

Ordinary Meeting

Meeting Date: Tuesday, 25 November, 2025

Location: Council Chambers, City Administrative Building, Bridge Road, Nowra

Time: 5.30pm

Membership (Quorum – 7)

Clr Patricia White – Mayor

Ward 1

Clr Matthew Norris

Clr Peter Wilkins - Deputy Mayor

Clr Selena Clancy - Assist. Deputy Mayor

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 Debbie Killian

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 Audio-Visual Attendance

6. Confirmation of Minutes

- Ordinary Meeting - 11 November 2025

7. Declaration of Interests

8. Presentation of Petitions

9. Mayoral Minute

Mayoral Minute

MM25.30 Mayoral Minute - Condolence Motion - Mr Robert Domm..... 1

10. Deputations and Presentations

- Presentation of Annual Financial Statements – 30 June 2025

11. Notices of Motion / Questions on Notice

Notices of Motion / Questions on Notice

CL25.396 Notice of Motion - Community Concerns about Banksia Street Closure 2

CL25.397 Notice of Motion - Place of Remembrance for Cambewarra..... 3

12. Call Over of the Business Paper

13. A Committee of the Whole (if necessary)

14. Committee Reports

Nil

15. Reports

City Performance

CL25.398 DPOP 2025-26 - Quarterly Performance and Budget Report (July - September) 12

CL25.399 Annual Report 2024-2025 and Audited Financial Statements for Year Ended 30 June 2025 23

CL25.400 Investment Report - October 2025 27

City Development

CL25.401 Further Report - Policy Review - Planning Agreement and Works in Kind Agreement (WIKAs) Policies 33

CL25.402 Further Report - New Land Use Planning Scheme - Strategic Planning Work Program - Continued Focus 35

CL25.403 Exhibition Outcomes and Proposed Finalisation: Draft Amendment to Shoalhaven Development Control Plan 2014 - 48 to 54 Paradise Beach Road, Sanctuary Point 55

Shoalhaven Water

CL25.404	Walking Floor Transportation Services - Soilco Pty Ltd	59
CL25.405	Tenders - Various Water Mains Replacement Package 5 FY25-26.....	61

16. Confidential ReportsReports

CCL25.30	Tenders - Various Water Mains Replacement Package 5 FY25-26
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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.

MM25.30 Mayoral Minute - Condolence Motion - Mr Robert Domm

HPERM Ref: D25/541551

Recommendation

That Council notes the passing of Mr Robert Domm, former Director City Futures Shoalhaven City Council and expresses condolences to his family and friends.

Details

It is with great sadness that we acknowledge the untimely passing of Mr Robert Domm, well-known and respected former Director City Futures, colleague and friend of many here at Shoalhaven City Council.

Robert came to Shoalhaven City Council as the Manager of our Southern Area Office in early 2019 and was later appointed as our initial Director City Futures under the previous structure of Council and left Council in late 2021 to return to Sydney.

Robert had an interesting and significant back story before he landed in Shoalhaven, including significantly, his role in the independence of East Timor.

He was the first freelance journalist to interview resistance leader, now Prime Minister, Kay Rala Xanana Gusmão in the mountains in 1990, courageously bringing the voice of its independence movement to the world.

In recognition of his contribution, he was awarded the Order of Timor-Leste in August 2014 reflecting the gratitude of that nation for his role in bringing their struggle to the world.

His career was full of highlights, he was the CEO of Sydney City Council and many other significant government and non-government bodies including Redfern-Waterloo Authority, Sydney Harbour Foreshore Authority, Australian Technology Park, Regional Facilities Auckland and Brewarrina Aboriginal Land Council.

Councillors and Council staff will have their own memories and stories of their time working with Robert, he loved a chat, had great story's, was generous and gave freely of his extensive time, knowledge, experience and advice.

He was very well respected by staff, and a great man to work with, he will be sorely missed by many.

On behalf of Shoalhaven City Council Councillors and staff, I extend my condolences to Robert's family and friends.

MM25.30

CL25.396 Notice of Motion - Community Concerns about Banksia Street Closure

HPERM Ref: D25/529841

Submitted by: Cllr Luciano Casmiri

Purpose / Summary

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

Recommendation

That Council

1. Notes the concerns of local residents about the closure of a section of Banksia Street in Vincentia for being reclassified as operational land.
2. Request that the NSW Government consider these concerns and do not proceed with the closure in light of the Council's decision.

Background

When taking into account the investment needed to make the land ready for sale, the legal costs and claims of compensation by landowners with authorised access, the return on the sale will not be great whilst the community will be losing a great asset that can be used for future generations and Council retaining the last open space along Elizabeth Drive in Vincentia with views and access to Jervis bay and lighthouse on point perpendicular.

CL25.396

CL25.397 Notice of Motion - Place of Remembrance for Cambewarra

HPERM Ref: D25/544554

Submitted by: Cllr Selena Clancy

Attachments:

1. Email to Acting CEO - 25 September 2025 - Place of Remembrance for Cambewarra [↓](#)
2. Submission from Cambewarra Residents & Ratepayers Association - Place of Remembrance Cambewarra [↓](#)
3. Concept Design [↓](#)
4. Site Plan [↓](#)
5. Email of Support from Cllr Clancy - 26 September 2025 [↓](#)

Purpose / Summary

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

Recommendation

That Shoalhaven City Council:

1. Notes the correspondence received from the Cambewarra Residents and Ratepayers Association (CRRA), dated 25 September 2025, requesting Council's consent for the development of a Place of Remembrance within Howell Faulks Park, Cambewarra Village.
2. Acknowledges that the project:
 - a. Has been developed as a community-led initiative under Council's Guidelines for Community-Led Projects;
 - b. Will commemorate the service of Cambewarra residents who have served in conflict, peacekeeping, and disaster recovery operations; and
 - c. Is to be delivered at no cost to Council, with initial sponsorship of \$5,000 and further funding to be sought through the Federal Government's Saluting Their Service program, RSL sub-branches, and community fundraising.
3. Formally endorses in principle the proposed Place of Remembrance for Cambewarra Village as detailed in the supporting documentation (Concept Design and Site Plan), attached to this Notice of Motion.
4. Provides in principle consent for the use of Howell Faulks Park (as shown on the Site Plan prepared by the CRRA, dated 24 September 2025), subject to staff review of design feasibility, safety, accessibility, and heritage considerations.
5. Requests that Council staff liaise with the CRRA to provide guidance on approvals, design integrity, and community consultation, ensuring that the project can proceed in accordance with Council's community led infrastructure processes.

Background

On 25 September 2025, the Cambewarra Residents and Ratepayers Association (CRRA) submitted a formal proposal (via email to the Acting Chief Executive Officer, Mr Brian Barrett)

CL25.397

seeking Council's consent to progress a Place of Remembrance within Howell Faulks Park, Cambewarra. The proposal was copied to the Mayor and Ward 1 Councillors.

As of the date of this Motion, no formal response has been provided to the CRRA's submission. Given the community significance of the project, and its full funding model through grants and community contribution, it is appropriate that Council now formally consider and support the proposal.

The Place of Remembrance will provide a focal point for civic observances such as ANZAC Day and Remembrance Day, creating a lasting tribute to Cambewarra's proud history of service and community resilience. The concept was adopted by the CRRA on 19 September 2025, with the attached Concept Design and Site Plan illustrating the proposed layout and preferred location within Howell Faulks Park.

The project aligns strongly with Shoalhaven City Council's Community Strategic Plan objectives relating to:

- Vibrant communities – promoting connection, belonging, and local pride;
- Places and spaces – supporting accessible and well-designed community infrastructure; and
- Governance and partnership – enabling community-led initiatives through collaboration.

No financial contribution is sought from Council.

Note by the CEO

The proposed initiative is considered appropriate for delivery as a community-led project. Comprehensive guidance regarding the process for lodging a community-led project through Council's online portal was provided to the CCB in August 2025. At this time, Council has not received a formal submission via the portal. Council raises no operational or strategic objection to the proposal and strongly encourages the CCB to submit an application through the prescribed process to facilitate assessment and progression in accordance with Council's governance and community engagement frameworks.

From: Lynne Allen [REDACTED]
Sent: Thursday, 25 September 2025 10:32 AM
To: Council Email <Council@shoalhaven.nsw.gov.au>

Subject: Attention Acting CEO Mr Brian Barrett

Mr Brian Barrett
A/g CEO
Shoalhaven City Council
PO Box 42
Nowra NSW 2541

Dear Brian

Please find attached a submission regarding a proposal to develop a Place of Remembrance in the village of Cambewarra to commemorate those who have served our nation in conflict, war and peacekeeping and who were born, grew- up or lived in Cambewarra and surrounding district. The proposal is being progressed by the Cambewarra Residents and Ratepayers Association, the recognised CCB for the Cambewarra community.

The Place of Remembrance will comprise a memorial wall and a flagpole with associated landscaping. It is proposed that this development be located in the village's most popular public recreation reserve, Howell Faulks Park at a location shown in the submission. As this is a Council reserve, Council's consent to this proposal is requested.

It is proposed to develop this piece of infrastructure at no cost to Council. Sponsorship of up to \$5000 has already been offered and funding will be sought from the Federal governments 'Saluting their Service' grants program. Additional funding will be sought from the returned Services League and, if necessary, the community itself. The estimated cost is in the order of \$25,000.

The project has the support of Cambewarrians. We trust the project receives the support of Council and an early indication of such support is requested.

regards

Lynne Allen

Secretary

Cambewarra Residents & Ratepayers Association

Cc The Mayor, Ward 1 Councillors

CAMBEWARRA RESIDENTS & RATEPAYERS ASSOCIATION



C/ 10 Goorama Drive
CAMBEWARRA NSW 2540

President: John Wells

Secretary: Lynne Allen

Treasurer: Wendy Gaudie

A PLACE OF REMEMBRANCE FOR CAMBEWARRA

THE PROPOSAL

The Cambewarra Residents and Ratepayers Association, a recognised Community Consultative Body of Shoalhaven City Council, has tasked its Heritage Sub-Committee to consider a suggestion to develop a place of remembrance within the Village to recognise the service of the Village and its District's citizens in wars, conflicts, peacekeeping and disaster recovery situations wherever and whenever occurring.

This submission is made in conformance with Council's Guidelines For Community - Led Projects. With regard to Cost, Complexity and Risk the project is considered to be low complexity, low cost and therefore eligible to be a community led project. It is, however, a project of significance to Council in that the Place of Remembrance is to be situated on Council land and require Council's consent.

ALIGNMENT WITH STRATEGIC PLANS

The project, which will involve the construction of a memorial or cenotaph at a popular community location, fulfills several requirements of Councils Community Strategic Planning framework in that it will provide a piece of infrastructure which will serve as a focus for community gatherings, engendering an opportunity for togetherness and interaction which to this point doesn't exist. It will create a sense of place, of contribution, of history, of commitment to a better, more harmonious and inclusive society in a Village and District which has had a long association with the armed and emergency services.

FINANCIAL IMPLICATIONS

The Association is investigating the various cost components of the proposed memorial (the design for which has not been finalised). But it will be a modest, elegant structure constructed of sandstone and masonry with bronze emplacements and some landscaping.

Preliminary enquiries of plaque suppliers and stonemasons suggest a cost of up to \$50,000 which, as indicated above classifies it as a low-risk project capable of being community led. In terms of funding sources, a sum of \$5000 has already been pledged by a sponsor. It is proposed to apply for a *Saluting their Service* grant from the Federal

Government and to approach State and local sub-branches of the Returned Services Associations, a process which has already commenced with positive responses to date.

There is also the possibility/opportunity for crowd funding from within the village-district. This would not be a first, and community pride/commitment suggest it would be successful.

NO COUNCIL FUNDING WILL BE REQUIRED.

Council assistance will be required to consider /approve this proposal, its location and consent for design and development.

JUSTIFICATION

The year 2030 will be the bicentenary of Cambewarra Village and District. Unlike many other villages and townships in the City of Shoalhaven, Cambewarra pre-dates Local Government in the region and perhaps for this reason had to be self-sufficient in providing community infrastructure. The Cambewarra School of Arts, for example, was developed and managed under a community trust arrangement, not as a Council Community Centre. Similarly, community sporting facilities, including the first cricket ground in the city (on private land) and tennis court were community built. The Village's non- denominational church was gifted to the village by the Berry family.

The village and district had its own council from the early 1900's to 1948.

And so, a culture of non- dependence on Council exists in the village perhaps more so than other areas of Shoalhaven.

However, Cambewarra has a stronger connection with the armed services than other areas in the Shoalhaven. The village was home to three tanneries in the 19th century- hence Tannery Road is a prominent village address. The tanned leather it produced was exported world- wide and was used extensively for saddlery and harness- including for the Australian Light Horse.

The Village has also been a preferred place of residence for very many service families, particularly Navy, with many residences either leased or owned by that branch of the services.

The depth of connection with HMAS Albatross is reflected in the merging of Cambewarra Cricket Club with Albatross Cricket Club in the 1970's. It became known as Cambetross Cricket Club.

It is understood- indeed it is inevitable -that over its approaching 200-year history that the village and district have had many men and women serve in the armed services and engaged in war, conflict, peacekeeping and disaster recovery. Although they are not known to the Association or general community by name, some may have paid the ultimate sacrifice. Of all the wonderful infrastructure our community has, it does not have a place of remembrance. No memorialisation. No recognition of this service – related part of our history. We wish to redress that.

FORM AND LOCATION

The Association wishes to construct a memorial/cenotaph structure which is simple and elegant. On it will be a statement of recognition and thankfulness for service, with no individual names. The inclusion of symbolic decoration will be considered.

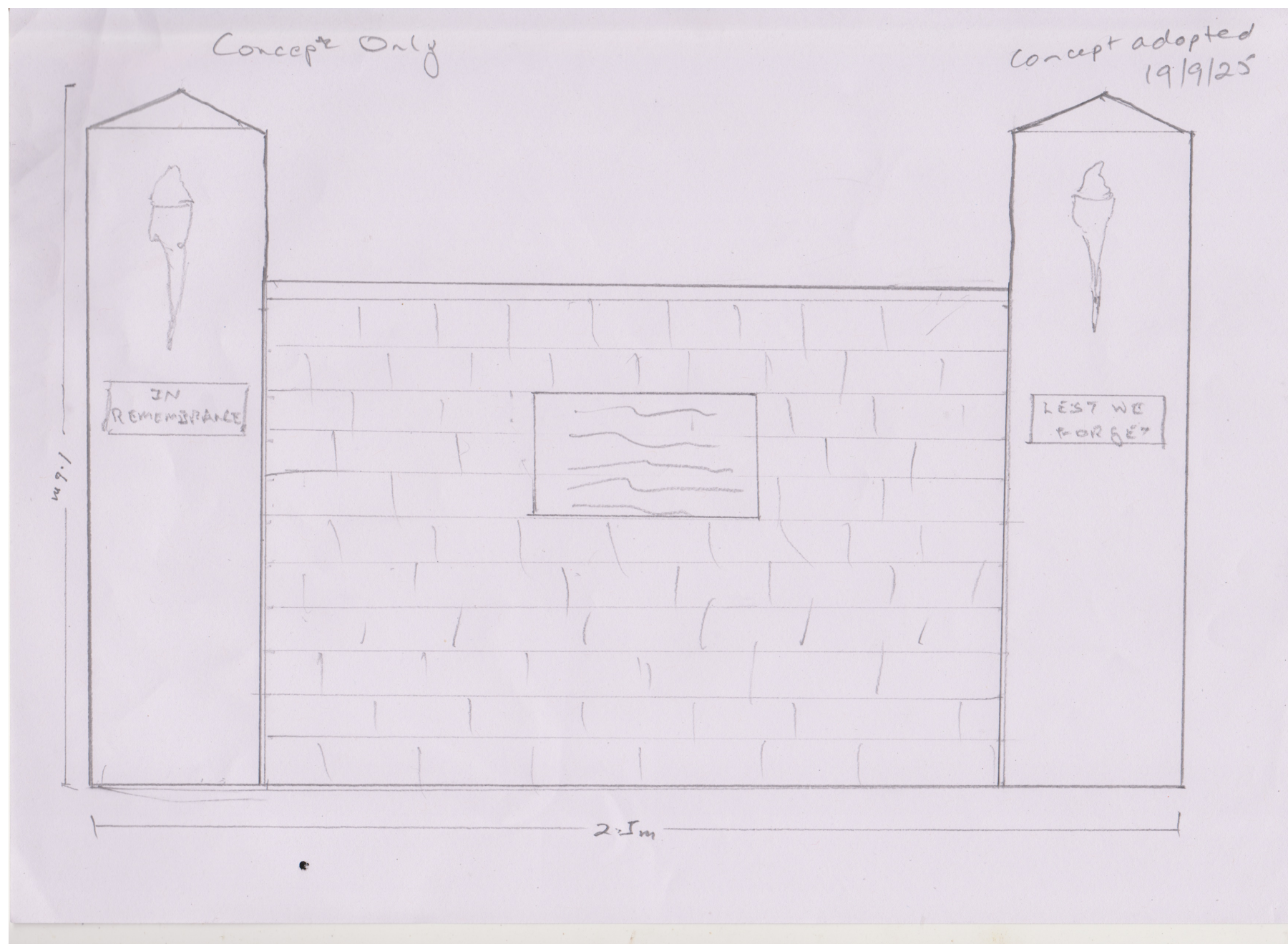
It is proposed the memorial be sited in the village's most popular and most visited park- Howell Faulks Reserve- a reserve which is well serviced with pathways, recreational and picnic facilities and is well vegetated. A preferred site within the park has been identified which has high visibility and capable of hosting services such as Remembrance or ANZAC days. Council's endorsement of this location is requested – see attachment 'A'.

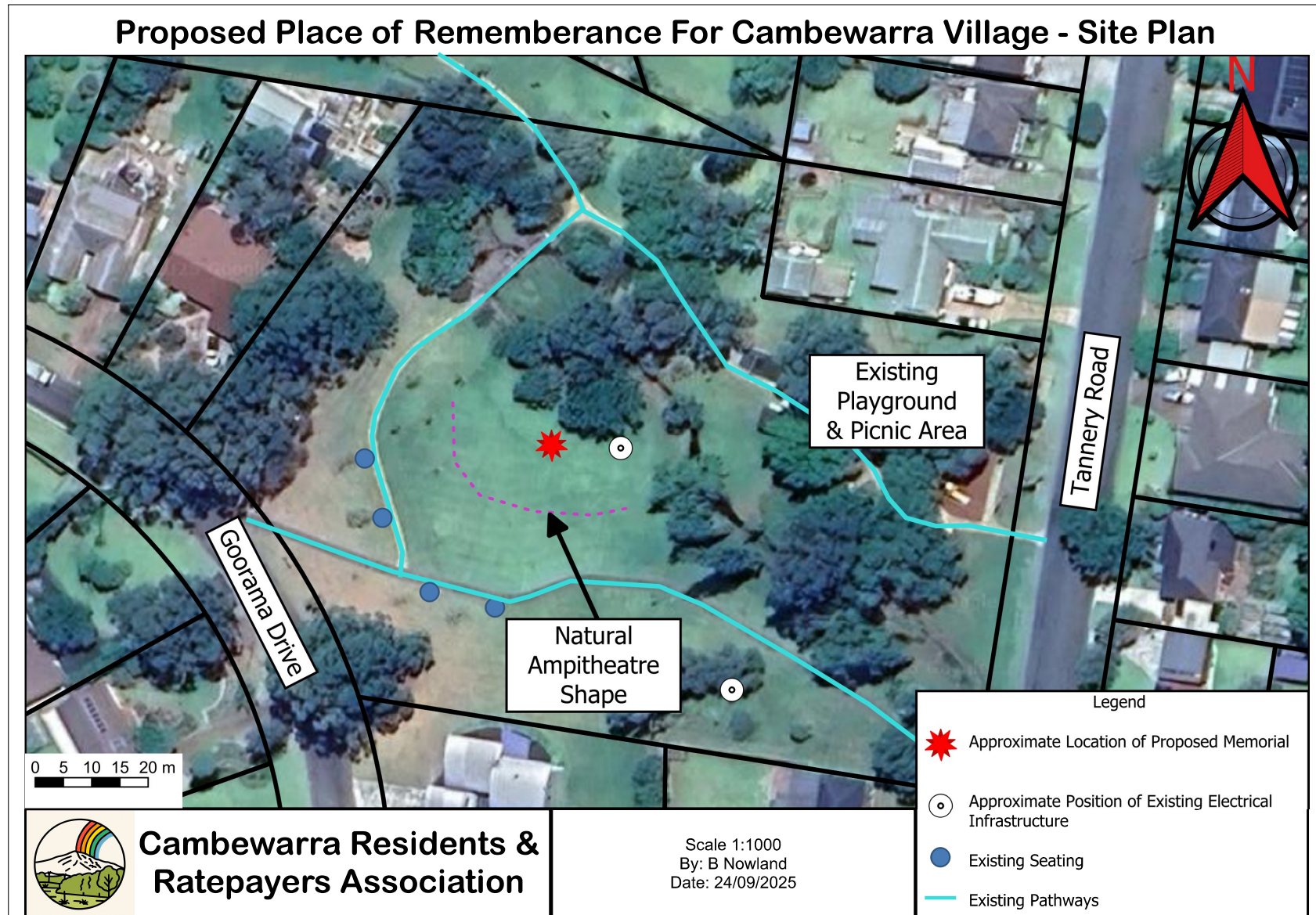
A couple of draft design options have been developed – these however need to be reviewed by a qualified monumental mason/ builder for feasibility/ costing/ structural integrity/ footing design, etc. See attachment 'B'

Quotations have been sought from a brass foundry and discussions held with a number of stone masonries. All are of the view that the proposal is feasible within the proposed budget. Discussions have also been held with RSL members and representations are underway with relevant government agencies.

CONCLUSION

The Association believes this proposal has considerable merit. We also believe the proposal has widespread community support. We ask Council to endorse the proposal and formally indicate its support.





On Fri, Sep 26, 2025 at 11:44 AM Selena Clancy
<Selena.Clancy@shoalhaven.nsw.gov.au> wrote:

Statement of Support – Cambewarra Place of Remembrance

Hi Brian,

I would like to provide my strong support for the proposal put forward by the Cambewarra Residents & Ratepayers Association to establish a Place of Remembrance within Howell Faulks Park, Cambewarra.

Cambewarra is one of the few Shoalhaven villages without a dedicated memorial or place of remembrance, creating an inequity compared to other communities across the region. From Berry and Huskisson to Sussex Inlet and Shoalhaven Heads, memorials play a vital role in providing spaces for reflection, commemoration, and civic gatherings. It is only fitting that Cambewarra, with its long history of service families and its connections to HMAS Albatross, should have a place of its own. The Cambewarra proposal is community-led, has demonstrated support from residents, and importantly requires no financial contribution from Council. Initial sponsorship of \$5,000 has already been secured, with further funding to be sought from the Federal Government's Saluting Their Service program, the RSL, and community contributions.

As a Councillor, I believe this project aligns strongly with Council's Community Strategic Plan, fosters civic pride and as a veteran, I believe it acknowledges the contributions of those who have served.

I also wish to formally request to be involved in the project's planning and consultation process, to ensure community and Council perspectives are well integrated.

I commend the Cambewarra Residents & Ratepayers Association for their leadership and encourage Council to provide its full support to this worthy initiative.

Kind regards,

Selena



Selena Clancy
Councillor - Ward 1
[0475308911](tel:0475308911)
Bridge Road (PO Box 42) Nowra NSW 2541
shoalhaven.nsw.gov.au

CL25.398 DPOP 2025-26 - Quarterly Performance and Budget Report (July - September)

HPERM Ref: D25/519927

Department: Customer & Community Services
Approver: Katie Buckman, Director - City Performance

Attachments:

1. DPOP Quarterly Performance Report - September 2025 (under separate cover) [⇒](#)
2. Quarterly Budget Report - September 2025 (under separate cover) [⇒](#)
3. Uncompleted Notices of Motion/Mayoral Minutes Report (under separate cover) [⇒](#)
4. Completed Notices of Motion/Mayoral Minutes Report (under separate cover) [⇒](#)
5. Sustainable Financial Futures Plan - September 2025 (under separate cover) [⇒](#)

Purpose:

The purpose of this report is to include the Quarter 1 performance report on the 2025-26 Delivery Program and Operational Plan and present the proposed budget adjustments in the September 2025 Quarterly Budget Review for adoption.

Recommendation

That Council:

1. Receive the September Quarterly Performance Report on the 2025-2029 Delivery Program and 2025-26 Operational Plan and publish on Council's website.
2. Receive the September 2025 Quarterly Budget Review Report.
3. Adopt the budget adjustments as outlined in the September 2025 Quarterly Budget Report Document.
4. Receive the Uncompleted and Completed Notices of Motion/Mayoral Minutes Reports.
5. Receive the September 2025 update of the Sustainable Financial Futures Plan and note the \$7.4 million operational savings achieved to date of the \$10 million savings target.

Background and Supplementary information

Section 404 of the Local Government Act 1993 requires the General Manager (Chief Executive Officer) to provide progress reports to the Council with respect to the principal activities detailed in the Delivery Program (Operational Plan) at least every 6 months. Furthermore, all councils must continue to consider a Quarterly Budget Review report.

Clause 203 of the Local Government (General) Regulation 2021 requires the Responsible Accounting Officer (Chief Financial Officer) to prepare and submit to the Council, a Quarterly Budget Review Statement that shows, by reference, the estimates of income and expenditure set out in the Operational Plan and a revised estimate of the income and expenditure for the full financial year.

CL25.398

The Responsible Accounting Officer is also required to report as to whether they believe the financial position of the Council is satisfactory, having regard to the original estimate of income and expenditure.

The September 2025 Quarterly Budget Review Statement (QBRs) includes an analysis of the year-to-date result and the reasons for the adjustments from the previously adopted budget by fund. Any proposed changes to the budget are included in the attached September Quarterly Budget Review Statement.

Summary of Delivery Program Operational Plan 2025-26 Q1 Performance

Table 1 below provides breakdown of performance as at 30 September 2025 across each of the key themes outlined in the Community Strategic Plan - Shoalhaven 2035.

Table 1: Action performance as at 30 September 2025 by Community Strategic Plan 2035 Theme area

CSP Pillar	Progress snapshot
Vibrant, active and safe communities	96% actions on track or completed
Sustainable environments and liveable communities	92% actions on track or completed
Resilient local economies and enabling infrastructure	82% actions on track or completed
Transparent leadership with good governance	95% actions on track or completed

Of the 122 DPOP actions, the following action has been rated as 'Completed' in the first quarter of the year:

- 4.1.1.01 – Annual review and update of Council's Workforce Plan to ensure strategies are updated and implemented

Key Highlights

Council has consistently delivered a range of services, projects and activities which work towards achieving the 14 priority areas outlined in Council's Delivery Program 2025-29. Performance comments are provided in the report against each of the 122 actions and related targets in Council's 2025-26 Operational Plan.

The complete DPOP Quarterly Performance Report (July - September) is included as **Attachment 1**.

Significant achievements between July and September 2025 include:

- The Shoalhaven Regional Gallery launched HOME, a new partnership with Art Gallery of NSW and the Department of Education Arts Unit, which included workshops with five primary schools across the Shoalhaven.
- Key initiatives undertaken to promote awareness of community access, inclusion, and accessibility needs included the NAIDOC Family Funday, the Doing It Tough Guide, the Thrive Together Pop-Up, the Disability Forum, and the Disability Expo.
- Council submitted 29 grant applications to external funding sources with 5 being successful and 23 applications still awaiting outcomes. The successful grants have brought in \$38,297 in additional funding to help deliver projects.
- Council supported four Precinct Teams (Berry, Huskisson, Sussex Inlet and Nowra) through the Uptown District Acceleration Program, each securing up to \$200,000 in funding support.

CL25.398

- Council hosted the annual NAIDOC Week Flag Raising event in early July, which involved community, staff and civic leaders. This year featured three performances by Aboriginal women's choir, Mudjingaal Yangamba and traditional dances by Doonooch and Gadhungal Marring. More than 100 people attended the event along with local media.
- Council held the opening of the Manyana Fire Station with the Mayor, local MPs and the local RFS representatives with more than 90 people attended.
- Shoalhaven Water carried out testing of our water supply and results have shown no detectable Per- and Polyfluoroalkyl Substances (PFAS) results.
- A number of Strategic WHS initiatives were implemented including Exclusion Zone safety audits conducted across four sites in addition to twenty-four inspections and site visits. The high-risk permit books have been successfully introduced, along with the Mental Health Mates program.
- At the Shoalhaven Animal Shelter, a total of 148 animals were adopted, with 12 subsequently returned, representing a return rate of 8.1% which is lower than the 10% target.

Requires Attention

Table 2 below outlines the six Action items that have been reported as 'requires attention' as at 30 September 2025. Full performance comments are in the attached report and remedial actions have been reported to senior management.

Table 2: DPOP Actions rated as 'requires attention' as at 30 September 2025

Ref.	Action	Quarter 1 Comment (summary) Full comments in attached report
2.1.1.02	Support organisational environmental due diligence	This action includes the completion of environmental assessments by Council's Land Management Unit to support the activities of Council. For this quarter, there were no Review of Environmental Factors (REF) completed. Land Management has also actively been involved in the DA referral process providing advice on biodiversity matters. 43 Development Application referrals were assessed in the last quarter and there was 6 pre-lodgement referrals completed.
2.2.1.04	Progress resolved Stage 2 work to prepare a new Land Use Planning Scheme for the City	Proposed adjusted approach to Stage 2 of the new Land Use Planning Scheme work reported to Council for consideration on 26 August 2025 - was deferred to a Councillor Workshop.
2.3.2.01	Undertake environmental health regulatory inspections to ensure compliance with legislative standards	The following Environmental Health inspections were completed during Quarter 1: 301 On-site sewage management systems 180 Food hygiene inspections 84 Skin penetration inspections 2 Underground petroleum storage systems 104 Construction sites audited for adequate sediment and erosion controls

CL25.398

Ref.	Action	Quarter 1 Comment (summary) Full comments in attached report
3.1.2.04	Progress work with the NSW Government and others to unlock the economic growth and employment generating opportunities of zoned but undeveloped land in the South Nowra Employment Precinct	Work has not progressed on the possible interim Development Control Plan due to other competing priorities. Also awaiting the release of the NSW Government's South Nowra Precinct Profile and Council to consider the priority of the new Land Use Planning Scheme work.
3.1.4.01	Drive off-season visitation to Shoalhaven with campaigns, partnerships and always-on marketing efforts in order to assist with providing year-round jobs, and increasing the value of the visitor economy	Data shows that visitor spend is down more than 30% for the year, although visitation remains stable. A reduction in funds for direct tourism marketing has decreased the engagement on shoalhaven.com from 218,000 views to 168,000 views compared to last year. Notably, however, Huskisson took out Gold in the Tiny Tourism Town category at the 2025 NSW Top Tourism Town awards, followed by Silver in the Tiny Tourism Town category at the 2025 national Australia's Top Tourism Town Awards.
4.2.1.05	Ensure currency of Council's Risk Management Framework	<p>The Risk Management Policy and Risk Appetite Statement require councillor approval. A survey was used to consult with Councillors on the risk appetite statement; however, feedback was limited. Report drafted for approval before next available council meeting to finalise approval process.</p> <p>The Risk Assessment Procedure was reviewed and updated in the first quarter, with additional detail included on control classifications now being used.</p> <p>The ERM Framework overview document is current, next review due in October 2026.</p> <p>The operational risk register is up to date. The Strategic risk register is to be reviewed in the next quarter, which will allow the new CEO time to survey the internal and external environment.</p> <p>ERM update report provided to Audit Risk & Improvement Committee in August 2025.</p>

CL25.398

On Hold

Table 3 below, outlines the three Action items that have been reported as 'on hold' as at 30 September 2025. Full performance comments are in the attached report and remedial actions have been reported to senior management.

Table 3: DPOP Actions rated as ‘on hold’ as at 30 September 2025

Ref.	Action	Quarter 1 Comment (summary) Full comments in attached report
1.2.2.02	Shoalhaven Libraries will create opportunities for diverse communities to be welcomed and celebrated in appropriate ways through a range of events	Library events are held at our main branches to create opportunities for diverse communities to be welcomed and celebrated for adults and children alike. Due to staff shortages some events and programmes have been changed to self-directed which in some instances have seen reduced number of participants.
3.1.2.07	Formulate and implement the Nowra Key Moves Action Plan to support the rejuvenation of Nowra City Centre	Initial Executive Leadership Team (ELT) briefing and Councillor briefing complete. Currently on hold due to staffing capacities and waiting for alignment with State Government led project.
4.1.1.19	Develop a fair and equitable rating system that also improves Council’s financial sustainability	A detailed analysis of Council’s rating system and different rating categories is required to determine the changes required to make it more equitable. Staffing vacancies in the area of Rates and Revenue have impacted progress on this task.

CL25.398

The remaining 112 actions are rated as ‘On Track’.

September 2025 Quarterly Budget Results Overview

During the quarter Council’s Annual Financial Statements were prepared and were presented to Council for referral to the NSW Audit office. The external audit commenced the following week (10 September 2025) and was finalised by the 31 October 2025 deadline.

Council’s Financial Sustainability Review (FSR) project progressed during the quarter, delivering \$942K cash savings through the sale of underutilised fleet assets and associated operational cost reductions.

The budgeted consolidated operating result has improved from \$1.4M in deficit in the original adopted DPOP to \$1.4M in surplus at this quarter, mainly due to operational carry forwards from 2024-25 financial year.

Council’s unrestricted cash position has continued to improve. At 30 September 2025, Council’s grants spent in advance balance has reduced to \$3.8M, mainly due to the receipt of \$6.4M for Natural Disaster projects. The unrestricted cash balance is in surplus at \$5.8M, eliminating the need to draw on internal restrictions to cover grants spent in advance. This improvement is primarily driven by operational savings of \$7M identified in the Sustainable Financial Futures Plan and a slower rate of capital works expenditure (9.3% of the full-year budget spent this quarter). However, growth in unrestricted cash is expected to moderate next quarter due to costs associated with the recent organisational restructure implemented on 27 October 2025, an increase in general fund capital spend, and scheduled loan repayments in December 2025.

Preliminary General Fund Year End Results and Quarterly Review Movements

General Fund

Council's General Fund original budget for 2025-26 was projecting a deficit before capital of \$18.5M or an Operating Performance Ratio of negative 6%. This quarterly review has identified an improvement in Council's projected General Fund's deficit as a result of projects carried forward from 2024-25 financial year. These are mainly incomplete operational works in Natural Disasters, Coastal Management, Floodplain Management and the Shoalhaven Riverfront. The revised projected General Fund deficit is \$16.4M or Operating Performance Ratio of negative 5.4%.

This quarter has identified \$942K savings through plant and fleet review as part of Council's Sustainable Financial Futures Plan. This includes the sale proceeds for underutilised fleet assets and associated operational cost savings, which have been transferred to the Financial Sustainability Reserve.

The following table presents a high-level summary of the budget and movements for the General Fund for Quarter 1 2025-26:

Table 4: General Fund budget movements for Quarter 1 2025/26

(\$'000) Favourable / (Unfavourable)	Current Adopted Budget	Carry Forwards and QR adjustments	September QR Revised Budget	YTD Actuals
Net Operating Result	9,276	16,996	26,273	110,972
Net Operating Result before Capital Grants & Contributions	-18,508	2,137	-16,372	102,505

Finance is closely monitoring actual expenditure across Council. The improvements in financial culture, which have been embedded throughout the organisation over the previous 24 months, have resulted in improved fiscal outcome for the organisation. YTD expenditure is \$64.1M compared to a full year revised budget of \$284.7M – this represents 22.6% of the full year budget and is an appropriate year to date spend.

Whilst YTD actual employee costs are currently 21.5% of full year budget, seasonal casuals will be employed during November to March to service the community during peak summer season. Council's employee costs budget is phased for this seasonal trend and therefore at 30 September 2025, actual YTD employee cost are \$22.3M, compared to a YTD Budget of \$24.4M. High vacancy levels have contributed to salary savings this quarter; however, these savings will be allocated to cover costs associated with the organisational restructure implemented on 27 October 2025. Budget adjustments reflecting this change will be included in the October - December 2025 Quarterly Review (QBR 2).

Materials and services YTD expenditure represents 23.4% of the full year budget, which is on track to finish the financial year within budget.

Other Expenses are behind budget (10.5% spent of the full year budget) due to the timing of Waste Levy payments. It is expected that the full year budget will be achieved by the end of the financial year.

Following the completion of the external audit, and the receipt of an unqualified audit opinion from the NSW Audit Office, the updated fair value of Council assets is known. As such, depreciation forecast will be revised in QBR 2.

CL25.398

Income is on track to meet the full year forecast. Whilst user fees and charges are 21.5% received YTD, this is due to the seasonality of income earned at Holiday Haven and through aquatic centres which will spike over the summer months.

The original budget was built on the assumption that there would be a net surplus movement of \$18M in unrestricted cash. The forecast unrestricted cash position at this quarter is revised down by \$1.2M, mainly due to the carry forward of general fund contributions to grant funded projects.

Performance Measures

The revised forecasts of the Office of Local Government (OLG) performance measures for the 2025-26 financial year are detailed in **Table 5** below.

Table 5: Revised forecast of OLG Performance Measures

Ratio	September revised forecast	Benchmark	Pass/Not Met	State average 23/24
Operating Performance Ratio	-5.4%	>0%	Not Met	1.1%
Own Source Revenue Ratio	81.5%	>60%	Pass	58.6%
Debt Service Cover Ratio	2.71	>2.00	Pass	26.89
Infrastructure Renewal Ratio	75.31%	100%	Not Met	130%

CL25.398

Cash and Investments

Council held \$266M in cash and investments at 30 September 2025. This is split between amounts externally restricted, internally restricted, and amounts unrestricted. Council's cash and investments are reported in **Attachment 2** – Quarterly Budget Review Report - September 2025.

Preliminary Water Fund Year End Results and Quarterly Review Movements

Council's Water Fund original budget for the 2025–26 financial year forecasted a surplus before capital of \$3.6M, equating to an Operating Performance Ratio of 7.72%. The current quarterly review indicates an improved financial position, with the projected surplus increasing to \$4.2M and the Operating Performance Ratio rising to 8.9%.

The improved financial position is primarily driven by a \$116K increase in water availability charges, which exceeded initial projections, along with a \$750K rise in residential water usage revenue. These positive movements were partially offset by declines in industrial and non-residential water usage charges, totalling \$325K and \$162K respectively. Additionally, overall expenditure has decreased by \$30K. This net reduction reflects a \$60K increase in contract costs associated with new proposed software, offset by a \$91K decrease in corporate overhead charges.

The following table presents a high-level summary of the budget and movements for the Water Fund for Quarter 1 2025-26:

Table 6: Water Fund budget movements for 2025/26

(\$'000) Favourable / (Unfavourable)	Current Adopted Budget	Carry Forwards and QR adjustments	September QR Revised Budget	YTD Actuals
Net Operating Result	14,987	1,223	16,210	880
Net Operating Result before Capital Grants & Contributions	3,637	635	4,273	646

Preliminary Sewer Fund Year End Results and Quarterly Review Movements

The original budget for Council's Sewer Fund in the 2025–26 financial year projected a surplus before capital of \$15.01M, corresponding to an Operating Performance Ratio of 20.68%. Following the latest quarterly review, this position has slightly improved, with the surplus now projected at \$15.02M and the Operating Performance Ratio at 20.7%.

The marginal improvement is driven by a slight reduction in internal income and internal expenditure, and a minor increase in contract costs. The decline in internal plant hire income is due to the sale of vehicles that are not getting replaced. Additionally, operating expenditure has increased due to the costs associated with new proposed software. However, this has been partially offset by a \$90K reduction in internal costs resulting from adjustments to the overhead model.

The following table presents a high-level summary of the budget and movements for the Sewer Fund for Quarter 1 2025-26:

Table 7: Sewer Fund budget movements for 2025/26

(\$'000) Favourable / (Unfavourable)	Current Adopted Budget	Carry Forwards and QR adjustments	September QR Revised Budget	YTD Actuals
Net Operating Result	17,037	11	17,047	4,574
Net Operating Result before Capital Grants & Contributions	15,012	11	15,022	4,145

Capital Projects Progress Overview

The adopted 2025-26 capital works program included 243 projects with a total capital works program of \$138M consisting of:

- 213 General Fund projects totalling \$69.8M
- 20 Water and Sewer Reserve projects totalling \$59.3M
- 10 Waste Reserve projects totalling \$8.9M

The proposed revised program including carry forwards and revotes (more details below) consists of 365 projects with a total capital works program of \$152.1M consisting of:

- 328 General Fund projects totalling \$76.6M
- 22 Water and Sewer Reserve projects totalling \$65M
- 15 Waste Reserve projects totalling \$11.1M

CL25.398

The 2025-26 capital works program is \$14.1M spent in total comprising 10% of the program and consisting of:

- \$7.6M General Fund projects (10% Spent)
- \$4.8 Water and Sewer Reserve projects (7% Spent)
- \$1.6M Waste Reserve projects (14% Spent)

The General Fund portion (unrestricted cash) of the program is \$6.8M representing only 4.5% of the total program.

FY 2024-25 Carry Forwards to be adopted

A carry forward is a capital project which was budgeted for in the 2024-25 financial year but was not completed by 30 June 2025.

Council has reviewed the adopted FY 2025-26 capital works program and considered the following:

Inclusion of carry forwards from the 2024-25 financial year capital works program into the 2025-26 financial year program totalling \$14.7M.

- Carry forward are as follows
 - General Fund carry forwards of \$6.9M
 - Water & Sewer Reserve carry forwards of \$4.9M
 - Waste Reserve carry forwards of \$2.9M
- Significant Projects contributing to the General Fund and Waste Reserve carry forwards are:
 - Materials Recovery Facility Project - \$1.67M (Waste Reserve)
 - Murrumurang Rd SUP - \$538K (General Fund)
 - 4 McIntyre Way fit out - \$522K (General Fund)
 - The Wool Rd Culvert - \$420K (General Fund)

A resolution was passed 29 January 2024 (MIN24.44) following the recommendation of the finance review committee to reduce carry forwards to below \$10M of the total capital program. The total carry forward value of \$14.7M represented 10.6% of the revised 2024-25 budget, this has been a significant improvement over the previous year, which saw a total of \$56.5M carried forward. While the \$10M target was exceeded, the significant reduction of carry forwards can be attributed to improved project planning, readiness review, and project management that has been achieved through the establishment of the Enterprise Project Management Office (ePMO) and a centralised Project Delivery unit. While carry forwards are a necessary feature of the budgeting process, critical to ensuring annual budgets are not exceed, it is expected that further reductions can be achieved in future as legacy projects initiated prior to the implementation of the ePMO are closed out and newly implemented project management processes continue to mature.

The ePMO is continuing to actively monitor spend in accordance with Project Manager's forecasts. In coming months, a detailed review will be conducted into the appropriateness of budget phasing and project deliverability to further improve budget forecasting and reduce exposure to carry forwards in 2026-27.

Financial Sustainability Productivity and Efficiency Update

Significant progress has been made against the Sustainable Financial Futures Plan (SFFP), which was introduced in December 2024 to provide a clear commitment to deliver \$10 million in operational savings over the next four years.

As at 30 September 2025, \$7.4m in general fund operational savings has been achieved, through:

- Increasing revenue through a review of fees and charges, resulting in an additional \$500,000 in the adopted 2025-26 budget.
- Decreasing operating costs, through implementation of staff efficiency ideas (3% challenge), resulting in a reduction of department budgets of \$1.1 million from general fund budgets.
- Reduction in employee costs of \$5.1 million, through structural reform designed to:
 - Centralise – Consolidate functions to reduce duplication and double handling.
 - Simplify – Streamline priorities, processes, and systems.
 - Drive sustainability - Reduce costs, manage risks, and build organisational capacity.
- Reduction in general fund plant and fleet operating costs of \$414,731, delivered through a reduction in plant and fleet held across Council.
- Review of our facilities operating hours, resulting in an ongoing saving of \$286,158 per annum.

Any further savings achieved in 2025-26 will be reported in future Quarterly Budget Reports.

The 2026-27 draft budget will identify a minimum of \$1 million in savings to continue Council's commitment to save \$10 million in operating costs over four years.

This quarter, \$942K has been added to the Financial Sustainability Reserve, through actions resulting from the plant and fleet service review:

- \$527,012 sale proceeds from plant and fleet sold in 2025-26 year to date (one-off cash)
- \$414,731 ongoing operational savings from holding less plant and fleet (savings will be built into 2026-27 draft budget)

Council continues to implement actions under the Sustainable Financial Futures Plan and, as of the end of September 2025, has completed 42 out of 75 actions. See **Attachment 5 - Sustainable Financial Futures Plan - September 2025** for more information on Council's progress towards a sustainable financial future.

Quarterly Notices of Motion Reports

The full report of Uncompleted and Completed Notices of Motion's have been attached as **Attachment 3** and **Attachment 4**, respectively.

Risk Implications

The first quarter of the 2025–26 financial year has tracked well, supported by salary savings and the achievement of \$7M in operational efficiencies, which have contributed to an improved unrestricted cash position as at 30 September 2025. However, key challenges remain. The success of planned land sales, the financial impact of the recent organisational restructure, and anticipated growth in capital expenditure will place pressure on Council's unrestricted cash position in the coming months.

CL25.398

Internal Consultations

Council staff from across the organisation have provided information to compile the report.

External Consultations

No external parties were consulted to produce this report.

Community Consultations

The community is consulted via public exhibition as part of the development of the DPOP and Budget each year.

Subject to Council's endorsement, the Quarterly Performance report will be made available on Council's website. A range of other communication methods may also be used to communicate the outcomes of the report including performance highlights across Council's social media platforms.

Policy and Statutory Implications

There are no policy implications.

Financial Implications

The proposed changes result in a forecast unrestricted cash balance as at 30 June 2026 of \$21M. The budgeted general fund operational and capital expenditures do not exceed the general revenue and available internal and external restrictions of the Council and consequently the adjustments conform to the requirement of no cash deficit budgeting.

CL25.398

CL25.399 Annual Report 2024-2025 and Audited Financial Statements for Year Ended 30 June 2025

HPERM Ref: D25/522833

Department: Customer & Community Services
Approver: Katie Buckman, Director - City Performance

Attachments:

1. Annual Report 2024-2025 - Section 1 (under separate cover) [⇒](#)
2. Annual Report 2024-2025 - Section 2 (under separate cover) [⇒](#)
3. Annual Financial Statements 2024-2025 (under separate cover) [⇒](#)
4. Annual Report 2024-2025 - Summary (under separate cover) [⇒](#)

Purpose:

The purpose of this report is to present the Shoalhaven City Council Annual Report 2024-2025 and the audited Financial Statements for the year ended 30 June 2025.

Recommendation

That Council:

1. Receive and endorse the Shoalhaven City Council Annual Report 2024-2025.
2. Receive and note the presentation of the audited financial statements for the year ended 30 June 2025.

Background

The Annual Report 2024-2025 has been prepared as per the requirements under the Local Government Act 1993 consisting of the following sections:

Section 1 – Delivery Program and Operational Plan Performance 2024-2025

This section includes a report on Council's achievements in implementing the 2022-26 Delivery Program. The report outlines the key highlights, performance comments and status as of 30 June 2025 against each of the actions from the 2024-2025 Delivery Program Operational Plan (DPOP). The 135 deliverables set by Council in our 2024-2025 DPOP represents our services, key projects and works program. The final performance showed that 88% of actions we set out to achieve were rated as 'completed' or 'on track'. The remaining 12% were rated as on hold, requires attention or deferred as of 30 June 2025.

Key Highlights

- Council continued its focus on Financial Sustainability with the introduction of the Sustainable Financial Futures Plan (SFFP) and the completion of 40 of the 75 key actions that improve Council's financial, project and asset management. A Financial Sustainability Reserve was created to hold the organisation's cost savings, which sits at \$4.1 million at 30 June 2025.
- Endorsed our inaugural Reflect Reconciliation Action Plan (RAP), which sets out Council's commitments and includes 49 targeted actions to strengthen relationships, demonstrate respect and provide opportunities for Council to work more collaboratively with Aboriginal and Torres Strait Islander communities.

- Over \$114.3M of capital works were undertaken as part of our ongoing program of improvements to our roads, footpaths, cycleways, waterways infrastructure, and community sports facilities. Highlights from across the Shoalhaven include:
 - The construction of a new collector road and shared path in North Nowra – Bannada Way
 - The completion of the Lake Conjola RFS Station Upgrade
 - Rehabilitation of Lake Conjola Entrance Road
 - Construction of Basin Walk betterment, Sanctuary Point
 - Remediation of Kangaroo Valley Road
 - Completion of the Flinders Industrial Area Stage 11 subdivision
 - Upgrades to the Ulladulla Headland Trails (Commee Nulunga)
- 26 successful grants that have brought in over \$3.2M in additional funding to help deliver projects to the community. Six successful Regional Event Fund grant applications securing over \$100,000 from Destination NSW through advocating and supporting events coming to Shoalhaven.
- In collaboration with a specialist disability provider, Council developed resources to support staff and community members organising inclusive and accessible events.
- Initiatives which support and foster connections in the community ranged from Thrive Together Pop Ups, ClubGRANTS 2025, NAIDOC Awards Committee, Youth Week, Disability Forum and Doing It Tough Guide.

CL25.399

Measuring Progress - Are we making a difference?

Annual progress towards achieving the Community Strategic Plan (CSP) objectives are included under each theme in the Annual Report 2024-2025 Section 1 in a page titled '*How we're doing*'. These measures were established alongside the adoption of the CSP in 2022.

A full analysis of progress against the indicators were undertaken as part of the compilation of the 'State of the City' report, which was presented to Council on 28 October 2024 ([CL24.292 State of our City Report](#)).

A copy of the Annual Report 2024-2025 Section 1 is included as Attachment 1.

Section 2 – Additional Local Government Act reporting requirements 2024-2025

This section of the report includes information that is prescribed by the Local Government (General) Regulation 2021. This includes details of contributions and donations, contracts, legal proceedings, public interest disclosures, planning agreements, Companion Animals Act reporting and progress on implementation of Council's Disability Inclusion Action Plan.

A copy of the Annual Report 2024-2025 Section 2 is included as Attachment 2.

Section 3 – Annual Financial Statements 2024-2025

This section includes the audited Financial Statements for the year ended 30 June 2025.

The Audit Office of New South Wales have completed the audit for the year ended 30 June 2025 and have issued their Independent Auditor's Report and Report on the Conduct of the Audit in accordance with Section 417 of the *Local Government Act 1993*.

Council received an unqualified audit opinion on the general purpose financial statements, special purpose financial statements and the special schedule for permissible income for general rates.

The audited Financial Statements were lodged with the Office of Local Government by the statutory due date of 31 October 2025. In accordance with Section 418 of the *Local*

Government Act 1993, Council advised the public on 17 November 2025 that the audited Financial Statements and the Independent Auditors Reports will be presented to Council at its meeting on 25 November 2025.

In accordance with Section 420 of the *Local Government Act 1993*, any person may make a submission in writing to Council with respect to the audited Financial Statements and/or the Independent Auditor's Report. Submissions were invited from the public and will be received until close of business on 2 December 2025. All submissions received must be forwarded to Council's auditor.

The audited Financial Statements have been available on Council's website and printed copies have been available at the Nowra City Administration Building, Ulladulla Branch office, Nowra library and Ulladulla library.

The audited Financial Statements, which include the Independent Auditor's Report and Report on the Conduct of the Audit, are provided as Section 3 of the Annual Report and included at [Attachment 3](#).

Council's auditor, Ms Min Lee from the Audit Office of New South Wales, has accepted an invitation to provide comments and answer questions from the elected councillors on Council's audited Financial Statements and the Independent Auditor's Report for the year ended 30 June 2025 at the 25 November 2025 Council meeting.

Some of the key financial data from the audited Financial Statements for the period ended 30 June 2025 are listed in the table below, with comparatives from the year ended 30 June 2024.

Comparative Year Ending Data

	2024/25 \$'000	2023/24 \$'000
Total income from continuing operations	418,722	439,478
Total expenses from continuing operations	344,431	355,219
Operating result continuing operations	74,291	84,259
Operating result before capital grants and contributions	(1,242)	(40,499)

Financial highlights include:

- Council has reduced total borrowings by \$17.93M from 2024 to 2025 by meeting existing commitments and reducing Council's reliance on new borrowings to fund capital works.
- Council's ability to meet its short-term obligations has improved over the last 12 months, with our unrestricted current ratio improving from 1.08 to 1.68. The benchmark set by the Office of Local Government is for this ratio to be greater than 1.5.
- Council's non-externally restricted cash position has increased over the past 12 months by \$13.4M from \$35.9M in 2024 to \$49.3M in 2025.
- A thorough inspection of Council's 1,900km road network revealed the condition of the network, resulting in a financial write down of \$278M in the value of our transport assets.
- For the year ended 30 June 2025, \$11.3M had been achieved from the sale of 12 land parcels across the Shoalhaven.

Risk Implications

There are no additional risk implications.

Internal Consultations

Council highlights and indicator data were provided by teams from across the organisation.

The Audit, Risk and Improvement Advisory Committee reviewed the draft Financial Statements and provided feedback.

External Consultations

The Audit Office of New South Wales was engaged to complete the external audit.

Community Consultations

The Annual Report will be made available on Council's website and a link to the report will be promoted through Council's newsletter. A range of other methods will also be used to communicate the outcomes of Council's 2024-2025 performance highlights including across Council's social media platforms.

A Summary Annual Report 2024-2025 has also been developed. This will provide a more accessible version for distribution to our community. The summary report is included as [Attachment 4](#).

In accordance with Section 420 of the *Local Government Act* 1993, any person may make a submission in writing to Council with respect to the audited Financial Statements and/or the Independent Auditor's Report. Submissions will be received until close of business on 2 December 2025.

Policy and Statutory Implications

The Annual Report is an essential element of Integrated Planning and Reporting Framework.

As stated in the Independent Auditor's Report prepared by the Audit Office of New South Wales, Council's accounting records have been kept in accordance with the requirements of the *Local Government Act* 1993, Chapter 13 Part 3 Division 2 (the Division).

Financial Implications

The audited Financial Statements provide details on Council's financial performance during 2024-25 along with its financial position as of 30 June 2025.

CL25.400 Investment Report - October 2025

HPERM Ref: D25/524928

Department: Finance

Approver: Katie Buckman, Director - City Performance

Attachments: 1. Monthly Investment Review (under separate cover) [⇒](#)
2. Statement of Investments as at 31 October 2025 (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 4.54% per annum for the month of October 2025, outperforming the benchmark Aus Bond Bank Bill Index (3.55%p.a.) by 99 basis points (0.99%).

Recommendation

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

Background

Investment Portfolio

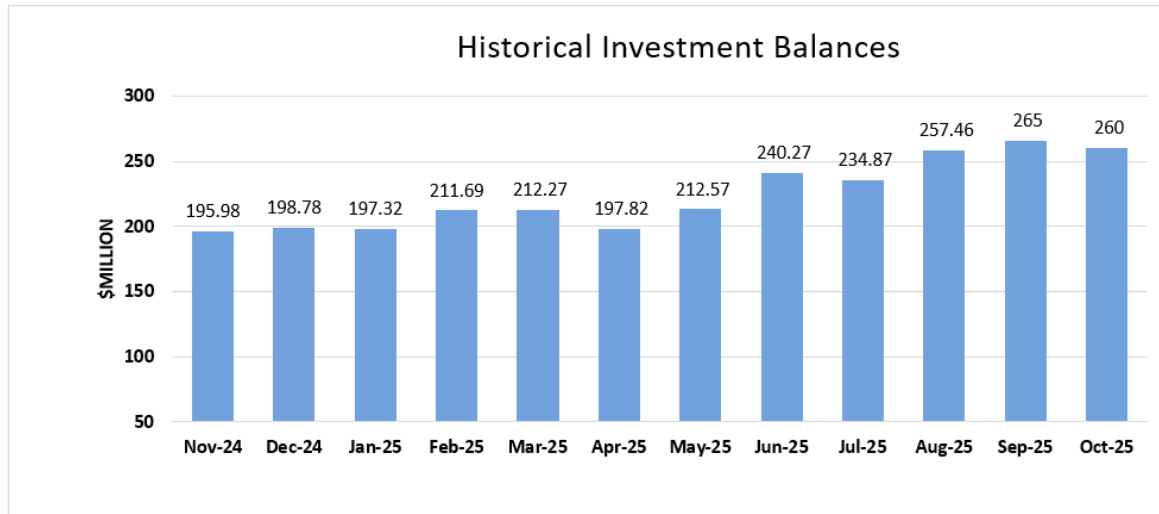
Council's investment balance as of 31 October 2025 was \$260 million and consisted of the following types of investments:

Investment type	Invested (\$)
Cash	46,790,726
Term Deposits	172,000,000
Floating rate notes	39,550,000
Bond	2,000,000
Total	260,340,726

The details of each investment held by Council on 31 October 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. The timing of expenditures and receipt of grant funds fluctuates throughout the year, leading to monthly variations in the overall balance. The \$5 million decline in the investment portfolio is primarily due to the Council's debt servicing requirements.

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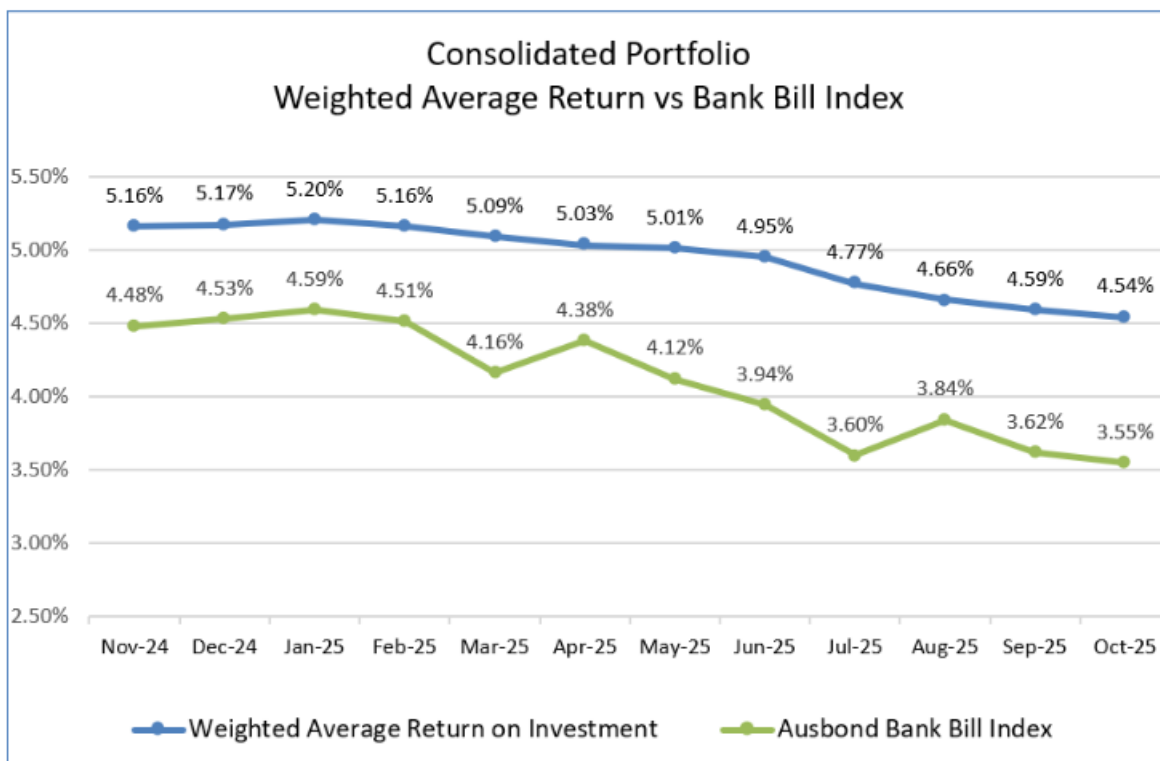


Portfolio Return

For the month of October, the total investment returns were a positive 4.54% p.a. outperforming Aus Bond Bank Bill Index (3.55%) by 99 basis points.

Investments

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



CL25.400

Investment Interest Earned – October 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 October 2025.

Table 1 - Interest Earned for the Month of October 2025

Fund	Monthly Budget \$	Actual Earned \$	Difference \$
General	454,713	595,219	140,506
Water	175,045	218,247	43,202
Sewer	113,691	178,566	64,875
Total	743,449	992,032	248,583

The interest earned for the month of October, was \$992,032 compared to the monthly budget of \$743,449.

Investment Interest Earned - Year to Date

Table 2 below, demonstrates how the actual amount of interest earned year to date has performed against the 2025/26 budget.

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

Fund	Total Annual Budget \$	Actual YTD \$	% Achieved
General	5,353,884	2,211,053	41%
Water	2,061,012	827,496	40%
Sewer	1,338,624	602,391	45%
Total	8,753,520	3,640,940	42%

The cumulative interest earned for the year (July to October) was \$3,640,940 which is 42% of the current full year total annual budget.

The interest earned in the general fund of \$2,211,053 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 \$561,271 and Domestic Waste Management reserves is \$346,118 to the end of October. This leaves \$1,303,664 which is unrestricted.

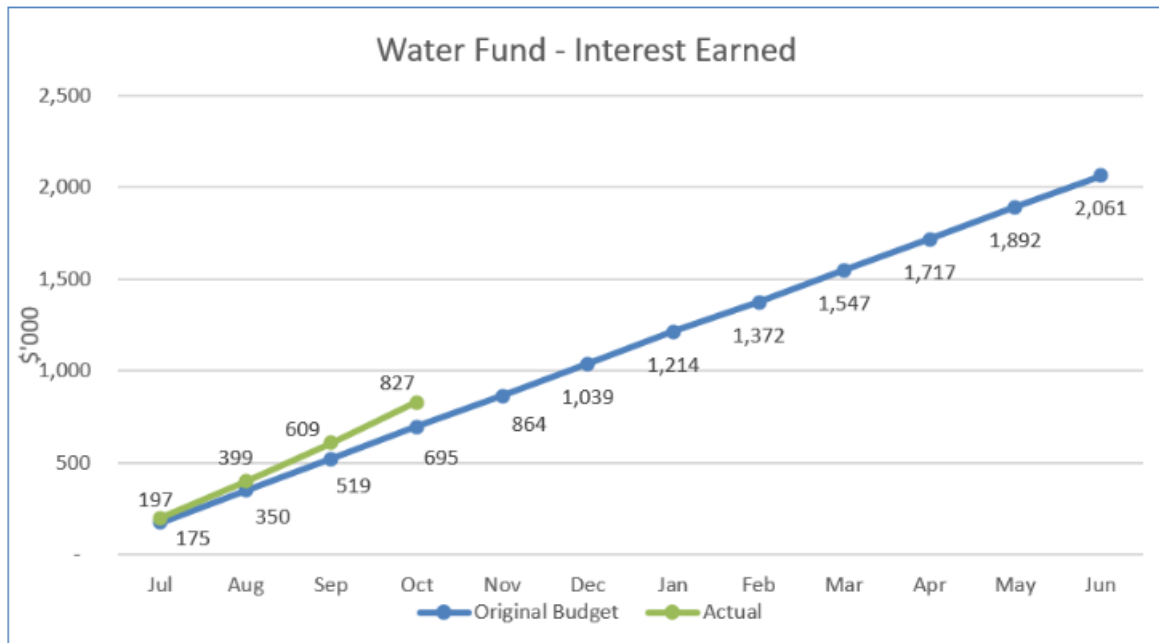
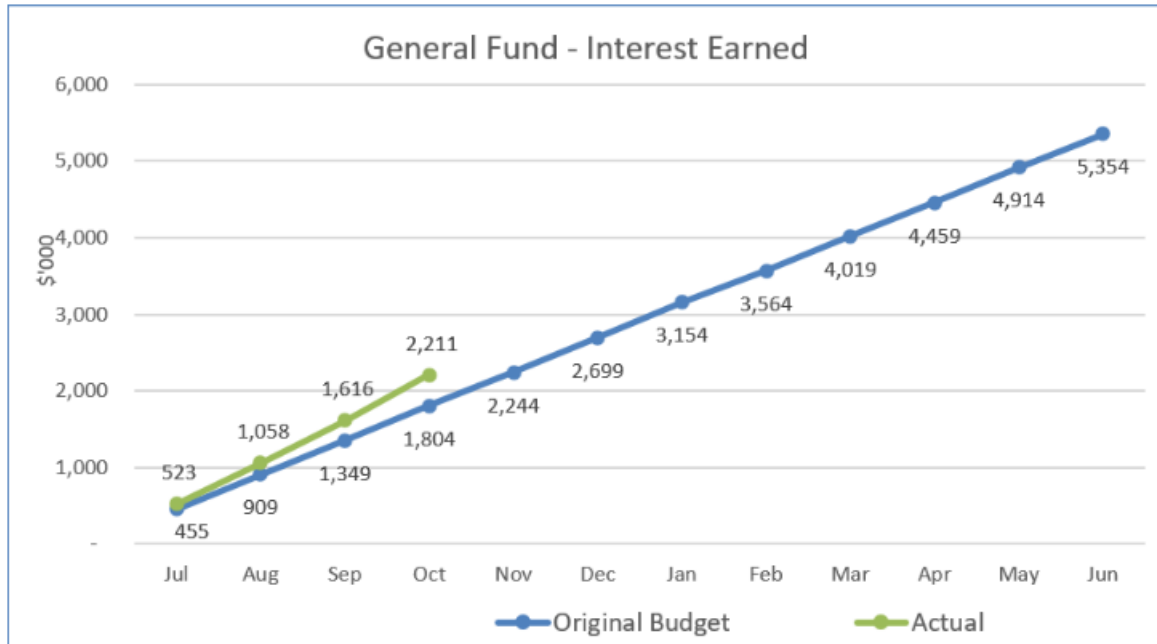
All investment returns on externally restricted funds are allocated to those funds in accordance with legislation.

All investment returns on unrestricted funds are included in Council's budget as general revenue and are utilised to help fund core services.

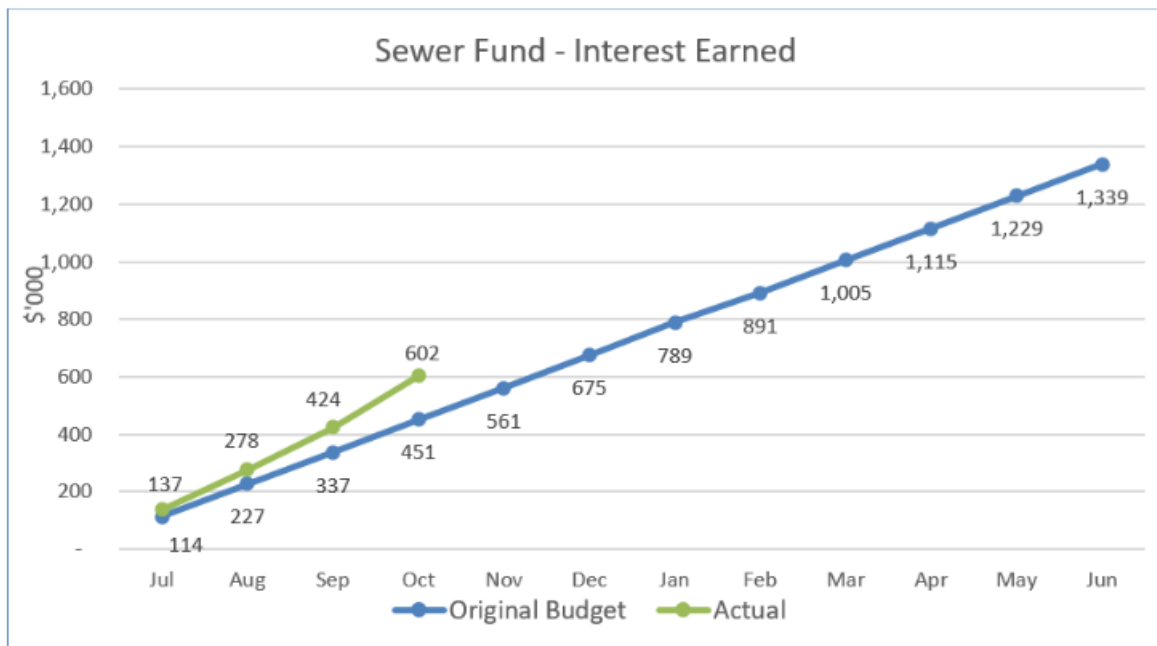
Graph 2 (3 separate graphs) below, illustrates the cumulative interest earned for the year for each fund (General, Water and Sewer) against budget:

CL25.400

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



CL25.400



Risk Implications

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

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

Elevated inflationary pressures prompted a shift in market expectations regarding monetary policy. The next anticipated interest rate cut has been deferred to around mid-2026, with some economists now projecting that no further rate reductions will occur during the current cycle.

CL25.400

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 POL23/2.



Mathew Badcock

Date: 13 November 2025

CL25.400

CL25.401 Further Report - Policy Review - Planning Agreement and Works in Kind Agreement (WIKA) Policies

HPERM Ref: D25/496194

Department: Strategic Planning
Approver: Judy Clark, Acting Director City Development

Attachments: 1. Planning Agreement Policy (under separate cover) [⇒](#)
2. Works-in-Kind Agreement Policy (under separate cover) [⇒](#)

Purpose:

The purpose of this report is to enable Council to reconsider/reaffirm the existing Planning Agreement Policy and Works in Kind Agreement (WIKA) Policy.

Summary and Key Points for Consideration:

All Public Policies are to be submitted for consideration within 12 months of the election of Council and this report enables Council to consider the Planning Agreement and WIKA policies for readoption.

This report/matter was originally considered by Council on 12 August 2025 and it was resolved (MIN25.388) to *defer this matter for discussion at a Councillor workshop*. The resolved briefing was held on 23 October 2025 and covered the points raised in the meeting. This report is now resubmitted for the Council's consideration.

Note: Council is in the process of developing a new Contributions Plan framework through which new Planning Agreement and WIKA policies will be reported to Council for consideration in due course as part of the new Contributions Plan project.

Recommendation

That Council reaffirm the Planning Agreement Policy and Works in Kind Agreement Policy, with the minor changes and additions outlined in **Attachments 1 and 2**.

Background and Supplementary information

The policies in question set out the legislative framework and provide guidance on how Council will consider requests to enter into Planning Agreements and Works in Kind Agreements.

The [Planning Agreement Policy](#) was originally adopted in 2008 and reviewed most recently in 2022.

The [Works In Kind Agreement \(WIKA\) Policy](#), was originally introduced in 2021 and also underwent its latest review in 2022.

The following general and minor administrative changes are recommended to each of the policies at this point:

- a. Updates relating to formatting and readability.
- b. Additional words to specifically note where fees may be applicable during the process, to reflect Council's adopted Fees and Charges.

CL25.401

- c. Updated references where required to relevant legislation.

All proposed additions and changes to the policies are outlined in **Attachments 1** and **2**. Note: the relevant Template attachments to the policies are not included in the attachments as they remain unchanged.

As advised, staff are currently preparing a new Shoalhaven Contributions Plan, and as part of this work a more detailed and substantive review of both policies will be undertaken and reported to Council for consideration in due course.

Risk Implications

No direct risk implications are associated with the reaffirmation of the policies.

Internal Consultations

Internal feedback from relevant internal stakeholders has been considered as part of the suggested reaffirmation of these policies.

Consultation will be undertaken with all relevant stakeholders as part of the new Contributions Plan work, which will include a further review of the policies.

External Consultations

No external consultation is required as part of the reaffirmation process.

Community Consultations

No community engagement is required as part of the reaffirmation process.

Policy and Statutory Implications

There are no policy or statutory implications associated with the reaffirmation of the policies.

Financial Implications

No financial implications are associated with the reaffirmation of the policies.

CL25.401

CL25.402 Further Report - New Land Use Planning Scheme - Strategic Planning Work Program - Continued Focus

HPERM Ref: D25/506115

Department: Strategic Planning

Approver: Judy Clark, Acting Director City Development

Attachments:

1. Background Resolutions (2022/2023) - New Landuse Planning Scheme
[↓](#)
2. Shoalhaven DPOP 2025/2026 - Relevant Strategy Land Use Planning Related Extracts [↓](#)
3. Other Recent Relevant Resolutions - Strategic Planning Work Program
[↓](#)

Recommendation

That Council

1. Continue to focus its Strategic Land Use Planning Work Program on the delivery of a new Land Use Planning Scheme (including prioritising a new Local Environmental Plan) for the City via a staged approach.
2. Continue and complete the following new Land Use Planning Scheme Stage 1 projects:
 - a. Berry Development Controls & Heritage Conservation Area/Items
 - b. Local Infrastructure Contributions Framework development and delivery
3. Discontinue resolution MIN24.512, make representations to the NSW Government requesting the timely release of the foreshadowed Short Term Rental Accommodation (STRA) policy response to enable Council to consider its possible approach in this regard and receive a separate report when appropriate to enable a position to be considered.
4. Commit to the focussed delivery, as outlined in the report, of the following project components of an adjusted new Land Use Planning Scheme Stage 2 during this term of Council:
 - a. Housing and Employment Land Strategy - focussing on residential housing, related supporting outcomes or needs (commercial/business) and not including rural residential rezoning opportunities.
 - b. New Local Environmental Plan - involving review and retention/adjustment of the current LEP provisions, inclusion of relevant outcomes from the new Strategy (e.g. new residential zoned land) and also any consequential resulting amendments to the Development Control Plan and Contributions Plan arising from new zoned areas.
 - c. Local Infrastructure Framework – completion of a new Contributions Plan during 2026 and continued work as necessary/appropriate.
 - d. Nowra Projects – complete the range of regionally significant projects that are underway as outlined in the report and that require a continued focus.
 - e. Affordable Housing Strategy implementation – work with Councils new Affordable Housing Action Taskforce to progress the actions in the recently adopted Strategy.

CL25.402

5. Undertake a shorter term housekeeping review Planning Proposal to resolve key more pressing issues that have arisen with the Local Environmental Plan (LEP) and that cannot necessarily wait for the overall project, some of which are outlined in the report.
6. Only continue with the relevant other continuing projects or work that are outlined in the section of the report headed 'Other Current Projects/Work' as resourcing and time permits, including considerations of the outcomes from the recent exhibition of the draft Heritage Strategy (Policy) and associated resolved workshop.
7. Note that the review of the Development Control Plan (DCP) will not be undertaken as part of the resolved approach and as such the work foreshadowed in MIN24.648 Tourist Cabins Review, MIN25.297 Local Character Planning and MIN25.330 Shoalhaven Residential Style Guide will not occur at this point and may ultimately require a specific budget allocation to enable it.
8. Note that chapter NB4 of Shoalhaven DCP 2014 for Moss Vale Road North Urban Release Area becomes effective from 1 April 2026.
9. Absorb resolution MIN25.157, that requires a report back to Council on ways to improve the procedures and processing of affordable housing applications, into the short term, implementation work on the Affordable Housing Strategy that will be undertaken with Councils Affordable Housing Action Taskforce.
10. Commit to not adding other one off additional projects to the Strategic Planning Work Program, unless they are urgent, to enable the required focus to be given to the resolved strategic approach.
11. Utilise the Planning & Development Committee to provide necessary input and guidance as work progresses on the new Land Use Planning Scheme Stage 2 work.
12. Make an application to Round 4 of the NSW Government's Regional Housing Strategic Planning Fund for up to \$250,000 for a suitable project to assist with the delivery of the New Land Use Planning Scheme as determined by Council staff.

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Background

Note: This report was considered by Council on 26 August 2025 and 'deferred' to a Councillor Workshop (MIN25.416) that was subsequently held on 16 October 2025. It is now resubmitted to Council, with some adjustments and inclusions, for consideration/resolution.

The report enables Council to consider and formally confirm (or adjust/establish) its strategic land use planning work program priorities for the remainder of this term of Council, ideally involving the recommended continued commitment to a new contemporary Land Use Planning Scheme (involving both new strategy and plans) for Shoalhaven as a priority.

Previous Resolved Approach

Prior to 2022 Council formally considered its Strategic Planning Work Program (SPWP) on an annual basis. The SPWP was an internal tool to manage Council's strategic land use planning effort and work focus.

Having a clear work program to focus Council's strategic planning effort is important and working with existing resources ensures that Council has an appropriate strategic framework in place that is forward thinking and responsive in nature.

In 2022 following receipt of a range of feedback from the Shoalhaven community (and subsequent external drivers) about the need for new and contemporary strategic land use plans and a planning scheme (LEP, DCP etc) for the City, it was considered timely for Council to take a 'fresh eyes' look at its land use planning strategy/scheme.

In November 2022 the Council, with the assistance of an independent facilitator, workshopped the need for a new land use planning strategy and scheme for the city and explored how this could be undertaken and delivered in a timely manner.

Council then made four separate resolutions during 2022 and 2023 that settled the approach to deliver the new scheme and the work to be undertaken in this regard – these resolutions are provided in **Attachment 1**. The resolutions have guided Councils work on this and other priority projects Including ‘business as usual’) in recent years.

Some subsequent external drivers also emerged including notably the NSW Governments Housing Target (released May 2024) for Shoalhaven of 4,900 additional new homes by 30 June 2029, the related Ministerial Statement of Expectations (planning) Order 2024 and associated monitoring of Council performance.

Council were engaged and received briefing on the new scheme work following the September 2024 election in November 2024 and April 2025.

Progress Overview – New Scheme Work

Consistent with the above mentioned resolutions (**Attachment 1**) a staged approach has been taken in regard to the new scheme work.

The following table provides an overview of the intended components of each stage and their status and associated commentary where relevant.

Table 1 – Status Overview: Work on New Land use Planning Scheme

Stage 1	
<i>Element</i>	<i>Status</i>
Berry Development Controls & Heritage Conservation Area	<u>Advanced</u> Draft DCP Chapter and Planning Proposal (heritage items and conservation area) recently publicly exhibited (ended 19 September 2025).
Local Character Planning Controls	<u>Not proceeding</u> Planning Proposal to add initial character provisions to LEP not proceeding – 10 June 2025 resolution (MIN25.297).
Local Infrastructure Contributions Framework	<u>Work continuing/progressing</u>
Affordable Housing Strategy	<u>Completed</u> New Affordable Housing Strategy adopted on 12 August 2024 (MIN24.452). Actions being advanced with the Affordable Housing Action Taskforce. As this also includes MIN25.157 that requires a report back to Council on ways to improve the procedures and processing of affordable housing applications, It is now recommended that this be formally absorbed into the work that will be progressed with Taskforce, given it aligns with one of the short term actions in the Strategy.
Housing Strategy evidence base and strategic principles	<u>Completed/Continuing</u> Strategic Growth Principles adopted 17 December 2024 (MIN24.696) and added to Local Strategic Planning Statement (LSPS). Work is continuing/progressing on the evidence base as time permits.

CL25.402

Managing short term rental	<p><u>On hold</u></p> <p>Submission made to the NSW Government discussion paper in April 2024. Now waiting for the NSW Government's resultant detailed reforms.</p> <p>Council however resolved on August 2024 (MIN24.433) to:</p> <ol style="list-style-type: none"> 1. <i>Strongly request the NSW Government to release the detail of their proposed new Short-Term Rental Accommodation (STRA) regulatory framework for NSW as soon as possible to enable Council to better manage STRA in Shoalhaven within a known and agreed framework; and</i> 2. <i>Consider applying a cap of zero days for whole homes and a hosted cap of 180 days in all new significant residential subdivisions and rezoning areas within the City as part of any response to the new STRA regulatory framework, to ensure their use primarily as homes and still provide opportunities for residents who also wish to rent a room on the short-term market</i> <p>This was then the subject of a rescission motion and a resolution (MIN24.512) to 'defer the matter until after a briefing is provided'. It is recommended that this resolution for a briefing be removed. Council staff will continue to monitor and report back to Council when appropriate.</p>
Stage 2	
<i>Element</i>	<i>Status</i>
Character statements and development controls	Not yet commenced
Growth Management Strategy: Housing, Rural Land, Employment Land	
New key local planning documents (LEP, DCP, CP)	
Scenic values and landscape qualities	
Retail centres	
Master planning – Ulladulla CBD	

Note: it was agreed that Stage 1 would commence/progress in the previous Council term and Stage 2 would commence and be undertaken with the new (current) Council. This is discussed further in this report for Councils consideration.

Commentary - Continuing Stage 1 Projects

The following commentary is provided on the continuing Stage 1 projects.

Berry Development Controls & Heritage Conservation Area/Items

This work has two separate, but related components: Planning Proposal (PP) – inclusion of additional heritage items and a Heritage Conservation Area (HCA) into the Shoalhaven Local Environmental Plan (LEP) 2014; and draft 'Town of Berry' Chapter for addition to the Shoalhaven Development Control Plan (DCP) 2014.

CL25.402

Council adopted the Draft new DCP Chapter N2: Town of Berry for exhibition on 29 April 2025 (MIN25.205) and endorsed the exhibition of the PP on 29 July 2024 (MIN24.396). The PP received a favourable Gateway determination from the NSW Government on 19 June 2025.

Both the PP and Draft DCP Chapter were exhibited from 6 August until 19 September 2025. The exhibition outcomes will be reported to Council for consideration and finalisation in due course.

Local Infrastructure Contributions Framework

In 2023, Council resolved to prepare a new contributions plan for Shoalhaven. In addition to the work on a new plan, a broader review of Council's contributions framework and related internal processes is also underway.

The broader review follows and responds to the following two key external recommendations:

- AEC Financial Review recommended (No. 13) that: *Council should complete the review of its developer contributions plans, before undertaking any substantial asset programs to ensure that the current contribution levels are able to support the future development costs.*
- Shoalhaven Infrastructure Contributions Resourcing Framework Review (Undertaken for Council by GLN Planning) recommended a new contributions plan and works schedule be prepared due to significant structural flaws.

The following **Figure 1** sets out the Key Milestones and Tasks for the New Contributions Framework Project and identifies the current focus.



Figure 1: Key Milestones of the Contribution Framework Review Project (and current focus)

The Stage 3 plan preparation component is nearing completion, leading into the internal consultation phase. The draft new contributions plan will then be presented to the Council for progression to public exhibition.

The related process review is ongoing and reviews of Councils Planning Agreement and Works in Kind Agreement policies are progressing.

Council has received the following briefings on this component of work:

7 November 2024 – Councillor Induction Briefing: Contributions Planning - an Explainer for Councillors (Dr Lindsay Taylor, Lindsay Taylor Lawyers).

24 April 2025 – Councillor Briefing: Covered the progress of the current review, overview of current Planning and Works in Kind Agreements and discussion on projects 50% complete that could possibly be delivered early (arose from MIN25.4 – 21 January 2025).

The new contributions plan project is being managed by the Strategic Planning Team with increased oversight from Councils internal Development Contributions Advisory Group

(DCAG). The DCAG is an internal governance group consisting of the Executive Leadership Team, key Department managers and core staff involved in contributions.

To enable the timely delivery of this key plan, relevant Strategic Planning staff are working 'off line' to focus on this project and are currently working to a 'Go Live' commencement date of 1 July 2026 for the new contributions plan. This may however change depending on the outcomes of the internal and external consultations and engagement with the Council.

Housing Strategy evidence base

The adoption of the Strategic Growth Principles allowed work to start on the preparation of a Preliminary Growth Management Scenario and Recommendations for Shoalhaven. This work will be guided by the adopted Strategic Growth Principles and Council's "retain and manage" policy position set for rural and employment land (i.e. avoid rezoning for residential or rural-residential purposes unless identified in a land use planning strategy).

The Scenario and Recommendations work will address the communities housing, retail, and employment needs, i.e. its urban requirements. The strategic planning for the future management of rural and environmental land will be undertaken later in the continued new scheme work. The Scenario and Recommendations will also address constrained land previously considered suitable for development, for example land with environmental risks. These recommendations may reduce, restrict or modify the development potential of such land, in an attempt to improve certainty.

The proposed Scenario and Recommendations are initially "preliminary" as they need to be considered by the Council and tested with Shoalhaven's communities and other stakeholders (engagement and exhibition). The Scenario and Recommendations are proposed to be embedded in a contemporary Growth Management Strategy, which includes a new Local Housing Strategy. The exact title of this piece of strategy work is not set at this point. The implementation of the strategy work will also ultimately occur through adjusted land use zones and planning controls in the City-wide Local Environmental Plan.

The first and current step in preparing the Preliminary Growth Management/Housing Scenario is the preparation of an evidence base and the identification of opportunities and challenges in meeting the communities' housing needs. The evidence includes:

- Demographic data of the forecast changes in Shoalhaven's communities to establish dwelling demand (number and type), e.g. future population size, an ageing population, decreasing household size etc.
- Review of current strategic planning documents, policies, and planning controls to identify current dwelling supply. This includes the NSW Government's Housing Targets and resultant policies that have emerged, such as the Low and Medium Rise Housing Policy. Council's existing relevant documents include the:
 - Current City-wide Growth Management Strategy
 - Nowra-Bomaderry Structure Plan
 - Jervis Bay Settlement Strategy
 - Sussex Inlet Settlement Strategy
 - Milton-Ulladulla Structure Plan
- Analysis of development activity to understand recent trends in housing delivery (rate of supply, areas of supply, types of homes).
- Analysis of constraints (flood risk, bushfire etc) and values (protected vegetation, scenic values etc) to identify future potential greenfield and infill growth opportunities.

The work will ideally include proposed economic modelling to identify the retail floor space and employment land (type and amount) required by future communities (including in

response to the preliminary growth scenario and recommendations). This will most likely require the identification and allocation of additional funding to engage a consultant specialising in this work. The modelling and its recommendations will have a dual use, also informing the current preparation of a new Tourism and Economic Development Strategy.

The work will incorporate the earlier work on a Preliminary Growth Scenario identified for Milton, Ulladulla, and surrounds (updated as required to respond to current housing need). This Scenario of greenfield and infill growth opportunities was publicly exhibited but then 'paused' to enable broader consideration as part of the new Land Use Planning Scheme work.

Other previously identified areas will also be considered and if appropriate progressed as part of this piece of work including, for example, the Worrowing Heights area over which a masterplan was adopted in 2018.

The evidence base and preliminary scenario work will align with the approximate 20 "small areas" or "districts" already in use on Council's online demographic products and based on census areas. This enables efficient monitoring of the effectiveness of the Scenario and Recommendations in meeting the communities' housing needs.

Subsequent steps in the preparation of the new Growth Management or Housing Strategy include councillor engagement, public exhibition, and a landowner nomination process. The latter is proposed to provide a controlled, strategic process for landowners to nominate their land, and for Council to consider nominations, in the preparation of the Strategy. It also provides an opportunity to reduce ad-hoc rezoning proposals (or proponent-initiated planning proposals) removing pressure on the resources required to undertake associated work.

Managing short term rental accommodation

Work on this component of the new scheme Stage 1 has unfortunately not progressed as it was considered prudent to wait for the release of the NSW Government's reforms in this regard.

Council made a detailed submission to the governments discussion paper in April 2024. It was then resolved on 14 October 2024 (MIN24.512) to 'defer' consideration of a rescission motion on the following possible STRA related resolution (MIN24.433) until after a briefing is provided to Council.

That Council:

- 1. Strongly request the NSW Government to release the detail of their proposed new Short-Term Rental Accommodation (STRA) regulatory framework for NSW as soon as possible to enable Council to better manage STRA in Shoalhaven within a known and agreed framework; and*
- 2. Consider applying a cap of zero days for whole homes and a hosted cap of 180 days in all new significant residential subdivisions and rezoning areas within the City as part of any response to the new STRA regulatory framework, to ensure their use primarily as homes and still provide opportunities for residents who also wish to rent a room on the short-term market.*

The resolved briefing has not been held and action on this element is 'on hold' pending the release of the NSW Government's proposed regulatory framework for STRA. This approach was discussed with Councillors as part of relevant briefings.

The following motion from Council was passed at the 2024 Local Government NSW Conference:

No.58 Shoalhaven City Council - Short term rental accommodation (STRA) That Local Government NSW calls on the NSW Government to complete its review of the options in regard to short-term rental accommodation (STRA) and provide a range of 'model' options for

councils to consider ensuring flexible and improved opportunities to improve the management and regulation of this land use in their local areas.

The NSW Government response (April 2025) was as follows:

The review of Short Term Rental Accommodation is being led by the Minister for Housing. The NSW Government is still considering options regarding STRA. However, the Department will support any council that chooses to develop a local response, as has been recently implemented for the Byron Council area.

LGNSW has also continued to call on the NSW Government to finalise its STRA framework review to give councils tools to better manage the impacts of STRA platforms on the availability of long-term rental housing and as a result their Advocacy Priorities 2025-2026 document includes the following:

Short-term rentals - Finalise the overdue review of short-term rental accommodation (STRA) to give everyone greater certainty. Give councils stronger powers to manage non-hosted STRA so they can balance housing needs and the local visitor economy.

The timing for the release of the review is still currently unknown. It will be reported to Council when released/available to enable Council to decide what steps it may wish to take in regard to the regulation or management of STRA. As a result, this component is currently on hold and will not progress until the release occurs.

Relatedly, in July 2025, the University of Sydney published the results of research work commissioned by the Australian Coastal Council's Association. The publication *Short term rentals in Australia's coastal regions: Recent impacts and policy responses (July 2025)* identifies trends in short term rental accommodation and recommends a range of measures to manage short term rental accommodation (STRA).

Council helped fund this research, provided data and research findings¹, and also shared experiences in managing short term rental accommodation in Shoalhaven. There are currently between 3,071 and 4,114 un-hosted STRA properties registered in Shoalhaven. These have an average daily price of \$508 and typically are rented for about 38 nights a year (*Sources: NSW Fair Trading Register & Airbnb City Portal*).

The research identified several benefits of STRA, including increased economic opportunities for the tourism industry and residents, and flexible accommodation in response to spiking tourism demand or for people relocating for work. It also identified impacts on rental availability, rental costs, and house prices. The research recommends, amongst other things, improvements to data sharing, increased regulation (planning controls, restrictions on number of nights and areas), revenue raising, and increased investment in crisis, social, and affordable housing.

The research will be used as part of Councils advocacy to the NSW Government for it to advance and complete its policy reform for managing STRA (underway for approx. 16+ months) and identify a policy approach that can be considered for Shoalhaven. Further representations should be made to the NSW Government requesting the timely release of the STRA reform package.

¹ HillPDA's economic modelling of a range of management measures.

Other Current Projects/Work

In addition to the abovementioned continuing Stage 1 new scheme projects, Council staff are also working on, involved with other or there are expectations regarding the following other important land use planning projects/matters:

- Nowra Projects:
 - Nowra Riverfront Precinct:
 - Homes NSW Mandalay Ave Sub-precinct Planning Proposal.
 - Regional Precincts & Partnership Program grant project.
 - Nowra Riverfront State Assessed Rezoning Proposal precinct.
 - Nowra City Centre Strategic Roadmap
 - Assisting NSW Department of Planning, Housing & Infrastructure (DPHI).
 - South Nowra Employment Precinct
 - Planning and biodiversity investigations to clarify development.
 - Homes NSW Estate Renewal Project
 - NSW Government Regional Housing Strategic Planning Fund grant
- Moss Vale Road South Urban Release Area (URA):
 - Taylors Lane Planning Review – will be reported to Council to obtain direction.
 - MVRS Missing road link.
 - Various Voluntary Planning Agreements (VPA's) and Works in Kind Agreements (WIKAs).
 - Other planning tasks associated with developing the URA.
- Moss Vale Road North URA
 - Finalising the release planning for this significant URA including the infrastructure approach.
 - Matter was reported to Council in September 2025 and DCP Chapter adopted. Focus has not turned to agreeing on an appropriate infrastructure approach.
- Low & Mid Rise Housing Reforms:
 - Responding to NSW Governments reforms in Nowra and Bomaderry.
- Affordable Housing Strategy implementation actions:
 - Progress with the Affordable Housing Action Taskforce.
- Range of demographic and housing research tasks, including:
 - Responding to the NSW Government's Urban Development Program (UDP).
- Heritage planning related tasks, including:
 - Grant funded heritage projects.
 - Historical Bural Ground investigations.
 - Possible Aboriginal Cultural Heritage Planning Toolkit and Predictive mapping.
 - Draft Heritage Strategy (policy) – exhibited for community comment September/October 2025. Resolved (MIN25.389) subsequent public briefing, involving heritage groups, still to be held. The priority of any work or projects arising from this will need to be duly considered by Council.

CL25.402

- Development Contributions administration and related activities including range of current VPA's and WIKAs - Mundamia URA, Hitchcock's Lane, Commercial Road, Sussex Inlet, Cook Street, St. Georges Basin etc.
- Callala URA – Matters related to Part 6 of the LEP.
- Draft DCP Preparation, 48-54 Paradise Beach Road, Sanctuary Point – the outcome of the recent exhibition will be reported to Council shortly for finalisation.
- Initial investigation – LEP Cause 4.2B Review.
- Providing feedback on NSW Government planning and other legislative reforms.
- Administration activity related to the LEP, DCP and Contributions Plan (CP).
- Proponent or Council initiated Planning Proposals (PP), including:
 - Motel site building height change, Huskisson – recently exhibited.
 - Nebraska Estate next steps.
 - Initial scoping proposals: various and ongoing.

2025/2026 Delivery Program Operational Plan – Relevant Actions

Various strategic planning related projects and priorities are already identified in Councils Delivery Program Operational Plan (DPOP) for 2025/2026, including specifically the following:

- Moss Vale Road North URA – finalise local planning documents.
- Completing the Berry development and heritage controls project.
- Completing the new local infrastructure contributions scheme and related.
- Progressing the Stage 2 work on the new Land Use Planning Scheme.
- NSW Government planning reforms/projects - providing strategic feedback.
- Finalise a draft interim DCP for the South Nowra Employment Precinct.
- Nowra Riverfront – finalise the master planning.
- Nowra City Centre – work with the NSW Government to complete the strategic roadmap.
- Shoalhaven Affordable Housing Strategy - Implement actions.
- Advance preparation of a housing/settlement strategy for the City.

Relevant extracts from the actual DPOP 2025/2026 are provided as **Attachment 2**.

Given that the above projects are already identified by Council as priorities they need to continue to be a key part of Council's strategic land use planning work effort.

The intention of this report to enable the current Council to settle or establish the focus for its strategic planning work program, including a revised scope for the Stage 2 work on the new scheme.

Other Relevant Council Resolutions

In addition to the above existing or current matters/work priorities, the following relatively recent Council resolutions (four of which resulted from Notices of Motion) require further consideration in terms of their priority and what can be reasonably achieved as part of the overall work program.

- MIN24.648 (26 November 2024) – Tourist Cabins/Farm Stay - Commercial Farm/Primary Production land
- MIN25.157 (15 April 2025) – Development Applications - Affordable Housing - Processes/Procedures improvement
- MIN25.48 (27 May 2025) – Addressing Illegal Tobacco and Vaping Concerns in Shoalhaven - Nowra CBD
- MIN25.297 (10 June 2025) – Local Character Planning
- MIN25.330 (22 July 2025) – Stand-alone Shoalhaven Residential Style Guide.

The full text of the above resolutions is provided as **Attachment 3**.

Should Council decide to proceed with the resolved staged approach to the new scheme work it is possible that some, but not all, of the above resolved projects or tasks will be completed as part of this work. They may also require additional resourcing or dedicated funding to enable them to be worked on and completed.

Specifically, MIN24.648, MIN25.297 and MIN25.330 all refer to work to be done as part of the preparation of a new DCP for the City. This is unlikely to occur as part of a revised approach to the new scheme that is detailed in this report and the new DCP component could be some time off. Additionally the pieces of work identified under MIN25.297 and MIN25.330 are likely to require dedicated specialist resourcing and funding to possibly enable use of specialist consultants if/when they are undertaken.

Additionally it is recommended that MIN25.157 requiring a report back to Council on ways to improve the procedures and processing of affordable housing applications be absorbed into the work to implement the Affordable Housing Strategy, given it aligns with one of the short term actions, that will be progressed with the Affordable Housing Action Taskforce.

Other Expectations

When considering Council's strategic planning work program effort, there are a range of other community, landowner, government etc. expectations, requests or 'pressure points' regarding relevant or highlighted work or tasks. This includes the following:

- NSW Governments 'Statement of Expectations' (planning) and meeting housing targets.
- Managing and balancing future growth.
- Community concerns around character and the nature of development.
- Need for predictive mapping to better recognise and help protect cultural heritage.
- Possible review and down zoning of certain areas e.g. Callala URA (*Note: considered by Council on 10 June 2025 – was resolved not to initiate a PP*).
- Cabbage Tree Lane URA – requests to commence the detailed release planning.
- Culburra Beach CBD – masterplan funding offer from The Halloran Trust.
- Masterplan for Ulladulla CBD – Recent request from the Ulladulla Forum for Council to collaborate with the DPHI on a masterplan for the CBD following the increasing number of substantial proposals for major developments in the area and suggestions that no contemporary plan exists for the CBD.

- Ongoing rezoning requests and expectation, including for rural residential development.
- Rural tourist accommodation (cabins etc.) review. *Note:* abovementioned Council resolution.
- Community led plans – expectations/outcomes/actions.
- Infrastructure planning challenges and matters – responding to growth whilst considering Councils broader financial sustainability.
- LEP - More pressing review or revision of relevant components, including the following:
 - Clause 4.2B – rural lot averaging provision
 - Clause 4.1A(4) – multi dwelling housing related subdivision
 - Managing flood risk – planning adjustments
 - Coastal hazard adjustments
 - Possible error: Heritage listed trees, George Street, Berry (affected landowner request)

Depending on the approach taken by Council, it is likely that some of the above requests or tasks, but not all, could be considered or incorporated into the continued work on a new land use planning scheme that will take place over the next 3+ years.

It will however most likely be necessary and appropriate to also do a shorter term housekeeping review PP to resolve some of the more pressing issues that have arisen with the LEP that can be resolved in a timely manner and that cannot necessarily wait for the overall project. It should be noted that it may not be possible/practical to include and resolve all the above mentioned matters as part of a shorter term housekeeping review PP.

Revised Approach to Stage 2

Council staff discussed a possible approach to the Stage 2 work on the new scheme with Councillors at the Strategic Planning Working Party meeting on 3rd April 2025. Essentially it was suggested that:

- Council needs a new Land Use Planning Strategy and Plans.
- Strategic land use planning takes time, commitment and focus. As a result, once a program of work is set, there is a need to avoid adding additional projects.
- There is a need to manage landowner and community expectations.
- Requires resourcing, for example information to support informed decision making.

The need to consider what can be done or completed in this term of Council (3+ years) is also considered critical. From previous experience, the timing of projects will drag out and be extended if they cross Council terms.

Ideally the Council needs to commit to 3-5 key strategic planning outcomes or projects that will be delivered in this term when considering resourcing etc. The discussion at the Working Party involved a possible intended approach that would see Council working to deliver the following two essential components of the new scheme work:

- **New Focussed Planning strategy** focussed on additional homes (residential zones) and jobs (supporting commercial and industrial zones/provisions).

Notes:

1. *Not intended that the strategy will cover or include rural residential development given the inefficient nature of this form of development, the length of time it could take and uncertain nature of any outcome.*

2. Not intended to review or consider the environment protection and conservation provisions at this time. This is not because these matters are not important, but if they are considered it will add considerable time and complexity to the task etc. at hand. Conservation/environmental values will however be considered as part of any relevant strategy outcomes (e.g. identifying new additional residential areas)

- **Initial New LEP** delivering new or adjusted zones consistent with the new strategy and also update/revise relevant retained provisions. In addition to this component, any shorter term amendments to the DCP and CP will also probably need to be considered alongside the new LEP to reflect relevant zoning amendments or adjustments and/or respond to the new infrastructure needs associated with new zoned areas.

It is noted that both these components need to be timed and coordinated together. Following these a new updated wholistic DCP can then be delivered and the CP fully updated to support the new LEP.

Based on the commentary in this report the following is presented as the possible framework for the amended strategic planning Stage 2 outcomes that the Council will focus on completing during this term:

1. Housing and Employment Land Strategy - focussing on housing and resultant related outcomes or needs (commercial/business). Will not consider rural residential or similar.
2. New LEP – involving review of the current LEP provisions: which ones stay, need improved etc. ahead of also including outcomes from the new Strategy (e.g. new residential etc. zoned land)
3. Local Infrastructure Framework – it is hoped that Council will have a new Contributions Plan in mid-2026, but work will need to continue to be undertaken in this key area.
4. Nowra Projects – completing the range of regionally significant projects that area already underway requires a continued focus.
5. Affordable Housing Strategy implementation – working with Councils new Affordable Housing Action Taskforce the actions in the relatively recently adopted Strategy will be worked on and progressed.

It is intended that Council's new Planning & Development Committee will play a key role in working with staff and help guide the delivery of the above project areas and also in considering the priority of other work that may also need to continue to be undertaken or that could emerge over time.

Conclusion

Responding to previous Council resolutions, this report presents an option to continue the challenge of delivering a new contemporary Planning Scheme for the City through a staged approach, initially focusing on the delivery of new land use planning strategy and adjusted or new LEP during the remaining Council term, alongside some other key continuing focusses.

There are also a range of matters which could impact adversely on the progress and delivery of this project including the need for additional resourcing and/or budget (if that is available). Adverse impact will also occur if Council supports individual location or 'one off' changes to the LEP and DCP, requiring resources to be allocated to them ahead of the continued holistic approach recommended by this report.

Not continuing to work toward a new scheme and going back to considering a project based Strategic Planning Work Program on an annual basis is not desirable or supported. This would see reactive and ad hoc responses to land use planning challenges, requests, and opportunities as they occur. Not preparing a new scheme would be inefficient, will not necessarily respond to current land use planning challenges and would not provide the required certainty about future planning and assist development activity.

CL25.402

Risk Implications

Not proceeding to prepare a contemporary new scheme will require continued reactive and ad hoc responses to land use planning challenges, requests, and opportunities as they occur. For example, responding to the NSW Governments focus on the delivery of additional housing opportunities and rise in ‘one off’ rezoning proposals from landowners and developers. Not preparing a new Scheme would be an inefficient use of Council’s resources, would not respond to current land use planning challenges, and would not provide Shoalhaven’s communities with the required certainty about future planning and development activity.

Access to an available budget and sufficient staff to work on and deliver the new scheme and continue required ‘business as usual’ is also a significant recognised risk. Importantly, this report does not include a request for resources/budget. This may need to be separately considered in due course and it could also involve a reorganisation of the current Strategic Planning Team to better respond to the intended new scheme approach.

One area that is likely to continue to impact is the need for staff to remain involved in the realisation and delivery of the regionally significant urban release areas in Nowra-Bomaderry. These continue to be challenging to manage and focus on, alongside other pressing strategic planning projects or tasks. Council will need to consider how it continues to respond to and resource this task.

It is considered critical that in endorsing an approach to the important overall piece of work that the Council needs to support it and be disciplined – set a strategy and stick to it (e.g. do not change course once it starts or continue to add additional tasks or projects to the work program).

Internal Consultations

This matter has now been the subject of discussion with the Council at the following briefings:

- 14 November 2024 – Introductory Council Briefing: New Land Use Planning Scheme: Background, Resolved Priorities, Next Steps.
- 3 April 2025 – Strategic Planning Working Party: New Land Use Planning Scheme Work recap, other significant ongoing work, strategic planning work program focus and intended approach/relevant things to consider.
- 16 October 2025 – Resolved Councillor Briefing Workshop held and there was discussion regarding the following:

Urban Release Areas – the Urban Release Areas in the Nowra-Bomaderry area were discussed, including which one could possibly be brought forward to supplement planning work that is already underway and assist with housing supply. The potential to look at the Merroo Meadow ‘Future Long Term Living Area’ would be logical given the work that is being concluded for the adjacent Moss Vale Road North Urban Release Area.

Early Community Engagement – There was discussion around how to more broadly engage with the community, landowners, developers etc. to get appropriate input as work on the New Land Use Planning Scheme progresses, rather than just through a formal exhibition process. Options and opportunities for this will be considered by staff in detailed work planning should the recommended option be adopted.

Managing rezoning requests, particularly rural residential ones – the recommended approach does not include a rural residential strategy and related rezonings. There was general agreement at the workshop on this and it will be important to manage expectations in this regard. As part of the engagement approach for the recommended

work, a landowner nomination process (e.g. for residential) will be considered that also manages expectations. It is also noted that nothing also stops a landowner pursuing a proponent initiated Planning Proposal outside the broader work if they think their proposal has both strategic and site specific merit.

As the relevant project components progress internal consultation and engagement will also occur as necessary within Council and through Councils Planning & Development Committee.

External Consultations

Limited or no external consultation has been undertaken at this point.

It is however noted that the NSW Government has released a Housing Target (released May 2024) for Shoalhaven of 4,900 additional new homes by 30 June 2029, related Ministerial Statement of Expectations (planning) Order 2024 and associated monitoring of Council performance. This essentially sets some of their expectations regarding Councils strategic planning efforts.

As individual strategic planning projects progress consultation or engagement will occur with relevant external parties.

Community Consultations

There has been no specific community engagement that has informed the preparation of this report.

As noted earlier, the resolutions in 2022 and 2023 resulted in part from a range of feedback from the Shoalhaven community (and subsequent external drivers) about the need for new and contemporary strategic land use plans and a planning scheme (LEP, DCP etc) for the City.

As individual strategic planning projects progress consultation or engagement will occur with the broader community.

Policy and Statutory Implications

Given current and emerging land use planning challenges and legacy planning matters, it is considered to continue the move toward a contemporary land use planning scheme for Shoalhaven that responds to the change, challenges and community expectations.

This work provides significant opportunities to consider and respond to continued land use planning policy changes being pursued by the NSW Government.

An up-to-date land use planning policy platform is essential to inform collaboration and advocacy activities with NSW Government Agencies. This includes, for example, the review of the current Illawarra-Shoalhaven Regional Plan, which it is understood will commence shortly.

The elements or projects listed in this report are generally consistent with Shoalhaven 2040, Council's adopted Local Strategic Planning Statement (from 2020) and also the DPOP for 2025/2026.

Financial Implications

Depending on what Council resolves, current resources (both staff and budget) may potentially need to be increased, where or if possible, to prioritise work on preparing the new Planning Scheme and potentially continue work on existing key planning tasks/activities.

CL25.402

The capacity to undertake the additional planning work covered by the report will be extremely limited and therefore Council will need to be disciplined should new requests for strategic planning projects or work be received/suggested.

This includes the need for Council to subsequently resist resolving to review parts of the LEP or DCP as they pertain to specific localities/issues on an individual basis. The work described in this report will be best achieved as a strategic whole, rather than focusing on individual issues or localities ahead of others.

The ability to fill the existing vacant strategic planning positions and gain additional planning staff (and funding for them), where possible and subject to a resolution of the Council at the time, is critical to providing the capacity needed to prepare the new Planning Scheme in the proposed time.

Various technical studies are likely to also be required to inform the work, including the preparation of the citywide strategy work and continued work on the new local infrastructure contributions plan. For example, mapping of environmental constraints, infrastructure and servicing studies, analysis of scenic values, infrastructure needs analysis, and the design and costing of infrastructure items. Additional funding will need to be provided/sought, if possible, to enable the proposed work.

Other funding initiatives will also continue to be examined and pursued to assist. Specifically in this regard Round 4 of the NSW Government's Regional Housing Strategic Planning Fund is currently open, with applications closing 12 December 2025. Council staff will consider making a funding application to this round to assist the delivery of the recommended priority projects.

In addition, Council staff will seek advice on the potential for individual developers/landowners to contribute to the cost of any relevant studies, where those studies are scoped, commissioned, and managed by Council alone to maintain independence.

New Land Use Planning Scheme

Background Council Resolutions

Council Resolution – MIN22.943 - 5 December 2022

1. *Endorse the preparation of revised land use planning strategies and Local Environmental Plan, Development Control Plan and Developer Contributions Plan (collectively a Planning scheme) for Shoalhaven City.*
2. *Include in the work in Recommendation 1 an investigation and inclusion of local character.*
3. *Receive a further report that provides a Project Plan and Terms of Reference for this work, which informs the Council on how this work would be best achieved, including scope, timing/staging and resourcing.*

Council Resolution – MIN23.451 – 28 August 2023

1. *Endorse the Project Plan and staging of work for the new Citywide Land Use Planning Scheme and updates of local planning documents as detailed in Attachments 1 and 2.*
2. *Commence Stage 1 of the new Citywide Land Use Planning Scheme as detailed in Attachment 1, with the inclusion of the investigation and possible progression of a Princess Street heritage conservation area in Berry.*
3. *Endorse the following guiding principles for the preparation of the new planning scheme:*
 - a. *Preference for urban consolidation and increased/higher densities in existing centres wherever possible,*
 - b. *any outward expansion to be focused on cleared/unvegetated land; and*
 - c. *ability to adequately and economically deliver the development and service the needs of the community in preparing new planning schemes,*
 - d. *ecologically sustainable development for resilient and climate-friendly design.*
4. *Adopt the “Existing Character Statements” and “Future Desired Local Character Statements” identified in the Shoalhaven Character Assessment Report (February 2020) as ‘interim’ character statements to support the proposed planning controls for managing local character (link to document).*
5. *Incorporate the current review of the Milton-Ulladulla Structure Plan into the new Citywide Land Use Planning Scheme.*

Council Resolution – MIN23.496 – 9 September 2023

1. *Give priority to the finalisation of the Princess Street Heritage Conservation areas and the completion of a draft DCP for the area of Berry east of the Princes Highway (known as old Berry).*
2. *Incorporate this work in the new program for the Shoalhaven Land Use Planning Scheme.*
3. *Refer the current Strategic Planning Works Program to the Strategic Planning Working Party for a review of priorities having regard to parts 1 and 2, with a report back to Council in October with amendments that would enable works on the Berry DCP to proceed as a priority matter.*

Council Resolution – MIN23.621 – 30 October 2023

1. *Endorse the revised Strategic Planning Project Plan (Project Plan) in Attachment 1 that outlines the priorities over the remaining term of Council relating to:*
 - a. *Stage 1 of the new Citywide Land Use Planning Scheme (new Scheme).*
 - b. *'Business as usual' obligations.*
2. *Provide delegation to the CEO, or his delegate, to manage the timing and delivery of the projects in the Project Plan, to enable an agile response to business and resourcing needs over time. Noting priority is to be given to the following projects in Stage 1 of the new Scheme:*
 - a. *Citywide Housing Strategy - Research and Strategic Principles.*
 - b. *A simplified DCP Chapter for Berry, and the investigation and finalisation of the Princess St Heritage Conservation Area addressing key issues for the Berry community.*
3. *Receive regular updates on the status of the Project Plan via the Strategic Planning Working Party.*

Relevant Extracts: Shoalhaven Delivery Program and Operational Plan (DPOP) for 2025/2026

Ref.	Delivery Program Strategy / Operational Plan Action	Responsibility	25/26	26/27	27/28	28/29
2.2.1 – Facilitate sustainable development that considers current and future needs of our community and environment						
2.2.1.01	Finalise the local planning documents to guide the development of the Moss Vale Road North Urban Release Area (URA) Measure (target) * Publication Moss Vale Road North URA local planning documents (100%)	Strategic Planning	✓			
2.2.1.02	Advance work on planning controls and character statements to help better manage the contribution new development makes to neighbourhood or local character, including completing contemporary development and heritage controls for Berry Measure (target) * Amendment of City-wide Local Environmental Plan to include new heritage items and heritage conservation areas in Berry and publication of a new Development Control Plan Chapter for Berry (100%)	Strategic Planning	✓	✓	✓	✓
2.2.1.03	Complete preparation of a new local infrastructure contributions scheme and governance framework Measure (target) * Annual report on progress of preparing the new contributions scheme and governance framework (100%)	Strategic Planning	✓	✓	✓	✓
2.2.1.04	Progress resolved Stage 2 work to prepare a new Land Use Planning Scheme for the city Measure (target) * Provide quarterly progress reports on a new Land Use Planning Scheme to Council's Strategic Planning Working Party (4)	Strategic Planning	✓	✓		
2.2.1.08	Provide strategic feedback to NSW Government and others on policies and strategies impacting on strategic land use planning in Shoalhaven Measure (target) Number of submissions regarding strategic land use made to State Government and others (count)	Strategic Planning	✓	✓	✓	✓
2.2.1.09	Provide graphics and cartography support to the organisation and issue 10.7 planning certificates and dwelling entitlement certificates in a timely manner Measure (target) * Number of 10.7 planning certificates and dwelling entitlement certificates issued (count)	Strategic Planning	✓	✓	✓	✓
3.1.2 – Work with business, government and other partners to build a diverse local economy which provides employment opportunities for all						
3.1.2.04	Progress work with the NSW Government and others to unlock the economic growth and employment generating opportunities of zoned but undeveloped land in the South Nowra Employment Precinct Measure (target) * Finalise a draft 'Interim' Development Control Plan Chapter for the South Nowra Employment Precinct to provide general high level guidance on relevant matters (Count)	Strategic Planning	✓	✓	✓	✓
3.1.2.06	Finalise master planning for the Nowra Riverfront Precinct with the assistance of the Nowra Riverfront Advisory Taskforce and actively collaborate with the NSW Government to complete their Strategic Roadmap for the Nowra City centre Measure (target) * Regular progress reports on the Nowra Riverfront Precinct and City centre issued to Council (100%)	Strategic Planning	✓	✓	✓	✓
3.3.1 – Develop and implement plans which will enable a variety of affordable and appropriately serviced housing options within the city						
3.3.1.01	Implement the short-medium term actions in the adopted Shoalhaven Affordable Housing Strategy and advance the preparation of a Settlement/Housing Strategy for the city Measure (target) Publish annual Progress Report on the actions in the Shoalhaven Affordable Housing Strategy (100%)	Strategic Planning	✓	✓	✓	✓
4.3.2 – Provide opportunities for the community to have genuine engagement on Council planning and decision making						
4.3.2.01	Provide and explain strategic planning information to our local community using Council's Community Participation Plan framework and ensure appropriate consultation is undertaken Measure (target) * Number of formal strategic planning exhibitions or consultations (Count) * Number of submissions received on strategic planning consultations (Count)	Strategic Planning	✓	✓	✓	✓

Strategic Planning Work Program: Other Recent Relevant Council Resolutions**1. MIN24.648, 26 November 2024 – Tourist Cabins/Farm Stay - Commercial Farm/Primary Production land:**

Consider the matters raised in respect of land use characterisation and controls as part of its work on Stage 2 of the New Land Use Planning Scheme for Shoalhaven, including any required or possible amendments to the Shoalhaven Development Control Plan.

2. MIN25.157 (15 April 2025) – Development Applications - Affordable Housing - Processes/ Procedures improvement

Advise Council of the ways Council can improve its procedures and processes in approving applications for affordable housing.

Provide a further report to Council on the progress made and recommendations for Council's consideration.

Refer the matter to the Affordable Housing Taskforce when the committee is established.

3. MIN25.48 (27 May 2025) – Addressing Illegal Tobacco and Vaping Concerns in Shoalhaven - Nowra CBD

6. That Shoalhaven City Council revise the LEP through the current review process to mandate that tobacconist stores require approval through a development application.

4. MIN25.297 (10 June 2025) – Local Character Planning

As part of the Stage 2 work on a New Land Use Planning Scheme for Shoalhaven, Council consider the preparation of new or revised character statements with the community, subject to funding and resourcing, for inclusion only in the Shoalhaven Development Control Plan.

5. MIN25.330 (22 July 2025) – Stand-alone Shoalhaven Residential Style Guide

That Council develop a Stand-alone Shoalhaven Residential Style Guide to work in concert with the DCP.

CL25.403 Exhibition Outcomes and Proposed Finalisation: Draft Amendment to Shoalhaven Development Control Plan 2014 - 48 to 54 Paradise Beach Road, Sanctuary Point

HPERM Ref: D25/456237

Department: Strategic Planning
Approver: Judy Clark, Acting Director City Development

Attachments: 1. Consolidated Submissions (councillors information folder) [↗](#)

Purpose:

This report informs Council of the public exhibition outcomes regarding the draft development controls for 48 to 54 Paradise Beach Road, Sanctuary Point.

The report also seeks Council's endorsement to finalise the development controls for incorporation into the Shoalhaven Development Control Plan (DCP) 2014.

Summary and Key Points for Consideration:

In August 2024, the Shoalhaven Local Environmental Plan (LEP) 2014 was amended to enable the development of the subject land for multi-dwelling housing.

To help minimise impacts on adjoining land, the amendment also required the preparation of a site-specific DCP for the subject land before a development application for multi-dwelling housing can be approved. The DCP must include measures to minimise overshadowing and impacts on the visual and acoustic privacy for residents on adjoining land.

As is possible under legislation, a draft DCP was prepared and submitted by the proponent, All About Planning, on behalf of the landowner, Container Group Investments Pty Ltd in late 2024. The draft DCP was initially considered by Council in [February 2025](#), with a revised draft then endorsed for public exhibition in [July 2025](#) ([MIN25.432](#)).

The draft DCP provisions were publicly exhibited from 20 August to 19 September 2025 (inclusive). This report summarises the resulting submissions received and seeks Council's endorsement to finalise the draft provisions for inclusion in the Shoalhaven DCP 2014.

Recommendation

That Council

1. Acknowledge the submissions received during the public exhibition of the draft development controls for 48 to 54 Paradise Beach Road, Sanctuary Point; and
2. Endorse the draft development controls, as exhibited, for incorporation into Chapter V3 – 'Miscellaneous Site Specific Issues' of the Shoalhaven Development Control Plan (DCP) 2014.

Background

In August 2014, the LEP was amended to enable the development of the subject land for 'multi-dwelling housing'. The amendment resulted from a Planning Proposal (PP) that was

CL25.403

initially lodged with Council in 2022 and later approved, with modifications, by the NSW Southern Regional Planning Panel.

The PP amended the LEP by:

- Rezoning part of the subject land from SP2 Place of Public Worship to R2 Low Density Residential;
- Increasing the maximum Height of Buildings over the subject land to 11m; and
- Including a provision in 'Schedule 1 Additional Permitted Uses' to permit 'multi dwelling housing' on the subject land, with consent.

Further information on the PP and its process is available on the NSW Planning Portal at: [48-54 Paradise Beach Road Sanctuary Point \(including former Anglican Church site\) | Planning Portal - Department of Planning and Environment](#)

To help minimise impacts on adjoining land, in the included provision in Schedule 1 of the LEP requires a DCP to be in place for the subject land before an application for 'multi dwelling housing' can be approved that includes measures to minimise:

- Overshadowing on adjoining land, and
- Impacts on the visual and acoustic privacy of residents on adjoining land.

While it is usual practice for Councils to initiate and prepare DCP's, the *NSW Environmental Planning and Assessment (EP&A) Act 1979* also allows a proponent to initiate the preparation of site-specific development controls where an LEP requires one to be in place, as is the case for the subject land.

In late 2024, a potential draft DCP was submitted by the proponent on behalf of the landowner, for Council's consideration and proposed inclusion in Chapter V3 'Miscellaneous Site-Specific Issues' of the DCP.

In [February 2025](#), Council resolved ([MIN25.86](#)) to review the proponent's proposed DCP and consider the outcome before proceeding further, including seeking feedback from the broader community. Several amendments were made to the document during this review to ensure consistency with existing DCP controls and to promote appropriate design outcomes.

On [22 July 2025](#), Council considered the suggested revised draft DCP and resolved ([MIN25.432](#)) to publicly exhibit the document for at least 28 days, with a further report to be provided on completion of the public exhibition to enable Council to consider any feedback received prior to finalisation.

The draft DCP was then publicly exhibited from 20 August to 19 September 2025 (inclusive). This report summarises the submissions received during the exhibition period and seeks Council's endorsement to finalise the DCP amendment.

Risk Implications

There is no direct risk to Council in endorsing the exhibited draft development controls.

Adopting the draft DCP will provide greater certainty for landowners and the community by embedding the design controls within the DCP for consideration in the assessment of a future development application.

Internal Consultations

Internal consultation occurred during the initial staff review of the draft DCP. No further internal comments were received during the exhibition period.

External Consultations

The NSW Department of Education was notified of the public exhibition as an adjoining landowner (Sanctuary Point Public School); however, did not make a submission or provide any feedback on the proposal.

Community Consultations

The draft development controls were publicly exhibited for 31 days from 20 August to 19 September 2025 (inclusive) on [Council's website](#). The exhibition material included:

- [Draft DCP 2014 Chapter V3 – Miscellaneous Site Specific Issues](#)
- [Explanatory Document](#)
- [FAQs](#)
- [Public Notice](#)

Formal notification letters were sent to the proponent, adjoining landowners, relevant community groups, and residents who had previously registered their interest in this project.

Two submissions were received in response to the exhibition, one generally in support and one in objection. A summary of the submission comments, and Council staff's consideration of them, is provided below. Copies of the submissions have been provided in the Councillor's Information Folder.

Submission 1 – Support for the Proposal

Submission Comments

The draft controls provide a responsible framework to guide multi-dwelling housing on the site. The project represents a positive example of infill housing, delivering housing diversity within an established residential area, close to services.

Development of this nature strengthens local centres, supports efficient infrastructure use, and helps to meet pressing housing demand. Its benefits include:

- Efficient land use – avoiding the need for rezoning untouched land and containing growth within the existing urban area.
- Housing diversity – adding to the range of housing choice in Sanctuary Point to respond to demographic shifts.
- Design safeguards within the Draft DCP – relating to overshadowing, solar access and privacy for neighbouring properties.

There are some potential risks relating to overshadowing and height transitions, privacy and overlooking, and noise and acoustic amenity. However, these can be mitigated at the Development Application (DA) stage through enforcement of the DCP controls.

Staff Comments

The support is noted and compliance with the development controls will be a consideration during the assessment of a future DA.

Submission 2 – Objection to the Proposal

Submission Comments

Raised several concerns about future development outcomes, safety, and site management related to:

- Additional traffic movements in and around the site, both during construction and in the ongoing use of the development, and the potential impacts on pre-school and primary school children in the vicinity.

- Car parking arrangements and potential impacts on elderly residents and school children.
- Excessive dust and dirt during construction, and the potential resulting impacts on neighbouring properties.
- Impacts on neighbouring properties due to the potential building heights, particularly in relation to privacy/overlooking (into neighbouring dwellings and the open space of the Primary School) and overshadowing.
- Land tenure arrangements of future residents, including assertions about the correlation between higher density development and increased crime rates, and potential safety impacts on existing residents.

Staff Comments

The concerns noted in the submission are generally outside the scope of the draft DCP. Most of the matters will need to be considered during the assessment of a future DA and/or managed through conditions of consent.

The NSW planning legislation (the *EP&A Act*) requires Councils to consider the provisions of any DCP in the assessment of a DA. In relation to the subject land, this includes the proposed site-specific development controls and any other relevant Chapters of the DCP, including those relating to car parking, traffic management, building setbacks, privacy, solar access and the like. Importantly, consideration will also need to be given to the basic design principles of Crime Prevention Through Environmental Design (CPTED) in the lodgement and assessment of any DA.

It is acknowledged that the site was effectively rezoned in 2024 to specifically enable 'multi dwelling housing' and any DCP provisions need to support/enable this change and while the proposed controls aim to guide the development of the subject land, the specific design and built form outcomes will need to be considered and determined during the assessment process of a future DA. There will be further opportunities for community consultation on the design outcomes on the site when a detailed DA is lodged in the future.

Policy and Statutory Implications

Should Council resolve to endorse and finalise the draft development controls, they will become a relevant consideration in the future development of the subject land under s4.15 of the *EP&A Act 1979*.

On finalisation, the controls will be incorporated in Chapter V3 of the DCP – 'Miscellaneous Site Specific Issues' - which provides area specific development controls for several locations across Shoalhaven. The subsequent adjustment to Chapter V3 will be administrative in nature only. It will be limited to the inclusion of the development controls for the subject land and any accompanying adjustments to page and section numbering where necessary.

Financial Implications

As this is a proponent-initiated amendment to the DCP, applicable fees will be applied to cover Council's costs in progressing the DCP amendment to finalisation.

CL25.403

CL25.404 Walking Floor Transportation Services - Soilco Pty Ltd

HPERM Ref: D25/526159

Department: Waste Services

Approver: Andrew McVey, Director - Shoalhaven Water

Purpose:

Council's approval is sought to allow continuation of the Walking Floor Transportation Services contract beyond an expiry date of 16 December 2025. The reason Council's approval is sought is that the continuation will bring the total expenditure on the contract to over the \$1M (including GST) threshold, under which the contract was originally authorised under delegation.

Recommendation

That Council:

1. Authorise the extension Walking Floor Transportation Services contract with Soilco Pty Ltd beyond the current expiry date of 16 December 2025. The terms of the contract allow for the services to be continued on a month to month basis until the contract is ended by either party on one month's written notice.
2. Authorise the additional expenditure on the contract up to \$450,000, bringing the total contract purchase order value to \$1,425,799 excluding GST.

Background

On 26 November 2024 the Acting CEO considered and approved a recommendation through the procurement process for Walking Floor Transportation Services, as per delegation of Council under the Procurement Procedures for acceptance of tenders below \$1M (including GST). Soilco Pty Ltd was the successful contractor for the bulk transportation of recycling and recycling residual materials to designated processing facilities in the Sydney region. The term of the contract was for two periods of 6 months due to expectation that the completion of the MRF (Materials Recovery Facility) would significantly change the service requirement.

Clause 1.4 of the Services Agreement requires that *"In the absence of an extension of the period of the Agreement, the Contractor will continue to provide Services on a month to month basis on the same terms as applied during the original Term"*. This continuance clause is part of procurement's template agreement to allow the possibility of continuing essential Services beyond an expiry date if considered necessary. The clause includes the proviso that *"The Agreement may be ended by either party on one month's written notice"*.

Council's new MRF will not be fully operational by 16 December 2025 when the current contract would end. Therefore, it is recommended that Council approve the continuation of the contract on a month-to-month basis. The continuance is required to ensure uninterrupted essential servicing during the seasonal peak and until a new Services Agreement is in place.

The total cost under the contract has been \$851,301 to 31 October 2025. The current total purchase order value approved for the contract is \$975,799. Extending the contract will result in the total contract cost exceeding the \$1M mark and therefore Council authorisation is required. Based on the contracted rates, which would continue to apply, the value of purchase order needed from 16 December 2025 will be up to \$450,000 excluding GST. The

CL25.404

amount of work required under the contract will depend on when the MRF is able to process material and when a new Services Agreement can be contracted.

Waste Services is releasing a *Tender - Call for Applications - Approved Suppliers List - Recovered Material*. Subject to acceptance by Council the tender will create a refreshable list of suppliers of services to regularly purchase, process and / or transport specific types of materials recovered by Council at its waste depots and its new MRF. The services currently required under the Walking Floor Transportation Services contract, will be sought and provided under the *Approved Suppliers List – Recovered Material Services Agreements*.

Risk Implications

The Walking Floor Transportation Services are a critical element of Waste Services Operations.

Other contractors currently have the opportunity to submit applications for acceptance onto the *Approved Suppliers List – Recovered Material* from which opportunities will be provided to bid for and carry out similar services over the next 10 years.

Internal Consultations

Waste Services operations and Procurement.

External Consultations

Soilco Pty Ltd has indicated that it will be able to continue the Walking Floor Transportation Services as per the contract on a short-term month to month basis.

Community Consultations

Not applicable as the bulk transportation of recoverable materials has little impact on the community.

Policy and Statutory Implications

None.

Financial Implications

Total cost of the contract will be increased to over \$1M by allowing it to continue, which represents a value above the level for which Council has delegated the authority to determine and accept tenders. The cost of the services are included in existing budgets for recycling of domestic waste and operations at the West Nowra recycling and waste depot.

CL25.404

CL25.405 Tenders - Various Water Mains Replacement Package 5 FY25-26

HPERM Ref: D25/512972

Department: Water Asset Planning & Development

Approver: Andrew McVey, Director - Shoalhaven Water

Purpose:

To inform Council of the tender process for the Various Water Mains Replacement Package 5 FY25-26 project.

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

Recommendation

That Council consider a separate confidential report in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993 to consider acceptance of the Tenders - Various Water Mains Replacement Package 5 FY25-26 .

Background

Project Description

Shoalhaven Water has previously identified large packages of existing water mains throughout the Shoalhaven Local Government Area, which are susceptible to breakage and require asset renewal, upgrade and/or replacement.

In May 2021, Shoalhaven Water engaged a Design Consultant to provide detailed design services, which entailed the detailed design of numerous mains identified as requiring replacement. Due to the quantum of works, it was decided that an annual mains replacement project (s) be established to deliver the various packages.

Following the delivery and commencement of mains replacement works in the 2023-24 and 2024-25 financial years, the 2025-26 financial year packages of works are now ready to be planned and executed.

The objective of this engagement is to deliver the construction of the next package of mains renewal, upgrade and/or replacement, being FY2025-2026 Package 5 Works, which entails:

Separable Portion 1

1H King George Street West (Callala Beach) Water Main Replacement

- Install circa 753m of OD250 PE100 PN16 (Slip-lined)
- Install circa 27m of DN355 PE100 PN16 (Direct replacement)

1G King George Street East (Callala Beach) Water Main Replacement

- Install circa 418m of OD180 PE100 PN16 (Slip-lined)

CL25.405

Separable Portion 2

1M Woodstock Road (Milton) Water Main Replacement

- Install circa 2934m of OD125 PE100 PN16 (new alignment)

Separable Portion 3

1Q2 & 1Q3 Hitchcock Lane & Arbour Estate (Berry) Water Main Replacement

- Instal circa 521m of OD280 PE100 PN16 (new alignment)

Tendering

Council called tenders for Various Water Mains Replacement Package 5 FY25-26 project on 23 September 2025 which closed at 10:00 am on 23 October 2025. Five (5) tenders were received at the time of closing. Tenderers were invited to bid on individual or all Separable Portions, with Council likewise reserving the right to award Separable Portions either individually to numerous Tenderers or collectively to an individual Tenderer. Tenders were received from the following:

Tenderer	Location
Hisway Pty Ltd T/A Hisway Earthmoving	South Nowra NSW 2541
Infrastructure Renewal Services	Rydalmere NSW 2116
Jirgens Civil Pty Ltd	Nowra NSW 2541
Killard Infrastructure Pty Ltd	Parramatta NSW 2150
Momentum Civil Group Pty Ltd	SYDNEY NSW 2000

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

Risk Implications

Procurement-related risks have been addressed in accordance with Council's established procurement procedures. Risks arising during the construction phase will be managed through Shoalhaven Water's project management practices.

Internal Consultations

Councils Procurement Team has been consulted during the procurement process providing oversight and guidance relating to the financial limitations, delegations, and statutory provision for the procurement of the works.

Internal design by Shoalhaven Water's Projects and Design Unit was utilised in the design and documentation review of Separable Portions 1, 2 and 3.

Consultation with impacted Council Asset Custodians has also been undertaken to coordinate planned works.

Consultation with Councils Property Officer to assist with progressing with land matters.

External Consultations

External design by Stantec Pty Limited was utilised to design documentation and Review of Environmental Factors for Separable Portions 1,2 and 3; as part of their overall engagement by Council for the design of the Various Mains Replacement program of works.

CL25.405

Community Consultations

Community and stakeholder engagement prior to, and during construction is proposed with a dedicated project webpage now established under Council's Major Projects & Works portal: <https://www.shoalhaven.nsw.gov.au/Council/Projects-and-works/Major-projects/Water-Mains-Replacement-Project>

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 Water Fund budget for the 2025-26 financial year. Funding is available to cover the tender amount including other project costs.

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.