adoption of the Budget.

Delays in adoption 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.

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## CL25.128 Ongoing Register of Pecuniary Interest Returns - March 2025

**HPERM Ref:** D25/116319

**Department:** Business Assurance & Risk  
**Approver:** Katie Buckman, Director - City Performance

**Purpose:**

To provide Council with the Register of Pecuniary Interest Returns from newly designated persons lodged with the Chief Executive Officer for the period of 1 March 2025 to 31 March 2025 as required under Section 440AAB of the Local Government Act 1993 and Part 4.26 of the Code of Conduct.

**Summary and Key Points for Consideration:**

Under Section 440AAB of the *Local Government Act 1993* and Part 4.26 of the Model Code of Conduct, newly designated persons are required to complete an Initial Pecuniary Interest Return within 3 months of becoming a designated person.

Section 440AAB (2) of *The Local Government Act 1993* states:

*Returns required to be lodged with the general manager must be tabled at a meeting of the council, being the first meeting held after the last day specified by the code for lodgement, or if the code does not specify a day, as soon as practicable after the return is lodged.*

Part 4.26 of the Model Code of Conduct states:

*Returns required to be lodged with the general manager under clause 4.21(c) must be tabled at the next council meeting after the return is lodged.*

This report is one of a series of reports of this nature which will be provided throughout the year to align with the legislative requirements.

Those persons who have submitted a return within the period in accordance with their obligation to lodge an initial pecuniary interest return are listed below:

Directorate	Name	Designated Position Start Date	Returned
City Services	Craig Horgan	27/01/2025	06/03/2025
City Services	Paul McKenzie	20/01/2025	20/03/2025

Electronic versions of the disclosure documents (with relevant redactions) are available on the Council website, in accordance with requirements under the *Government Information (Public Access) Act, 2009*.

**Recommendation**

That the report of the Chief Executive Officer regarding the Ongoing Register of Pecuniary Interest Returns lodged for the period of 1 March 2025 to 31 March 2025 be received for information.

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## Options

1. That the report be received for information.

Implications: Nil.

2. That the Council may seek further information.

Implications: Further information be provided to Council in future reports in line with the resolution.

## Background and Supplementary information

This report is being submitted directly to the Ordinary Meeting due to the requirements under the Code of Conduct and the Local Government Act 1993.

### Internal Consultations

Internal consultation is not required as the process for Initial Pecuniary Interest forms is governed by the *Local Government Act 1993*, the Model Code of Conduct and the *Government Information (Public Access) Act, 2009*.

### External Consultations

External consultation is not required as the process for Initial Pecuniary Interest forms is governed by the *Local Government Act 1993*, the Model Code of Conduct and the *Government Information (Public Access) Act, 2009*.

### Community Consultations

Community consultation is not required as the process for Initial Pecuniary Interest forms is governed by the *Local Government Act 1993*, the Model Code of Conduct and the *Government Information (Public Access) Act, 2009*.

### Policy Implications

The obligations with respect to the Pecuniary Interest Returns by designated officers are in accordance with the Model Code of Conduct and the *Government Information (Public Access) Act, 2009*.

### Financial Implications

There are no financial implications for this report.

### Risk Implications

A failure of meeting the obligations with respect to the Pecuniary Interest Returns by a designated officer leaves Council at risk of non-compliance with legislative requirements, conflict of interests and limited transparency.

## CL25.129 Community Donations Program Policy & Application Form

**HPERM Ref:** D25/55120

**Department:** Business Assurance & Risk  
**Approver:** Katie Buckman, Director - City Performance

**Attachments:**

1. CURRENT - Community Donations Program Policy (under separate cover) [↗](#)
2. DRAFT - Community Donations Program Policy - Track Changes (under separate cover) [↗](#)
3. Application Form - Community Donation Program 2025 2026 (under separate cover) [↗](#)

### Purpose:

To provide a draft amended Community Donations Policy and Application Form for consideration and adoption of the Council.

### Summary and Key Points for Consideration:

At the Ordinary Meeting held on 26 November 2024, Council resolved the following as per MIN24.636:

*That Council:*

1. *Note the information in the report outlining the process followed for round two of the 2024/2025 Community Donations Program, including the applications received.*
2. *Note that the previously resolved amount of \$10,000 to the Rotary Club of Milton-Ulladulla will now be provided to the Ulladulla Blessing of The Fleet Festival Inc for the reasons detailed in the report, replacing the resolution of that amount being donated to the Rotary Club of Milton-Ulladulla (MIN24.393).*
3. ***Defer this matter to a Councillor workshop to discuss the allocation of funds by staff in the second round and review the Community Donations Policy.***
4. *Receive a further report back following an outcome from the Councillor workshop.*

Following from this resolution, a Councillor Briefing was scheduled and conducted on 16 January 2025 to discuss the Community Donations Program including the current adopted Policy, the Application Form and the overall process of assessing applications. Staff have since also consulted internally with the Donations Assessment Panel on proposed changes to the Policy and application form and received further feedback.

The draft Policy is attached (**Attachment 2**) to this report with the proposed amendments following suggestions and feedback received by Councillors, the Governance Unit and the Donations Assessment Panel. **Attachment 1** shows the current adopted Community Donations Policy.

**Attachment 3** shows the current application form which has been updated to reflect any changes in the Policy. This is a pdf version of the online form which applicants use when making a donations application. When the next round of Community Donations open, the form will also become available on Councils [Community Donations Webpage](#).

## Recommendation

That Council:

1. Reaffirm and adopt the Community Donations Policy with changes as attached to this report (**Attachment 2**).
2. Endorse the Community Donations Application Form (**Attachment 3**).

## Options

1. Adopt the recommendation as written.

Implications: The Policy amendments outlined in this report will be implemented and staff will begin working towards opening the next round of Community donations for the 2025/2026 financial year.

2. Not adopt the recommendation.

Implications: Council adopt an alternative recommendation or seek further information. This could potentially delay the opening of the next round of Community Donations depending on the alternative recommendation.

## Background and Supplementary information

The Governance Unit consulted with members of the Donations Judging Panel to seek any additional feedback and improvement areas that could be implemented during this review and the following improvements were suggested:

- The removal of the Rates & Rental category. It was considered by staff that this could be captured by the first two categories (General Donations & Sponsorship) i.e. that a donation could go towards renting a space for a local event / community project as it is difficult to come up with a suitable criterion to assess against.
- Improved screening of applications in detail to facilitate applications which are eligible.
- Assistance for applicants who might find it difficult completing the application and including the right information (i.e. Having a list of staff that Donation applicants can be directed to for advice on different categories and including a section on the Form / website advising that applicants can reach out for assistance).
- Add provisions into the policy for calling a second round of Donations, should Council choose to do so in the future. The following parameters were suggested to be incorporated into the policy:
  - A remaining budget trigger amount
  - A cap on applications based on the remaining budget.
- Staff are in the process of reviewing and updating the scoring matrix, in consultation with Cultural & Community Services team.

Staff then reviewed the Policy and made the relevant suggested changes as provided by Councillors and the Judging Panel, which are as follows:

- Minor administrative, grammatical and wording changes.
- Removing *Subsidised Rental, Rates and Use of Council Facilities* as a category, and incorporating it into the *General Donations* category.



- Including a maximum amount considerable for each application, being 10% of the available budget, as adopted by Council.
- Including definitions of Capital Expenditure, and Self-Funded applications.

The draft Policy is attached to this report (**attachment 2**), along with the application form (**attachment 3**), with all amendments and suggestions received and noted within this report.

Following Councils endorsement of the Policy and Application form, the Governance Unit will begin working towards opening the next round of Community Donations for the 2025/2026 financial year. As part of this, Governance staff will work with the Donation Assessment Panel to update the Scoring Matrix and consider how staff can provide more assistance to applicants when completing applications.

### **Internal Consultations**

Internal consultation occurred between the Governance Unit and the Community Donations Judging Panel Members being the following staff positions:

- Manager Community Connections
- Business and Events Coordinator
- Director Arts & Culture
- Lead – Land Management
- Manager Business Assurance & Risk
- Governance Coordinator

A Councillor Briefing was also conducted on 16 January 2025, at which the Community Donations Program including the current adopted Policy, the Application Form and the overall process of assessing applications, was discussed with Councillors.

### **External Consultations**

There have been no external consultations for the review of this Policy.

### **Community Consultations**

There have been no community consultations undertaken for the review of this Policy; however, comments and observations have been considered from stakeholders who participated in the 2024/2025 Annual process.

### **Policy and Statutory Implications**

The Policy is recommended to be reaffirmed with minor amendments to improve the overall process of the Community Donations Program.

### **Financial Implications**

An annual budget is allocated to support the Community Donations Program. The budget included in the draft 2025/2026 Delivery Program Operational Plan is \$180,000. This budget is consistent with the Community Donations Program for the 2024/2025 financial year.

The Judging Panel recommendation is reported to Council prior to approving and donating these funds. The expenditure of this Program and successful applicants are reported in Councils Annual Report.

### **Risk Implications**

The granting of all donations, sponsorships and subsidies is made pursuant to [Section 356](#) of the Local Government Act, 1993 subject to the constraints outlined in [Section 377](#) of the Act. The Community Donations Policy exists to assist Council in fulfilling its requirements under these sections of the Local Government Act 1993 when providing financial assistance by way of donations, sponsorships and or subsidies.

The changes outlined above for adoption are not considered to pose any significant risk to Council.

## CL25.130 Investment Report - March 2025

**HPERM Ref:** D25/145916

**Department:** Finance

**Approver:** James Ruprai, Acting CEO

**Attachments:** 1. Monthly Investment Review (under separate cover) [⇒](#)  
2. Statement of Investments (under separate cover) [⇒](#)

### Purpose:

The reason for this report is to inform the Councillors and the community on Council's investment returns. The report also ensures compliance with Section 625 of the Local Government Act 1993 and Clause 212 of the Local Government (General) Regulation 2021, that requires a written report is provided to Council setting out the details of all funds it has invested.

### Summary and Key Points for Consideration:

Council's total Investment Portfolio returned 5.09% per annum for the month of March 2025, outperforming the benchmark Aus Bond Bank Bill Index (4.16%p.a.) by 93 basis points (0.93%).

### Recommendation

That Council receive the Record of Investments for the period to 31 March 2025.

### Options

1. The report of the record of Investments for the period to 31 March 2025 be received for information, with any changes requested for the Record of Investments to be reflected in the report for the period to 30 April 2025.

Implications: Nil

2. Further information regarding the Record of Investments for the period to 31 March 2025 be requested.

Implications: Nil

### Background and Supplementary information

#### Investment Portfolio

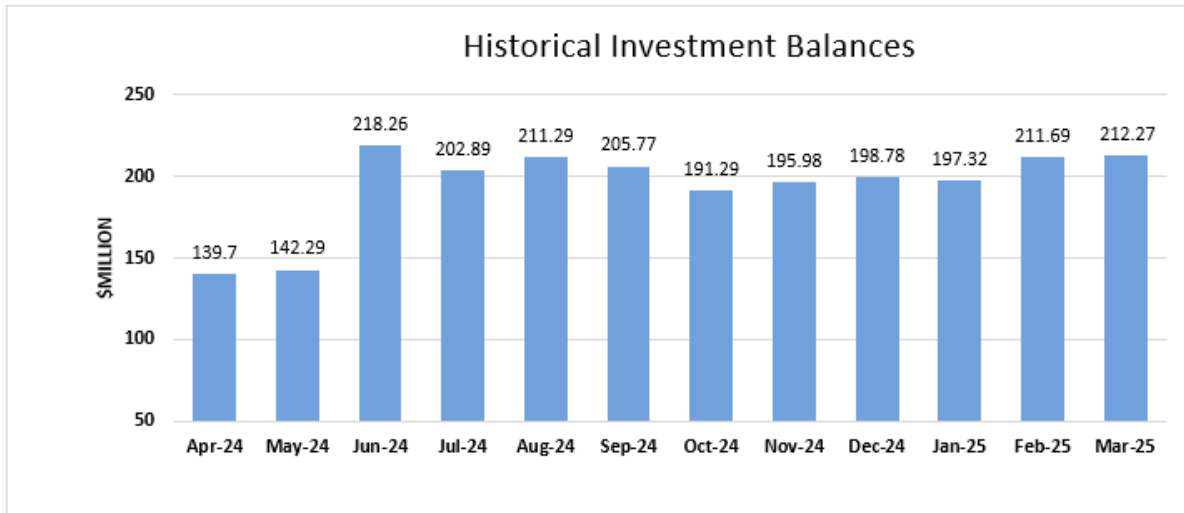
Council's investment balance as of 31 March 2025 was \$212.27 million and consisted of the following types of investments.

Investment type	Invested (\$)
Term Deposit/cash	172,243,915
Floating rate notes	38,024,801
Bonds	2,000,000
<b>Total</b>	<b>212,268,716</b>

CL25.130

The details of each investment held by Council on 31 March 2025 is included in the Statement of Investments at [Attachment 2](#).

The graph below illustrates Council’s investments balance on a rolling 12-month basis. Timing of expenditure and grant monies varies throughout the year which can cause fluctuations in the overall balance at the end of each month.



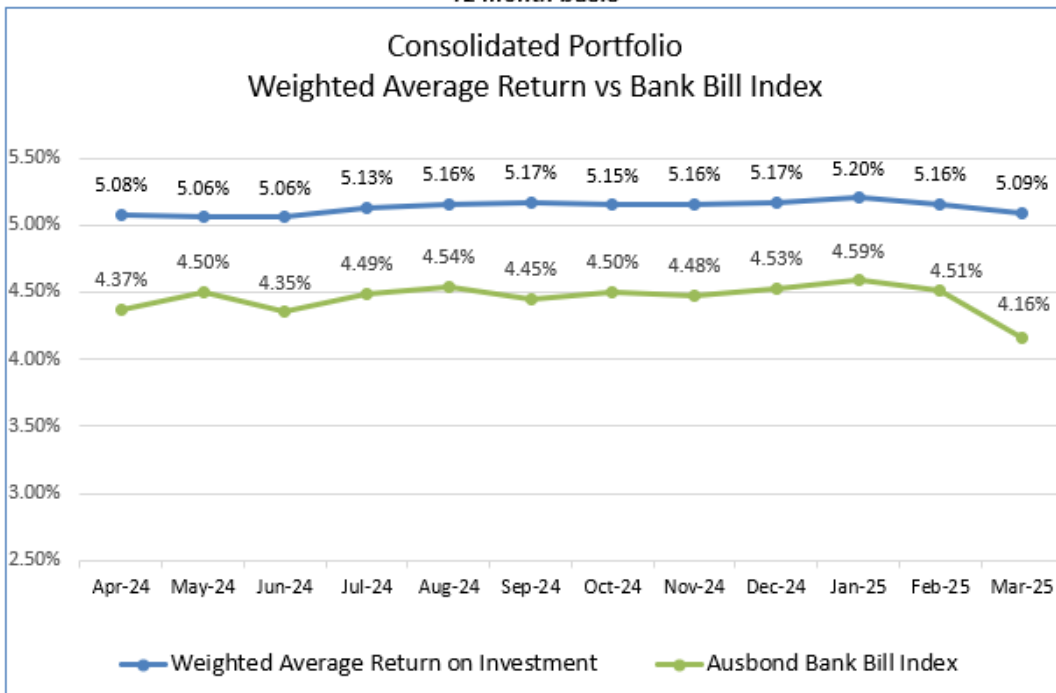
**Portfolio Return**

For the month of March, the total investment returns were a positive 5.09% p.a. outperforming Aus Bond Bank Bill Index (4.16%) by 93 basis points.

**Investments**

**Graph 1** below, shows the performance of Council’s Investment Portfolio against the benchmark on a rolling 12-month basis.

*Graph 1 - Performance of Council's Investment Portfolio against the benchmark on a rolling 12 month basis*



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**Investment Interest Earned – March 2025**

Much of Council’s cash is restricted in its use to specific purposes by external bodies (e.g., specific purpose unspent grants), legislation (e.g., developer contributions, domestic waste management, water and sewer funds) and Council resolutions (i.e., internally restricted reserves). Interest earned on externally restricted cash must be allocated to those external restrictions in accordance with legislation. The two tables below show the allocation of interest to each applicable Fund.

**Table 1** below, shows the interest earned for the month of March 2025.

**Table 1 - Interest Earned for the Month of March 2025**

Fund	Monthly Revised Budget \$	Actual Earned \$	Difference \$
General	508,553	504,435	-4,118
Water	184,069	190,197	6,128
Sewer	124,979	132,311	7,332
<b>Total</b>	<b>817,601</b>	<b>826,943</b>	<b>9,342</b>

The interest earned for the month of March, was \$826,943 compared to the monthly revised budget of \$817,601.

**Investment Interest Earned - Year to Date**

**Table 2** below, demonstrates how the actual amount of interest earned year to date has performed against the 2024/25 budget.

**Table 2 - Amount of interest earned year to date, against the total budget**

Fund	Revised Total Annual Budget <sup>1</sup> \$	Actual YTD \$	% Achieved
General	5,987,804	4,477,042	74.77%
Water	2,167,263	1,628,067	75.12%
Sewer	1,471,521	1,108,591	75.34%
<b>Total</b>	<b>9,626,589</b>	<b>7,213,699</b>	<b>74.94%</b>

<sup>1</sup> As part of the December Quarterly Budget Review, it was resolved to increase the annual budget for interest income by \$3.8M. This is because the interest rates on investments are higher than originally forecast and Council is earning more interest than originally budgeted.

The interest earned in the general fund of \$4,477,042 includes interest earned on unspent s7.11 developer contributions and Domestic Waste Management reserves, which is required to be restricted by legislation. Interest earned on unspent s7.11 developer contributions is \$1,208,801 and Domestic Waste Management reserves is \$316,126 to the end of March 2025. This leaves \$2,952,115 which is unrestricted.

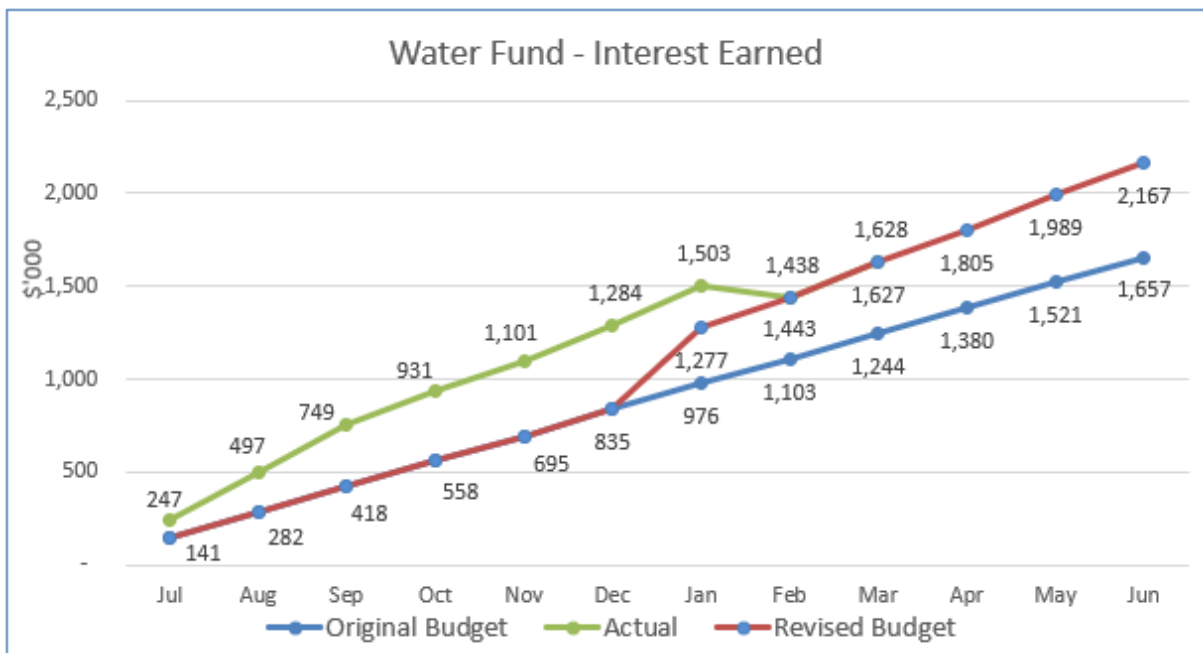
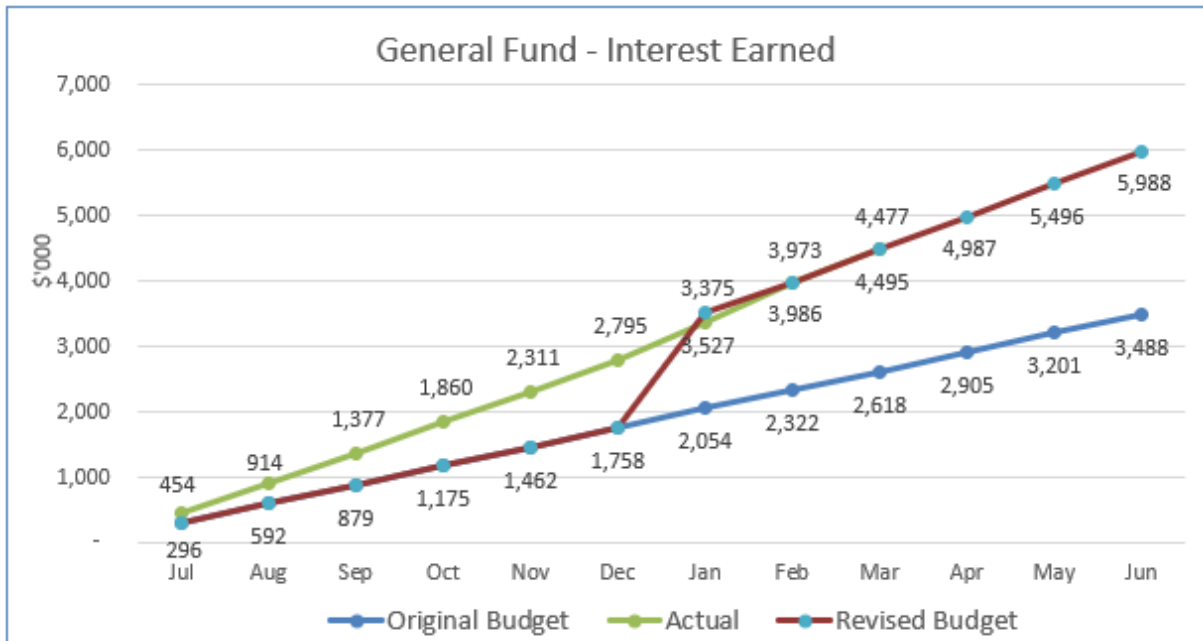
All returns on investments above budget on externally restricted Funds must be allocated to those Funds in accordance with legislation. Externally restricted surplus funds will be allocated to the respective external reserve to help fund future capital works included in the long-term financial plan. Any returns on investments above budget on unrestricted Funds will be used to replenish internal reserves which are currently funding costs incurred and spent on grant funded projects awaiting final acquittal.

The cumulative interest earned for the year (July to March) was \$7,213,669 which is 74.94% of the current full year revised total annual budget.

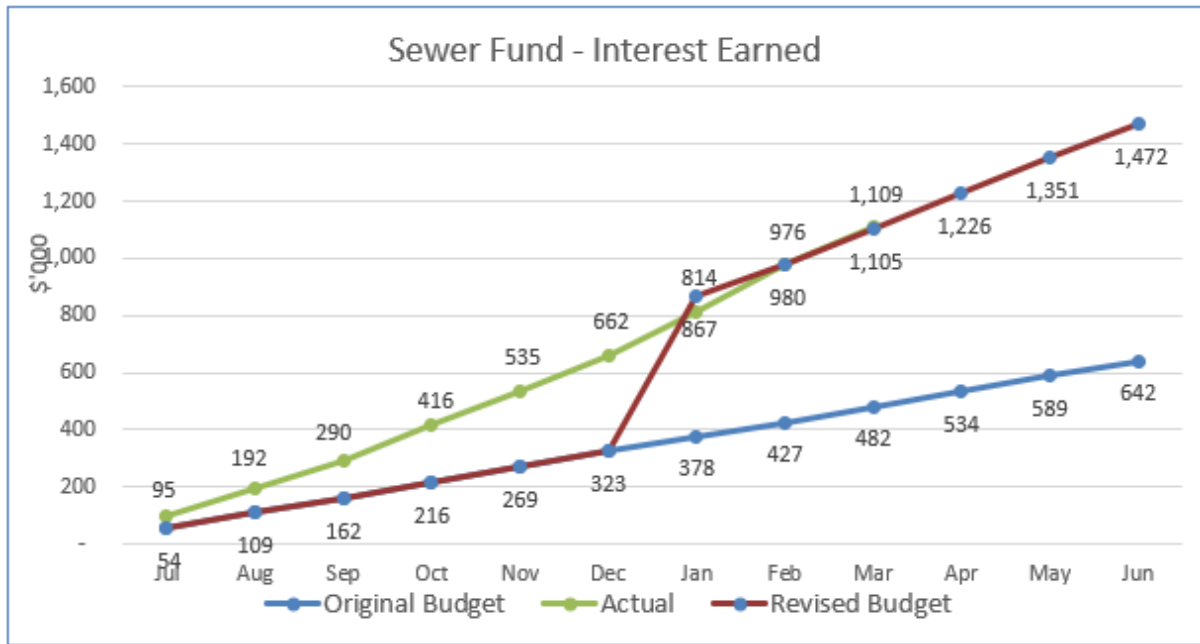
**Graph 2** (3 separate graphs) below, illustrates the cumulative interest earned for the year for each fund (General, Water and Sewer) against budget:

CL25.130

**Graph 2 - Cumulative interest earned for the year for each fund against budget**



CL25.130



**Internal Consultations**

Not applicable.

**External Consultations**

Council’s investment advisor, Arlo Advisory Pty Ltd.

**Community Consultations**

Not applicable.

**Policy Implications**

All investments have been placed in accordance with Council’s Investment Policy.

**Financial Implications**

Council’s return on investments was exceeding budget and a budgetary adjustment was made as part of the December Quarterly Budget Review to reflect current market rates and interest forecast.

**Risk Implications**

All investments are placed with preservation of capital the key consideration to prevent any loss of principal invested.

CL25.130

**Statement by Responsible Accounting Officer**

I hereby certify that the investments listed in the attached report have been made in accordance with Section 625 of the Local Government Act 1993, Clause 212 of the Local Government (General) Regulations 2021 and Council's Investments Policy POL22/78.



Mathew Badcock

Date: 23 April 2025

CL25.130



## CL25.131 Proposed New Licence - Part No.5 Birriley St Bomaderry

**HPERM Ref:** D25/122188

**Department:** Buildings & Property Services

**Approver:** Kevin Norwood, Acting Director - City Services

### Purpose

The purpose of this report is for Council to consider approval of a new five-year licence agreement to Salt Care at part Lot 2 DP 568955, Part No.5 Birriley Street Bomaderry.

### Summary and Key Points for Consideration

- The land is classified as Council owned community land and Council can enter the proposed five-year licence.
- Council resolution is required to determine the granting of the proposed licence on the basis the annual rent exceeds \$5,000 per annum.

### Recommendation

That Council

1. Enter a five-year licence with Salt Care (ABN 66 625 075 890) over Council community land known as Part No.5 Birriley St Bomaderry (Part Lot 2 DP 568955).
2. Establish commencement licence rental of \$5,094.65 (excluding GST) per annum with annual rent increases in line with the Consumer Price Index (All Groups Sydney).
3. Licensee to be responsible for operating costs of the licensed premises including building insurance, garbage and water & sewerage usage at an estimated cost of \$3,600 (excluding GST) per annum.
4. Authorise the Common Seal of the Council of the City of Shoalhaven to be affixed to any document required to be sealed and delegate authority to the Chief Executive Officer or delegated officer to sign any documentation necessary to give effect to this resolution.

### Options

1. Resolve as recommended.

Implications: Salt Care activities will be able to continue in the community and use the premises as a food and clothing bank and administration office.

2. Seek opportunity for new tenancy.

Implications: If Salt Care do not secure these premises under new licence term, they will need an alternative location. Council will need to advertise the premises through Expression of Interest.

**Background and Supplementary information**

The property at Lot 2 DP 568955 (5 Birriley St Bomaderry) is Council-owned community land (refer Figure 1) and consist of a car park and several buildings including the Bomaderry Pre-school, the former Bomaderry primary school (currently used by Salt Care), and the Nowra Bomaderry Meals on Wheels. The site adjoins the Bomaderry Community Hall on Lot 1 DP 568955 (17 Birriley St Bomaderry).

Salt Care is a local not-for-profit, volunteer based charity that provides benevolent relief to a broad cross-section of disadvantaged groups in the community.

The Salt Care mission is to provide comprehensive support for individuals facing challenges and through management and various support services, to empower individuals to rebuild their lives.

The premises is currently used to give those in need the opportunity to collect groceries, for a gold coin donation. Salt Care also host a clothing store at the premises every week, providing both morning tea and clothing options.

Figure 1 – Salt Care Licenced area - No.5 Birriley Street, Bomaderry



CL25.131

**Internal Consultations**

Internal stakeholder consultation was undertaken, and no concerns were raised to the new licence.

**External Consultations**

No external consultation was required for this proposal given Council is re-negotiating with the existing licensee for a new licence term.

**Community Consultations**

The proposed licence as advertised as required under section 47 of the *Local Government Act 1993*. No submissions were received.

### **Policy and Statutory Implications**

Council Policy 22/98 (Occupation of Council Owned or Managed Land) is relevant to the proposed licence and has been considered for this matter.

### **Financial Implications**

A market rent assessment was obtained as required under POL22/98 and rental subsidy calculation undertaken. The assessed Rental Assessment Framework (RAF) for the application of subsidised rent resulted in a new rental amount of \$5,094.65 (excluding GST) p.a. Outgoings are separately charged to the new rent and included in the recommendation to this report). The licensee has agreed to the proposed new rent and outgoings.

The licensee is also responsible for the costs of new licence preparation in accordance with POL22/98.

### **Risk Implications**

It is normal practice to allow for an interest in land in the form of a licence. Council's interests have been considered and there is minimal risk associated with the recommended new licence agreement.

## CL25.132 Sale of Land - Lots 3&4 DP851748 Green Street, Ulladulla

**HPERM Ref:** D25/145353

**Department:** Buildings & Property Services

**Approver:** Kevin Norwood, Acting Director - City Services

### Purpose:

This report seeks Council's resolution to delegate to the Chief Executive Officer to sign any documents necessary for the sale of the below properties.

### Key Points for Consideration:

- At the Ordinary Meeting of 8 April 2024, Council resolved to sell land known as Green St Ulladulla (Lots 3 & 4 DP 851748) by direct negotiation ([MIN24.179](#)).
- At the Ordinary Meeting of 10 December 2024, Council resolved to amend MIN24.179 to identify the separate land acquisition entities for the two lots ([MIN24.672](#)).
- Under section 377 of the *Local Government Act 1993*, Council needs to give specific delegation to the Chief Executive Officer to execute documents and contracts for sale of land. This report provides this delegation be given to the Chief Executive Officer for the land the subject of this report as well as other identified land sales properties previously identified in ([MIN24.179](#)) and ([MIN24.672](#)).

### Recommendation

That Council authorise the Common Seal of the Council of the City of Shoalhaven to be affixed to any document required to be sealed and delegate authority to the Chief Executive Officer to sign any documentation necessary to give effect to this resolution in relation to the proposed land sales properties identified in ([MIN24.179](#)) and ([MIN24.672](#)).

### Options

1. Adopt as recommended.

Implications: Council will receive funds from the sale of the land.

2. Not adopt as recommended.

Implications: Council retains ownership and legal responsibilities of the land which has land improvements owned by the adjoining landowners.

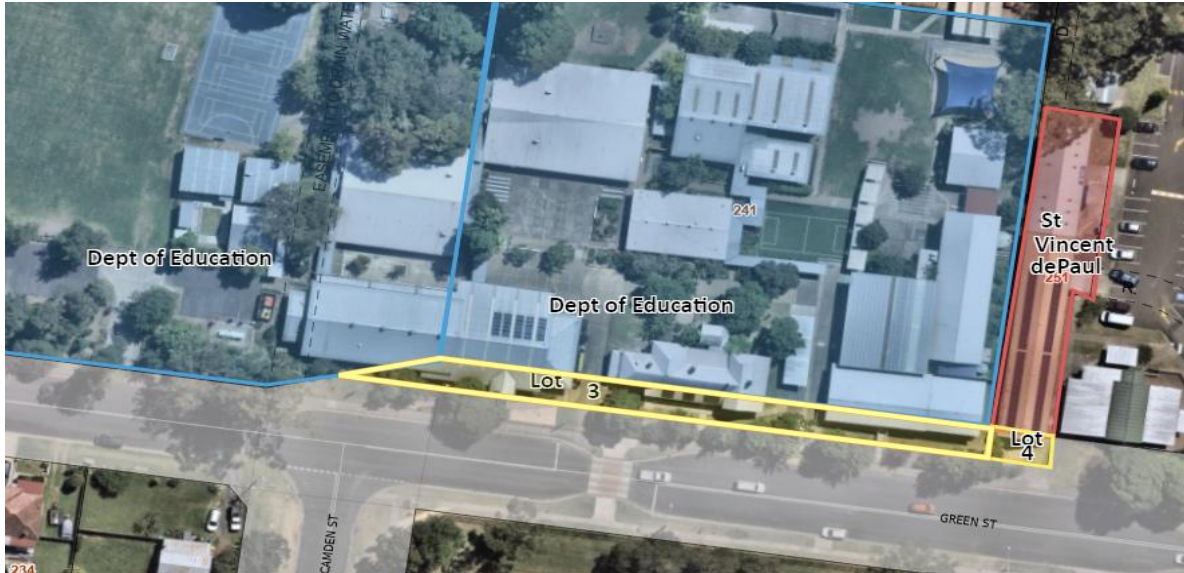
### Background and Supplementary information

Lots 3 & 4 DP 851748, Green St Ulladulla have previously been identified as having limited commercial options for Council. Both lots have built improvements undertaken by the respective adjoining property owners (NSW Department of Education and the Society of St Vincent de Paul) – refer Figure 1.

CL25.132

Council resolved on 10 December 2024 ([MIN24.672](#)) to sell the lots by direct negotiation for an amount determined by independent valuer. The identified properties were offered to the respective parties (Lot 3: \$30,000 excluding GST, and Lot 4: \$5,000 excluding GST). Both parties have confirmed their acceptance of the sale price.

Figure 1 – Lots 3 & 4 DP 851748



A resolution of Council is required to specifically delegate authority to the Chief Executive Officer to execute documents and contracts for sale of the two lots. The recommendation to this report also includes the remaining properties resolved by Council to be sold under the Proposed Land Sales program.

### Internal Consultations

Internal consultation was undertaken for the original report to Council on 8 April 2024 to sell the lots. ([CL24.89](#))

### External Consultations

No external consultation is required for this matter.

### Community Consultations

A community survey associated with proposed Council land sales took place between April and June 2024. No comments were raised regarding proposed sale of Lots 3 and 4.

The land is classified as Operational land under the *Local Government Act 1993*.

### Policy and Statutory Implications

Council Policy *Development and/or Disposal of Council Lands* has been considered for the sale of the two lots.

### Financial Implications

Council resolved on 10 December 2024 (MIN24.627) to sell the land by direct negotiation to the respective adjoining owners for the amount determined by registered valuer.

CL25.132

**Risk Implications**

Council's interests have been considered and there is no risk associated with the recommendation of this report.

CL25.132

## **CL25.133 Tenders - Design & Construct - Culvert Remediation - Abernethys Creek Bolong Rd Bomaderry**

**HPERM Ref:** D25/140218

**Department:** Technical Services

**Approver:** Kevin Norwood, Acting Director - City Services

### **Purpose**

To inform Council of the tender process for Design & Construct - Culvert Remediation - Abernethys Creek Bolong Rd, Bomaderry.

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.

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

In accordance with Section 178 of the Local Government (General) Regulation 2021, Council is required to consider the recommendation of the tender - Design & Construct - Culvert Remediation - Abernethys Creek Bolong Rd, Bomaderry.

- Council called tenders for Design & Construct - Culvert Remediation - Abernethys Creek Bolong Rd Bomaderry on 18 December 2024 which closed at 10:00am on 13 February 2025
- The project is funded by Council's Capital Program and Roads to Recovery (RTR) Program.

### **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

CL25.133



**Background and Supplementary information**

***Project Description***

Council is seeking to engage a contractor to undertake repairs on the Bolong Rd/Abernethys Creek culvert. Works have been identified as necessary through an internal investigation and external condition assessment completed in May 2023.

The condition assessment indicates that the longer repairs are delayed the more extensive repairs will be, and risk of failure increases.

Works include:

- Removal of softened concrete
- Preparation of exposed reinforcement
- Installation of new reinforcement
- Installation of sacrificial anodes
- Restoration of concrete
- Repair of concrete spall and exposed rebar
- Application of protective coating

***Tendering***

Council called tenders for Tenders - Design & Construct - Culvert Remediation - Abernethys Creek Bolong Rd Bomaderry on 18 December 2024 which closed at 10:00 am on 13 February 2025. Three tenders were received at the time of closing. Tenders were received from the following:

<b>Tenderer</b>	<b>Location</b>
Marine & Civil Maintenance Pty Ltd	9/41-43 Higginbotham Rd, Gladesville NSW 2111
City Coast Services Pty Ltd	56 Yalwal Rd South Nowra
Interflow Pty Ltd	17 Winchcombe Court, MITCHELL ACT 2911

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

**Internal Consultations**

Asset Planning team has been involved in the identification and external condition assessment report for the culvert repair. Works & Services with Asset Planning consulted to submit a project bid. The Project delivery team have been involved in the tender and evaluation process.

**External Consultations**

External condition assessment was commissioned once identification of damage was determined via a condition report.

**Community Consultations**

Manildra has been identified as a significant stakeholder given proximity of business to the project site. They have been contacted, and a representative has been included in Project Control Group meetings.

CL25.133



**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 Tenders - Design & Construct - Culvert Remediation - Abernethys Creek Bolong Rd Bomaderry budget for FY 25-26. Funding is available to cover the tender amount including other project costs.

Additional details relating to the Financial Implications are contained in the confidential report.

**Risk Implications**

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

## **CL25.134 Tenders - Culvert Replacement - CH10312 - The Wool Rd, Old Erowal Bay**

**HPERM Ref:** D25/113199

**Department:** Technical Services

**Approver:** Kevin Norwood, Acting Director - City Services

### **Purpose:**

To inform Council of the tender process for Tender - Culvert Replacement - CH10312 - The Wool Rd, Old Erowal Bay.

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.

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

In accordance with Section 178 of the Local Government (General) Regulation 2021, Council is required to consider the recommendation of the tender – Culvert Replacement - CH10312 - The Wool Rd, Old Erowal Bay.

- Council called tenders for Culvert Replacement - CH10312 - The Wool Rd, Old Erowal Bay on 25 February 2025 which closed at 10:00 am on 25 March 2025. Four tenders were received at the time of closing.
- The project is funded via the Disaster Recovery Funding Arrangements and Council co-contribution.

### **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

CL25.134

**Background and Supplementary information**

***Project Description***

The existing damaged twin cell steel arch culvert located on The Wool Rd, Old Erowal Bay at chainage 10312 is to be replaced with triple cell reinforced concrete box culverts 3.3m wide x 2.1m high.

The culvert crossing was damaged due to the declared natural disaster event AGRN1129 in June 2024. Works are intended to be part funded through Disaster Recovery Funding Arrangements, damage record AQ00020 with a co-contribution from Shoalhaven City Council.

***Tendering***

Council called tenders for Culvert Replacement - Ch10312 The Wool Rd, Old Erowal Bay on 25 February 2025 which closed at 10:00 am on 25 March 2025. Four tenders were received at the time of closing. Tenders were received from the following:

<b>Tenderer</b>	<b>Location</b>
Fulton Hogan Industries Pty Ltd	Dapto
CBK Constructions Pty Ltd	Gerringong
Select Civil Pty Ltd	Kembla Grange
JSC Pty Ltd	Mitchell (ACT)

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

**Internal Consultations**

During the design and investigation phase Environmental Services were consulted and provided expert advice regarding stormwater and flood impacts on the culvert. A Flood Study was undertaken by Rhelm and concluded that increasing the size of the culverts to make the existing pedestrian crossing would provide a greater than 5% AEP flood immunity. To achieve a 1% flood immunity, the road level requires raising by 0.3m. The road raising was assessed to be ineligible under the Natural Disaster Recovery Arrangements and could be undertaken at a later date with upgrades to the road. The report concluded that without the raising, the upgraded culverts provide a substantial improvement in flood affectation.

**External Consultations**

The detailed design was undertaken by Westlake Punnet & Associates by experienced civil and structural engineers.

**Community Consultations**

A dedicated project page has been published on Councils webpage and has been updated at key milestones throughout the design and procurement process.

Three weeks prior to works commencing four Variable Message Boards will be installed to advise motorists of the upcoming works and to expect significant delays. Information about the alternative detour route via Tomerong and Pine Forest Road will be communicated by the use of the project webpage and information flyers to be distributed to CCB's, post offices, schools, library and leisure centres. Project signs with QR codes will also be displayed in suitable locations directing the public to the project webpage. Social media will also be utilised to inform the community.

CL25.134

**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 Culvert Replacement - Ch10312 - The Wool Rd, Old Erowal Bay budget for 24/25FY and 25/26FY. 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.

## CL25.135 Post exhibition report - Planning Proposal for 17 Prince Alfred Street, Berry

**HPERM Ref:** D25/135764

**Department:** Strategic Planning

**Approver:** Lindsay Usher, Acting Director - City Development

**Attachments:** 1. HMS 8800 HNSW Response [↓](#)

**Purpose:**

Report the feedback received from the public exhibition and government agency consultation, and obtain Council’s direction on the finalisation of the Planning Proposal (PP).

<b>Lot Number</b>	Lot SP 93194
<b>Property Address</b>	‘The Berry Inn’, 17 Prince Alfred Street, Berry.
<b>Applicant</b>	Allen Price
<b>Owner</b>	Cooltown Trading Pty Ltd
<b>Current zoning</b>	Partly zoned E1 <i>Local Centre</i> and partly zoned R2 <i>Low Density Residential</i> under the LEP. See <b>Figure 2</b> below.
<b>Proposed Amendments</b>	<p>Rezone R2 zoned portion of the land to E1 - means <u>whole</u> site would be zoned E1.</p> <p>Remove the current 500 m<sup>2</sup> mapped minimum lot size to be consistent with the E1 zone (does not prescribe a mapped minimum lot size).</p> <p>Adjust local heritage item 88 (associated with the former CBC building) to accurately reflect the land’s heritage values.</p>

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**Summary and Key Points for Consideration:**

- The proposed rezoning is considered minor, administrative in nature and is supported.
- The PP seeks to resolve the current split zoning of the land on which The Berry Inn is located (17 Prince Alfred Street, Berry).
- When a recently approved subdivision application (DA23/3181) is ultimately completed, the current strata plan will be dissolved, and the land will be two Torrens Title lots. The buildings and uses will then be on separately owned freehold lots.
- The PP was exhibited from 12 February to 14 March 2025 - no community submissions were received.
- Comments received from Heritage NSW were addressed in the report and attachments considered by Council on 12 November 2024, noting that internal heritage advice supports the proposed adjustment to local heritage item 88.
- The proponent has advised that the approved subdivision is unlikely to be completed prior to Council’s deadline for finalising the PP.

- The proposed adjustments to heritage item 88 are proposed to be completed as part of this PP.
- It may be necessary to complete a minor adjustment after the subdivision has been completed to ensure the boundaries align, either as an 'expedited amendment' or as part of a future housekeeping amendment.

### Recommendation

That Council

1. Finalise the PP as exhibited, including the adjustment to local heritage item 88 in Shoalhaven Local Environmental Plan (LEP) 2014 to ensure it as accurately as possible reflects the land's heritage values, even though the approved subdivision (DA23/3181) may not be completed within the PP timeframe.
2. Acknowledge that a further minor adjustment (to item 88) to the LEP may be necessary when the subdivision is completed to ensure the boundaries align and the property description is updated as part of a future housekeeping amendment, or if necessary, via an expedited LEP amendment under Section 3.22 of the Environmental Planning & Assessment Act.

### Options

1. Finalise the PP as recommended.

Implications:

Finalising the PP will simplify the zoning and associated LEP provisions, better aligning the zoning with the existing approved use/built form and removing any ambiguity created by the current split zoning.

Adjusting the coverage of heritage item 88 as part of the PP will ensure the LEP accurately reflects the land's heritage values. Heritage protection provisions under [Clause 5.10 \(Heritage conservation\)](#) of the LEP will also not be diminished because the land is in a Heritage Conservation Area (HCA) and is also near other heritage-listed properties.

2. Finalise the PP but not amend local heritage item 88.

Implications: Heritage item 88 will not accurately reflect the land's actual heritage values. Not recommended.

3. Not finalise the PP

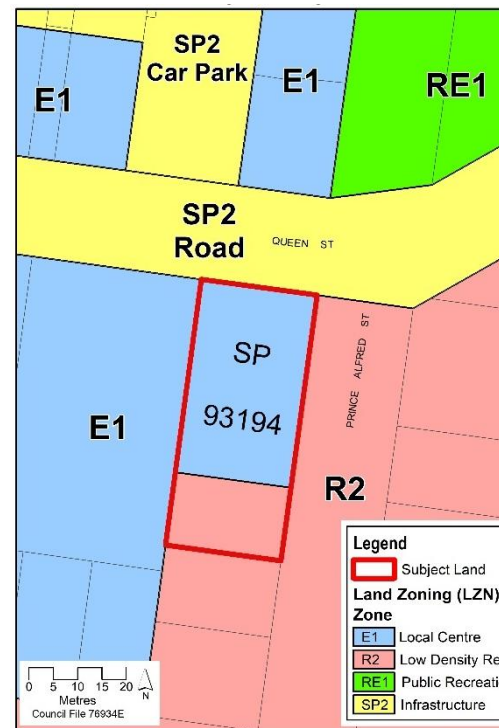
Implications: Part of the land will remain zoned R2 Low Density Residential, which does not reflect the current ongoing use. Not recommended.

## Background and Supplementary information

The subject land is part of an existing strata lot (Lot SP 93194) with frontage to Queen Street and Prince Alfred Street, Berry – see **Figure 1 & 2** below.



**Figure 1** – subject land (Lot SP 93194)



**Figure 2** – current land zoning

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The Planning Proposal application was reported to Council on 12 November 2024 (CL24.352). In response, Council resolved (relevant components) as follows:

1. *Acknowledge ...*
2. *As a result, support the Planning Proposal (PP-2024-1869) to rezone the land currently zoned R2 Low Density Residential land at 17 Prince Alfred Street, Berry, to E1 Local Centre, and remove the 500 sq metre mapped minimum lot size that currently applies to the R2 land.*
3. *Support the removal of the land on which The Berry Inn is located from the mapped extent of heritage Item 88 when the approved Torrens Title subdivision has been completed, noting that LEP clause 5.10 (heritage conservation) still applies, as the site is adjacent to other heritage items and do this either as part of this PP or by seeking support from the NSW Department of Planning, Housing and Infrastructure (DPHI) to use section 3.22 (expedited amendments) of the Environmental Planning and Assessment Act (EP&A Act) to resolve the matter efficiently after the amendment has been completed.*
4. *Submit the PP to the DPHI for initial Gateway determination.*
5. *Subject to receiving a favourable Gateway determination, exhibit the PP and should there be no significant feedback, finalise the PP without reporting the matter back to Council.*

The report, attachments and full Council resolution can be viewed via the following links.

- [Link to business paper](#) containing the report (CL24.352)
- [Link to attachments](#)
- [Link to minutes](#) (MIN24.610)

The NSW Department of Planning, Housing and Infrastructure (DPHI) issued a Gateway determination on 9 January 2025. The Gateway requires the PP and resulting LEP amendment to be completed by 12 September 2025.

### Internal Consultations

As summarised in the previous report on this matter, Development Services Section advised:

- Alternative uses can potentially be approved on the R2 land under either Clause 5.3 or Clause 5.10(10) of the LEP
- Rezoning the R2 land to E1 is unlikely to have a significant impact on the planning outcomes for the site. The rezoning is considered to be administrative.
- The heritage features referred to in the State Heritage Inventory for heritage item 88 do not affect the land on which The Berry Inn is located. They do not object to the removal of this land from the mapped extent of Item 88 at the appropriate point, provided the land remains within the Conservation Area in the LEP to assist in retaining the character and appearance of the area.

### External Consultations

As a precaution, the PP was referred to Heritage NSW for comment and they responded in writing on 13 February 2025 (**Attachment 1**) advising that:

- An Aboriginal Cultural Heritage Assessment should be completed if there is any change to the proposed use of the site. **Comment:** *this would be considered at the development assessment stage, noting that the site is already developed and has been used for a range of purposes over several decades.*
- Heritage NSW does not have a role in the assessment or approval of impacts to local heritage, unless those impacts are to archaeological sites or relics, which require management under the Heritage Act 1977.
- No impacts on items listed on the State Heritage Register have been identified.
- No impacts on historical archaeology have been identified.
- The LEP map (heritage overlay) should align with the new lot boundary.
- The proximity to nearby heritage items should not be relied upon to provide adequate heritage protection (under cl 5.3). **Comment:** *heritage protection will not be diminished because the land is part of a heritage conservation area relevant clause is [5.10 \(heritage conservation\)](#) AND the land adjoins local heritage items. [Clause 5.3](#) (development near zone boundaries) does not relate to heritage protection.*
- A Statement of Heritage Impact should be prepared to inform the PP.

**Comment:** Subsequent advice received from Development Services' internal heritage advisor stated:

- There have been ongoing separate uses of the subject land; the parking bays and motel elements associated with The Berry Inn do not directly contribute to the significance of the historic CBC building.
- The reference in the Shoalhaven Heritage Inventory entry to trees and fence is believed to be related to the mature trees and older fence surrounding the CBC building, not the proposed Lot 2 area where The Berry Inn is located.



The internal heritage advice raised no objections to removing The Berry Inn land (proposed Lot 2) from item 88 because the main curtilage containing the significant elements of the CBC building will not be affected, provided the land remains part of the conservation area.

Given the above advice and that any development application will have to address clause 5.10 of the LEP, a Statement of Heritage Impact is not required to support the PP, contrary to the suggestion from Heritage NSW.

### **Community Consultations**

The PP was publicly exhibited from 12 February to 14 March 2025 on Council's website. The following documents were exhibited:

1. [PP078 - Explanatory Document - \(424kb\)](#)
2. [PP078 - Planning Proposal - \(3,234kb\)](#)
3. [PP078 - Gateway Determination - \(3,278kb\)](#)
4. [PP078 - Public Notice - \(105kb\)](#)

Adjoining landowners and the Berry Forum were advised directly.

No submissions were received.

### **Policy and Statutory Implications**

Nil. The PP is considered minor and of administrative nature.

### **Financial Implications**

The PP has been funded by the landowner in accordance with the applicable fees for proponent-initiated PPs.

### **Risk Implications**

There are no significant risk concerns.

Department of Climate Change,  
Energy, the Environment and Water



Our ref: HMS ID 8800

Your ref: PP078 & PP-2024-1869

Eric Hollinger  
Coordinator Special Projects  
Shoalhaven City Council  
PO BOX 42, NOWRA NSW 2541

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**Planning Proposal – Rezoning and de-listing (Local item) of 17 Prince Alfred Street, Berry**

Dear Mr Hollinger

Thank you for the opportunity to provide advice on the Planning Proposal (PP) for 17 Prince Alfred Street, Berry under *Shoalhaven Local Environmental Plan 2014*. We note that:

- the PP involves rezoning the rear section of the site from R2 Low Density Residential to E1 Local Centre for consistency with the existing front section of the site.
- the PP includes the deletion of the local heritage listing across the site and removal of current Minimum lot size of 500sqm.
- Gateway approval was granted for this PP on 9 January 2025
- the current site boundary shown on the Planning Portal is about to change due to the approval of a Torrens title subdivision which will result in the following lot boundary:

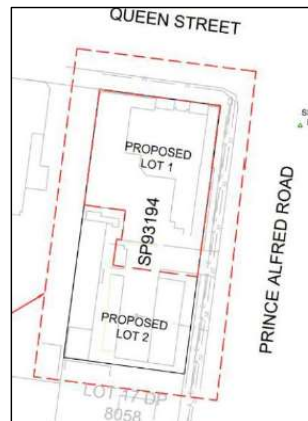


Figure 1: Approved Torrens title land subdivision (DA23/3181)

Local Planning Direction 3.2 Heritage Conservation requires planning proposals to address the conservation of Aboriginal cultural heritage and environmental heritage. Heritage NSW has reviewed the PP and supporting documents and prepared the following advice for your consideration.

**Aboriginal cultural heritage considerations under the *National Parks and Wildlife Act 1974***

It is recommended that, should any change be proposed for the use of the site in the future, a comprehensive Aboriginal Cultural Heritage Assessment Report is prepared to inform future development of the subject site. The Aboriginal Cultural Heritage Assessment Report needs to be prepared in accordance with the Guide to Investigating, Assessing and Reporting on Aboriginal Cultural Heritage in New South Wales.

An Aboriginal cultural heritage assessment, prepared early in the planning process, provides the best opportunity to identify and protect Aboriginal cultural heritage values. It also provides certainty to all parties on Aboriginal cultural heritage constraints and management requirements.

**State heritage and historical archaeological considerations under the *Heritage Act 1977***

*No identified impacts on State Heritage Register items*

Based on the information provided, we have reviewed the PP against our records and do not believe that there are any identified impacts on items listed on the State Heritage Register.

*No identified impacts on historical archaeology*

Based on the information provided, we have reviewed the PP against our records and do not believe that there are any identified impacts on historical archaeology. Should the potential for State level historical archaeology be identified at any point, a historical archaeology assessment may be required due to the heritage values across the current site.

**Local heritage considerations under the *Environmental Planning and Assessment Act 1979***

*Potential impacts on local heritage item(s) and Heritage Conservation Area(s)*

We note that the proposed rezoning and delisting of part of the site has the potential to impact on local heritage items and the heritage conservation area listed under Council's LEP, including:

- *Former CBC Bank including fence and trees, 122 Queen Street, Berry, Item No. 88.*

It appears that the new lot boundary, as shown above in Figure 1, will not align with the proposed changes to all LEP mapping as shown in the PP. We recommended that these boundaries should align. The PP report raises concerns about the front lot having a split zoning and therefore we suggest it is important to avoid this by ensuring the boundaries are consistent. We note that the LEP enables reliance upon adjoining zoning at Clause 5.3, however, this may not provide enough certainty into the future.

*Statement of Heritage Impact for local heritage items is recommended*

If this has not already been done, Heritage NSW recommends that a Statement of Heritage Impact is prepared for local heritage items and heritage conservation area to inform the PP. The Statement of Heritage Impact should be prepared by a suitably qualified heritage professional in accordance with the Guidelines for preparing a Statement of Heritage Impact.

As local heritage is protected under the *Environmental Planning and Assessment Act 1979* and under Council's Local Environmental Plans, Council is the consent authority. Accordingly, the assessment and consideration of impacts on local heritage items and the heritage conservation area rests with Council.

We note that the Heritage Council of NSW, and Heritage NSW as its Delegate, do not have a role in the assessment or approval of impacts to local heritage, unless those impacts are to archaeological sites or relics, which require management under the *Heritage Act 1977*.

### General advice

Heritage NSW offers a pre-lodgement service to assist Council and / or proponents understand assessment requirements or provide general advice on:

- Aboriginal cultural heritage under the *National Parks and Wildlife Act 1974*
- for State Heritage Register items and historical archaeology under the *Heritage Act 1977*

If you have any questions about the above, please contact Nancy Sample, Senior Planning Officer at Heritage NSW on (02) 9873 8500 or [heritagemailbox@environment.nsw.gov.au](mailto:heritagemailbox@environment.nsw.gov.au).

Yours sincerely



Rose O'Sullivan  
**Practice Lead – Planning Referrals and Advice**  
**Heritage NSW**  
**13 February 2025**

## CL25.136 Proposed Draft Chapter N2: Town of Berry - Shoalhaven Development Control Plan (DCP) 2014

**HPERM Ref:** D25/148865

**Department:** Strategic Planning  
**Approver:** Lindsay Usher, Acting Director - City Development

**Attachments:**

1. Draft DCP Chapter N2 - Town of Berry (under separate cover) [⇒](#)
2. Draft Dictionary Amendment (under separate cover) [⇒](#)
3. Draft Supporting Map 1: Berry Town Centre (under separate cover) [⇒](#)
4. Draft Supporting Map 2: Contributory Items in Heritage Conservation Areas (under separate cover) [⇒](#)

### Purpose:

The purpose of this report is to present the draft new Shoalhaven DCP 2014 Chapter N2 - Town of Berry and seek Council's endorsement to place it on formal public exhibition alongside the related Planning Proposal (additional Heritage Conservation Area and Heritage Listings).

### Summary and Key Points for Consideration:

On 11 September 2023 Council resolved ([MIN23.496](#)) to prioritise the introduction of a new heritage conservation area (Princess Street), new heritage listings and a new draft DCP Chapter for Berry (east of the Princes Highway) as part of Stage 1 of the new Shoalhaven Land Use Planning Scheme.

This report relates to the proposed new resulting draft DCP Chapter.

The Council resolution responded to a request from the Berry Forum in 2022 to strengthen the local character and heritage considerations/protections, stemming from ongoing community concerns about the impact of unsympathetic development in Berry. The Berry Forum submitted a [potential DCP chapter](#) and [heritage conservation area assessment](#) to Council in support of the request.

Initial community engagement commenced in late 2023 to gather the community's ideas, themes and priorities to inform the new DCP chapter. Details of the engagement activities undertaken and the results are provided in the [Berry DCP Engagement Outcomes Report](#).

Council considered the community engagement outcomes on 29 July 2024, and resolved ([MIN24.396](#)) to proceed with the new draft DCP Chapter, with the work to be undertaken in-house by staff. Councillors most recently received a briefing/update on the work on 13 February 2025 which outlined the overall approach to the draft DCP and its areas of focus.

The proposed draft DCP Chapter and related documents are now presented to Council for consideration prior to it proceeding to formal public exhibition/engagement. The chapter seeks to address the issues important to the community while being clear, concise and applicable where it can have the most effect on the desired future character of Berry. Subject to Council's endorsement, the draft DCP Chapter will be formally exhibited for community comment.

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## Recommendation

That Council:

1. Place the draft amendment to Shoalhaven Development Control Plan (DCP) 2014 on public exhibition for at least 28 days as per legislative requirements, concurrently with the heritage Planning Proposal (ideally if possible), comprising the following:
  - a. Draft new Chapter N2: Town of Berry and supporting maps.
  - b. Draft amendment to Shoalhaven DCP 2014 Dictionary.
2. Receive a further report following the conclusion of the public exhibition period to consider the feedback received and any resulting proposed amendments to the draft DCP amendment, prior to finalising it.
3. Advise key stakeholders, including (not exclusively) the Berry Forum, Berry Chamber of Commerce and Tourism, Berry & District Historical Society, Development Industry representatives and relevant landowners, of this resolution and the future public exhibition arrangements.

## Options

1. As recommended.

Implications: This is the preferred option and will enable Council to continue progressing the draft new DCP Chapter to public exhibition, concurrent with the related heritage Planning Proposal if possible.

Council will receive a further report following the exhibition period to consider the feedback received and any further proposed amendments to the draft DCP Chapter, prior to finalising it.

2. Adopt an alternative recommendation, such as receive a further briefing on the draft DCP Chapter prior to public exhibition.

Implications: This is not the recommended as it will delay the progress and implementation of the new DCP chapter. This would also impact on the resourcing of other components of the New Land Use Planning Scheme which are pending the completion of the Berry character and heritage work.

3. Do not adopt the recommendation.

Implications: Council would not progress any further with the draft new DCP Chapter for Berry. This could be a missed opportunity to improve character and heritage protections for Berry in the DCP and help address the potential adverse impacts of unsympathetic development which is of concern to the Berry community.

## Background and Supplementary information

The Berry DCP Engagement Outcomes Report made seven recommendations which have guided the preparation of draft DCP Chapter, as shown in **Figure 1** below.

- 1** Planning guidelines implement the desired future character of Berry, with controls that underpin the importance of heritage, rural/ agricultural surrounds, scale of development within the township, site coverage, tree retention and vegetation.
- 2** Planning guidelines do not preclude change but rather respond to different site and area based constraints and opportunities. This can be achieved (in part) with controls based on the planning matters explored in the second survey.
- 3** Planning guidelines that relate to heritage, aim to ensure that the significant heritage elements of the past and heritage precincts are recognised and appropriately responded to by new development, but this does not extend beyond those elements and precincts.
- 4** Planning guidelines recognise the importance of and respond to the specific need for certain infrastructure provision to support new development, including drainage, parking and pedestrian access.
- 5** Planning guidelines are clear, concise and applicable (in the context of the NSW planning system) where they can have the most impact on the desired future character of Berry.
- 6** The Berry community and the development industry continue to be engaged and educated as any new planning guidelines are developed and implemented.
- 7** Planning guidelines are implemented consistently and in a timely fashion, appreciating process and available resources.

**Figure 1: Recommendations - Engagement Outcomes Report (June 2024)**

As noted in the July 2024 report to Council, some matters raised may not be able to be specifically addressed in the DCP but could be considered/progressed through other strategic plans/policies or by other areas within Council, where required/appropriate. The matters not addressed in the draft new DCP chapter are discussed and explained further below.

To ensure the new DCP Chapter is well balanced and consistent with the broader public interest, its preparation has considered the initial community engagement outcomes and also:

- the Berry Forum’s submitted proposed DCP chapter;
- the work supporting the new proposed heritage conservation area;
- State codes, for example Complying Development, that permit residential and other types of development that meets standard, statewide criteria. Note: Complying development does not need to comply with a DCP or consider local character;
- Guidance from NSW Government, Land and Environment Court and other Council’s on certain matters, for example, character statements.
- The need for DCP provisions to be clear, consistent and applicable in development assessments, including ability to stand up in potential court challenges;
- Controls that provide an appropriate degree of flexibility to enable development to respond to different site and area-based constraints and opportunities.



When considering this matter, It is important to recognise the implications of Complying Development on this proposed DCP. Complying Development will continue to be available to people wanting to construct a new dwelling, dual occupancy or alterations/additions in Berry, except in certain limited circumstances e.g. where the land is heritage listed or is within a heritage conservation area. From a sample of 10 recent residential developments in Berry, five were undertaken via a development application and 5 were undertaken via Complying Development. If Council were to potentially implement, what might be considered to be, overly strict DCP controls, it is likely to result in more people considering or using the Complying Development pathway and if so will result in less consideration of local character. As such, the draft DCP seeks a balance between the protection of local character and what is permitted through complying development. Thus some of the proposed draft DCP controls are stricter than the complying development code, some are more relaxed.

### Draft DCP Overview and Structure

The draft DCP chapter is organised into eight parts:

- **Part 1: Purpose** – outlines the overall purpose of the new chapter. In addition to protecting Berry’s character and heritage, it also seeks to reinforce Berry’s role as a rural service centre and enable opportunities for compatible new development.
- **Part 2: Application** – The chapter will apply to the town centre and residential areas within the historic part of Berry (i.e. Pulman Street and the 1912 Berry Town subdivision), as shown in **Figure 1** below. This area is identified as having the most significant character and heritage qualities and is where the draft DCP can have the most effect. It is acknowledged that other parts of Berry have their own character but not all potentially need unique or special DCP controls and there is limited ability for DCP controls to influence development outcomes in some cases. This is discussed further below.
- **Part 3: Context** – contextual information about Berry and the DCP chapter.
- **Part 4: Objectives** – outlines the overall chapter objectives for development.
- **Part 5: Character** – outlines existing and desired future character for the town centre and the relevant residential area, the specific elements or qualities that are to be retained, and how character is to be considered in the design and assessment of new development. The character statements are adapted from Council’s ‘interim’ character statements which were in the initial community engagement survey (85% and 60% of respondents agreed with the existing and desired future character statements respectively).
- **Part 6: Berry Town Centre** – incorporates/absorbs the existing [DCP Chapter N2: Berry Town Centre and its Supporting Map](#). The existing chapter has been reviewed and updated, with some considerations added for built form, scale, character and the pedestrian environment. The draft Part 6 also recognises opportunities for compatible growth and development in the town centre, including residential accommodation, to enhance activity and economic vitality.
- **Part 7: Development in Residential Areas** – includes proposed controls addressing built form, scale, site coverage, streetscape, landscaping, trees and vegetation, car parking and access for development in the residential area. The draft controls seek to enable new housing opportunities that complements the existing character.
- **Part 8: Heritage Conservation** – includes controls to guide development of heritage items and in heritage conservation areas, both within the town centre and the relevant residential area. This part expands on existing heritage provisions in the DCP to help clarify requirements for everyone and also improve the consistency of assessments.





Figure 1: Subject Land Map

**Draft DP Chapter N2: Town of Berry**

Matters not Included in the Draft DCP Chapter

It is acknowledged that not all the issues, priorities and areas raised in the initial community engagement and/or in the Berry Forum’s suggested DCP Chapter are covered or addressed in the proposed draft DCP Chapter. These matters are explained and discussed below:

Issue/theme/area	Reason not included
<ul style="list-style-type: none"> <li>Aboriginal cultural heritage</li> </ul>	<p>Is already covered by and addressed in the <a href="#">existing Chapter 2 of the DCP</a> and overarching State legislation/policy. The approach taken in preparing the draft Chapter is not to duplicate provisions that are contained elsewhere. This general approach has been consistently taken during the development of the overall DCP.</p> <p><u>Note:</u> a separate review of the existing DCP Chapter 2 provisions is underway, with a view to including more comprehensive guidance for development throughout the City.</p>
<ul style="list-style-type: none"> <li>More contemporary residential areas (vicinity of Windsor Dr and Gwenda Ave)</li> </ul>	<p>These areas date from the 1970-80s and have contemporary dwellings. They are also less visible on the edge of town. As such, there was considered to be limited need/benefit in this area having specific DCP controls. The draft DCP Chapter focusses on the area with the most significant character/heritage qualities.</p>

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<ul style="list-style-type: none"> <li>Seniors living developments (e.g. The Arbour, The Grange, Masonic Village)</li> <li>Berry Public School</li> </ul>	<p>State Codes permit development for these purposes, with limited or no requirement to consider Council's DCP. As such, any DCP provisions are likely to be of limited or no effect.</p> <p><b>Note:</b> Part of the Berry Public School property (1 Clarence Street) is identified as a 'heritage item' in the LEP.</p>
<ul style="list-style-type: none"> <li>Berry Showground</li> </ul>	<p>The showground precinct is identified as a 'heritage item' in the LEP and owned by Council, as such, there is already a level of control and protection around future development within it.</p> <p>Council is also able to undertake development under State Codes that do not require consideration of the DCP.</p>
<ul style="list-style-type: none"> <li>Rural zoned land surrounding Berry urban area</li> </ul>	<p>The rural surrounds are likely to remain rural/scenic in nature and relatively undeveloped as a result of:</p> <ul style="list-style-type: none"> <li>LEP zoning and minimum lot size – development is largely limited to rural/agricultural and related uses;</li> <li>Flooding – flooding from Broughton Creek and tributaries affects much of the land around Berry.</li> </ul> <p>The NSW Exempt and Complying Development Codes also permit a range of rural/agricultural development, including large farm buildings, with no need to consider Council's DCP. As such, specific DCP controls are likely to have a very limited effect.</p>
<ul style="list-style-type: none"> <li>New/upgraded public infrastructure.</li> </ul>	<p>State legislation limits what a DCP can reasonably require development to consider/address and requirements are already contained in other existing DCP chapters.</p> <p>Broader public realm upgrades such as roads, footpaths and drainage networks that service a broader catchment need to be considered and delivered via other mechanisms where appropriate e.g. Councils works program, the Contributions Plan.</p>
<ul style="list-style-type: none"> <li>Climate change and environmentally sensitive design (ESD)</li> </ul>	<p>These matters are already covered and addressed in other DCP chapters or State legislation/policy (e.g. BASIX, SEPP Sustainable Buildings) or are otherwise considered beyond the scope of this proposed DCP Chapter.</p> <p>Some parts of the draft chapter however indirectly address some of these matters e.g. landscaping, trees and vegetation.</p>

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### **Internal Consultations**

Consultation was undertaken with technical officers in Councils Development Services, Certification and Compliance, Technical Services and Works and Services teams. Feedback from these teams has been incorporated into the draft DCP Chapter.

### **External Consultations**

No consultation with external agencies has been undertaken at this stage

### **Community Consultations**

Initial community engagement was undertaken from December 2023 to June 2024 to gather the community's ideas, themes and priorities to inform the new DCP chapter. The results are provided in the [Berry DCP Engagement Outcomes Report](#).

If Council resolves as recommended, the draft DCP Chapter and supporting documents will now be formally exhibited for community comment for at least 28 days, in accordance with legislative requirements. It is intended to exhibit the draft DCP Chapter and the Planning Proposal for the Princess Street Heritage Conservation Area concurrently (subject to the Planning Proposal receiving a pending favourable Gateway determination from the NSW Government).

The exhibition will be directly notified to key stakeholders, including but not limited to Berry Forum CCB, Berry and Districts Historical Society, Berry Chamber of Commerce and Tourism, Development Industry representatives and affected landowners.

### **Policy and Statutory Implications**

If the draft DCP Chapter is supported by Council following public exhibition, it would replace the existing Chapter N2 in Shoalhaven DCP 2014.

When the draft DCP and related Planning Proposal are formally exhibited they will then also have more formal status in the development application process.

### **Financial Implications**

The new draft DCP chapter will continue to be progressed/resourced to finalisation 'in house' from the Strategic Planning operational budget.

### **Risk Implications**

Not progressing with the draft DCP Chapter discussed in this report would limit Council's ability to manage unsympathetic development through the assessment process. This would fall short of community expectations and could impact on the existing heritage significance and character of Berry.

If there are concerns regarding the final nature and content of the draft DCP Chapter it may be appropriate to still proceed to exhibit it (and the related Planning Proposal) and for Council (and the community) discuss the any concerns through the remainder of the process and prior to the ultimately finalisation of the DCP Chapter.

## CL25.137 Proposed Works in Kind Agreement - Construction of Road Infrastructure - Cook Street, Callala Bay

**HPERM Ref:** D25/105710

**Department:** Strategic Planning

**Approver:** Lindsay Usher, Acting Director - City Development

### Purpose:

The reason for this report is to obtain 'in-principle' support to commence the process of entering into a Works in Kind Agreement (WIKA) with the owners/developers of 6 Cook Street, Callala Bay, for the partial construction of road infrastructure required under the Shoalhaven Contributions Plan 2019 (CP).

### Summary and Key Points for Consideration:

The proposed WIKA is associated with an approved development application (DA19/1253) for medium-density residential development, including associated infrastructure. The developer has paid development contributions for CP project 02ROAD2007 (\$42,927.07) in accordance with the development consent.

The proposed WIKA will enable this amount to be reimbursed to the developer upon completion of road infrastructure consistent with 02ROAD2007.

### Recommendation

That Council:

1. Provide 'in-principle' support to finalise negotiations and enter into a WIKA with the owner/developers of Lot 73 DP 836593, 6 Cook Street, Callala Bay, for the construction of road infrastructure, as outlined in this report, except where further negotiations result in substantial changes to the proposal, in which case Council will receive a further report prior to proceeding.
2. Delegate authority to Council's Chief Executive Officer, or his delegate, to prepare and enter into the WIKA following final negotiations.
3. Endorse the allocation of the 02ROAD2007 collected funds up to the amount of \$42,927.07 to be reimbursed to the developer upon completion of the road infrastructure, with no payment of surplus value.
4. Notify the owner/developer of this resolution.

### Options

1. As recommended

**Implications:** The proposed WIKA is expected to provide a positive public benefit through the construction of part of Cook Street, as outlined in the CP. The approved medium-density development (DA19/1253) will increase housing supply in the area, and advancing this agreement will help facilitate that development. The applicant will bear the responsibility for any excess costs (surplus value) related to the works to be

completed as part of the WIKA. This option aligns with Council's resolution ([MIN23.459](#), part 5) to no longer consider surplus value for future infrastructure agreements.

This option allows for the agreement to be finalised under delegation.

2. Adopt an alternative recommendation.

Implications: This will depend on the nature of the alternative recommendation. This is not the preferred option as it may affect the timely delivery of the dwellings and/or the nature and quality of the works provided or have financial implications for Council that have not been budgeted.

**Background and Supplementary Information**

Development consent was granted to DA19/1253 for the construction of multi-dwelling housing comprising additions and alterations to an existing dwelling house (Unit 1) and the erection of three (3) additional units, landscaping and associated infrastructure at 6 Cook Street, Callala Bay (**Figure 1**) on 19 November 2019.



**Figure 1: The subject land, in yellow.**

[Contributions Project 02ROAD2007](#), known as the Former Development Control Plan No. 41 area - Callala Bay road construction, aims to ensure that new development pays an equitable share of the costs associated with providing a suitable road network that directly serves the demand created by development. Currently, Cook Street has been partially constructed, extending partway into the frontage of the subject lot.

**Figure 2** shows the intended new road infrastructure (in red) and the contribution project benefiting area (in blue - those who contribute to the project) as per the CP. Relevant development in the benefiting area for project 02ROAD0007, including 6 Cook Street, are required to pay development contributions towards this upgrade work.

The approved development includes the construction of a section of Cook Street, located adjacent to 6 Cook Street. This is illustrated in **Figure 3**, being an excerpt of plans that have been approved by Council for civil construction work within the road reserve. These proposed roadworks are deemed reasonable and align with the intent of the CP project.

CL25.137





Figure 2: Contributions Project - 02ROAD2007

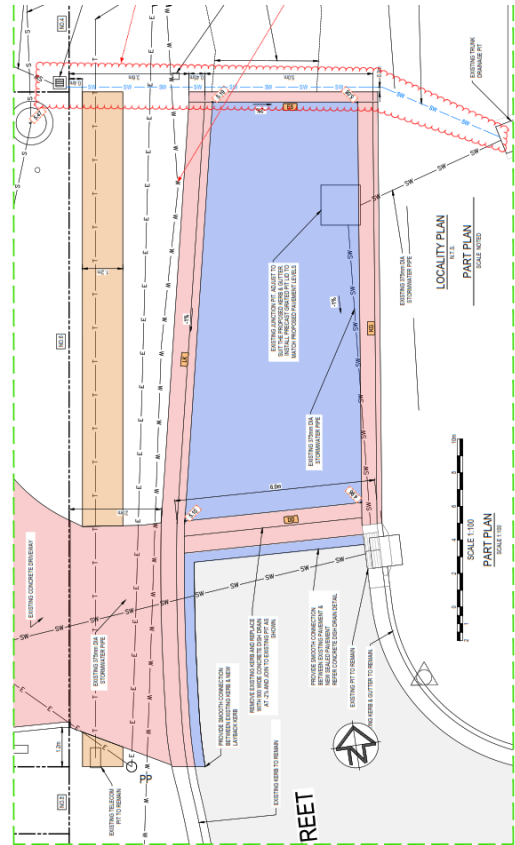


Figure 3: Proposed Road Design

CL25.137

The Proposal

Council’s [Works in Kind Agreement Policy](#) enables developers to construct community infrastructure, in full or part, to satisfy requirements imposed by a condition of a development consent as an alternative to paying development contributions.

The WIKA proposal covered in this report is for the road construction to be delivered in lieu of paying development contributions towards CP project 02ROAD2007. As these contributions have already been paid, the WIKA will enable reimbursement of this contribution amount (up to \$42,927.07) to the developer upon satisfactory completion of the works.

**Conclusion**

Due to the public benefit realised from the construction of the part of Cook Street, Callala Bay, which is an identified CP project, it is in Council’s interest to support the proposal as recommended, finalise negotiations and proceed to prepare the WIKA.

**Internal Consultations**

Internal consultation has been undertaken with the following Council stakeholders through the process to date: City Services, Development Services and Finance.

**External Consultations**

The proposed WIKA relates to agreed local infrastructure and requires no external consultation with State Government agencies or the like.

### Community Consultations

In accordance with Council's Policy on [Works in Kind Agreements](#), no community consultation is required as part of this proposed WIKA. Development applications are separately notified in accordance with Council policy.

### Policy and Statutory Implications

Following the construction of Cook Street road infrastructure it will be necessary to make changes to the existing CP project 02ROAD2007 in due course. These modifications will need to reflect the current partial completion status of the project, updated cost estimates, and any resultant adjustments to the contribution rate as warranted. This work will be considered during the review of the new Contributions Plan.

### Financial Implications

Contributions for this development have already been paid by the developer; therefore, reimbursement of funds for the levied contribution project (02ROAD2007), for an amount up to \$42,927.07, will occur upon completion of the works. If the cost of delivering the works exceeds this amount, the developer will assume responsibility for the excess costs (i.e. surplus value). This is consistent with Council's resolution (MIN23.459, part 5), which resolved that surplus value shall not be covered by Council at this time, thereby ensuring no implications for Council's General Fund.

In accordance with the Council's Works in Kind Agreement Policy, the developer shall assume responsibility for all costs incurred by Council, both direct and incidental, associated with the negotiation, preparation, and execution of the agreement. This includes any legal expenses and independent cost assessments, as well as enforcing the agreement.

### Risk Implications

The road associated with the proposed WIKA will be delivered at no cost to Council, apart from what is allocated in the Contributions Plan. It has been agreed that any costs exceeding (surplus value) the project contributions for 02ROAD2007, will be the financial responsibility of the applicant.

Upon the completion of negotiations, the proposed WIKA agreement will be subject to legal drafting and/or review to ensure that any potential risks or liabilities to Council are effectively minimised.

CL25.137

## **CL25.138 Opt-Out - Reduced Penalty Amounts - Parking Infringements in the Shoalhaven**

**HPERM Ref:** D25/134996

**Department:** Certification & Compliance

**Approver:** Lindsay Usher, Acting Director - City Development

**Attachments:** 1. Financial Review Opt-In 2019-2024 [↓](#)

### **Purpose:**

The purpose of this report is to consider rescinding MIN19.150 and to 'opt-out' of the 25% reduced penalty amounts for overtime carparking, overtime street parking and not stand vehicle within marked space as offered as an option by the State Government in 2019.

### **Background and Supplementary information:**

#### *Parking Fine Reforms*

In 2018, the NSW government introduced a range of parking fine reforms, by lowering certain types of parking fines by 25% and introducing legislation which enables a local Council to charge lower amounts for certain parking fines.

The intent of the provisions is to allow local councils to introduce greater flexibility and reduce the impact of parking fines on the local community.

All parking fines are set by the NSW government and the same fines apply throughout the State. However, under the framework, councils could 'opt-in' to the provisions to reduce certain types of parking fines

The types of parking fines to which these provisions apply, include:

- Park continuously for longer than permitted
- Stop/Park in a restricted parking area
- Park without paying meter fee
- Park longer than allowed by ticket
- Park outside parking bay
- Park contrary to angled parking sign
- Stand vehicle in area other than permitted

Currently, the 'opt-in' penalty amount for the above offences is \$97. Should Council 'opt-out' the penalty amount the fine will return to the statutory provision at \$136.

A Notice of Motion CL19.53 was presented at Council's Ordinary Meeting 26 March 2019. The motion reads as follows: *That Council reduce penalty notice charges for overtime carparking, overtime street parking and not stand vehicle within marked space by 25% as suggested by the State Government. (MIN19.150).*

Of the 128 local government areas across NSW, Shoalhaven was one of the 21 councils deciding to 'opt in'.



### *Parking enforcement in Shoalhaven*

Shoalhaven City Council's approach to parking enforcement focuses on public safety and those motorists parking in a manner that poses a risk and compromises safety for pedestrians and other road users.

Overall, it is considered that Council's current approach is very reasonable and fair for residents and visitors to our area and penalty notices are only issued in respect of clear breaches of the Road Rules.

Shoalhaven City offers "Free Timed Parking" without the need for paid parking across the city to all residents and visitors. The majority of the relevant types of penalty notices issued in the Shoalhaven relate to vehicles parked longer than permitted. Our business areas, beachside locations and villages benefit from time-restricted parking, promoting turn-over of vehicles and limiting parking impacts on nearby residents which presents a considerable inconvenience to others seeking to park within the city. Abuse of timed parking is also detrimental to local businesses by limiting access to turnover of shoppers and can have an effect on business profitability.

### *Financial impact statement*

Since Council resolved to 'opt in' to the parking reforms, it is estimated a loss in revenue of approximately \$426,000. The revenue calculation is based on 70% of penalties being paid, with a projected loss of \$167,000 already accumulated for the 2024/25 fiscal year to date.

By rescinding MIN19.150 Council could restore more than \$160,000 to next year's budget without incurring additional operational costs, or staffing resources.

### *Conclusion*

Shoalhaven City Council implements a parking enforcement approach, which principally focuses on parking offences within busy commercial areas and beachside locations.

Council applies a fair and reasonable approach to parking enforcement and statistics provided in Council's Half Yearly Compliance Activity Report demonstrates a high volume of illegal parking detected in our busy towns and villages.

The financial impact is substantial and could not have been forecast in Council's decision in 2019. However, it is evident that motorists breaching timed parking zones and disregarding signage are benefiting from reduced fine amounts. The rise in penalties issued across the city highlights the need to reinstate the "deterrent" effect for individuals violating the road regulations.

### **Recommendation**

That Council rescind MIN19.150 and 'opt-out' of the 25% reduced penalty notice charges for overtime carparking, overtime street parking and not stand vehicle within marked space as offered by the State Government in 2019.

### **Options**

1. Council adopts the recommendation as shown.

Implications: MIN19.150 would be rescinded and as a result, Council's fine revenue would increase.

2. Continue with the currently resolved position of Council of a 25% reduced penalty notice.

Implications: Continual loss in revenue. Revenue loss is solely borne by Council, as the service fee charged by Revenue NSW remains unchanged regardless of the fine amount. Refer to the attachment for details.

**Internal Consultations**

Internal consultation was undertaken with City Development, Certification & Compliance Department.

**External Consultations**

Nil

**Community Consultations**

Nil

**Policy and Statutory Implications**

There is no policy implications related to this report.

**Financial Implications**

Council stands to gain income if the 'opt-in' decision is rescinded.

**Risk Implications**

There is no risk implications related to this report.

	2019/2020	opt in		opt out		2020/21	opt in		opt out		2021/22	Amount	opt out		
93902 Park vehicle not wholly in marked parking space	23	\$82.00	\$1,886.00	\$112.00	\$2,576.00	3	\$83.00	\$249.00	\$116.00	\$348.00	0	\$0.00	\$117.00	\$0.00	
92355 Not stand vehicle in marked parking space	143	\$82.00	11,726.00	\$112.00	\$16,016.00	247	\$83.00	\$20,501.00	\$116.00	\$28,652.00	45	\$84.00	\$3,780.00	\$117.00	\$5,265.00
92353 Park vehicle for longer than maximum period allowed	1077	\$82.00	88,314.00	\$112.00	\$120,624.00	1810	\$82.00	\$150,213.00	\$116.00	\$209,960.00	886	\$83.00	\$74,416.00	\$117.00	\$103,662.00
93874 Not angle park as on parking control sign or road marking	40	\$82.00	3,280.00	\$112.00	\$4,480.00	123	\$83.00	\$10,209.00	\$116.00	\$14,268.00	54	\$84.00	\$4,536.00	\$117.00	\$6,318.00
93880 Not park wholly within parking bay	64	\$82.00	5,248.00	\$112.00	\$7,168.00	181	\$82.00	\$15,021.00	\$116.00	\$20,996.00	46	\$84.00	\$3,863.00	\$117.00	\$5,382.00
92363 Park continuously for longer than indicated	240	\$82.00	19,680.00	\$112.00	\$26,880.00	337	\$82.00	\$27,963.00	\$116.00	\$39,092.00	616	\$83.00	\$51,741.00	\$117.00	\$72,072.00
93878 Not position rear of vehicle correctly - 45 degree angle parking	438	\$82.00	35,916.00	\$112.00	\$49,056.00	607	\$83.00	\$50,379.00	\$116.00	\$70,412.00	676	\$83.00	\$56,755.00	\$117.00	\$79,092.00
<b>2025</b>		<b>\$ 166,050.00</b>		<b>\$226,800.00</b>		<b>3308</b>		<b>\$274,535.00</b>		<b>\$383,728.00</b>	<b>2323</b>		<b>\$195,091.00</b>		<b>\$271,791.00</b>
<b>Missed revenue</b>				<b>\$60,750.00</b>				<b>109,193.00</b>					<b>\$76,700.00</b>		
<b>70% of revenue which equates to average of payments</b>				<b>\$42,525.00</b>				<b>\$76,435.10</b>					<b>\$53,690.00</b>		

	2022/23	Amount		opt out		2023/24	opt out		2024/25	Amount	opt out				
93902 Park vehicle not wholly in marked parking space	6	\$86.00	\$516.00	\$120.00	\$720.00	6	\$92.00	\$552.00	\$129.00	\$774.00	24	\$97.00	\$2,328.00	\$136.00	\$3,096.00
92355 Not stand vehicle in marked parking space	93	\$86.00	\$7,998.00	\$120.00	\$11,160.00	214	\$92.00	\$19,688.00	\$129.00	\$27,606.00	105	\$97.00	\$10,185.00	\$136.00	\$13,545.00
92353 Park vehicle for longer than maximum period allowed	1639	\$86.00	\$140,954.00	\$120.00	\$196,680.00	1858	\$92.00	\$170,936.00	\$129.00	\$239,682.00	1384	\$97.00	\$134,248.00	\$136.00	\$178,536.00
93874 Not angle park as on parking control sign or road marking	48	\$84.00	\$4,126.00	\$120.00	\$5,760.00	12	\$92.00	\$1,104.00	\$129.00	\$1,548.00	5	\$97.00	\$485.00	\$136.00	\$645.00
93880 Not park wholly within parking bay	24	\$86.00	\$2,064.00	\$120.00	\$2,880.00	17	\$92.00	\$1,564.00	\$129.00	\$2,193.00	9	\$97.00	\$873.00	\$136.00	\$1,161.00
92363 Park continuously for longer than indicated	1768	\$86.00	\$152,048.00	\$120.00	\$212,160.00	2132	\$92.00	\$196,144.00	\$129.00	\$275,028.00	1316	\$97.00	\$127,652.00	\$136.00	\$169,764.00
93878 Not position rear of vehicle correctly - 45 degree angle parking	1115	\$84.00	\$95,886.00	\$120.00	\$133,800.00	1259	\$92.00	\$115,828.00	\$129.00	\$162,411.00	947	\$97.00	\$91,859.00	\$136.00	\$122,163.00
<b>4693</b>		<b>\$403,592.00</b>		<b>\$563,160.00</b>		<b>4713</b>		<b>\$505,816.00</b>		<b>\$709,242.00</b>	<b>3790</b>		<b>\$367,630.00</b>		<b>\$607,977.00</b>
<b>Missed revenue</b>				<b>\$159,568.00</b>				<b>\$203,426.00</b>					<b>\$240,347.00</b>		
<b>70% of revenue which equates to average of payments</b>				<b>\$111,697.60</b>				<b>\$142,398.20</b>					<b>\$168,242.90</b>		

25.13

## **CL25.139 Draft Policy - Shoalhaven City Council Art Collection - Art Acquisition and Collection Management**

**HPERM Ref:** D25/166805

**Department:** Cultural & Community Services  
**Approver:** James Ruprai, Acting CEO

**Attachments:** 1. Draft Policy [↓](#)

### **Purpose:**

The purpose of this report is for the Shoalhaven City Council Art Collection – Acquisition and Management policy to be accepted for re-adoption.

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

A copy of the recommended changes to the policy are detailed in **Attachment 1 - Draft Policy - Shoalhaven City Council Art Collection – Acquisition and Management** and summarised below:

- Change of Manager and Directorate information throughout to reflect Council's new structure.
- Addition of clauses 4.1.11 and 4.1.12 to allow the Mayor or CEO to accept works into the collection if the Arts Advisory Committee fails to meet for six (6) months.

### **Recommendation**

That Council:

1. Note the previous resolution (MIN25.119) and that the Arts Advisory Committee has been deferred to a Councillor Briefing for further discussion; and,
2. Adopt the revision of the Shoalhaven City Council Art Collection – Acquisition and Collection Management Policy as an interim response to allow management of collections while the Arts Advisory Committee is being deliberated upon.

### **Options**

1. Adopt the recommendation as written

#### Implications:

- Updated Policies will be adopted within the 12-month timeframe of a newly elected Council
- This will allow the inclusion of changes to make the relevant policy appropriate.
- Allow for the acquisition and deaccession of items that have been awaiting decision for ten (10) months.

2. Not adopt the recommendation.

#### Implications:

- Council can request further details, seek further community input or make other changes

- This may result in loss of provision and controls for the relevant Policy.

### **Background and Supplementary information**

- The purpose of the Policy is to define Council's provisions for the management of Shoalhaven City Council Art Collection – Acquisition and Collection Management Policy.
- Small changes relating to the manager and directorate responsible have been revised due to recent restructures.
- The current adopted Policy POL22/49 states that a subcommittee of the Arts Advisory Committee must meet to manage the Shoalhaven City Council Art Collection.
- The Arts Advisory Committee has not met since June 2024 and is currently constituted of one (1) member only.
- The draft policy allows for the Mayor or CEO to make resolution on the acquisition or deaccession of the Shoalhaven City Art Collection if the Arts Advisory Committee has failed to meet for six (6) months.
- Shoalhaven City Council Art Collection – Acquisition and Collection Management Committee has not met since June 2024.

The following issues have been unable to be resolved due to restrictions in the current adopted policy POL22/49:

- Proposal from collector to donate Juz Kitson artwork (Valued at \$10,000) has stalled, unable to be assessed and accepted.
- Proposal from collector Ray Orr to help purchase Nicole Ison work cannot be accepted or considered.
- Formal acceptance of Karla Dickens (First Nations artist) artwork (value around \$40,000) as cultural gift to gallery cannot be accepted or considered.
- Dale Miles, The Key to Your Door, sculptural work is damaged and needs to be deaccessioned from collection before condition deteriorates further.
- A large new bequest was accepted before the last meeting in 2024, but this collection has many duplicate items that are causing storage issues – that cannot be managed and dealt with.

### **Internal Consultations**

Consultations led by the Acting Manager Cultural & Community Services with Director, Shoalhaven Regional Gallery, Director, City Development, and the Governance team have led to the recommended approach. Discussions have been undertaken since the last meeting of the Arts Advisory Committee in June 2024 to discuss an alternate pathway for acquisition and management of the Shoalhaven City Council Art Collection.

### **External Consultations**

Discussions with the Arts Advisory Committee on the recommended approach have not taken place due to a lack of meetings taking place.

### **Community Consultations**

The review of the Shoalhaven City Council Art Collection – Acquisition and Collection Management Policy is considered minor policy change that do not warrant community engagement.

### **Policy and Statutory Implications**

- All Councils public policies should be reviewed within twelve (12) months of the election of a new Council.
- A small change to the policy will assist in continuing the acquisition and deaccessioning of artwork from the Shoalhaven City Art Collection.
- The current Terms of Reference of the Arts Advisory Committee does not require the Committee to have delegated authority over the Shoalhaven City Council Art Collection.

### **Financial Implications**

There are no additional financial implication resulting from reaffirming the above policy.

### **Risk Implications**

- The Shoalhaven City Council Art Collection – Acquisition and Collection Management Policy is central to the ability to continue to collect and grow the City Art Collection.
- The current policy relies on the status of the Arts Advisory Committee to receive and sell art from the Shoalhaven City Art Collection.
- The committee has not met in ten (10) months which leaves the collection at a standstill.
- Continuing to collect works will become difficult and there is a risk to Council's reputation as a collector of artworks. This may result in artists and collectors refusing to consider donations or acquisitions by Council.

# Shoalhaven City Council Art Collection – Acquisition and Collection Management

<b>Adoption Date:</b>	12/05/2009
<b>Amendment Date:</b>	21/05/2013, 18/02/2014, 27/06/2017, 15/05/2018, 31/10/2022
<b>Minute Number:</b>	MIN09.612, MIN13.522, MIN14.121, MIN17.586, MIN18.351, MIN22.815
<b>Review Date:</b>	01/12/2024
<b>Directorate:</b>	City <a href="#">LifestylesDevelopment</a>
<b>Record Number:</b>	POL24/115

Shoalhaven City Council Art Collection – Acquisition and Collection Management

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CL25.139 - Attachment 1



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**Shoalhaven City Council Art Collection – Acquisition and Collection Management**

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**1. Purpose**

The aim of this Policy is to establish administrative guidelines for a purposeful, consistent approach to acquisition of works and management of the Shoalhaven City Art Collection.

**2. Statement**

The title shall be the “Shoalhaven City Art Collection – Acquisition and Collection Management Policy” and will be owned and managed by Shoalhaven City Council.

The Shoalhaven City Art Collection has been established to:

- Collect contemporary and historical works of visual art of demonstrable excellence by artists of significance with an emphasis on Australian artists and artists who have a connection to the Shoalhaven.
- Enrich, educate and inform the community of Shoalhaven City and its visitors in quality visual arts practice in Australia,
- Stimulate awareness and appreciation of the visual arts
- Strengthen an historical, social and locally relevant visual arts resource
- Establish a valuable collection of Regional significance and National interest

**2.1. Scope**

The Policy for acquiring art is to further develop the present strengths of the Collection, especially by seeking works that are of local, national and international significance. All artworks selected, acquired or commissioned by Council will contribute towards the development of a unique and distinctive collection and will give priority to acquiring works of art that satisfy one or more of the following scoping statements:

- 2.1.1. Relate to the Shoalhaven region, by Australian artists, particularly those who have a proven record of practice and development of their art form and who are represented in public collections or who have received recognition through awards and prizes
- 2.1.2. Build upon strengths and fill gaps in the current holdings of the Shoalhaven City Art Collection, as well as develop the representation of artists already held, in order to create a comprehensive, though specifically oriented, collection.
- 2.1.3. Artworks by local Indigenous artists, particularly those who have proven development and commitment to their art form or represent a significant group or time
- 2.1.4. To consider exceptions where the works are significant and relate to the current policy

**2.2. Background**

The Art Collection of Shoalhaven City Council has been gradually acquired over many years . The Shoalhaven Arts Board, after its inauguration in 1998, created Guidelines and a single Policy to inform acquisition. With the establishment of the Shoalhaven City Arts Centre in 2004, the Policy was amended to recognise the significant loans and donations added to the organisations collection.

In early 2008, Shoalhaven City Council's Art Collection was divided into two (2) separate Collections to distinguish between a primary Collection with works of significance titled “The

### Shoalhaven City Council Art Collection – Acquisition and Collection Management

Shoalhaven Regional Gallery Collection” and a secondary Collection with works of significance titled “The City Collection” which included gifts to the City of lesser artistic, historic or monetary value (as identified at the time of the audit).

The collection was brought back together in 2014 as the ‘Shoalhaven City Art Collection’ and following the purchase of Vernon Collection management system in 2016, the Collection is documented and available through the online collection platform on the Regional Gallery website.

Collecting activities are often cost prohibitive, however, the Collection does not seek to cover a complete range of art. Following an audit of both Collections conducted by external art consultants in 2012/13, the objective to define the focus of the Collection has led to the merger of both Collections and determined six (6) primary collecting areas:

1. Australian Landscape
2. War and Peacekeeping
3. Australian Contemporary
4. Indigenous
5. Secular and Religious
6. Ceramics

### **3. Provisions**

#### **3.1. General**

- 3.1.1. The Collection is managed by Council’s ~~Manager~~ Arts and Culture Director, Shoalhaven Regional Gallery
- 3.1.2. Council will contribute an annual budget allocation for adequate maintenance and acquisition of new works in the Shoalhaven City Art Collection. Unexpended annual funding will be accumulated in a suspense reserve to form a growing resource.
- 3.1.3. All works shall be placed on a database and insured in accordance with Council’s asset management plans and catalogued with details including title, image, size, and medium, artist, and provenance, date of acquisition, acquisition status, value, location and description.
- 3.1.4. The services of professionals in the field will be obtained for conservation, valuation, restoration and museum standard pest treatment.
- 3.1.5. “The Shoalhaven City Art Collection” will be stored at the Shoalhaven Regional Gallery, Nowra or as permanent exhibition throughout Council’s City Administrative Centre, Nowra, or in a separate suitable location as deemed necessary.
- 3.1.6. Acquisition of artworks will be directed by this Policy and the following considerations:
  - The artwork’s current and future relevance to the Collection
  - Local significance
  - Significance of the artist
  - Historical and/or cultural value
  - Cost and/or value for money
  - Available funding

**Shoalhaven City Council Art Collection – Acquisition and Collection Management**

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- Advantageous opportunities
  - Current and future conversation and storage needs against the resources available for the Collection.
- 3.1.7. Vendors / Donors will be informed that conditions or constraints applied to the donation which would affect the management and use of the object will not be accepted as part of the donation or bequest and that the artwork/s becomes the property of Shoalhaven City Council and subject to its prevailing Policy.
- 3.1.8. Council will ensure that the provenance of any works, whether purchased or donated, is fully established and that the vendor/donor is legally entitled to convey full title of the works to the Shoalhaven City Art Collection.
- 3.2. Gifts and Donations**
- 3.2.1. Artworks can be accepted into the Collection in the form of donations and bequests. The works must correspond with the details of the Collection Policy as part of acquisition procedure.
- 3.2.2. With consideration to insurance and risk requirements, artworks may be temporarily accepted by Council for the purposes of consideration of a donation or purchase, formal assessment of a work or to seek valuation of a work prior to acquisition.
- 3.2.3. The Shoalhaven Arts Board will accept donations and bequests under the Cultural Gifts Program which fulfil the requirement of the Collection Policy.
- 3.2.4. Objects outside the scope of this Policy and gifted to Council through national and international relations will be registered as Council assets in place of being accessioned.
- 3.2.5. On rare occasion, when a unique bequest, which falls beyond the general guidelines is offered, the Shoalhaven Arts Board may deliberate over the acceptance of such a bequest and its capacity to honour any stated provenance. In this event, the Shoalhaven Arts Board will make a special recommendation to be ratified by Council.
- 3.2.6. Donations of money, grants or art works will be receipted within the convention and standards of the Australian Taxation Act.
- 3.3. Loan Items**
- 3.3.1. Council's formal Artwork Loan Agreement is to clearly and contractually specify the conditions of any loan to or from the Collection and to be signed by relevant parties. The Agreement outlines detail relating to the term of loan, ownership, responsibilities, conservation, security, maintenance, insurance and date of return.
- 3.3.2. Items offered for loan are subject to the selection criteria and procedure contained in this Policy and do not warrant automatic inclusion into the Collection.
- 3.3.3. No loan of artworks will be accepted into Council's custody until such time as the matter has been formally considered and resolved by the Shoalhaven Arts Board to accept the works. Works accepted on loan will be maintained, insured and administered as collection items, however, Council does not own the items. Any valuation of the Art Collection should delineate between the value of the Collection owned as distinct from the value of the Collection administered. Works on loan for specific exhibition purposes are not included in this clause.
- 3.3.4. Works on loan should not be lent to other institutions or individuals without the written consent of the owner of the work.

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**Shoalhaven City Council Art Collection – Acquisition and Collection Management**

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3.3.5. Requests for loans of works from the Shoalhaven City Art Collection by other institutions for the purposes of exhibitions, research or other short-term projects are to be considered and approved / rejected by ~~the Manager – Arts and Culture Director, Shoalhaven Regional Gallery~~. The request, decision and rationale are to be reported to the Arts Board at the next available meeting.

**3.4. Conflict of Interest**

3.4.1. Acquisition of works for the Shoalhaven City Art Collection will be in accordance with this Policy. At all times, Council and Shoalhaven Arts Board members are to declare any conflict of interest prior to deliberations on the acquisition of artworks.

3.4.2. Purchase or acceptance of donations from current full-time Council officers or Shoalhaven Arts Board members will not ensue without first obtaining an independent valuation of the work and ratification from the responsible delegated Council authority.

**4. Procedures**

**4.1. Selection Procedure**

4.1.1. All proposed acquisitions, whether by purchase, gift, exchange or loan will be appraised by an Acquisition Sub-Committee comprising:

- A Councillor member as nominated by Council
- Manager – Arts and Culture, Shoalhaven City Council
- Two Shoalhaven Arts Board representatives (one with visual arts background) as nominated by the Board and
- An invited/co-opted member of the arts community who possesses knowledge of Australian Art

4.1.2. Acquisition appraisals will be consistent with this Policy.

4.1.3. Works not accepted into the Shoalhaven City Art Collection may be considered for inclusion and registration as a Council asset without being accessioned as part of the Collection.

4.1.4. The Sub-committee may present the opportunity for specialist outside expert comment on proposed acquisitions.

4.1.5. All proposals and recommendations shall be in a written report and will include details of:

- The artist's name
- Residential status
- The title and image of the work
- Date of execution
- Medium and size
- Method of acquisition
- The vendor or donor
- The provenance of the work
- Price, valuation or insurance value if a gift or a loan
- Current condition

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as well as a statement setting out the reasons for acquisition, its place in the collection and its merit as a work of art in its own right.

- 4.1.6. ~~The Manager – Arts and Culture~~ Director, Shoalhaven Regional Gallery, on the advice of the Arts Acquisition Sub-Committee, will present a recommendation to the Shoalhaven Arts Board for its consideration and adoption.
- 4.1.7. Acknowledging that some artwork is sacred and restricted, only works intended for public display or approved for display in consultation with appropriate representatives and communities will be considered for acquisition.
- 4.1.8. No acquisition will be made which compromises or jeopardises the financial viability of the Collection budget.
- 4.1.9. The Shoalhaven Arts Board will not accept any work which bears any unreasonable or inappropriate restrictions on its display, storage, maintenance and provenance.
- 4.1.10. The Board will be mindful of Australian or international laws or covenants that restrict or govern the acquisition of cultural material.

4.1.11 In the event that the Acquisition Sub-Committee does not meet for six (6) months, the Two Shoalhaven Arts Board representatives (one with visual arts background) may be replaced by art experts as determined by an EOJ process managed by the Director Shoalhaven regional Gallery.

4.1.10. 4.1.12 In the event that the Shoalhaven Arts Board does not meet for six (6) months, the recommendation will be considered for adoption by the Mayor and/or the CEO.

**4.2. Accession**

- 4.2.1. Newly acquired works are to be registered in the Collection Management System on receipt by the Shoalhaven Regional Gallery. Registration and catalogue data include:
- Issue of a unique identifier number
  - Photographic image of work
  - Information regarding materials, technique and provenance
- 4.2.2. File and document numbers of related documents such as Acquisition Agreement, Loan Agreement, Maintenance Schedule and Condition Report must also be entered into the database.

**4.3. Deaccessioning**

- 4.3.1. The process of removing or disposing of works in the collection, otherwise known as deaccessioning, will not be undertaken for any reason apart from:
- Lack of relevance to the Collection
  - Duplication of another object in the collection
  - Requirement of prohibitive conservation work and/or the work is beyond repair
  - The work has already been destroyed, lost or stolen
  - Cannot be suitably stored
  - Should be returned as restitution of cultural property
  - Subject to legislation which prevents Council holding title to it

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- 4.3.2. For deaccessioning to proceed, the Board must receive written recommendation and formally determine to deaccession the work. The report will clearly state the reason for disposal and include:
- Object unique identification number;
  - Description;
  - Photograph;
  - Advice on legal status (if available);
  - Any written specialist advice;
  - Impact the action would have on the collection; and
  - Suggested method of disposal
- 4.3.3. Where deaccessioning is approved the order of priorities for removing the work from the collection shall be:
- Donated works returned to the original donor / artist or next of kin
  - Donated works offered as a donation to another cultural institution, or works that were purchased are offered for sale to another cultural institution based on current valuation.
  - Works sold at auction and the proceeds of the sale reinvested into the collection acquisition fund.
- 4.3.4. For items that have already been destroyed, lost or stolen, the deaccessioning process must also be completed. The Board will then determine whether reasonable steps, if economically viable, have been taken to locate/recover /restore the work.
- 4.3.5. After a 2-month interval (cooling off period) works which have previously been presented to the Arts Board for deaccessioning and rejected, may be re-submitted for consideration and further determination by the Arts Board.
- 4.3.6. Where artworks have been donated to the collection, the donor, or where feasible the next of kin, should be offered the opportunity to have the work returned to them. All reasonable effort should be made to contact the donor or next of kin to discuss the deaccessioning of the work. Works purchased via a collective (group) donation do not fit this category.
- 4.3.7. Procedural guidelines for each method of disposal and/or removal of artworks must be clearly defined, implemented and proceed in full public knowledge. Evidence of compliance should be attached to deaccessioning documentation.
- 4.3.8. Archived records documenting deaccessioned work will be permanently stored within Council.

**5. Implementation**

The City [Lifestyles Development](#) Directorate of Council will administer this policy.

**6. Review**

To be reviewed within 1 year of the election of a new Council.

## 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.