



# ORDINARY MEETING OF COUNCIL

To be held at 5pm on

**Tuesday 21 January 2025**

Gerringong Town Hall

Fern Street, Gerringong NSW 2534

## **Order of business**

- 1 Opening of Meeting
- 2 Webcasting Statement
- 3 Acknowledgement of Country
- 4 Statement of Ethical Obligations
- 5 Apologies
- 6 Confirmation of Minutes of Previous Meeting
- 7 Business Arising From The Minutes
- 8 Disclosure of Interest
- 9 Tabling of petitions and other documents
- 10 Public Forum Summary
- 11 Mayoral Minute
- 12 Minutes of Committees
- 13 Report of the Chief Executive Officer
- 14 Report of the Chief Operating Officer
- 15 Report of the Director Planning, Environment and Communities
- 16 Report of the Director Infrastructure and Liveability
- 17 Reports for Information
- 18 Late Items
- 19 Questions with notice
- 20 Notice of Motion
- 21 Confidential Summary
- 22 Confidential Reports
- 23 Closure

## **Members**

Mayor  
Councillor C McDonald  
Deputy Mayor  
Councillor M Matters  
Councillor M Brown  
Councillor M Cains  
Councillor I Draisma  
Councillor S Larkins  
Councillor M Lawton  
Councillor Y Tatrai  
Councillor E Warren

15 January 2025

To the Chairman and Councillors:

### NOTICE OF ORDINARY MEETING

You are respectfully requested to attend an **Ordinary Meeting** of the Council of Kiama, to be held in the **Council Chambers, 11 Manning Street, KIAMA NSW 2533** on **Tuesday 21 January 2025** commencing at **5:00 PM** for the consideration of the undermentioned business.

Yours faithfully



Jane Stroud

**Chief Executive Officer**

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**AGENDA FOR THE ORDINARY MEETING  
OF KIAMA MUNICIPAL COUNCIL  
HELD ON TUESDAY 21 JANUARY 2025**

**1 OPENING OF MEETING**

**2 WEBCASTING STATEMENT**

This meeting is being recorded and made publicly available on the Council website and persons attending the meeting should refrain from making any defamatory statements.

**3 ACKNOWLEDGEMENT OF COUNTRY**

Kiama Municipal Council acknowledges the Traditional Custodians of Dharawal Country, the Wodi Wodi people and recognises their continued connection to the land. We pay our respects to elders past, present and emerging and the contribution that they make to our community.

**4 STATEMENT OF ETHICAL OBLIGATIONS**

Councillors are reminded of their oaths or affirmations of office under section 233A of the Act and their obligations under the Code of Conduct to disclose and appropriately manage any conflicts of interest.

**5 APOLOGIES**

## 6 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

### 6.1 Ordinary meeting held on 10 December

#### Attachments

- 1 Minutes - Ordinary Council - 10/12/2024 [↓](#)
- 2 Minutes attachment - Ordinary Council - 10/12/2024 [↓](#)

#### Enclosures

Nil

### **RECOMMENDED**

That the Minutes of the Ordinary meeting held on 10 December 2024 together with associated attachments be received and accepted.



# **MINUTES OF THE ORDINARY MEETING OF COUNCIL**

commencing at 4 pm on

## **TUESDAY 10 DECEMBER 2024**

Council Chambers  
11 Manning Street, KIAMA NSW 2533

**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

**MINUTES OF THE ORDINARY MEETING OF  
THE COUNCIL OF THE MUNICIPALITY OF KIAMA  
HELD IN THE COUNCIL CHAMBERS, KIAMA  
ON TUESDAY 10 DECEMBER 2024 AT 4 PM**

**PRESENT:** Mayor – Councillor C McDonald (Chair),  
Deputy Mayor – Councillor M Matters,  
Councillors M Brown, M Cains, I Draisma, S Larkins, M Lawton,  
Y Tatrai and E Warren

**IN ATTENDANCE:** Jane Stroud – Chief Executive Officer  
Ed Paterson –Director Planning, Environment and Communities  
Peter Luke – Acting Director Infrastructure and Liveability  
Joe Gaudiosi – Chief Operating Officer  
Olena Tulubinska – Chief Financial Officer  
Stephanie Salviejo - Public Officer

**1 OPENING OF MEETING**

The Chair declared the meeting open at 4.02pm.

**2 WEBCASTING STATEMENT**

The Chair advised the meeting was being livestreamed and recorded and would be made publicly available on the Council website. Persons attending the meeting should refrain from making any defamatory statements.

**3 ACKNOWLEDGEMENT OF COUNTRY**

The Chair acknowledged the traditional owners:

**4 STATEMENT OF ETHICAL OBLIGATIONS**

The Chair reminded Councillors of their oaths or affirmations of office under section 233A of the Local Government Act 1993 and their obligations under the Code of Conduct to disclose and appropriately manage any conflicts of interest.

**5 APOLOGIES**

Nil.



MINUTES OF THE ORDINARY MEETING

10 DECEMBER 2024

**6 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**6.1 Ordinary Council on 20 November 2024**

**24/346OC**

At the request of the Chief Executive Officer and by consent the **motion was varied and resolved** that Council endorse the Minutes of the Ordinary Council meeting held on 20 November 2024, noting at Item 20.2 *Notice of Motion: s.68 Application for temporary limited use of Jamberoo Sporting Complex* the Mayor did not hold up his hand when the vote was called.

(Councillors Draisma and Warren)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**7 BUSINESS ARISING FROM THE MINUTES**

Nil.

**8 DISCLOSURE OF INTEREST**

**Disclosure of Interest - Councillor Draisma**

Councillor Draisma declared a less than significant non-pecuniary interest in *Item 20.3 Notice of motion: Support for Jamberoo Community Preschool* as she is a member of the Jamberoo Preschool working group. Councillor Draisma proposed to disclose and vote on this matter.

**Disclosure of Interest - Councillor Larkins**

Councillor Larkins declared a less than significant non-pecuniary interest in *Item 20.3 Notice of motion: Support for Jamberoo Community Preschool* as he is a member of the Jamberoo Preschool working group. Councillor Larkins proposed to disclose and vote on this matter.

**Disclosure of Interest - Councillor Cains**

Councillor Cains declared a less than significant non-pecuniary interest in *Item 20.1 Notice of motion: Amendment to clause 4.2C of the Kiama Local Environmental Plan* as he owns property that is on contiguous titles that may be affected in the future subject to the resolution. Councillor Cains proposed to disclose and vote on this matter.

**Disclosure of Interest - Councillor Cains**

Councillor Cains declared a less than significant non-pecuniary interest in *Item 16.2 Proposed road naming: New road(s) to be dedicated with subdivision of 15 Golden Valley Road, Jamberoo - DA 10.2021.26.1* as the developer associated with the proposed road naming has a commercial property rented by a trust that Councillor Cains is the beneficiary of. Councillor Cains proposed to disclose and vote on this matter.

**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

**Disclosure of Interest – CEO Jane Stroud**

The CEO declared a significant non-pecuniary interest in *Item 22.2 Expression of Interest for Kiosk at Seven Mile Beach* as one of the tenderers is an acquaintance. The CEO proposed to disclose and leave the Chamber for this matter.

**9 TABLING OF PETITIONS AND OTHER DOCUMENTS**

**9.1 TABLING OF DOCUMENTS**

**ATTACHMENTS**

- A COUNCILLOR LARKINS TABLED A PETITION LODGED BY DR LINDA MOORE REGARDING INSTALLATION OF DISABLED PARKING SPOT AT 10/65 MANNING STREET MEDCLINIC
- B COUNCILLOR MCDONALD TABLED A LETTER TO THE HONOURABLE ROSE JACKSON MINISTER FOR WATER AND HOUSING REQUESTING A MEETING REGARDING WATER AND SEWERAGE SUPPLY AND UPGRADES TO THE KIAMA LOCAL GOVERNMENT AREA AND HER RESPONSE

**10 PUBLIC FORUM SUMMARY**

Name	Item No.	Subject
Belinda Hibbert	20.3	Notice of motion: Support for Jamberoo Community Preschool

**11 MAYORAL MINUTE**

**11.1 Mayoral Minute: Christmas wishes**

**24/3470C**

**Resolved** that Council extends to all, the wish for a happy and peaceful Christmas and for a safe and prosperous New Year.

(Councillor McDonald)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

**11.2 Mayoral Minute: Retirement of Brian Weir PSM from the Illawarra Academy of Sport**

**24/348OC**

**Resolved** that Council formally congratulates Mr Brian Weir, PSM on his tenure with the Illawarra Academy of Sport and thank him for his contribution to the holistic development of the Academy's talented, young local athletes.

(Councillor McDonald)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

The Mayor welcomed Mr Brian Weir to the Chamber and congratulated Mr Weir on his tenure with the Illawarra Academy of Sport, thanking him for his contribution to the wholistic development of the Academy's talented, young local athletes.

The Chair noted that Item 11.3 *Mayoral Minute: Acknowledgement and Recognition of Gary Reeves, Kiama Coach Lines Bus Driver* be dealt with when Mr Reeves was present in the Chambers.

**Procedural Motion: in globo**

**24/349OC**

**Resolved** that Council move in globo and adopt the recommendations contained within the report for items 13.1, 13.2, 14.1, 15.2, 15.3, 16.2, 16.3.

(Councillors Brown and Draisma)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**12 MINUTES OF COMMITTEES**

**12.1 Minutes: Tourism and Economic Advisory Committee - 28 November 2024**

**24/350OC**

**Resolved** that the Minutes of the Tourism and Economic Advisory Committee meeting held on 28 November 2024 be received and accepted.

(Councillors Brown and Draisma)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

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**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

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**13 REPORT OF THE CHIEF EXECUTIVE OFFICER**

**13.1 Bi-monthly update: Strategic Finance & Governance Improvement Plan - December 2024**

The following recommendation was adopted as part of the in globo adoption of items – refer minute number 24/349OC.

**24/351OC**

**Resolved** that Council:

1. Receive the Strategic Finance & Governance Improvement Plan – Implementation Status Update – December 2024.
2. Note that the Chief Executive Officer, through the Implementation Team, will:
  - a. provide a copy of the Implementation Status Update - December 2024 to the NSW Office of Local Government, and
  - b. place a copy of the Implementation Status Update - December on Council's website.

(Councillors Brown and Draisma)

For: Councillors Cains, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**13.2 Councillor attendance to the 2025 Local Government Destination and Visitor Economy Conference**

The following recommendation was adopted as part of the in globo adoption of items – refer minute number 24/349OC.

**24/352OC**

**Resolved** that Council determines that Councillor Brown and Councillor Tatrai as members of the Tourism and Economic Development Advisory Committee attend the Local Government NSW Destination and Visitor Economy Conference from 26-28 May 2025, with accommodation and travel expenses covered by Council.

(Councillors Brown and Draisma)

For: Councillors Cains, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

**13.3 Returns of Interest - Councillors (post local government election)**

**24/353OC**

**Resolved** that Council receive and note the tabling of an amended Pecuniary Interest Register 2023-24 comprising the Disclosure of Interest returns for Councillors sworn in at the Ordinary October 2024 meeting.

(Councillors Larkins and Draisma)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**14 REPORT OF THE CHIEF OPERATING OFFICER**

**14.1 Monthly Financial Report - October 2024**

The following recommendation was adopted as part of the in globo adoption of items – refer minute number 24/349OC.

**24/354OC**

**Resolved** that Council:

1. Receives and adopts the Monthly Financial Report for October 2024.
2. Approves the funding source change for donation to Gerringong District All Sports Inc. for Gerry Emery Clubhouse embellishments:
  - a. Original Council resolution 24/270OC \$75,000 funded from the Development Contributions Reserve
  - b. Funding source change - \$30,000 from LRCI Grant Funding and \$45,000 from the Development Contributions Reserve.

(Councillors Larkins and Draisma)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**15 REPORT OF THE DIRECTOR PLANNING, ENVIRONMENT AND COMMUNITIES**

**15.1 Endorse for public exhibition - Creative Kiama: Cultural Plan 2025-29**

**24/355OC**

**Resolved** that Council:

1. Place the draft *Creative Kiama: Cultural Plan 2025-29*, on public exhibition starting mid-January 2025 for a period of 28 days.

**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

2. Receive a further report for consideration, if any relevant submissions are received or if any substantial changes are proposed for any other reasons, detailing the public exhibition outcomes and proposed changes with further recommendations regarding adoption.
3. On the day after completion of the public exhibition period, adopt the *Creative Kiama: Cultural Plan 2025-29*, if there are no relevant submissions received and there are no substantial changes proposed.

(Councillors Larkins and Draisma)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**15.2 Memorandum of Understanding - South Coast Arts**

The following recommendation was adopted as part of the in globo adoption of items – refer minute number 24/349OC.

**24/356OC**

**Resolved** that Council:

1. Receive and note this report.
2. Endorse Council entering into an annual membership model, including membership of the South Coast Arts Board, with South Coast Arts (i.e. Option 2).
3. Delegates to the Chief Executive Officer to write to the South Coast Arts Board advising of Council’s decision.

(Councillors Brown and Draisma)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**15.3 Review of Section 7.11 Contributions Levied 2022-23**

The following recommendation was adopted as part of the in globo adoption of items – refer minute number 24/349OC.

**24/357OC**

**Resolved** that Council:

1. Note the findings of the Review of Section 7.11 Contributions levied 2022-23.
2. Refund the overcharged portion of any paid 7.11 contribution fee determined between July 2022 and June 2023 using the restricted reserve funding dedicated for that purpose.
3. Include 5% pa interest on any refundable amount, calculated monthly.

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4. Agree to waive the council fees for customers seeking to modify the development consents for any overcharged but unpaid 7.11 contribution fee determined between July 2022 and June 2023.
5. Provide written correspondence to the current landowners to advise of the issue including:
  - a. The revised contribution amount, overcharged amount and any interest.
  - b. Information and guidance on how to apply to modify a development consent, including the steps and information to submit this on the NSW Planning Portal.
  - c. Confirm that the council fee will be waived, but the NSW Planning Portal fee will be payable.
  - d. Information and guidance on how to request a refund (if the contribution has been paid) including a pre-filled application form.
6. Apply the same principle as set out in this report to any other applications or payments found to be calculated using the same calculator.
7. Update the budget to reduce the forecast development contributions income.  
(Councillors Brown and Draisma)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**16 REPORT OF THE DIRECTOR INFRASTRUCTURE AND LIVEABILITY**

**16.1 Maintenance of Budderoo Plateau Road**

**24/358OC**

**Resolved** that Council cease contributions to the maintenance of Budderoo Plateau Road and the associated access track.

(Councillors Cains and Brown)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**16.2 Proposed road naming: New road(s) to be dedicated with subdivision of 15 Golden Valley Road, Jamberoo - DA 10.2021.26.1**

The following recommendation was adopted as part of the in globo adoption of items – refer minute number 24/349OC.

Councillor Cains declared a less than significant non-pecuniary interest in this matter, disclosed and voted.

**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

24/359OC

**Resolved** that Council:

1. Endorses the following proposed road names for the subdivision 10.2021.26.1 at Golden Valley Road, Jamberoo, to be submitted to the Geographical Names Board for approval:

<b>Proposed name</b>	<b>Significance</b>
Burnside	Burnside is the property name of a dairy farm east of Jamberoo at 636 Jamberoo Road, Jamberoo.
Culwalla	Culwalla is the property name of a dairy farm east of Jamberoo at 543 Jamberoo Road, Jamberoo.
Glenburn	Glenburn is the property name of a dairy farm northeast of Jamberoo at 124 Factory Lane, Jamberoo.
Wauchope	Wauchope is the property name of a dairy farm east of Jamberoo at 619 Jamberoo Road, Jamberoo.

2. Following assessment by the Geographical Names Board:
  - (a) Should at least three road names be approved, proceed to place the road names on public exhibition for a period of 28 days, calling for submissions, or
  - (b) Should less than three road names be approved, request the developer to propose further alternatives for resubmission to the Geographical Names Board, to be reported back to Council.
3. Following conclusion of the exhibition period:
  - (a) Receive a further report on any submissions received, if submissions or feedback result in changes to the road names proposed, or
  - (b) If no submissions are received, endorse the proposed road names for approval and gazetting.

(Councillors Brown and Draisma)

For: Councillors Cains, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil



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**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

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**16.3 Traffic Management: Kiama Local Traffic Committee meeting –  
3 December 2024**

The following recommendation was adopted as part of the in globo adoption of items – refer minute number 24/349OC.

**24/360OC**

**Resolved** that Council receive the Minutes of the Kiama Local Traffic Committee meeting of 3 December 2024 and the following recommendations be adopted, subject to the following:

1. The implementation of temporary No Parking zones on Akuna Street in accordance with the plan, to be implemented on 31 December 2024 to allow for detours during the New Years Eve road closures, subject to:
  - (a) A detailed Traffic Guidance Scheme being prepared by an appropriately qualified person and submitted to Council for approval as part of the Road Occupancy Application.
  - (b) Temporary signage being erected in Akuna Street at least one week prior advising of the implementation of No Parking zones, to ensure residents/commuters are forewarned.
  - (c) Local residents and businesses are notified of temporary No Parking zones by a letter drop.

(Councillors Brown and Draisma)

For: Councillors, Cains, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**17 REPORTS FOR INFORMATION**

The following Reports for Information listed for the Council's consideration are received and noted

- 17.1 Community Engagement Strategy - review
- 17.2 Model Code of Conduct Complaints Statistics 2023-24
- 17.3 Submission to the Office of Local Government - Councillor Conduct Framework.

**18 LATE ITEMS**

**Procedural motion: matter of urgency**

**24/361OC**

**Resolved** that in accordance with clause 3.42 of the Code of Meeting Practice, Councillor Lawton's motion on the Council Chambers upgrade works be considered

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**10 DECEMBER 2024**

urgent on the grounds that the intended scope and budget of the project require urgent review before the project commences.

(Councillors Lawton and Tatrai)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**Motion: Council Chambers upgrade works**

It was moved by Councillor Lawton and seconded by Councillor Tatrai that Council:

1. Cease all works relating to the Council Chambers upgrade works.
2. Determine an urgent meeting date for Councillors and Council Administration to review the intended scope of the Chambers, to approve necessary works, with a view of deleting any aesthetic upgrades that are funded within the budgeted item i.e. new carpet and desking.
3. Note that Councillors support the required upgrades to the A/V IT systems to ensure good practice for all council meetings and communication to the community and the works necessary for the leased Westpac premises.
4. Allocate unused budgeted funds to community projects, for example the Jamberoo Pool cover.

The Chair cautioned Councillor Cains on bringing staff into disrepute and asked him to withdraw his comments. Councillor Cains apologised and withdrew his comments.

On being put the **motion** was **lost**.

For: Councillors Brown, Cains, Lawton, and Tatrai

Against: Councillors Draisma, Larkins, Matters, McDonald and Warren

At 5:14pm, Item 11.3 was dealt with.

**11.3 Mayoral Minute: Acknowledgement and recognition of Gary Reeves, Kiama Coach Lines bus driver**

**24/362OC**

**Resolved** that Council formally acknowledges and thank Gary Reeves, Kiama Coach Lines bus driver for his bravery and swift action in an emergency where the vehicle carrying thirty-three (33) primary school aged children caught ablaze on Collins Street, Kiama on 28 November 2024.

(Councillor McDonald)

**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

The Mayor welcomed Mr Gary Reeves to the Chamber and congratulated Mr Reeves for his bravery and swift action in the emergency.

**Procedural motion: Suspension of Standing Orders**

**24/363OC**

**Resolved** that Standing Orders be suspended in order to congratulate Gary Reeves and take a Councillor photograph with Mr Reeves.

(Councillors McDonald and Matters)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**Procedural motion: Resumption of Standing Orders**

**24/364OC**

**Resolved** that Standing Orders be resumed.

(Councillors McDonald and Matters)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**19 QUESTIONS WITH NOTICE**

**19.1 Question with notice: Management of Council assets**

**Question**

1. What is the status of council's property plan, as outlined by Action 3.8 of the adopted strategic finance and governance improvement plan?
2. How will council consistently and transparently manage leases of council assets to community groups and private operators, to ensure:
  - a) council assets generate revenue; and
  - b) council complies with the Commonwealth Competition Policy Reform Act 1995; and
  - c) that council assets are appropriately managed and maintained?

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**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

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This question was responded to in the report to Council.

**20 NOTICE OF MOTION**

**20.1 Notice of motion: Amendment to clause 4.2C of the Kiama Local Environmental Plan 2011**

Councillor Cains declared a less than significant non-pecuniary interest in this matter, disclosed and voted.

It was **moved** by Councillor Draisma and seconded by Councillor Larkins that Council as part of their Kiama Local Environmental Plan (LEP) 2011 review program, include a review of clause 4.2C to consider including C2 Environmental Conservation zoned land as land to which clause 4.2C applies.

On being put the **amended motion** was **lost**.

For: Councillors Draisma, Larkins, Matters and McDonald

Against: Councillors Brown, Cains, Lawton, Tatrai and Warren

Cr Lawton left the room the time being 5.21pm

Cr Lawton returned to the meeting, the time being 5.23pm

**24/365OC**

**Resolved** that Council:

1. Requests a report from Chief executive officer regarding a proposal to seek amendment to Clause 4.2C of the Kiama Local Environmental Plan (LEP), through the relevant State Government authority, to include C2 zoning, aligning it with other NSW regional councils.
2. Provides a further report to a future meeting of Council outlining a suggested pathway forward contingent upon the council's acceptance of the proposed amendments to Clause 4.2C.

(Councillors Cains and Warren)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**20.2 Notice of motion: Memorial planting, benches and plaques in parks and open spaces policy**

**24/366OC**

**Resolved** that Council:

1. Develop a Memorial Planting, Benches and Plaques in Parks and Open Spaces Policy (the Policy), subject to available funding in the 2025-26 budget.

**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

2. Require that requests under such a policy uphold the requirement for tree species and consideration of impact under the Public Tree Management Policy 2022, including that preferred species will be trees native to the region, although other native and non-native species may be used depending on the character of the park or open space.
3. Consider in the development of the Policy the utilisation of a beneficiary pays model where there is a budgetary implication for Council in the memorial installation and/or planting.
4. Note that the request for a plaque for the late Edith Clarke at the Kiama Rockpool site is proceeding and Council will continue to liaise with the family regarding their request.

(Councillors Draisma and Larkins)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**20.3 Notice of motion: Support for Jamberoo Community Preschool**

Councillor Draisma and Councillor Larkins declared a less than significant non-pecuniary interest in this matter, both Councillors disclosed and voted.

It was **moved** by Councillor Cains and seconded by Councillor Lawton that Council:

1. Assures the Jamberoo Community Preschool they will not be required to vacate their current council-owned premises until a viable and functional alternative location is found.
2. Shall provide, if necessary, an extension to the current lease, to allow the preschool the required time to establish operations in a new location.
3. Will partner with Jamberoo Community Preschool to establish a shovel-ready project plan for the construction of a new preschool, which can be incorporated into a future grant advocacy plan of the council.

At the request of Councillor McDonald and by consent the **motion was varied** to read:

That Council:

1. Assures the Jamberoo Community Preschool they will not be required to vacate their current council-owned premises, barring circumstances that are beyond Council's control or are made reasonable by necessity, until a viable and functional alternative location is found.
2. Shall provide, if necessary, an extension to the current lease, to allow the preschool the required time to establish operations in a new location.
3. Will partner with Jamberoo Community Preschool to establish a shovel-ready project plan for the construction of a new preschool, which can be incorporated into a future grant advocacy plan of the council.

**MINUTES OF THE ORDINARY MEETING****10 DECEMBER 2024**

The CEO advised that the Notice of Motion as it stands is not compliant with the Code of Meeting Practice as point 3 does not identify a budget source and the motion would not be able to be voted on.

Councillor Draisma raised a **point of order** that if Councillor Cains is not supporting Councillor Larkins' amendment in its entirety, Councillor Larkins will need to seek a seconder and if point 3 remains as is, the same issue remains that Councillor Cains has not identified the source of funding or referred it to a budgetary cycle. The Chair accepted the point and called for a seconder to the amendment.

**24/3670C****Resolved** that Council:

1. Assures the Jamberoo Community Preschool they will not be required to vacate their current council-owned premises, barring circumstances that are beyond Council's control or are made reasonable by necessity, until a viable and functional alternative location is found.
2. Shall provide, if necessary, an extension to the current lease, to allow the preschool the required time to establish operations in a new location.
3. Notes that advocacy for supporting the Jamberoo Community Preschool will be included in the new Kiama Council advocacy document.
4. Write to the Deputy Premier and Minister for Education and Early Learning, the Hon Prue Carr MP, seeking support for the preschool, including support for the preschool to access the NSW 2025 Start Strong for Community Preschools program.
5. Finalise and publicly release the details on the designs for flood mitigation, as part of the action items identified from the Gerringong-Jamberoo Flood study report, as soon as practical.
6. Apply for relevant grants through the Federal National Emergency Management Agency (NEMA), the NSW Reconstruction Authority and any other government agency for flood mitigation works in Jamberoo and across our local government area.

(Councillors Larkins and Draisma)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters,  
McDonald, Tatrai and Warren

Against: Nil

**21 CONFIDENTIAL SUMMARY****Public Representations:**

The Mayor called for representations regarding issues which had been proposed to be disclosed in Confidential Committee of the Whole. No such representations were received.

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**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

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**21.1 Exclusion Of Press And Public:**

**24/368OC**

**Resolved** that in accordance with Sections 10 and 10A of the Local Government Act, 1993 as amended, Council close the meeting of the Confidential Committee of the Whole to the Press and Public to deal with the following matters on the grounds as detailed below.

**22.1 BLUE HAVEN UPDATE - NOVEMBER 2024**

**Reason for Confidentiality:** This matter deals with information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business as per Section 10A(2)(c) of the Local Government Act and information that would, if disclosed, confer a commercial advantage on a competitor of the council as per Section 10A(2)(dii) of the Local Government Act.

**22.2 EXPRESSION OF INTEREST FOR KIOSK AT SEVEN MILE BEACH**

**Reason for Confidentiality:** This matter deals with information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business as per Section 10A(2)(c) of the Local Government Act.

**22.3 BLUE HAVEN BONAIRA SALE UPDATE**

**Reason for Confidentiality:** This matter deals with information that would, if disclosed, confer a commercial advantage on a competitor of the council as per Section 10A(2)(dii) of the Local Government Act.

(Councillors Draisma and Brown)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**24/369OC**

**Resolved** that at this time, 6.05pm, Council form itself into a Confidential Committee of the Whole to deal with matters listed in the recommendations as set out below subject to the consideration of any representations relating to such action.

(Councillors Brown and Tatrai)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

**22 CONFIDENTIAL REPORTS**

**22.1 Blue Haven Update - November 2024**

**24/3700C**

**Committee recommendation** that Council note the information provided in the Blue Haven update report for November 2024.

(Councillors Brown and Warren)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**22.2 Expression of Interest for Kiosk at Seven Mile Beach**

The Chief Executive Officer declared a significant non-pecuniary interest in this matter and left the meeting, the time being 6.08pm.

**24/3710C**

**Committee recommendation** that Council:

1. endorse Rebecca Hallam and Emily Lewisman (Herbert) as the successful tenderer for the operation of the Kiosk/Café at Seven Mile Beach Reserve (R83972) for a 5 year lease term with an option to renew for a further 5 years and rental as outlined within the body of the report.
2. delegate authority to the Chief Executive Officer to negotiate with Rebecca Hallam and Emily Lewisman (Herbert) to establish (a) capital upgrade/fit out works (b) lease renewal/option periods, and (c) lease commencement.
3. grant authority for the use of the Common seal of Council on the lease and any associated documentation, should it be required, to give effect to this resolution.

(Councillors Brown and Draisma)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

The Chief Executive Officer returned to the meeting the time being 6.13pm.

**22.3 Blue Haven Bonaira sale update**

**24/3720C**

**Committee recommendation** that Council:

1. Authorise the Chief Executive Officer and the Mayor to finalise and execute (in a form substantially annexed to this report) the letter of variation (Variation) to the Asset Sale Agreement and the Land Sale Contract for the sale of the Blue Haven Bonaira business (together with the land on which it is operated but



**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

excluding Community Transport) (which were both previously approved, and executed by Council on 17 July 2024) (together, as amended by the Variation, Sale Documents), such variation including a revised gross sale price of \$89M, and to be authorised to do anything which is necessary or desirable to do under or in connection with the Sale Documents including to finalise and execute any ancillary documents or forms contemplated by the Sale Documents.

2. Authorise the Chief Executive Officer and the Mayor to affix the Common Seal to the Variation, and any ancillary documents or forms contemplated by the Sale Contracts for the purposes of the execution of those documents.
3. Authorise the Chief Executive Officer to perform the Council's obligations under the Sale Contracts and any ancillary documents or forms contemplated by the Sale Contracts.
4. Authorise the Chief Executive Officer to do anything (including without limitation completion, preparation, amendment, finalisation, certification, execution and delivery of any registers, records, certificates, documents, notices, consents or forms) which is necessary or desirable to do under or in connection with the above resolutions.

(Councillors Brown and Tatrai)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**Close of Confidential Committee of the Whole:**

**24/373OC**

**Committee recommendation** that at this time, 6.19pm the Confidential Committee of the Whole revert to Open Council.

(Councillors Larkins and Cains)

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**Adoption of Report**

The Chief Executive Officer formally reported the recommendations of the Confidential Committee of the Whole more particularly set out above.

**24/374OC**

**Resolved** that that the Confidential Committee of the Whole recommendations numbered 24/370OC to 24/373OC be confirmed and adopted.

(Councillors Draisma and Lawton)

**MINUTES OF THE ORDINARY MEETING**

**10 DECEMBER 2024**

For: Councillors Brown, Cains, Draisma, Larkins, Lawton, Matters, McDonald, Tatrai and Warren

Against: Nil

**23 CLOSURE**

There being no further business the meeting closed at 6.25pm.

These Minutes were confirmed at the Ordinary Meeting of Council held on 21 January 2025.

.....  
Mayor

Item 6.1

Attachment 1



## **ORDINARY MEETING OF COUNCIL**

### **MINUTE ITEM ATTACHMENTS**

Tuesday 10 DECEMBER 2024

APPENDIX 1 – PETITION

PETITION

To the Councillors of Kiama Municipal Council

The Petition of the residents of the Kiama Municipal Council.

Brings to the attention of the Council to ...The Kiama Local Traffic Committee , The Director of Infrastructure and Liveability, All Councillors, The Mayor and CEO.....

[Briefly state the circumstances of the issue that the petitioners wish to bring to the notice of the Council.]

The undersigned petitioners therefore ask the Council to ...install a disabled parking spot in front of ...the MedClinic (10/65 Manning St, Kiama) for the benefit of attendee's and the community.....

[Outline the action that the Council should, or should not, take.]

Lodged by: Dr Linda Moore Contact Phone: 42321122

Address: 26 Cl- 10/65 Manning St Kiama NSW 2533

Email: Kiama@med-clinic.net.au

**Privacy statement:** Kiama Municipal Council is collecting your personal information solely for the purpose of administering this petition and verifying its authenticity, as required by Council's Petitions Policy. Council will handle your personal information in accordance with the Privacy and Personal Information Protection Act 1998 and the Government Information (Public Access) Act 2009.

Name	Address	Signature
JOHN GREER		
RICHARD CRICKSTAR		
Caycee Stratten		
Helen Caldwell		
GILLIAN RUSEWANA		
Megan Bussing-Todd		
TRISH PHILLIPS		
Ray Johnson		
Kim Burrows		
Mia Hammond		
N. Vukovic		
Karen Deverport		

[Subsequent pages of a petition must repeat the request from the first page of the petition.]

The undersigned petitioners ask the Council to... install a disabled parking spot in front of the MedClin.....  
 (10/65 Manning St, Kiama) for the benefit of attendee's and the community.....

[Outline the action that the Council should, or should not, take.]

**Privacy statement:** Kiama Municipal Council is collecting your personal information solely for the purpose of administering this petition and verifying its authenticity, as required by Council's Petitions Policy. Council will handle your personal information in accordance with the *Privacy and Personal Information Protection Act 1998* and the *Government Information (Public Access) Act 2009*.

Name	Address	Signature
Paul Norton		
Julie Lydquist		
JASON KINC		
Nathan William		
Roby Evans		
Melanie Summerside		
Cameron Letby		
Chloe Fredericks		
Sylvia Allen		
Ann KEREKES		
Byron McBride		
John Baker		
James Henry		
Leah Camus		
Tracey Clinch		
Senitta Messiah		
John Johnston		
Sandra Johnston		
Green Patricia		
CHRIS JACKMAN		

[Subsequent pages of a petition must repeat the request from the first page of the petition.]

The undersigned petitioners ask the Council to...install a disabled parking spot in front of the MedClie.....  
 (19/65 Manning St. Kiama) for the benefit of attendees and the community.....

[Outline the action that the Council should, or should not, take.]

**Privacy statement:** Kiama Municipal Council is collecting your personal information solely for the purpose of administering this petition and verifying its authenticity, as required by Council's Petitions Policy. Council will handle your personal information in accordance with the *Privacy and Personal Information Protection Act 1998* and the *Government Information (Public Access) Act 2009*.

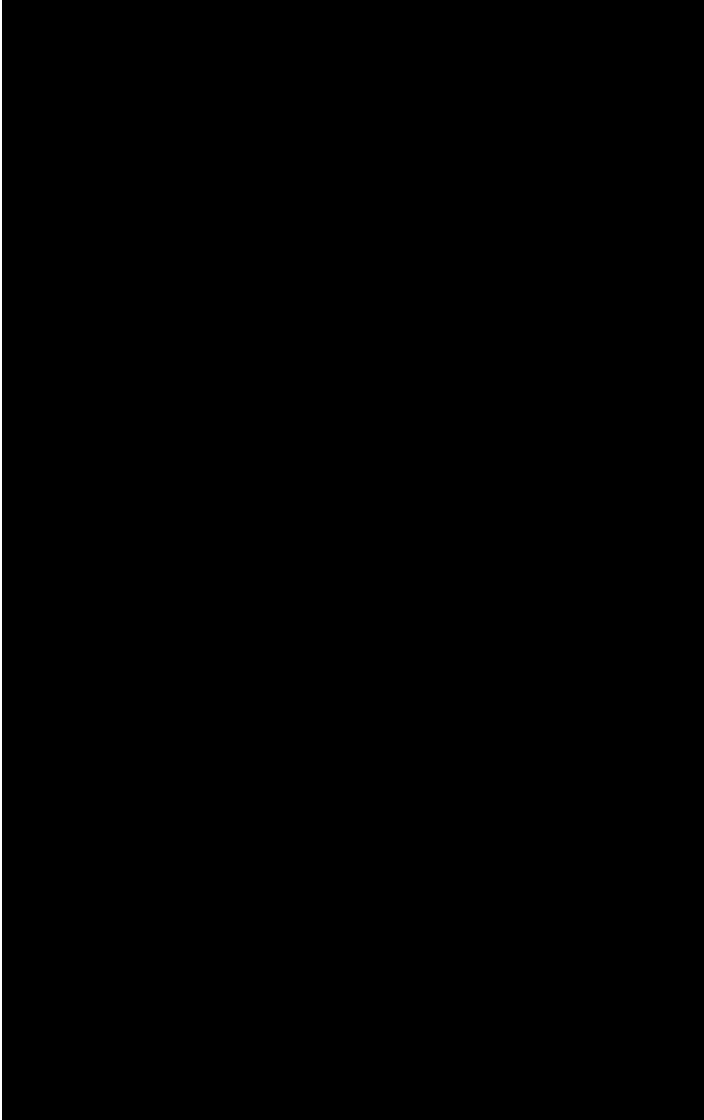
Name	Address	Signature
W. CERRON		
B. ROBARDS		
K. BRAIN		
A. Langbottom		
A. BATEMAN		
W PENNIGU		
M. CRUMP		
P. CRUMP		
S Coleman		
J Watt		
K. Simon		
Amethyst Downing		
Peter STREET		
BRUCE ELDER		
KERRIE BACON		
M. J. Beecham		
Jennifer O'Donnell		
Styler Morrow		
Amy Lavery		
Alexandria Jones		

[Subsequent pages of a petition must repeat the request from the first page of the petition.]

The undersigned petitioners ask the Council to...install a disabled parking spot in front of the MedClin.....  
 (10/65 Manning St. Klama) for the benefit of attendees and the community.....

[Outline the action that the Council should, or should not, take.]

**Privacy statement:** Klama Municipal Council is collecting your personal information solely for the purpose of administering this petition and verifying its authenticity, as required by Council's Petitions Policy. Council will handle your personal information in accordance with the *Privacy and Personal Information Protection Act 1998* and the *Government Information (Public Access) Act 2009*.

Name	Address	Signature
John Doherty		
Dianne Falson		
Yasmin Burgess		
Mackenzie Burgess		
Margie Meitani		
Amanda Williams		
LOYD MEJDEL		
LEWIS MANUKONLA		
Maree Hanson		
James Wright		
Melinda Prior		
Michelle Dolaghan		
Pamela Stevens		
BRYAN MALLEY		
Marcello Sami		
Joanne Sweeney		
Robyn Kenyon		
Lynn Sobiel		
Lauren Thompson		
Natalie Face		

u

[Subsequent pages of a petition must repeat the request from the first page of the petition.]

The undersigned petitioners ask the Council to... install a disabled parking spot in front of the MedClic.....  
 (10/65 Manning St, Klama) for the benefit of attendees and the community.....

[Outline the action that the Council should, or should not, take.]

**Privacy statement:** Klama Municipal Council is collecting your personal information solely for the purpose of administering this petition and verifying its authenticity, as required by Council's Petitions Policy. Council will handle your personal information in accordance with the *Privacy and Personal Information Protection Act 1998* and the *Government Information (Public Access) Act 2009*.

Name	Address	Signature
Neil Douglas		
Mick Clinch		
Adam McDonald		
Deborah Simpson		
Brenda Hunt		
Susan Waine		
MARIK FISHER		
Morgan Tipping		
Lynne Payne		
Brian Craddock		
Margaret Tucker		
Jessica Kearns		
Tracy Kennedy		
Beau Mitchell		
Grace Kennedy		
Allyson Boddie		
Toni Hsueh		
Luke Homann		
Adrienne Evans		
Damian Liveberg		

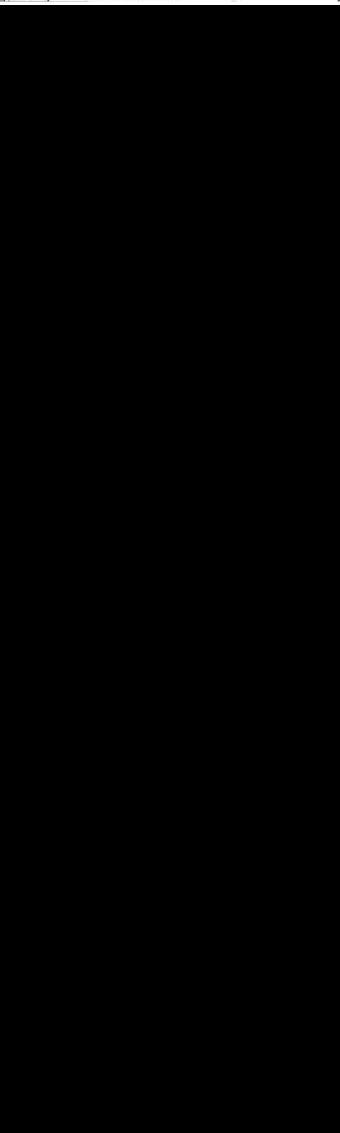


[Subsequent pages of a petition must repeat the request from the first page of the petition.]

The undersigned petitioners ask the Council to... install a disabled parking spot in front of the MedClic.....  
 (10/65 Manning St, Klamath) for the benefit of attendees and the community.....

[Outline the action that the Council should, or should not, take.]

**Privacy statement:** Klamath Municipal Council is collecting your personal information solely for the purpose of administering this petition and verifying its authenticity, as required by Council's Petitions Policy. Council will handle your personal information in accordance with the *Privacy and Personal Information Protection Act 1998* and the *Government Information (Public Access) Act 2009*.

Name	Address	Signature
Jo White		
Kyle Grant		
Mari Wagner		
Tim Goong		
N. Macmillan		
J. Kelleher		
Ben Triss		
Susan Hawley		
Katherine Barron		
LINDA AYRES		
Madonna BEDGROO		
ROB GANNON		
D. FAVA		
Melissa Stewart		
Melissa Kr		
Jacob M		
Davide Coss		
Michael Bowden		
Ally Frew		
Lewis Preece		

[Subsequent pages of a petition must repeat the request from the first page of the petition.]

The undersigned petitioners ask the Council to... Install a disabled parking spot in front of the MedClin  
 (10/65 Manning St, Klamā) for the benefit of attendee's and the community.....

[Outline the action that the Council should, or should not, take.]

**Privacy statement:** Kiama Municipal Council is collecting your personal information solely for the purpose of administering this petition and verifying its authenticity, as required by Council's Petitions Policy. Council will handle your personal information in accordance with the *Privacy and Personal Information Protection Act 1998* and the *Government Information (Public Access) Act 2009*.

Name	Address	Signature
ELIZABETH RENTON		
MAUREEN RUGG		
PAT BARRON		
Elizabeth ASANOVIC		
TRICIA PRATT		
Tanet Brookfield		
BLANCA PORPACZY		
Deirdre Backhouse		
ESTEBAN PORPACZY		
Elizabeth Moore		
JACQUILAVE		
Karlee Matthews		
Lilian Moore		
Robyn Rankin		
CHRISTINE LANTAS		
Lauren Pont		
Nick Brady		
Peter Potter		
Teresa Mills		
Nancy Smith		

[Subsequent pages of a petition must repeat the request from the first page of the petition.]

The undersigned petitioners ask the Council to... install a disabled parking spot in front of the MedClic.....  
 (.10/65 Manning St. Kiama) for the benefit of attendee's and the community.....

[Outline the action that the Council should, or should not, take.]

**Privacy statement:** Kiama Municipal Council is collecting your personal information solely for the purpose of administering this petition and verifying its authenticity, as required by Council's Petitions Policy. Council will handle your personal information in accordance with the *Privacy and Personal Information Protection Act 1998* and the *Government Information (Public Access) Act 2009*.

Name	Address	Signature
Sarah Vassallo		
Blanca Workman		
C Workman		
A L T O D		
Katy Clements		
Cath Reedel (app)		
Ingrid Gurney		
PAUL BENTLEY		
WILLIAM OLIVER		
CHRISTINE STIRMAN		
ALLAN HOLLER		
CAROLYN WILLIAMS		
Rachel Cummings		
Pet Smylic		
MARTIN ROOPE		
MATT WESTLEY		
Cassandra Orion		
J Beazley		
D. DeGard		
A MANSFIELD		

Item 6.1


Attachment 2

[Subsequent pages of a petition must repeat the request from the first page of the petition.]

The undersigned petitioners ask the Council to... install a disabled parking spot in front of the MedClic.....  
 (19/65 Manning St, Kiama) for the benefit of attendee's and the community.....

[Outline the action that the Council should, or should not, take.]

**Privacy statement:** Kiama Municipal Council is collecting your personal information solely for the purpose of administering this petition and verifying its authenticity, as required by Council's Petitions Policy. Council will handle your personal information in accordance with the *Privacy and Personal Information Protection Act 1998* and the *Government Information (Public Access) Act 2009*.

Name	Address	Signature
Kelly LaFontain		
OLGA VASEO		
Karen Gaynor Spri		
Julia Ormswain		
RITA SULLIVAN		
Imelda Laidler		
FAY HULL		
JENNY McEWAN		
Annette Hood		
Alex HOOD		
JODIE COOPER		
ANTHONY BAWARD		
MARGARET GRIFFIN		
Sue Hassler		
Peter Hassler		
Nick Hassler		
Thomas Hassler		
DENNISE STEWART		
S. WILSON		
M Wilson		



**Michelle Richardson**

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**From:** Kyle Alp <Kyle.Alp@minister.nsw.gov.au>  
**Sent:** Tuesday, 3 December 2024 9:32 AM  
**To:** Cameron McDonald  
**Cc:** Cameron Munro  
**Subject:** FW: Water and Sewerage Supply Centre and upgrades to Kiama Local Government Area  
**Attachments:** Letter to the ~ and sewerage supply centre and upgrades to Kiama Local Government Area.pdf

OFFICIAL

Good morning Mr McDonald,

Thank you for your email to the Hon. Rose Jackson MLC, Minister for Water, Housing, Homelessness, Mental Health, Youth, and the North Coast.

As you may appreciate, the Minister is responsible for a wide range of portfolios, and therefore, at this stage is not able to meet with you.

@Cameron Munro, Water Advisor however would be delighted to take this meeting and please feel free to reach out to him to coordinate a mutually agreeable time.

Kind regards,



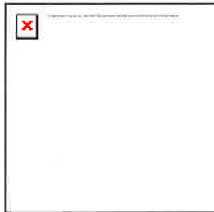
**Kyle Alp**  
Executive Officer & Office Manager to The Hon. Rose Jackson MLC  
**Minister for Water**  
**Minister for Housing**  
**Minister for Homelessness**  
**Minister for Mental Health**  
**Minister for Youth**  
**Minister for North Coast**

E: [kyle.alp@minister.nsw.gov.au](mailto:kyle.alp@minister.nsw.gov.au)  
Level 15, 52 Martin Place Sydney NSW 2000

I acknowledge the traditional custodians of the land and pay respects to Elders past and present. I also acknowledge all the Aboriginal and Torres Strait Islander staff working with NSW Government at this time.

OFFICIAL

**From:** NSW Government <webforms@customerservice.nsw.gov.au>  
**Sent:** Thursday, 28 November 2024 4:47 PM  
**To:** Jackson Office Email <office@jackson.minister.nsw.gov.au>  
**Subject:** Water and Sewerage Supply Centre and upgrades to Kiama Local Government Area



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<b>Title</b>	Mr
<b>First name</b>	CAMERON
<b>Last name</b>	MCDONALD
<b>Phone</b>	<a href="tel:0459239392">0459239392</a>
<b>Email</b>	<a href="mailto:cameron.mcdonald@kiama.nsw.gov.au">cameron.mcdonald@kiama.nsw.gov.au</a>
<b>Street address</b>	11 Manning Street
<b>Suburb</b>	KIAMA
<b>State</b>	NSW
<b>Postcode</b>	2533
<b>Subject</b>	Water and Sewerage Supply Centre and upgrades to Kiama Local Government Area
<b>Type of enquiry</b>	Meeting request
<b>Message</b>	Council is seeking an urgent meeting with Minister for Water, The Hon. Rose Jackson, MLC and Sydney Water to discuss and address concerns regarding a recent Environmental Protection Authority (EPA) notification about reports of pea-sized, ball-shaped debris washing up on the southern end of Bombo Beach.
<b>I would like a response</b>	Yes
<b>Privacy Collection Notice</b>	NSW government Privacy Statement: <b>Agreed</b>

Item 6.1

Attachment 2



## OFFICE OF THE MAYOR

CMCD:MGR:24/126280

28 November 2024

The Honourable Rose Jackson, MLC  
Minister for Water

Dear Minister Jackson, MLC

### **Water and sewerage supply centre and upgrades to Kiama Local Government Area**

Council is seeking an urgent meeting with Minister for Water, The Hon. Rose Jackson, MLC and Sydney Water to discuss and address concerns regarding a recent Environmental Protection Authority (EPA) notification about reports of pea-sized, ball-shaped debris washing up on the southern end of Bombo Beach.

An EPA officer and a Kiama Municipal Council ranger inspected Bombo Beach as it was unclear what the balls were made of or where they may have originated. Council completed water testing and issued a public health notice advising members of the public not to touch any similar balls that washed ashore.

Kiama's natural environment is one of its greatest attributes. Its natural beauty and pristine environment have helped contribute to its recent recognition as NSW Top Tourism Town. Every year visitors and locals enjoy our coastline, our oceans, waterways and green rolling hills.

Protecting the value of these assets and ensuring the existing infrastructure that Sydney Water supplies to our local government area meets the existing (and future) needs of our communities is imperative to this Council, as it was to past Councils.

Council and the community are aware of aged, capacity and supply for growth challenges associated with the Bombo Treatment Plant. Often the community and Council have been alerted to leaks, overflow and network closures.

Like many LGAs around Australia as we plan and grow to provide housing, we need to make sure the fundamental supporting trunk infrastructure (like water and sewer) is suitable, well sequenced and effectively managed to protect our current and future supply, and plays its necessary role in protecting our pristine environment.

We look forward to hearing from you with possible timings for a meeting.

Cameron McDonald  
Mayor

**All correspondence** Mayor of Kiama, PO Box 75 Kiama NSW 2533  
**Contacts** P (02) 4232 0444 E council@kiama.nsw.gov.au

11 Manning Street Kiama NSW 2533  
W www.kiama.nsw.gov.au ABN 22 379 679 108





**7 BUSINESS ARISING FROM THE MINUTES**

**8 DISCLOSURE OF INTEREST**

**9 TABLING OF PETITIONS AND OTHER DOCUMENTS**

**10 PUBLIC FORUM SUMMARY**

**11 MAYORAL MINUTE**

Nil

## 12 MINUTES OF COMMITTEES

### 12.1 Minutes: Audit, Risk and Improvement Committee - 4 December 2024

Responsible Director: Office of the Chief Operating Officer

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#### Attachments

- 1 Minutes: Audit, Risk and Improvement Committee - 04/12/2024 [↓](#)

#### Enclosures

Nil

### **RECOMMENDED**

That the Minutes of the Audit, Risk and Improvement Committee meeting held on 4 December 2024 be received and accepted.

#### Background

Attached for Councillors' information are the minutes of the Audit, Risk and Improvement Committee meeting held on 4 December 2024.



# **MINUTES OF THE MEETING OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE**

**commencing at 10am on**

**WEDNESDAY 4 DECEMBER 2024**

**Council Chambers, 11 Manning Street, KIAMA NSW 2533**

MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE

4 DECEMBER 2024

**MINUTES OF THE  
AUDIT, RISK AND IMPROVEMENT COMMITTEE  
HELD IN THE COUNCIL CHAMBERS  
ON WEDNESDAY 4 DECEMBER 2024 AT 10AM**

**PRESENT:** Mr David Pendleton (Chair)  
Mr Jim Mitchell  
Ms Rhonda Wheatley – by Teams  
Councillor Melinda Lawton (non-voting)

**IN ATTENDANCE:** Joe Gaudiosi – Chief Operating Officer  
Peter Luke – Acting Director Infrastructure and Liveability  
Ed Paterson – Director Planning, Environment and Communities  
Olena Tulubinska – Chief Financial Officer – by Teams  
Sally Darragh – Internal Auditor  
Renee Winston – Manager People and Performance  
Kimberley Norton – Head of Implementation  
Mubashshir Hassan – Associate Director - Financial Audit | NSW  
Audit Office – by Teams  
Mayor, Councillor Cameron McDonald – by Teams  
Orlando Barrun – Chief Information Security Officer – Illawarra  
Regional Councils

**1 APOLOGIES**

Received from:

Jane Stroud, Chief Executive Officer  
Michael Kharzoo – Director - Financial Audit | NSW Audit Office

**2 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS**

The Chair acknowledged the traditional owners.

**3 DECLARATIONS OF INTEREST**

Nil.

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MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE

4 DECEMBER 2024

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#### 4 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

##### 4.1 Audit, Risk and Improvement Committee meeting on 23 October 2024

*24/034ARIC*

**Committee recommendation** that the Minutes of the Audit, Risk and Improvement Committee meeting held on 23 October 2024, and endorsed by Council at the 20 November 2024 ordinary meeting, be received and accepted.

(Member Mitchell)

#### 5 BUSINESS ARISING FROM THE MINUTES

Nil.

#### 6 ARIC ACTIONS ARISING

##### 6.1 Actions arising from previous meetings

*24/035ARIC*

**Committee recommendation** that the Audit, Risk and Improvement Committee notes the report on action items arising from previous meetings.

(Member Mitchell)

Action item 7.5 from the 23 October 2024 meeting and action item 7.6 from the 12 December 2023 meeting can be closed.

The COO introduced the new staff present being Ed Parterson (Director Planning, Environment and Communities), Kimberley Norton (Head of Implementation) and Peter Luke (acting Director Infrastructure and Liveability).

#### 7 ARIC STANDARD REPORTS

##### 7.1 Cyber Security Policy

*24/036ARIC*

**Committee recommendation** that the Audit, Risk and Improvement Committee note the Cyber Security Policy.

(Member Mitchell)

Orlando Barrun entered the meeting at 10.12am.

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MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE

4 DECEMBER 2024

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Discussion points:

- Orlando explained his role working with Illawarra councils to ensure policy and strategies are in place.
- The Kiama Cyber Security Policy was developed based on recommendations of the Office of Local Government cyber security guidelines, and alignment with the Kiama Council Community Strategic Plan, Council's risk appetite, Council's risk management framework and the Australian Cyber Security Centre Essential 8.

## 7.2 Statement of Investments - October 2024

24/037ARIC

**Committee recommendation** that the Audit, Risk and Improvement Committee notes the information relating to the Statement of Investments as at 30 October 2024.

(Member Mitchell)

Discussion points:

- Counter party limit non-compliance continued in October and was reported to the November Council meeting.
- The Chair suggested that Council review counter party limits and how they work as solid controls around investments are needed.

## 7.3 Quarterly Budget Review and Monthly Financial Statements - September 2024

24/038ARIC

**Committee recommendation** that the Audit, Risk and Improvement Committee notes:

1. the quarterly budget review statement and budget changes for the quarter ending 30 September 2024.
2. the Long-Term Financial Plan (LTFP) will be updated and presented to Council at the February 2025 meeting.

(Members Mitchell and Wheatley)

Rhonda Wheatley joined the meeting at 10.41am.

Discussion points

- The big adjustment to the QBR is due to legal expenses and increased waste disposal costs.
- The COO provided an update on the Blue Haven Bonaira sale and noted that a report will be going to the December Council meeting. Council remains confident that settlement will occur in February 2025.

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MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE

4 DECEMBER 2024

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- The delay in the Blue Haven Bonaira sale has eroded Council's operating position by \$5-6M.

#### 7.4 Update on internal audit activities

##### 24/039ARIC

**Committee recommendation** that the Audit, Risk and Improvement Committee notes:

1. the findings and recommendations in the grants management internal audit report.
2. the progress of the audits according to the strategic internal audit plan for 2025-2028.

(Members Wheatley and Mitchell)

Discussion points:

- InConsult continue to work with Finance on recommendations from the internal audit of financial management and will report to the next Audit, Risk and Improvement Committee (ARIC) meeting. The Finance team are currently working through many of the recommendations, while the report is being finalised.
- **Action:** the CEO to invite the Auditor General to an ARIC meeting in 2025, aiming for the April meeting.
- The internal audit of grants management has been completed and given a moderate risk rating. Policy and procedures require strengthening with one of the key findings being the lack of a pre-approval process, where a business case should be put to the executive.
- The Chair suggested that the ARIC's formalised workplan be regularly included in the business papers to ensure the Committee is tracking well and meeting its responsibilities.

Councillor McDonald left the meeting at 10.59am.

#### 7.5 Progress report on implementation of audit recommendations

##### 24/040ARIC

**Committee recommendation** that the Audit, Risk and Improvement Committee notes the information in the progress report for internal audit recommendations and approves the time extensions requested for the Fraud & Corruption internal audit and the Delegations internal audit.

(Members Wheatley and Mitchell)

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MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE

4 DECEMBER 2024

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Discussion points:

- An Asset Management Steering Committee (AMSC) has been established and will review the target dates for actions and report new target dates back to the next meeting of the ARIC.
- Member Rhonda Wheatley recommended the AMSC look at splitting up some of the actions into smaller parts, particularly for those large projects to better track progress being made.

## 7.6 Risk Report

**24/041ARIC**

**Committee recommendation** that the Audit, Risk and Improvement Committee notes the information on risk management activity contained in this report.

(Members Mitchell and Wheatley)

Discussion points:

- The accounts receivable module in TechOne went live in November 2024.
- The TechOne roadmap was approved by Council at the November 2024 meeting.
- Council's Community Transport program has been taken over by Coast and Country Community Services from 29 November 2024.
- The new salary structure went live in November 2024.
- Enterprise Risk Management results are improving however Council's building asset programs and project management require attention.
- Service Reviews have all highlighted facilities maintenance as an issue.

## 7.7 2023-24 Final Audit Management Letter

**24/042ARIC**

**Committee recommendation** that the Audit, Risk and Improvement Committee:

1. Note the issues identified in the Management Letter on the Final Phase of the Audit for the Year Ended 30 June 2024.
2. Note the progress made by Council in addressing prior year matters raised by external auditors.

(Members Wheatley and Mitchell)

Mubashshir Hassan from the Audit Office presented the Management Letter to the ARIC noting:

- There are 9 current year issues, 2 of them repeat and 7 new with 8 being moderate risk and 1 low.
- Management has closed off 10 issues from 2021-2023 resulting in the unqualified opinion being removed.



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MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE

4 DECEMBER 2024

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- Eleven prior year issues will be treated as part of the 2024-25 audit.
- Internal Auditor confirmed that the Management Letter issues will be added to the register of internal audit recommendations.

### 7.8 2023-24 Audited Financial Statements

#### 24/043ARIC

**Committee recommendation** that the Audit, Risk and Improvement Committee notes the audited Financial Statements and the Auditor's Reports for the Year Ended 30 June 2024.

(Members Mitchell and Wheatley)

## 8 GENERAL BUSINESS

The Chair thanked the staff for their achievements throughout the year and wished everyone a merry Christmas.

The COO thanked the ARIC members for their time, commitment and valuable guidance and direction over the past 12 months.

Meeting dates for 2025 will be determined to align with Council meetings and financial statement requirements.

## 9 CLOSURE

There being no further business the meeting closed at 11.23am.

These Minutes were confirmed at the Ordinary Meeting of Council held on 21 January 2025.

.....  
Chair

**12.2 Minutes: Blue Haven Advisory Committee - 11 December 2024**

Responsible Director: Office of the Chief Operating Officer

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**Attachments**

- 1 Minutes of Blue Haven Advisory Committee meeting held on 11 December 2024 [↓](#)

**Enclosures**

Nil

***RECOMMENDED***

That the Minutes of the Blue Haven Advisory Committee meeting held on 11 December 2024 be received and accepted.



# **MINUTES OF THE BLUE HAVEN ADVISORY COMMITTEE MEETING**

**commencing at 1:00 PM on**

**WEDNESDAY 11 DECEMBER 2024**

RSL Room, 11 Manning Street, KIAMA NSW 2533

**Item 12.2**

**Attachment 1**

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**MINUTES OF THE BLUE HAVEN ADVISORY COMMITTEE 11 DECEMBER 2024**

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**MINUTES OF THE BLUE HAVEN ADVISORY COMMITTEE HELD AT  
KIAMA COUNCIL, KIAMA, ON WEDNESDAY 11 DECEMBER 2024 AT  
1:00 PM**

**PRESENT:** Chair Elizabeth Kelly, Paul Sadler, Christine Petersen

**IN ATTENDANCE:** Joe Gaudiosi, Andrew Brady, Abraham Nyanzero

**1 APOLOGIES**

Mayor, Councillor Cameron McDonald, Jane Stroud - CEO

**2 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS**

The Chair declared the meeting open and acknowledged the traditional owners:

*“On behalf of those present, I would like to show my respect and acknowledge the traditional owners of the Land, of Elders past and present, on which this meeting takes place, and extend that respect to other Aboriginal and Torres Strait Islander people present.”*

**3 DISCLOSURE OF INTEREST**

**4 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**4.1 Confirmation of Minutes of the Blue Haven Advisory Committee Meeting on 3 July 2024**

*24/004BLU*

**Resolved** that the Minutes of the Blue Haven Advisory Committee meeting held on 3 July 2024 be received and accepted.

Carried unanimously

**5 BUSINESS ARISING FROM THE MINUTES**

Caretaker Model information requested.

- The COO provided an update on current status on caretakers.
- Any change to the caretaker model will need to be part of a consultation process with the residents as per the Retirement Village Act.

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**MINUTES OF THE BLUE HAVEN ADVISORY COMMITTEE 11 DECEMBER 2024**

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Fire Safety documented in later report.

Action: Future of Committee post divestment to be considered.

Action: The Chair noted that no report on financial performance of Bluehaven had been provided to the Committee for this meeting and the Committee has seen no financial report since the July 2024 Meeting report.

**6 REPORTS**

**7 REPORT OF THE CHIEF OPERATING OFFICER**

**7.1 Blue Haven General Update - November 2024**

*24/005BLU*

**Resolved** that the Blue Haven Advisory Committee notes the information provided in the General Update for November 2024.

(Carried unanimously)

The COO advised the report went to Council on 10 December 2024 and a resolution was passed in relation to the divestment of Bonaira.

The sale process is continuing with Hall & Prior onsite. Staff have received their letters of offer.

Hall & Prior representatives have met with ILU residents and RAC residents &/or NOK.

The Chair asked for an update on preparedness for the changes to the Aged Care Act. The Manager Aged Care Services advised that preparations were underway while conscious that the new owner would be preparing as part of its broader portfolio of aged care homes. The Manager noted that more significant impacts were anticipated in the Home Care Package changes.

**7.2 Blue Haven Retirement Villages Update - November 2024**

*24/006BLU*

**Resolved** that the Blue Haven Advisory Committee note the Retirement Villages Update for November 2024.

(Carried unanimously)

The Committee discussed the update on the fire safety approach and that Council should continue to address this complex matter with priority. Updates on progress to be provided in future reports.

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**MINUTES OF THE BLUE HAVEN ADVISORY COMMITTEE 11 DECEMBER 2024**

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**7.3 Blue Haven Aged Care Update - November 2024**

*24/007BLU*

**Resolved** that the Blue Haven Advisory Committee notes the Aged Care Update for November 2024.

*(Carried unanimously)*

CP requested clarity on the statistics regarding care, particularly the proportion of residents on psychotropic drugs, the number of falls and pressure injuries. Manager Aged Care Services provided a comprehensive response noting that the use of psychotropic drugs is to be connected to an appropriate diagnosis and subject to regular clinical review and root cause analysis is being done in relation to falls and pressure injuries. A weekly clinical risk meeting is held to review data and related issues.

CP agreed that this was the correct approach and she had confidence that these matters were being properly managed.

**8 GENERAL BUSINESS**

Nil

**9 CLOSURE**

The Chair thanked the Manager ILU and Manager Aged Care Services for their contribution and hard work at Blue Haven.

There being no further business the meeting closed at 2.35pm

These Minutes were confirmed at the Ordinary Meeting of Council held on 21 January 2025.

.....  
Chair

**12.3 Minutes: Finance Advisory Committee - 5 December 2024**

Responsible Director: Office of the Chief Executive Officer

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**Attachments**

- 1 Minutes of Finance Advisory Committee Meeting - 5 December 2024 [↓](#)

**Enclosures**

Nil

***RECOMMENDED***

That the Minutes of the Finance Advisory Committee meeting held on 5 December 2024 be received and accepted.

**Background**

Attached for Councillors' information are the minutes of the Finance Advisory Committee meeting held on 5 December 2024.



**MINUTES OF THE  
MEETING OF THE FINANCE ADVISORY  
COMMITTEE**

commencing at 3.00pm on

**THURSDAY 5 DECEMBER 2024**

Council Chambers  
11 Manning Street, KIAMA NSW 2533



**MINUTES OF THE  
FINANCE ADVISORY COMMITTEE  
HELD IN THE COUNCIL CHAMBERS  
ON THURSDAY 5 DECEMBER 2024 AT 3.00PM**

**PRESENT:** Graeme Gherashe (Chair), Anna-Leena Risku, Elizabeth Kelly, Mark Greaves, Councillor Cameron McDonald and Councillor Melinda Lawton

**IN ATTENDANCE:** Chief Executive Officer – Jane Stroud  
Chief Financial Officer – Olena Tulubinska  
Acting Director Infrastructure and Liveability – Peter Luke

### **1 APOLOGIES**

Chief Operating Officer – Joe Gaudiosi

### **2 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS**

The Chair declared the meeting open and acknowledged the traditional owners:

*“On behalf of those present, I would like to show my respect and acknowledge the traditional owners of the Land, of Elders past and present, on which this meeting takes place, and extend that respect to other Aboriginal and Torres Strait Islander people present.”*

### **3 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

#### **4.1 Finance Advisory Committee Meeting on 3 October 2024**

**24/064FAC**

**Resolved** that the Minutes of the Finance Advisory Committee meeting held on 3 October 2024 be received and accepted.

Carried unanimously

The Chair acknowledged the contribution made by Peter Currie to the Finance Advisory Committee and further noted the need to find a replacement.

### **4 DECLARATIONS OF INTEREST**

Mark Greaves – holds shares in TechnologyOne (previously submitted).

## 5 FAC ACTIONS ARISING

### 5.1 Finance Advisory Committee Action Tracker Update - November 2024

**Action:** Work to be done on the presentation of the financial reports to make them easier to read.

2406.04 – completed.

2404.01 – A-L requested more detail on the project spend.

2408.01 – clarity required around asset management role. **Action:** CEO to provide position description of Project Manager.

## 6 FAC STANDARD REPORTS

### 6.1 Draft Monthly Financial Report - October 2024

#### [24/065FAC](#)

**Resolved** that the Finance Advisory Committee notes the draft Monthly Financial Report for October 2024.

Carried unanimously

The CFO was commended on the business unit financial reports. Concern raised over cash flow by FAC as the forecast looks to place KMC in a precarious cash flow position in outgoing months.

**Action:** Domestic waste business unit financial report to be included in all future reports (CFO).

### 6.2 Statement of Investments: October 2024

#### [24/066FAC](#)

**Resolved** that the Finance Advisory Committee notes the information relating to the Statement of Investments as at 31 October 2024.

Carried unanimously

The reliance on divestments to maintain cashflow is not sustainable and provision of services needs to be considered in light of Council's financial position. That said we are current outperforming the 'inflation' figure with cash investments which is a positive.

Global interest rates are typically declining, income from KMC term deposits will tend down over the next 12 months. Given the difference between short dated and longer

dated investments we should be monitoring the portfolio for the most advantageous and flexible investments. KMC is not in a position to lock in longer dated investment returns (> 2 years) as it needs to maintain liquid investments. Further work being undertaken to strengthen the grants process and the recovery of funding – for example Jamberoo Mountain Road repairs.

### 6.3 OneCouncil Implementation Plan

#### 24/067FAC

**Resolved** that the Finance Advisory Committee notes:

1. That the implementation of OneCouncil by 2026-27 is a requirement of the revised Performance Improvement Order issued in May 2024.
2. That the implementation plan for Release 3 of the OneCouncil software has an approved budget of \$4.3 million across three financial years (2024-25, 2025-26 and 2026-27), with funding sourced as detailed in the report.
3. Amounts yet to be determined:
  - Archiving of old system
  - Integration with NSW Planning Portal
  - System administration resources
4. Management thanks Elizabeth Kelly for her contribution with the OneCouncil Implementation Plan.

Carried unanimously

4pm – Councillor Lawton joined the meeting.  
Discussion on the need to make sure that these figures are in the LTFP and the need to cancel the Civica ERP as soon as practical given duplication cost.  
Chair congratulated Olena and her team on the OneCouncil Implementation Plan.  
Discussion on the sourcing of funds for the OneCouncil project, in particular from Domestic Waste and Crown Lands. Response by Olena on rationale.

## 7 GENERAL BUSINESS

### 2025 meeting dates

- Need to ensure timing leads into advice to Council meetings.

**Action:** Proposed dates to be provided to FAC members ASAP

### Charter

- Terms of Reference to be reviewed and considered by Council in early 2025.
- **Action:** CEO to undertake review.

### Shoalhaven St Acquisition

- The committee discussed the land acquisition and future project management plans.

## 13 REPORT OF THE CHIEF EXECUTIVE OFFICER

### 13.1 Australian Local Government Association National General Assembly 2025 - Councillor attendance and call for motions

CSP Objective: Outcome 5.2: Governance is transparent and builds trust

CSP Strategy: 5.2.1 Build strong relationships and ensure our partners and community share the responsibilities and benefits of putting plans into practice.

Delivery Program: 5.2.1.2 Support good governance through systems and processes for legislative compliance.

Item 13.1

#### Summary

This report advises of the Australian Local Government Association's National General Assembly (NGA) to be held from 24 to 27 June 2025 at the National Convention Centre in Canberra and the call for motions to be submitted to the Australian Local Government Association (ALGA) prior to 31 March 2025.

#### Financial implication

Early bird registration for the NGA is \$955 per delegate. Accommodation for 3 delegates over 3 nights is approximately \$2,200.

Registration and accommodation costs will be covered by the Councillor conference budget.

#### Risk implication

The risk of non-attendance at the NGA is that Kiama Council does not have any involvement in building on the relationship between local government and the Australia Government at this national level. KMC would also not be able to participate in debate or voting on national assembly resolutions.

#### Policy

Payment of Expenses and Provision of Facilities Policy.

Councillor attendance and motions to be submitted to the Assembly must be endorsed by the Council.

#### Consultation (internal)

Not required.

#### Communication/Community engagement

A post-conference report will be provided to Council as per clause 12.1.14 of the Payment of Expenses and Provision of Facilities Policy.

#### Attachments

- 1 2025 Australian Local Government Association National General Assembly discussion paper [↓](#)

#### Enclosures

Nil

Report of the Chief Executive Officer

13.1 Australian Local Government Association National General Assembly 2025 -  
Councillor attendance and call for motions (cont)

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### RECOMMENDATION

That Council:

1. Approve the Mayor, Deputy Mayor and one other nominated Councillor to attend the Australian Local Government Association's National General Assembly held in Canberra on 24-27 June 2025.
2. Submits any motions for the National General Assembly to the Australian Local Government Association prior to 31 March 2025.

### Call for motions

Council has received notification from the Australian Local Government Association (ALGA) of the call for motions for the 2025 National General Assembly of Local Government.

The theme for this year's conference is "National priorities need local solutions". The 31st National General Assembly of Local Government will focus on opportunities for councils to work with the next Federal Government to deliver local solutions that will help them deliver on their vision for the nation. ALGA is seeking motions that consider:

- Any new practical programs or policy changes that can strengthen the system of local government nationally to provide the services and infrastructure required to support and strengthen our communities; and/or
- New program ideas that that would help the local government sector to deliver place-based solutions to national priorities

A Call for Motions Discussion Paper is attached. Any motions must be endorsed by Council and meet the following criteria:

1. Be relevant to the work of local government nationally.
2. Not be focused on a specific jurisdiction, location or region – unless the project or issue has national implications.
3. Be consistent with the themes of the NGA.
4. Complement or build on the policy objectives of ALGA and your state or territory local government association.
5. Be submitted by a council which is a financial member of their state or territory local government association.
6. Propose a clear action and outcome ie call on the Australian Government to act on something.
7. Not be advanced on behalf of external third parties that may seek to use the NGA to apply pressure to Board members, or to gain national political exposure for positions that are not directly relevant to the work of, or in the national interests of, local government.

## Report of the Chief Executive Officer

**13.1 Australian Local Government Association National General Assembly 2025 - Councillor attendance and call for motions (cont)**

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8. Address issues that will directly improve the capacity of local government to deliver services and infrastructure for the benefit of all Australian communities.
9. Not seek to advance an outcome that would result in a benefit to one group of councils to the detriment of another.
10. Be supported by sufficient evidence to support the outcome being sought and demonstrate the relevance and significance of the matter to local government nationally.

Motions must commence with the following wording:

*This National General Assembly calls on the Australian Government to ...*

Motions must be submitted to the ALGA by 31 March 2025. Any motions will need to be presented to the March Council meeting for endorsement.

**Councillor attendance**

The National General Assembly (NGA) brings together several hundred delegates from councils across Australia to move and debate resolutions of concern to local government. Speakers include prominent local government leaders, national political leaders and leading Australian experts and academics from fields of interest and relevance to local government.

The 2025 event includes the Regional Cooperation and Development Forum on Tuesday 24 June and the NGA from Wednesday 25 to Friday 27 June.

The program is yet to be released. Early bird registrations commence in January.

**Conclusion**

Councillors should determine who will attend the NGA in June to allow for early bird registration. Typically, the Mayor and Deputy attend and in the past one other Councillor has joined the delegation as there are three voting allocations for KMC. The CEO also attends.

Any motions to be submitted to the NGA require a resolution of Council and will need to be submitted to the February or March ordinary meeting of Council to ensure motions are submitted before the 31 March 2025 deadline.

*National Priorities  
Need Local Solutions*

24 - 27 June 2025 | National  
Convention Centre Canberra

**National  
General  
Assembly  
Discussion Paper**

Item 13.1

Attachment 1



**ALGA**  
Australian Local  
Government Association

## KEY DATES

18 December 2024 | Opening of Call for Motions

31 March 2025 | Acceptance of Motions closes

24 June 2025 | Regional Cooperation & Development Forum

25 - 27 June 2025 | National General Assembly

## TO SUBMIT YOUR MOTION

**VISIT: [ALGA.COM.AU](https://alga.com.au)**



The Australian Local Government Association (ALGA) is pleased to convene the 31st National General Assembly of Local Government (NGA), to be held in Canberra from 24-27 June 2025.

As convenor of the NGA, the ALGA Board cordially invites all councils to send representatives to this important national event.

The NGA is the premier national gathering of local governments, and provides councils with the opportunity to come together, share ideas, debate motions, and most importantly unite and further build on the relationship between local government and the Australian Government.

This discussion paper contains essential information for Australian councils considering submitting motions for debate at the 2025 National General Assembly of Local Government (NGA).

It is recommended that all councils and delegates intending to attend the 2025 NGA familiarise themselves with the guidelines for motions contained in this paper on page 6.

## **BACKGROUND TO ALGA AND THE NGA**

ALGA was established 1947. In structure, ALGA is a federation of member state and territory associations. Its mission is to achieve outcomes for local government through advocacy with impact, and maximise the economic, environmental and social wellbeing of councils and our communities.

Since 1994, the NGA has built the profile of local government on the national stage, showcased the value of councils, and most importantly demonstrated – particularly to the Australian Government – the strength and value of working with local government to help deliver on national priorities.

Debate on motions was introduced to the NGA as a vehicle for councils from across the nation to canvas ideas. Outcomes of debate on motions (NGA Resolutions) could be used by participating councils to inform their own policies and priorities, as well as their advocacy when dealing with federal politicians.

At the same time, they help ALGA and its member state and territory associations gain valuable insight into council priorities, emerging national issues, and the level of need and support for new policy and program initiatives.

Given the structure of ALGA, its Constitution, and level of resources, the NGA does not bind the ALGA Board. However, the Board carefully considers NGA resolutions as it determines ALGA's policies, priorities and strategies to advance local governments within the national agenda.

This is your NGA and ALGA is pleased to act as the convenor. ALGA's policies and priorities will continue to be determined by the ALGA Board in the interests of all councils.

**The ALGA Board thanks all councils for attending the NGA and those that will take the time to reflect on the purpose of debate on motions outlined in this paper, and to submit motions for debate at the 2025 NGA.**



## **SUBMITTING MOTIONS**

The theme of the 2025 NGA is – *National Priorities Need Local Solutions*

In June 2025, Australia will either have a re-elected Labor Government, or a new Coalition or minority government.

The 31st National General Assembly of Local Government will focus on opportunities for councils to work with the next Federal Government to deliver local solutions that will help them deliver on their vision for the nation.

As the closest government to communities, councils understand local challenges and opportunities. They are a willing partner in government, and sustainably funded can provide place-based solutions to a range of national priorities including affordable housing, energy transition, road safety, increasing productivity, and improved health and wellbeing.

This discussion paper is a call for councils to submit motions for debate at the 2025 NGA to be held in Canberra from 24-27 June 2025.

Motions for this year's NGA should consider:

- Any new practical programs or policy changes that can strengthen the system of local government nationally to provide the services and infrastructure required to support and strengthen our communities; and/or
- New program ideas that that would help the local government sector to deliver place-based solutions to national priorities.

Motions should be concise, practical and implementable and meet the guidelines for motions set out in the paper.

You are encouraged to read all the sections of the paper but are not expected to respond to every issue or question. Your council's motion/s must address one or more of the issues identified in the discussion paper.



Motions must be lodged electronically using the online form available on the NGA website at: [www.alga.asn.au](http://www.alga.asn.au) and received no later than 11:59pm AEST on Monday 31 March 2025.

All notices of motions will be reviewed by the ALGA Board's NGA Sub-committee prior to publishing the NGA Business Paper to ensure that they meet these guidelines. This sub-committee reserves the right to select, edit or amend notices of motions to facilitate the efficient and effective management of debate on motions at the NGA. For example, the sub-committee may recommend an overarching strategic motion to encompass several motions on the same topic.

All NGA resolutions will be published on [www.nationalgeneralassembly.com.au](http://www.nationalgeneralassembly.com.au).

As the host of the NGA, ALGA will communicate resolutions to the relevant Australian Government Minister and publish Ministerial responses as they are received on this website.

Please note that if your council does submit a motion, there is an expectation that a council representative will be present at the NGA to move and speak to that motion if required.

We look forward to hearing from you and seeing you at the 2025 NGA.

## CRITERIA FOR MOTIONS

To be eligible for inclusion in the NGA Business Papers, and subsequent debate on the floor of the NGA, motions must meet the following criteria:

1. Be relevant to the work of local government nationally.
2. Not be focused on a specific jurisdiction, location or region – unless the project or issue has national implications.
3. Be consistent with the themes of the NGA.
4. Complement or build on the policy objectives of ALGA and your state or territory local government association.
5. Be submitted by a council which is a financial member of their state or territory local government association.
6. Propose a clear action and outcome ie call on the Australian Government to act on something.
7. Not be advanced on behalf of external third parties that may seek to use the NGA to apply pressure to Board members, or to gain national political exposure for positions that are not directly relevant to the work of, or in the national interests of, local government.
8. Address issues that will directly improve the capacity of local government to deliver services and infrastructure for the benefit of all Australian communities.
9. Not seek to advance an outcome that would result in a benefit to one group of councils to the detriment of another.
10. Be supported by sufficient evidence and demonstrate the relevance and significance of the matter to local government nationally.

Motions must commence with the following wording:

***This National General Assembly calls on the Australian  
Government to***

...

**Please note:** that resolutions of the NGA do not automatically become ALGA's national policy positions.

The ALGA Board carefully considers NGA resolutions as it determines ALGA's policies, priorities and strategies to advance local governments within the national agenda, but the resolutions are not binding.

## **OTHER THINGS TO CONSIDER**

It is important to complete the background section of the submission form. Submitters of motions should not assume that NGA delegates will have background knowledge of the proposal. The background section helps all delegates, including those with no previous knowledge of the issue, in their consideration of the motion. Please note, motions should NOT be prescriptive in directing how the matter should be pursued.

Try to keep motions practical, focussed and capable of implementation to ensure that relevant Australian Government Ministers provide considered, thoughtful and timely responses.

Try to avoid motions that are complex, contain multi-dot points and require complex cross-portfolio implementation.

All motions submitted will be reviewed by the ALGA Board's NGA Sub-committee, in consultation with state and territory local government associations, to determine their eligibility for inclusion in the NGA Business Papers.

When reviewing motions, the Sub-committee considers the criteria, clarity of the motion and the importance and relevance of the issue to local government.

If there are any questions about the substance or intent of a motion, ALGA will raise these with the nominated contact officer. With the agreement of the submitting council, these motions may be edited before inclusion in the NGA Business Papers.

To ensure an efficient and effective debate, where there are numerous motions on a similar issue, the NGA Sub-committee will group these motions together under an overarching strategic motion. The strategic motions will have either been drafted by ALGA or will be based on a motion submitted by a council which best summarises the subject matter.

Debate will occur in accordance with the rules for debate published in the Business Papers and will focus on the strategic motions. Associated sub-motions will be debated by exception only or in accordance with the debating rules.

Any motion deemed to be primarily concerned with local or state issues will be referred to the relevant state or territory local government association and will not be included in the NGA Business Papers.

All motions require:

- a contact officer;
- a clear national objective;
- a summary of the key arguments in support of the motion; and
- endorsement of your council

Motions should be lodged electronically using the online form available at [www.alga.com.au](http://www.alga.com.au).

Motions should be received no later than 11:59pm AEST on Monday 31 March 2025.



**Item 13.1**

**Attachment 1**

## **SETTING THE SCENE**

The theme for the 2025 NGA – **National Priorities Need Local Solutions** – highlights the unique role Australia's 537 councils can play delivering local, placed-based solutions that meet the needs of their communities, while addressing broader national priorities.

The 2025 NGA provides you - the elected representatives of Australia's local councils and communities - with the opportunity to engage with the Federal Government and key Ministers.

Further, it is your opportunity to advocate for new or expanded programs and key policy initiatives that could strengthen local governments and its capacity to deliver services and infrastructure to local communities across the nation.

This year's call for motion focusses on twelve priority areas:

- Intergovernmental relations;
- Financial sustainability;
- Roads and infrastructure;
- Emergency management;
- Housing and homelessness;
- Jobs and skills;
- Community services;
- Closing the Gap and Aboriginal and Torres Strait Islander Reconciliation;
- Data, digital technology and cyber security;
- Climate change and renewable energy;
- Environment;
- Circular economy



# 1. INTERGOVERNMENTAL RELATIONS

For almost 30 years, local government was represented by ALGA on the Council of Australian Governments (COAG), providing local input into national decision making. However, when COAG was replaced by National Cabinet in March 2020, local government was not included.

National Cabinet is a forum for the Prime Minister, Premiers and Chief Ministers to meet and work collaboratively; and is a key mechanism in Australia's intergovernmental architecture. A representative of local government, the President of ALGA, is invited to meet with National Cabinet once each year, as well as one meeting of the Council on Federal Financial Relations comprising the Commonwealth Treasurer as Chair and all state and territory treasurers.

While National Cabinet was established to support a coordinated national response to the COVID-19 pandemic, the lack of local representation to this body has unfortunately impacted on decision making.

The Government's review into the COVID-19 response – published in October 2024 – found that Australia's 537 councils were critical for the implementation of National Cabinet decisions during the pandemic.

The inquiry also recommended National Cabinet would benefit from having more structured engagement and active consultation with local government to ensure future decision-making is informed at a local level.

In addition to attending one meeting per year of National Cabinet and CFFR, ALGA also represents local government on a range of Ministerial Councils and Forums, including the Infrastructure and Transport Ministers Meeting, National Emergency Management Ministers Meeting, Local Government Ministers Forum, Joint Council on Closing the Gap, Planning Ministers Meeting, Environment Ministers Meeting, Cultural Ministers Meeting, Energy and Climate Change Ministers Meeting, Road Safety Ministers Meeting, and Building Ministers Meeting.

*Given the important role councils play delivering local solutions to national priorities, how can intergovernmental arrangements be further improved in Australia?*

*Are there new initiatives and programs that could be adopted to improve the level of cooperation and collaboration between the Australian Government and local government?*



## **2. FINANCIAL SUSTAINABILITY**

Sustainably funded, councils can play a key role delivering local solutions to national priorities. However, across the country many councils are facing significant financial challenges and are struggling to fund the delivery of core community services.

Every year councils are being asked to do more with less as a result of cost shifting, inadequate state and federal funding and, in some jurisdictions, rate pegging.

In 2024/25 councils will receive \$3.27 billion in federal Financial Assistance Grants. This is approximately 0.5% of Commonwealth taxation revenue, which is half the amount it was in 1996. The Australian Parliament is currently undertaking an Inquiry into local government sustainability, to which ALGA, State and Territory associations and many councils provided submissions

ALGA's submission to this inquiry highlighted that:

- If local government were provided annually with an additional \$350 million for the maintenance and delivery of quality open space, Australia's gross domestic product (GDP) would increase by \$858.9 million each year.
- If local government were able to effectively increase its capacity to perform regulatory services in planning and building, there would be an annual saving of \$859 million for development proponents and would generate an additional \$1.67 billion in GDP each year.
- Increased block transfers of Commonwealth funds to local governments can deliver greater efficiency and administrative cost savings of \$236 million and would generate increase GDP by \$330.8 million each year
- Reducing local government staff turnover can save \$425 million in avoided costs and lead to a \$619.9 million increase in GDP each year.
- Investing an additional \$1 billion each year into the maintenance of local government roads would increase GDP by \$354.6 million annually.

ALGA also stressed that the inquiry should not recommend any actions that will improve the financial sustainability of some councils to the detriment of others.

*What are the opportunities to address financial sustainability across councils, and support their capacity to deliver local solutions to national priorities?*

*Are there improvements to be made to existing federal funding programs and arrangements that would support improved local government financial sustainability?*

## **3. ROADS AND INFRASTRUCTURE**

Local governments are responsible for around 75% of Australia's road network by length, and play an important role supporting productivity and improving road safety.

However, many councils are not resourced to effectively maintain their local roads, and independent research from the Grattan Institute in 2023 identified a \$1 billion annual local government road maintenance funding gap.

In November 2023 the Government announced that Roads to Funding would be progressively increased from \$500 million to \$1 billion per year over the forward estimates, effectively halving the current funding gap.

In addition to local roads, councils build and maintain community facilities and infrastructure worth more than \$100 billion nationally.

In 2020 the Australian Government introduced a new Local Roads and Community Infrastructure Program, which saw \$3.25 billion provided to all councils for local projects on a formula basis. ALGA's 2024 National State of the Assets highlighted the success of this federal funding program, reporting a \$1 billion improvement in the condition of local government facilities since the 2021 report.

*Are there new programs or initiatives that the Australian Government could adopt to improve the long-term sustainability of local government roads and community infrastructure?*

*Are there programs or initiatives that the Australian Government could provide to improve the sector's capacity to manage local government infrastructure and to integrate these plans into long-term financial plans?*

*Are there opportunities for the Australian Government to support councils to invest in local infrastructure that will help address national priorities?*

## 4. EMERGENCY MANAGEMENT

Australia is experiencing weather events of greater intensity and frequency – which leads to increased impacts on communities and council resources. Over the past two years, more than 60 per cent of local government areas have been declared natural disaster areas, many of them multiple times.

In 2022 ALGA successfully advocated for a new \$200 million per year Disaster Ready Fund, and to date two rounds of funding have been provided through this program. This program has been legislated to run for five years.

Both rounds of the Disaster Ready Fund have been significantly oversubscribed, and ALGA is advocating for a significant increase in federal funding to improve the emergency management capability and capacity of local government.

The Royal Commission on National Natural Disaster Arrangements made two important recommendations for local government – calling for State and Territory Governments to take responsibility for the capacity and capability of local government for the functions which are delegated to them (recommendation 11.1), and recommending States and Territory Governments review arrangements for resource sharing between local governments (recommendation 11.2).

Released in November 2024, the Colvin Review (Independent Review of Commonwealth Disaster Funding) and Glasser Review (Independent Review of National Natural Disaster Governance Arrangements) both support a strategic shift towards disaster risk reduction and resilience. The Colvin Review also supports a major capacity uplift for local government and an enhanced national training and exercise regime which tests and builds local government capacity.

Councils are encouraged to draw on their practical experience of the improvements that could be made to managing emergencies.

Please note that many aspects of emergency management are state or territory responsibilities, and your motions should focus on how the Australian Government could assist.

*What new programs, or improvements to existing programs, could the Australian Government develop to partner with local government to improve the current natural disaster management systems to further assist in recovery and build resilience?*

*How can the Government best support Australian councils to prepare for, respond to and recover from natural disasters?*

## **5. HOUSING AND HOMELESSNESS**

Australia is currently facing a housing crisis which is resulting in more people experiencing housing insecurity and homelessness, while also preventing required worker movement across the country.

Councils are not responsible for building housing. Many councils do, however, play a key role in facilitating housing supply by appropriately zoning land and approving development. Others are going above and beyond to address the housing crisis, albeit without adequate resourcing.

One of the biggest issues is a lack of funding for infrastructure such as roads, water and power connections that are necessary for new housing developments.

The National Housing Accord – which ALGA is a signatory to on behalf of local government - sets an ambitious target of 1.2 million new, well-located homes over the next five years.

Research commissioned by ALGA, and delivered by Equity Economics, showed that there is currently a \$5.7 billion funding shortfall for the enabling infrastructure required to bridge the gap between current constructions and Australia's housing targets.

Another significant issue is local government's lack of input into setting housing policy at both a state, territory and federal level, While ALGA represents councils on a wide range of ministerial councils, it is not currently a member of the Housing and Homelessness Ministerial Council or National Cabinet.

A key focus for councils is ensuring that any new housing developments are not just supported by enabling infrastructure, but also the local facilities and services that are vital for healthy, productive and resilient communities.

*What new programs and policies could the Australian Government develop to partner with local government to support the provision of more affordable housing?*

*How can the Australian Government work with councils to address the causes and impacts of homelessness?*



## 6. JOBS AND SKILLS

Local government is a major employer in Australia providing employment, career advancement and training opportunities for more than 200,000 Australians, across an estimated 400 occupations.

However, councils – like many employers across the nation – are experiencing skill shortages that hinder their ability to meet community needs.

The 2022 Local Government Workforce Skills and Capability Survey show nine out of every ten Australian councils are facing jobs and skills shortages.

65% of respondent local governments said that project delivery had been impacted or delayed by vacancies, skills shortages, skills gaps or training needs.

The top five most cited skill shortages that local governments experienced were engineers (as noted by 46% of 2022 survey respondents), urban and town planners (40%), building surveyors (36%), environmental health inspectors (30%) and human resources professionals (29%).

Drivers of skill shortages include difficulty attracting young people to local government jobs, lack of available training courses, wage competition, and lack of resources to upskill the current workforce such as access to training facilities for rural/remote councils, workplace supervisors, subject matter experts, and contextualised training resources.

National priorities, such as increasing housing supply, cannot be achieved without support from local government and the right people to do the work.

*Are there programs or initiatives that the Australian Government could implement that would enhance local government's capacity to attract and retain appropriately skilled staff now and into the future?*

*Are there programs or changes to existing programs that would increase local government's ability to employ apprentices and trainees?*

*Are there other initiatives that the Australian Government could provide to improve the sector's ability to plan and develop skills fit for the future?*

## **7. COMMUNITY SERVICES**

Councils provide a wide range of services based on local characteristics, needs, priorities, and the resources of their community.

Some of these services are provided to address market failure, and many of them are provided by councils on behalf of other levels of government.

It is important to note that nationally local government is more than 83% self-sufficient ie funded at the local level either through rates, fees and charges, sale of goods and services, or interest. The Australian Bureau of Statistics data shows that total local government annual expenditure in 2022-23 was \$48 billion.

Only 17% comes from grants and subsidies from other levels of government. Unfortunately, many of these grants and subsidies are tied, or competitive funding programs, or require matching funding which restricts the ability to address local priorities in the way the council and community might need.

Local government community services are broadly defined, and may include but are not limited to:

- environmental health including food safety;
- childcare, early childhood education, municipal health;
- aged care, senior citizens;
- services to people living with disability;
- programs to address disadvantage, to reduce poverty and homelessness;
- sporting and recreational programs;
- arts and cultural activities, programs and festivals;
- tourism and economic development activities;
- library services

*Noting the funding arrangements for the provision of local government community services are there programs and initiatives that the Australian Government could implement to improve the delivery of these services?*

*Are there reforms or improvements in national community services program that would help local governments support the Australian Government to deliver on its national objectives?*



## 8. CLOSING THE GAP AND ABORIGINAL AND TORRES STRAIT ISLANDER RECONCILIATION

In 2021, ALGA co-signed a landmark national agreement to close the gap between Indigenous and non-Indigenous Australians. At the heart of the National Agreement on Closing the Gap Partnership are four agreed priority reform targets and 19 socio-economic targets in areas including education, employment, health and wellbeing, justice, safety, housing, land and waters, and Aboriginal and Torres Strait Islander languages.

Local governments are uniquely placed to support partnerships to address long term service gaps and support their delivery. Councils are elected by their communities and have the longitudinal scope to develop a community's economic, skills, and infrastructure needs.

Local governments already play a significant role in helping their communities and the Closing the Gap outcomes. However, councils need appropriate resourcing, be it through place-based initiatives, or broader programs, to better facilitate and meet program objectives in their communities.

*Are there programs or initiatives that the Australian Government could adopt to assist local government to advance reconciliation and close the gap?*

*Are there practical programs or initiatives that local government and the Australian Government could introduce to maintain, build and strengthen partnerships between Aboriginal and Torres Strait Islanders and governments?*

## 9. DATA, DIGITAL TECHNOLOGY AND CYBER SECURITY

Provision of information technology to all Australians is vital to innovation, economic growth, and social equity. However, it is potentially even more important to regional Australia where the tyranny of distance increases the inequity of services available – including education, health, economic and social. Innovative technology is becoming more broadly available and could boost productivity and economic growth.

Councils around Australia continue to embrace new technologies to improve their service delivery standards and broaden consultation and engagement with their local communities. However, implementation can be hindered without access to basic technological infrastructure and the necessary IT skills and resources.

In recent times, cyber-attacks on major corporations and other businesses have resulted in significant data breaches. It is a timely reminder as digital information, services and products become an increasing feature of modern business operation including in local government.

Like all risks, local government must manage the risk of cyber-attacks and address cyber security.

While this is primarily a responsibility of the sector itself, governments at all levels must work together to ensure that the public have confidence in government information management systems and its security.

*Drawing upon your council's experience, and your knowledge of other councils within your state or territory, are there programs and initiatives that the Australian Government could implement to help local government develop its digital technology services and infrastructure?*

*Are there actions the Australian Government could take to improve cyber security within the local government sector?*





## 10. CLIMATE CHANGE AND RENEWABLE ENERGY

Climate change is resulting in more frequent and severe disasters, coastal erosion, and rising heat, which are all impacting on the liveability of Australian communities.

Local governments play a role in emissions reduction through reducing their corporate emissions and supporting broader national processes of decarbonisation through community engagement, and provision of services and infrastructure.

The 2024 Local Government Climate Review found that 89% of councils have set or planned ambitious corporate emissions reduction targets.

Councils also play a critical role supporting their communities through change, helping them to adapt and build their resilience. The latest Local Government Climate Review found that two-thirds have done a climate risk assessment and 72% are implementing initiatives.

Barriers to adaptation include internal resourcing (70%), funding (67%), complexity and not knowing how to respond (53%), and limited technical expertise and capacity (48%).

Councils need support to adequately assess climate risk and vulnerabilities and adequately address them in plans, policies investment decisions and engagement with communities. Unfortunately, funding and support from other levels of government has failed to keep pace, placing an inequitable burden on the sector.

The rapid increase in renewable energy projects in regions across Australia is resulting in uneven and inconsistent community benefits being offered and delivered to communities. It is also placing significant pressure on local governments to plan, negotiate and secure an enduring constructive legacy associated with renewable energy projects.

Local governments are the only local democratic institution in a position to convene local interests and broker long term social and economic benefits from renewables projects, and should be recognised and supported for their role in maintaining social license for renewables projects.

*Noting the Australian Government's approach to reducing emissions, are there partnerships, programs, and initiatives that local government and the Australian Government can form to achieve Australia's 2050 net zero emissions target?*

*What are the opportunities to support councils to increase community resilience to the impacts of climate change?*

*What support do councils need to ensure that renewable energy projects deliver lasting benefits to the communities that house them?*

## 11. ENVIRONMENT

The Australian Government's Nature Positive Plan states "Almost half of Australia's gross domestic product (GDP) has a moderate to very high direct dependence on nature. The rate at which we are eroding the environment poses tangible risks to Australia's economic, financial and social stability."

Australia's 537 local governments undertake broad and diverse work to support environmental outcomes.

However, councils do not receive adequate support for this work, which includes managing pests, weeds, and biosecurity threats, contributing to water security and management, managing parklands and reserves, and community education.

In recent years the National General Assembly has considered a range of environmental issues, and passed resolutions on biodiversity, biosecurity, conservation, climate change and water security.

*How could the Australian Government partner with local government to strengthen Australia's environmental services and infrastructure?*

*What new programs could the Australian Government partner with local government in to progress local regional and national objectives?*



## **12. CIRCULAR ECONOMY**

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Australia's volume of waste continues to increase compared with population growth and GDP, even with rates of recycling improving over the past decades.

The 2022 National Waste Report showed that waste generation has increased by 20% over the last 15 years (8.3% from municipal waste). Since 2006-07, recycling and recovery of Australia's core waste has increased by 57% (+22% in municipal) however Australia continues to have one of the lowest rates of recycling among OCED countries.

Local governments are under pressure to respond to community demand for addressing pollution, while at-capacity landfills and emerging problematic materials pose serious operational challenges.

Collecting, treating, and disposing of waste costs local governments an estimated \$3.5 billion annually.

ALGA believes the onus for waste reduction should be borne by industry, not local governments. Mandatory product stewardship approaches, including payments to local governments for their resource recovery services, would ensure the principle of producer responsibility is operationalised and the cost and risk burden on local governments is rebalanced.

*How could the Australian Government further strengthen product stewardship arrangements to support local governments in their endeavours to increase recycling and reduce the volume of waste?*

*How could the Australian Government partner with local government to advance the circular economy?*





**Item 13.1**

**Attachment 1**

## **CONCLUSION**

Thank you for taking the time to read this discussion paper and your support for the 2025 National General Assembly of Local Government.

A final reminder:

- Motions should be lodged electronically at [www.alga.com.au](http://www.alga.com.au) and received no later than 11.59pm on Monday 31 March 2025.
- Motions must meet the criteria published in this paper.
- Motions should commence with the following wording: 'This National General Assembly calls on the Australian Government to...'
- Motions should not be prescriptive in directing how the matter should be pursued.
- Motions should be practical, focussed and relatively simple.
- It is important to complete the background section on the form.
- Motions must not seek to advance an outcome that would result in a benefit to one group of councils to the detriment of another.
- When your council submits a motion there is an expectation that a council representative will be present at the 2025 National General Assembly to move and speak to that motion if required.
- Resolutions of the National General Assembly do not automatically become ALGA's national policy positions. The resolutions are used by the ALGA Board to inform policies, priorities and strategies to advance local governments within the national agenda.

We look forward to hearing from you and seeing you at the 2025 National General Assembly in Canberra.





**Item 13.1**

**Attachment 1**

**13.2 Request for funding assistance: Kiama Show 2025**

CSP Objective: Outcome 5.1: Public funds and assets are managed strategically, transparently and efficiently

CSP Strategy: 5.1.1 Public funds are managed in accordance with Financial Management Standards and the Local Government Act.

Delivery Program: 5.1.1.1 Improved financial reporting and legislative compliance through reporting, scrutiny oversight and processes.

Item 13.2

**Summary**

This report seeks additional funding assistance for the Kiama Show 2025, supplementing the \$8,000 already allocated by Council through Round One of the Destination Event Funding Program.

The Kiama Show is a well-established local event held at Council-managed facilities. To ensure its continued viability, it requires in-kind support from Council beyond the formalised grant programs.

**Financial implication**

In accordance with Council's Fees and Charges the Show Society costs include the following:

Council item	Cost
Venue Hire Pavilion - Trivia night on 13 September 2024	\$1,100
Venue Hire Pavilion - Kiama Show 2025 (8 days)	\$10,400
Venue Hire Pavilion – Young Women Zone Final on 15 February 2025	\$1,100
Native Title Assessment Fee	\$65
Road occupancy permit (estimate)	\$1,405
Reserve hire	\$0
Waste	\$4,250
Highway event sign	\$200
<b>Total cost estimate</b>	<b>\$18,520</b>

Council has endorsed \$8,000 in Destination Event funding for the Kiama Show, leaving an outstanding balance of \$10,520.

It is important to note that events supported by Council, whether through in-kind or financial assistance, still hold a measurable value. This value must be accounted for and considered when assessing the profit margins of Council-owned facilities, such as The Pavilion.

Report of the Chief Executive Officer

### 13.2 Request for funding assistance: Kiama Show 2025 (cont)

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It is also noted that the annual show is an important part of Kiama's heritage and that the original reserve is the "showground". Annual Shows are part of the social fabric of communities, particularly rural and regional.

It is recommended that the community grants and donations budget allocation be utilised in order to support the Kiama Show.

#### **Risk implication**

Failure to provide the requested support could jeopardise the operation of the Kiama Show, potentially affecting its long-term viability and community benefits. Additionally, any financial support provided by Council outside of previously endorsed programs must be transparently reported to ensure accountability and clarity in the allocation of assistance to local organisations.

#### **Policy**

Grants and donations policy

Plan of Management

#### **Consultation (internal)**

The Pavilion Kiama

Destination Kiama

Cultural Hubs

#### **Communication/Community engagement**

The Kiama Show Society will be requested to appropriately acknowledge Council's support on behalf of the community.

#### **Attachments**

Nil

#### **Enclosures**

Nil

### **RECOMMENDATION**

That Council provide additional funding assistance to cover the Council-related costs incurred by the Kiama Show Society in administering the 2025 Kiama Show, scheduled for 24 and 25 January 2025.

#### **Background**

In previous years Council has provided in-kind support to the Kiama Show including for waste services, road and footpath occupation permits, and associated hire fees in return for recognition as Council being named a major supporter for the event.

For the 2025 Show, the Show Society were directed to apply to the Destination Kiama funding program. Following assessment of the Society's application, the Internal



Report of the Chief Executive Officer

13.2 Request for funding assistance: Kiama Show 2025 (cont)

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Assessment Panel provided scoring based on criterion that led to the Tourism and Economic Advisory Committee recommending funding for the event to the value of \$8,000.

The Show and trivia fundraising events are popular fixtures in the Kiama calendar, well supported by the community, including a large number of community volunteers. The Kiama Show is a major community event which has a long history and tradition.

Whilst finances are indeed limited, Council is here to support its community and it is recommended that funding from the grants and donations budget be utilised to support this request.

**Conclusion**

Councillors can resolve to:

1. Provide financial support for the full unaccounted balance of \$10,520.
2. Provide financial support of a percentage of the unaccounted balance.
3. Not increase the current Destination Event Funding Program allocation of funding of \$8,000.

**Item 13.2**

## 14 REPORT OF THE CHIEF OPERATING OFFICER

### 14.1 Enterprise Risk Framework - Risk Appetite Statements

CSP Objective: Outcome 5.3: Council has the right structures, technology, processes and precedures to support delivering for the public.

CSP Strategy: 5.3.1 Council will build organisational capabilities and capacity to deliver excellent customer service.

Delivery Program: 5.3.1.2 To reduce risk and promote, maintain and improve the safety culture within the organisation.

Item 14.1

#### Summary

This report provides information and context around Council's Draft Enterprise Risk Management Framework and seeks approval of Council's position for risk appetite and tolerance. The review and updated documents align to recently introduced Guidelines by NSW Office of Local Government and notably some key requirements effective July 2024.

#### Financial implication

Nil.

#### Risk implication

Risk appetite is the amount of risk that an entity is willing to accept or retain to achieve its objectives. Determining and articulating Council's risk appetite provides a consistent reference point to support better decisions by considering risk more effectively in decision making process.

#### Policy

Enterprise Risk Management Policy

DRAFT Enterprise Risk Management Framework

Guidelines for Risk Management and Internal Audit for Local Government in NSW

#### Consultation (internal)

Audit, Risk and Improvement Committee

Executive Leadership Team

#### Attachments

1 DRAFT Risk Appetite and Tolerance Table [↓](#)

#### Enclosures

Nil

Report of the Chief Operating Officer

14.1 Enterprise Risk Framework - Risk Appetite Statements (cont)

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### **RECOMMENDATION**

That Council approve the Risk Appetite and Tolerance Table.

### **Background**

The *Guidelines for Risk Management and Internal Audit for Local Government in NSW* (the Guidelines) are the relevant document which prescribe how councils must implement their risk management framework to ensure consistency with the current Australian Standards for risk management. Key requirements within these guidelines relate to Audit, Risk and Improvement Committees, risk management frameworks and internal audit functions. Risk appetite statements are part of the risk management framework requirements. The requirements are effective from July 2024. Council started its review process at the time prior to Council caretaker period and now needs to progress and complete the framework documents.

### **Approval requirements**

The Guidelines require that the risk management framework is to be approved by Council's Operational Leadership (ELT) however the risk appetite statements, a specific component within the framework must be approved by resolution of Council, in consultation with the Audit, Risk Improvement Committee (ARIC).

ARIC reviewed the draft Risk Management Framework and Risk Appetite statements in their July meeting. The Risk Appetite and Tolerance Table is now presented to Council for approval.

Following approval of the risk appetite statements, the Risk Appetite and Tolerance Table will be included as an attachment to the DRAFT Risk Management Framework and be reviewed by ELT for endorsement in accordance with the Guidelines noted above.

Attachment A

Kiama Municipal Council Risk tolerance and appetite summary

Risk Category	Risk Tolerance: the level of risk Council can practically deal with (the range of what we can do)	Risk appetite: the level of risk Council is willing to take in the pursuit of its goals (the range of what we will do)
<b>Strategic</b>	<p>The operations and expected performance of Council are determined by the Local Government Act and Council's Delivery Program &amp; Operational Plan.</p> <p>Council may experience variations to this plan, based on significant internal or external factors that may impact a significant proportion of the workforce, the functions or services that council must carry out or the financial sustainability of the council. Amendment to the endorsed Community Strategic Plan, Delivery Program or operational Plan objectives may be required, which may have significant impacts on Council's reputation, regulatory compliance and finances.</p> <p>Council must have sufficient infrastructure to take certain risks. This might be in terms of physical assets, space to carry out operations or IT systems. Risk tolerance in this regard is also dependent on financial tolerance and the availability of people and knowledge in relation to particular activities.</p>	<p>Council will aim to meet at least 85% of its Operational Plan Actions on an annual basis. Any variation will be reviewed by the Executive Leadership Team quarterly and appropriate action will be identified.</p> <p>The potential need to extend physical assets, IT systems and/or other infrastructure will only be accepted if within existing, or otherwise approved budgets and in accordance with Council's adopted delivery program. Any medium-high or high residual risk in relation to operational infrastructure that is outside of existing budgets will be considered by the Executive Leadership Team and Council.</p>
<b>Financial</b>	<p>Council has a key focus on financial sustainability and returning to a balanced budget and therefore has little tolerance in terms of financial risk.</p>	<p>Council's appetite for financial risk is conservative.</p>

Risk Category	Risk Tolerance: the level of risk Council can practically deal with (the range of what we can do)	Risk appetite: the level of risk Council is willing to take in the pursuit of its goals (the range of what we will do)
	<p>Tolerance of financial risk includes Council's ability to borrow money, divest assets, increase fees and/or reduce services to cover costs that emerge outside of its adopted budget.</p> <p>Consideration of this factor should apply to the whole risk profile, therefore it is important that it is also clearly communicated across all areas of the organisation, and that all budget managers understand the degree to which they (individually) are permitted to expose the organisation to potential financial loss in the pursuit of emerging challenges or opportunities.</p>	<p>Council will not accept more than 5% budget variation without specific review. Any significant variation will be reviewed by the Executive Leadership Team and appropriate action will be identified.</p> <p>Debt finance and divestment of assets may be considered within councils' financial strategy, however only in very specific circumstances will reducing services be considered.</p> <p>Councils' financial sustainability and cash-flow strategy outlines councils' response to meet the requirements of the Performance Improvement Order, and will be further informed by Service Reviews, Audit Office management letter and other relevant reports.</p> <p>Where specific negative circumstances of financial strain are identified, the matter will be considered by Councils Financial Management Committee and/or ARIC, and at the discretion of the Executive Leadership Team and/or Council.</p> <p>Council's appetite for financial risk in relation to projects will be identified and managed through contingencies in project budgets as well as being clearly articulated in project plans.</p> <p>Identification of grant funding, revenue opportunity or savings is encouraged.</p>

Risk Category	Risk Tolerance: the level of risk Council can practically deal with (the range of what we can do)	Risk appetite: the level of risk Council is willing to take in the pursuit of its goals (the range of what we will do)
<b>Environmental</b>	Tolerance for environmental risk is usually informed and directed by the associated compliance/regulatory, financial or reputation risks.	Council's appetite for environmental risk should always be informed by the relevant adopted sustainability policies, strategies, action plans and frameworks of Council.  Council's Community Strategic Plan also recognises Council's priority to protect the natural environment and plan for a sustainable future, and alignment with these goals should also be considered when assessing environmental risks.
<b>Regulatory</b>	Council operates in tight regulatory environments and non-compliance can result in significant financial, reputational, health and safety and/or operational damage. As such, Council has low tolerance or compliance/regulatory risk.  The exercise of Council's activities under the Local Government, and other relevant Acts may not be greatly impacted by minor instances of wilful misconduct, fraud or corruption by staff, however any level of the above has the potential to generate significant reputational, financial or compliance/regulatory damage and as such Council's tolerance for any wilful misconduct, fraud or corruption of any kind is not tolerated.	Council has a little to no appetite regarding compliance and regulatory risk.  Any compliance/regulatory risks with a residual high-risk rating should be escalated through the Executive Leadership Team and reported to the ARIC.  Council expects that all its people will behave ethically and adhere to the Code of Conduct and Council's policies and administrative principles, and will ensure that all staff are appropriately trained and informed to minimise this risk as far as reasonably practicable.  Council has no appetite for wilful misconduct, fraud or corruption and will actively respond to any incidents that arise.

Risk Category	Risk Tolerance: the level of risk Council can practically deal with (the range of what we can do)	Risk appetite: the level of risk Council is willing to take in the pursuit of its goals (the range of what we will do)
<b>Reputational</b>	<p>Many of Council's activities under the Local Government and other relevant Acts can theoretically be carried out in the absence of a positive reputation. However, Council's ability to perform these activities to a reasonable standard is greatly supported by trust and constructive input from the community.</p> <p>Consideration of this factor includes the reputation of the elected Council body, elected representatives, CEO, employees and the operation of the Council as a whole.</p> <p>Council's tolerance for reputational risk varies greatly in relation to the particular risk being assessed.</p>	<p>Council has a high appetite for reputational risk where it competes with safety, legislative compliance or financial management obligations, which will always be addressed as a priority.</p> <p>While Council accepts that not all actions will be positively received by all of the community, reputational risks will always be addressed as far as feasibly possible.</p> <p>Council aims to provide regular, factual information to our community and to be transparent in our activities unless confidentiality is necessary.</p> <p>Any high residual risk relating to Council's reputation will be considered by the Executive Leadership Team and appropriate action identified.</p>
<b>Safety</b>	<p>Council's tolerance for work health and safety risks to its people is narrowed by the financial, compliance/regulatory and reputational risk of adverse effects from WHS risk events materialising.</p> <p>Council has a target of 'zero harm' to its staff and is responsible for many assets and spaces that are used by members of the public. Council will invest money to ensure the safety of its staff, and the public based on a robust analysis of safety issues and how these can be most effectively addressed.</p>	<p>Council has little to no appetite for WHS risk.</p> <p>Council expects that all WHS risks will be managed to a low residual risk rating.</p> <p>All WHS risks which cannot be managed to this level will be escalated to Executive Leadership Team, reviewed by the Work Health &amp; Safety Committee and appropriate action will be identified.</p>

Risk Category	Risk Tolerance: the level of risk Council can practically deal with (the range of what we can do)	Risk appetite: the level of risk Council is willing to take in the pursuit of its goals (the range of what we will do)
<p><b>Service disruption</b></p>	<p>Council has no appetite for injuring our people.</p> <p>Generally speaking, Council can tolerate some down-time in most roles and areas, however, the workforce establishment is lean and therefore tolerance for extended absence or vacancy is fairly limited.</p> <p>Council will need to assess whether it has sufficient, appropriately trained and adequately skilled individuals to undertake tasks and to respond to the associated risks.</p> <p>In some cases, Council will require specific knowledge to achieve its outcomes. Council's need for specialist knowledge, and its ability to recruit and retain staff or engage contractors varies greatly in relation to the area of operation and the skill sets required.</p>	<p>Council may need to suspend work in acute instances of significant or extreme safety risk.</p> <p>Council will endeavour to balance risk in relation to the need for sufficient, appropriately trained and skilled members of staff with the financial cost and impact of position vacancies on the organisation.</p> <p>Where possible, Council will consider opportunities to train or develop existing staff before looking to recruit or contract externally where the risk of not having sufficient or suitably qualified personnel is concerned.</p> <p>Vacant positions will be reviewed promptly, and the risks associated with ongoing vacancies in established positions will be reviewed by Human Resources and the Executive Leadership Team and appropriate action identified.</p>



**14.2 Statement of Investments - November 2024**

CSP Objective: Outcome 5.1: Public funds and assets are managed strategically, transparently and efficiently

CSP Strategy: 5.1.1 Public funds are managed in accordance with Financial Management Standards and the Local Government Act.

Delivery Program: 5.1.1.1 Improved financial reporting and legislative compliance through reporting, scrutiny oversight and processes.

Item 14.2

**Summary**

This report provides an overview of Council's cash and investment portfolio and investment performance as at 30 November 2024 and endorsement of the restricted funds position.

**Financial implication**

Investments are undertaken based upon the best rate on the day and after consideration of spreading Council's Investment risk across various institutions as per the Investment Policy and section 625 of the Local Government Act 1993. The distinction between restricted and unrestricted funds is a key operational and financial understanding.

**Risk implication**

The risk related to this information is non-compliance with Council's Investment Policy and Office of Local Government guidelines for appropriate monitoring and reporting of changes and the position of restricted funds.

**Policy**

Clause 625 of the *Local Government Act 1993*

Clause 212 of the Local Government (General) Regulation 2021

Kiama Municipal Council – Investment Policy

Kiama Municipal Council – Restricted Funds Policy

**Consultation (internal)**

Chief Executive Officer

Chief Operating Officer

Chief Financial and Technology Officer

Financial Manager

Senior Financial Accountant

**Communication/Community engagement**

N/A

**Attachments**

- 1 Kiama Monthly Report - November 2024 [↓](#)

**Enclosures**

Nil

**RECOMMENDATION**

That Council:

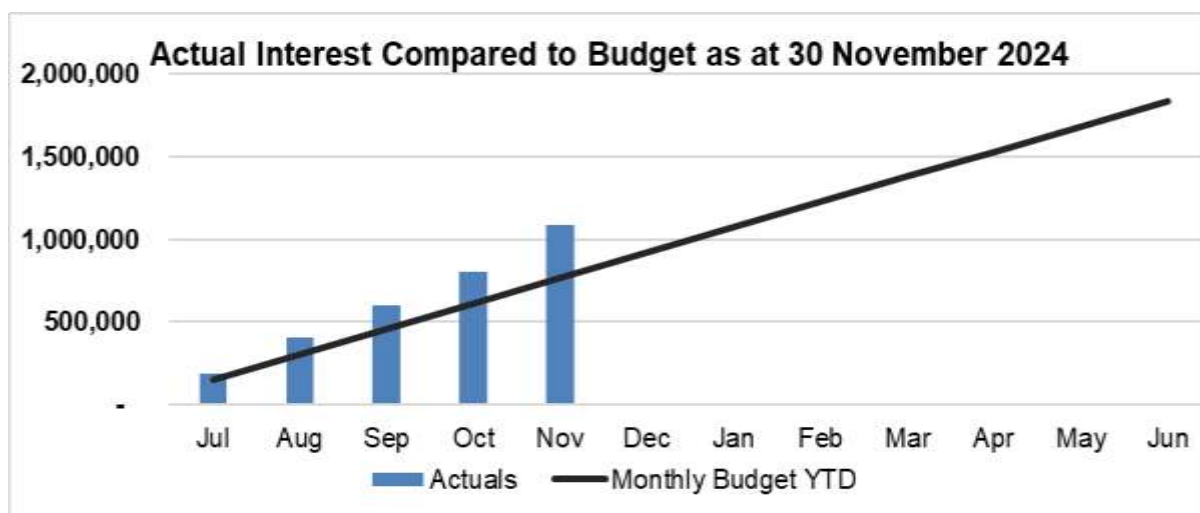
1. Receive the information relating to the Statement of Investments as at 30 November 2024.
2. Approve the transfer of \$2,050,000 from the internally restricted Blue Haven ILU Prudential Cover to Unrestricted Funds.

**Background**

Council is required to invest its surplus funds in accordance with the Ministerial Investment Order and Office of Local Government guidelines. The Order reflects a conservative approach and restricts the investment types available to Council. Council’s Investment Policy provides a framework for the credit quality, institutional diversification, and maturity constraints that Council’s portfolio can be exposed to. Council’s investment portfolio was controlled by Council’s Finance Department during the period to ensure compliance with the Investment Policy. External investment advisor advice is also considered at the time.

**Return on Investments**

For the month of November, excluding cash, the total portfolio provided a return of +0.45% (actual) or +5.60% p.a. (annualised), outperforming the benchmark AusBond Bank Bill Index return of +0.36% (actual) or +4.48% p.a. (annualised).



**Movement in Investments**



Item 14.2

Trades matured in November:

Issuer	Rating	Type	Interest	Purchase	Maturity	Rate %	Value
ING Bank (Australia) Ltd	A	TD	At Maturity	15/11/2023	15/11/2024	5.48	2,000,000
Suncorp Bank	AA-	TD	At Maturity	21/11/2023	21/11/2024	5.40	1,000,000
Suncorp Bank	AA-	TD	At Maturity	28/11/2023	28/11/2024	5.50	2,000,000
<b>Total</b>							<b>5,000,000</b>

New trades entered under delegation, during November:

Issuer	Rating	Type	Interest	Purchase	Maturity	Rate %	Value
Australian Unity Bank	BBB+	TD	At Maturity	28/11/2024	27/11/2025	5.11	2,000,000
<b>Total</b>							<b>2,000,000</b>

**Portfolio compliance**

As of the end of November 2024, Council is now fully compliant with all ratings.

Compliant	Issuer	Rating	Invested (\$)	Invested (%)	Max. Limit (%)	Available (\$)
✓	ANZ	AA-	\$6,000,000	13.65%	40%	\$11,582,166
✓	Westpac	AA-	\$8,955,416	20.37%	40%	\$8,626,751
✓	NAB	AA-	\$13,000,000	29.58%	40%	\$4,582,166
✓	ING	A	\$11,000,000	25.03%	30%	\$2,186,625
✓	Australian Unity	BBB+	\$2,000,000	4.55%	15%	\$4,593,312
✓	Bank of Us	BBB+	\$1,000,000	2.28%	15%	\$5,593,312
✓	BankVic	BBB+	\$2,000,000	4.55%	15%	\$4,593,312
			<b>\$43,955,416</b>	<b>100.00%</b>		

**Portfolio summary:**

Issuer	Rating	Type	Interest	Purchase	Maturity	Rate %	Value
Suncorp Bank	AA-	TD	At Maturity	04/12/2023	04/12/2024	5.35	1,000,000.00
Suncorp Bank	AA-	TD	At Maturity	13/12/2023	13/12/2024	5.30	2,000,000.00
ING Bank (Australia) Ltd	A	TD	Annual	21/12/2023	18/12/2024	5.23	2,000,000.00
ING Bank (Australia) Ltd	A	TD	At Maturity	10/01/2024	09/01/2025	5.22	1,000,000.00
NAB	AA-	TD	At Maturity	07/08/2024	12/02/2025	5.10	1,000,000.00
NAB	AA-	TD	At Maturity	26/02/2024	26/02/2025	5.08	2,000,000.00
Suncorp Bank	AA-	TD	At Maturity	06/03/2024	12/03/2025	5.14	1,000,000.00
BankVic	BBB+	TD	At Maturity	25/03/2024	26/03/2025	5.15	2,000,000.00
ING Bank (Australia) Ltd	A	TD	At Maturity	16/04/2024	02/04/2025	5.13	1,000,000.00
NAB	AA-	TD	Annual	18/09/2024	16/04/2025	5.00	1,000,000.00
NAB	AA-	TD	At Maturity	03/07/2024	28/05/2025	5.43	2,000,000.00
NAB	AA-	TD	At Maturity	26/09/2024	11/06/2025	5.01	1,000,000.00
NAB	AA-	TD	At Maturity	03/07/2024	02/07/2025	5.45	2,000,000.00
NAB	AA-	TD	At Maturity	10/07/2024	09/07/2025	5.45	2,000,000.00
Suncorp Bank	AA-	TD	At Maturity	23/10/2024	06/08/2025	5.06	1,000,000.00
ING Bank (Australia) Ltd	A	TD	At Maturity	22/11/2023	23/09/2025	5.35	1,000,000.00
NAB	AA-	TD	At Maturity	16/10/2024	15/10/2025	4.95	2,000,000.00
Suncorp Bank	AA-	TD	At Maturity	21/11/2023	21/11/2025	5.36	1,000,000.00
Australian Unity Bank	BBB+	TD	At Maturity	28/11/2024	27/11/2025	5.11	2,000,000.00
ING Bank (Australia) Ltd	A	TD	At Maturity	04/12/2023	04/12/2025	5.25	1,000,000.00
ING Bank (Australia) Ltd	A	TD	Annual	18/12/2023	18/12/2025	5.20	2,000,000.00
ING Bank (Australia) Ltd	A	TD	Annual	10/01/2024	14/01/2026	4.96	1,000,000.00
Bank of Us	BBB+	TD	At Maturity	06/03/2024	11/03/2026	4.96	1,000,000.00
ING Bank (Australia) Ltd	A	TD	At Maturity	11/04/2024	08/04/2026	4.92	2,000,000.00
Westpac	AA-	CASH	Monthly	30/11/2024	30/11/2024	4.26	8,955,415.61
<b>Total</b>							<b>43,955,415.61</b>

**Item 14.2**

## Report of the Chief Operating Officer

## 14.2 Statement of Investments - November 2024 (cont)

**Restricted Funds Movements**

The restricted funds movement for this month and balances are presented in the table below.

Cash and investments held	31/10/2024	Movement	ExtraOrd Adj	30/11/2024
Cash at Bank - Transactional Account	5,071,102	3,884,313		8,955,416
Other Cash and Investments	38,000,000	(3,000,000)		35,000,000
<b>Total Portfolio Balance (agrees to Arlo Advisory report)</b>	<b>43,071,102</b>	<b>884,313</b>		<b>43,955,416</b>
Cash on Hand	6,000	0		6,000
Bank Reconciliation items**	(1,964,877)	180,795		(1,784,082)
<b>Book Value of Cash and Investments</b>	<b>41,112,225</b>	<b>1,065,109</b>		<b>42,177,333</b>
Unspent Loan Funding	400,000	0		400,000
Unexpended Grants	1,931,720	2,686,384		4,618,104
Developer Contributions (Unexpended)	13,787,550	(149,309)		13,638,241
Stormwater Levy	322,207	(526)		321,681
Security bonds, Deposits & Retentions	2,132,264	(189,039)		1,943,225
Crown Reserve	3,528,675	(14,567)		3,514,108
Blue Haven Home Care Client Credit Balance	119,587	(9,041)		110,546
Domestic Waste Management	8,395,464	202,853		8,598,317
Blue Haven Terralong ILU Maintenance Levy	1,505,070	292,930		1,798,000
Blue Haven Bonaira ILU Maintenance Levy	395,000	0		395,000
Blue Haven Residential Aged Care (RAC) Prudential Liquidity Management	4,900,000	0		4,900,000
<b>External Restrictions</b>	<b>37,417,537</b>	<b>2,819,686</b>	<b>0</b>	<b>40,237,223</b>
Employee Leave Liabilities	3,443,958	0		3,443,958
Land Development	718,742	(30,399)		688,343
Temporary Funding of Disaster Recovery Funding Agreement Works	(6,059,773)	759,336		(5,300,437)
Blue Haven ILU Prudential Cover	3,617,000	0	(2,050,000)	1,567,000
Plant Replacement	1,643,984	(844,672)		799,312
Risk Improvement Incentive	56,885	(28,477)		28,408
Waste Business Unit	0	0		0
Terralong ILU Capital Works	237,933	447,504		685,438
<b>Internal Restrictions</b>	<b>3,658,730</b>	<b>303,292</b>	<b>(2,050,000)</b>	<b>1,912,022</b>
<b>Unrestricted Cash</b>	<b>35,958</b>			<b>28,088</b>

\*\* Bank reconciliation items have been manually adjusted to account for genuine transactions such as unrepresented cheques.

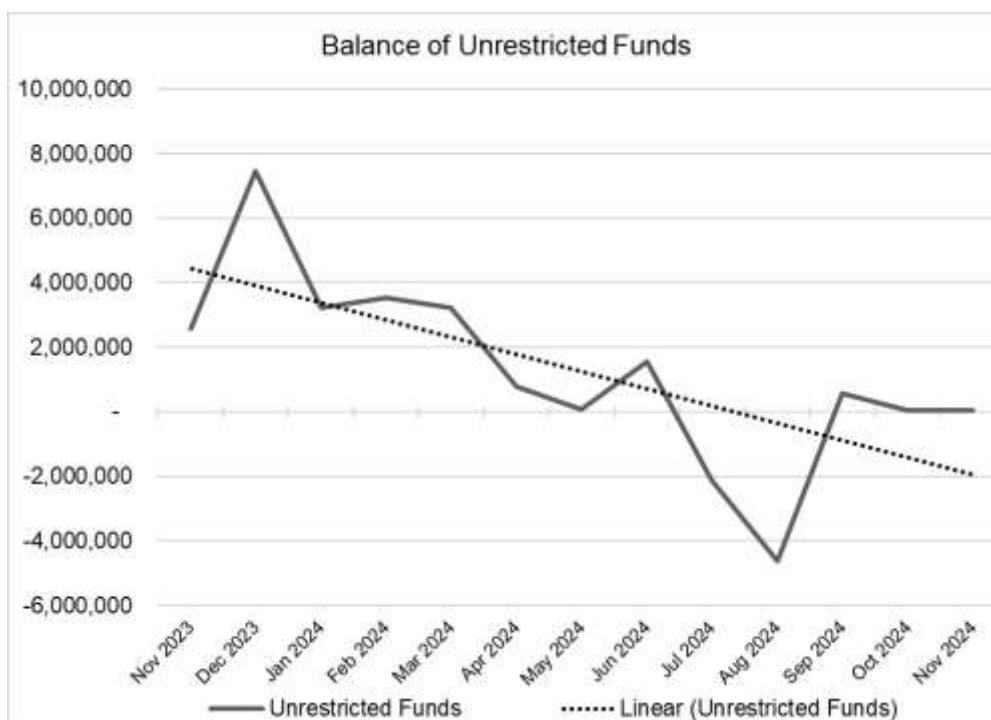
- Material increase noted in the Unexpended Grants reserve due to the Betterment Funding Grant received.

Report of the Chief Operating Officer

14.2 Statement of Investments - November 2024 (cont)

- Material increase noted in Disaster Recovery Funding reserve due to grant received from Transport NSW.
- Material decrease noted in Plant Replacement reserve due to capital expenditure recognised in reserve.

Unrestricted Funds



Council’s overall cash balance increased during November from \$41.1M to \$42.1M. This \$1M increase is a result of business-as-usual operations and:

- Rates instalment due 30 November, Council received \$3M during the month
- Positive net movement of \$750K in Disaster Recovery Funding for November
- Net Resident outflow of Accommodation Deposits (RAD’s) refunded during the month of \$1.6M

Council has adopted a deficit budget for the 2024/25 financial year, with an expected reduction in **unrestricted** cash of \$7.3 million (excluding proceeds from asset sales and Blue Haven debt repayment) for the year. This equates to \$600K per month. As a result, it is anticipated that Council will need to draw from internal reserves either permanently or temporarily, until cash proceeds from planned divestments are realised.

As the sale of Blue Haven Bonaira is expected to be finalised in February 2025, and no ILU refunds for Bonaira are pending before then, it is recommended to release 50% (or \$2.05M) of the yearly Blue Haven ILU Prudential Cover internal reserve of \$4.1M. This will leave a remaining liquidity reserve balance of \$1.6M allocated for the Terralong ILUs. The issue of ongoing ILU reserves will be further reviewed in coming months during budget preparations especially given the recently introduced capital works reserve.

14.2 Statement of Investments - November 2024 (cont)

The current adopted Long Term Financial Plan includes releasing a portion of the ILU internal reserve upon the sale of Blue Haven Bonaira (along with the externally restricted aged care reserves). Both these adjustments represent a permanent release of funds.

By releasing these funds, Council can address its unrestricted funds deficit until surplus funds or the proceeds from planned divestments are realised.

The summary of extraordinary transfers from internal reserves in order to replenish unrestricted cash as per previous Council resolutions for 2024/25 financial year is summarised below:

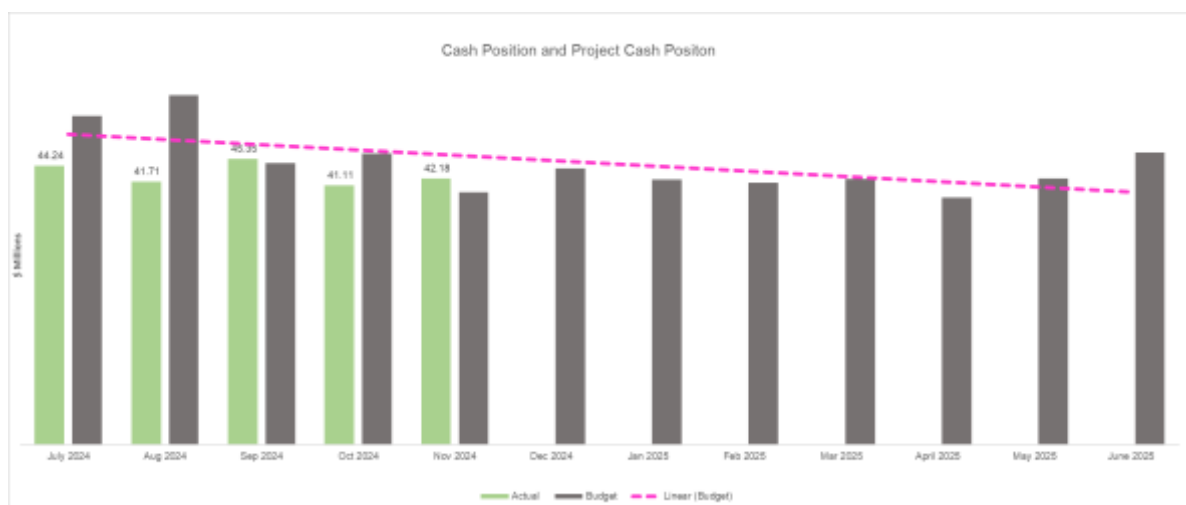
Reference	Date Effective	Reserve	Amount	Reason
24/316OC	30/11/2024	Waste Business Unit Reserve	-1,420,704	Insufficient unrestricted cash balance
	<b>Total:</b>		<b>-1,420,704</b>	

A key challenge outside Council’s control impacting unrestricted cash, is disaster recovery spend prior to reimbursement from funding bodies, currently this balance is \$5.3M which has a material impact on the unrestricted funds balance. Note this ‘debtor’ position denies any interest earning potential. Some of this is expected in December and January.

**Consolidated Cash Position and Cash Flow Forecast**

The below graph depicts the revised cash forecast for the 2024-25 financial year, whilst comparing the current cash reserve balance to the predicted cash reserve balance.

November’s cash position is higher than the projected cash balance, predominately due to Council receiving \$500K more than anticipated for the November rates instalment and an additional \$1.3M in grant funding payments.



Report of the Chief Operating Officer

14.2 Statement of Investments - November 2024 (cont)

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**Certification – Responsible Accounting Officer**

I hereby certify that the investments listed in this report have been made in accordance with Section 625 of the *Local Government Act 1993*, clause 212 of the Local Government (General) Regulation 2021 and Council’s Investment Policy.

Olena Tulubinska  
**Chief Financial Officer**

18/12/2024

**Item 14.2**





# Monthly Investment Review



**KIAMA MUNICIPAL COUNCIL**  
your council, your community

**November 2024**

Item 14.2

Attachment 1

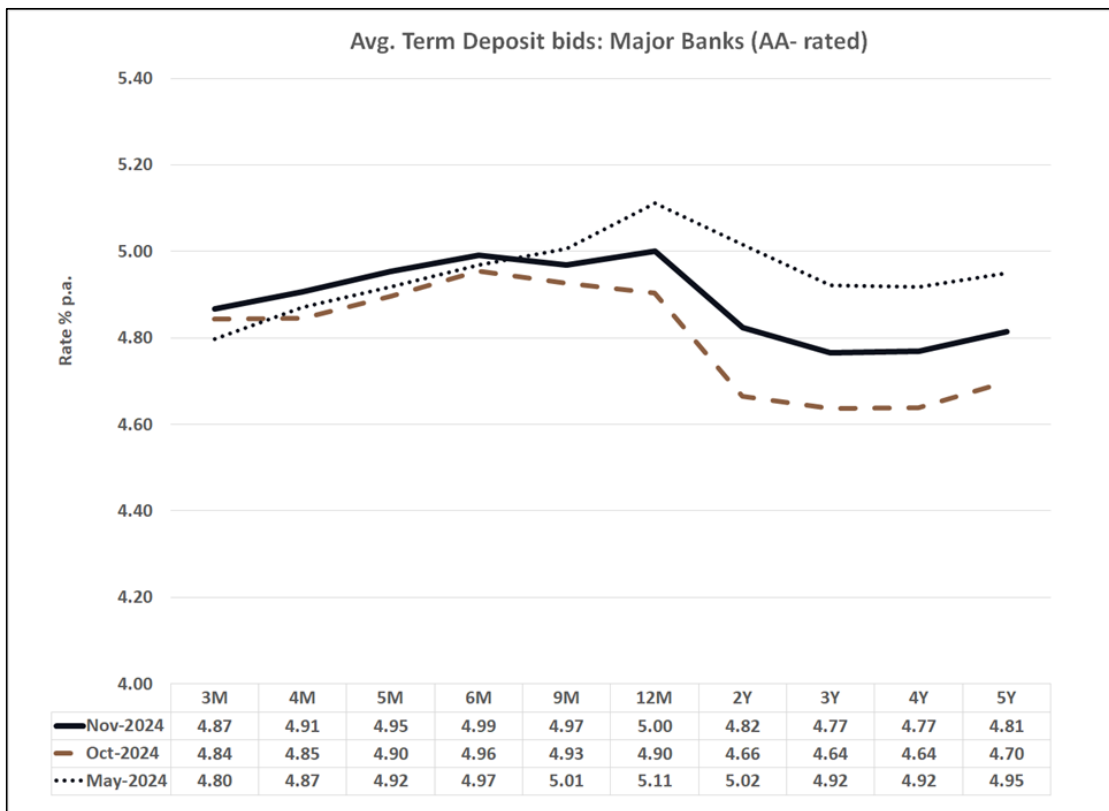
Arlo Advisory Pty Ltd  
ABN: 55 668 191 795  
Authorised Representative of InterPrac Financial Planning Pty Ltd  
AFSL 246 638  
Phone: +61 2 9053 2987  
Email: [michael.chandra@arloadvisory.com.au](mailto:michael.chandra@arloadvisory.com.au) / [melissa.villamin@arloadvisory.com.au](mailto:melissa.villamin@arloadvisory.com.au)  
Level 3, Suite 304, 80 Elizabeth Street, Sydney NSW 2000



## Market Update Summary

In November, risk markets rebounded after Donald Trump won the US Presidential election, promising to deliver bold ideas on tax cuts, tariffs and other programs to strengthen the US economy.

In the deposit market, over November, at the very short-end of the curve, the average deposit rates offered by the major banks rose by 5bp compared to where they were the previous month (October). The biggest moves have been seen at the long-end of the curve. The average rates being offered for 1-5 year terms have risen by around 10-15bp to where they were in October. The market has lowered their expectations, not only with regards to the timing of the first rate cut (now around May-June), but also how many cuts are pencilled over 2025 (down to a maximum of two).



Source: Imperium Markets

With a global economic downturn and multiple interest rate cuts being priced in 2025, investors should consider diversifying and taking an 'insurance policy' against a potentially lower rate environment by investing across 1-5 year fixed deposits, targeting rates above 5% p.a. (small allocation only).



## Kiama Municipal Council’s Portfolio & Compliance

### Asset Allocation

The majority of the portfolio is directed to term deposits (80%), with the remainder in cash (20%).

Senior FRNs are starting to become slightly expensive on a historical basis, although new issuances should continue to be considered on a case by case scenario. In the interim, staggering a mix of fixed deposits between 12 months to 3 years remains a more optimal strategy to maximise returns over a longer-term cycle.

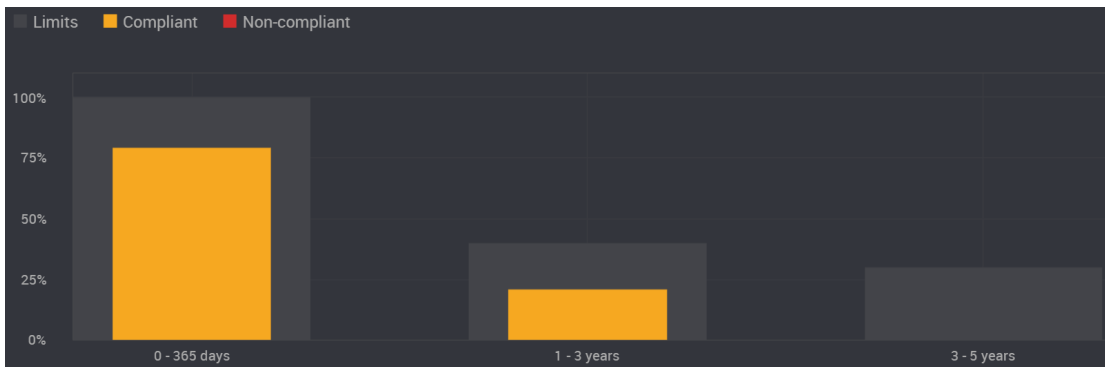
With multiple rate cuts and a global economic downturn being priced in coming years, investors can choose to allocate a small proportion of longer-term funds and undertake an insurance policy against any potential future rate cuts by investing across 1-5 year fixed deposits, locking in and targeting yields above 5% p.a. Should inflation be within the RBA’s target band of 2-3% over the longer-term, returns around 5% p.a. or higher should outperform benchmark.



### Term to Maturity

The portfolio is highly liquid with the majority maturing within 1 year (~84%). We recommend a more diversified maturity profile to optimise the overall returns of the portfolio in the long-run.

All the maturity policy allocations are compliant, with substantial capacity to invest in 1-3 year terms particularly amongst the higher rated ADIs. Where ongoing liquidity requirements permit, we recommend Council to invest a higher proportion in deposits with a minimum term of 9-12 months, with a smaller allocation to 2-3 year deposits.





Compliant	Horizon	Invested (\$)	Invested (%)	Min. Limit (%)	Max. Limit (%)	Available (\$)
✓	0 - 365 days	\$36,955,416	84.07%	0%	100%	\$5,885,234
✓	1 - 3 years	\$7,000,000	15.93%	0%	40%	\$8,896,932
✓	3 - 5 years	\$0	0.00%	0%	30%	\$11,086,625
✓	5 - 10 years	\$0	0.00%	0%	30%	\$11,086,625
		<b>\$43,955,416</b>	<b>100.00%</b>			

### Counterparty

As at the end of the November, all individual counterparties were within policy limits. We stress that exposures are dependent on capital inflows/outflows which can be volatile and unexpected at times. Breaches are typically temporary and usually rectified within months.

Compliant	Issuer	Rating	Invested (\$)	Invested (%)	Max. Limit (%)	Available (\$)
✓	ANZ	AA-	\$6,000,000	13.65%	40%	\$11,582,166
✓	Westpac	AA-	\$8,955,416	20.37%	40%	\$8,626,751
✓	NAB	AA-	\$13,000,000	29.58%	40%	\$4,582,166
✓	ING	A	\$11,000,000	25.03%	30%	\$2,186,625
✓	Australian Unity	BBB+	\$2,000,000	4.55%	15%	\$4,593,312
✓	Bank of Us	BBB+	\$1,000,000	2.28%	15%	\$5,593,312
✓	BankVic	BBB+	\$2,000,000	4.55%	15%	\$4,593,312
			<b>\$43,955,416</b>	<b>100.00%</b>		

On 31<sup>st</sup> July 2024, ANZ's takeover of Suncorp Bank was formalised, and ratings agency S&P upgraded Suncorp's long-term credit rating to that of its parent company immediately (now rated AA-). Investor's exposure to Suncorp is now reflected under the parent company being ANZ.



### Fossil Fuel Investments

#### What is Council's current exposure to institutions that fund fossil fuels?

Using the following link <http://www.marketforces.org.au/banks/compare>, based on the Council's investment portfolio balance as at 30/11/2024 (~\$43.96m), we can roughly estimate that ~89% of the institutions invested have some form of exposure. Note this is purely based on the institution/counterparty and not the actual underlying investments themselves.

Council's exposure is summarised as follows:

Counterparty	Rating	Funding Fossil Fuel
ANZ (inc. Suncorp)	AA-	Yes
WBC	AA-	Yes
NAB	AA-	Yes
ING	A	Yes
Aus. Unity	BBB+	No
Bank of Us	BBB+	No
BankVIC	BBB+	No

Source: <https://www.marketforces.org.au/info/compare-bank-table/>

Summary	Amount	Invested %
Yes	\$38,955,416	89%
No	\$5,000,000	11%
<b>Total</b>	<b>\$43,955,416</b>	<b>100%</b>

#### Transition to investments without major exposure to fossil fuels

Council has not made a formal decision to divest from the current portfolio of investments which have exposure to fossil fuels. To do so would have unfavourable implications to the credit quality, rating and interest income forecasts.

However, where possible, and within the ministerial and policy guidelines, Council will continue to favour newly issued fossil fuel free investment products, providing it does not compromise the risk and return profile.

In time, it is Council's intention to move to a more balanced portfolio which has less exposure to fossil fuels, providing it is prudent to do so.

#### What would be implications on our portfolio credit rating?

By adopting a free fossil fuel policy or an active divestment strategy, this would eliminate the major banks rated "AA-" as well as some other potential "A" rated banks (e.g. Macquarie and ING). Council would be left with a smaller sub-sector of banks to choose to invest with.



**What would be risks and implications on Council’s portfolio performance?**

Some implications include:

- High concentration risk – limiting Council to a selected number of banks;
- Increased credit/counterparty risk;
- May lead to a reduction in performance (e.g. should Council choose to invest in securities, most of the senior FRN issues are with the higher rated ADIs);
- Underperformance compared to other Councils which could result in a significant loss of income generated – could be in excess of hundreds of thousands of dollars per annum.

It may actually be contrary to Council’s primary objective to preserve capital as the investment portfolio’s risk would increase (all things being equal). Council may not be maximising its returns – this is one of the primary objectives written in the Investment Policy.

**Credit Quality**

The portfolio is diversified from a credit ratings perspective, with exposure down to the BBB category. All ratings categories are within the Policy limits:

Compliant	Credit Rating	Invested (\$)	Invested (%)	Max. Limit (%)	Available (\$)
✓	AAA Category	\$0	0.0%	100%	\$43,955,416
✓	AA Category	\$27,955,416	63.6%	100%	\$16,000,000
✓	A Category	\$11,000,000	25.0%	70%	\$19,768,791
✓	BBB Category	\$5,000,000	11.4%	30%	\$8,186,625
✓	Unrated Category	\$0	0.0%	0%	\$0
		<b>\$43,955,416</b>	<b>100.0%</b>		



### Performance

Council's performance (excluding cash holdings) for the month ending November 2024 is summarised as follows:

Performance (Actual)	1 month	3 months	6 months	FYTD	1 year
Official Cash Rate	0.35%	1.07%	2.16%	1.80%	4.36%
AusBond Bank Bill Index	0.36%	1.10%	2.22%	1.86%	4.46%
<b>Council's Portfolio<sup>^</sup></b>	<b>0.45%</b>	<b>1.31%</b>	<b>2.62%</b>	<b>1.75%</b>	<b>5.23%</b>
<b>Outperformance</b>	<b>0.09%</b>	<b>0.21%</b>	<b>0.40%</b>	<b>-0.11%</b>	<b>0.77%</b>

<sup>^</sup>Total portfolio performance excludes Council's cash account holdings.

Performance (Annualised)	1 month	3 months	6 months	FYTD	1 year
Official Cash Rate	4.35%	4.35%	4.35%	4.35%	4.36%
AusBond Bank Bill Index	4.48%	4.48%	4.47%	4.49%	4.46%
<b>Council's Portfolio<sup>^</sup></b>	<b>5.60%</b>	<b>5.36%</b>	<b>5.29%</b>	<b>4.23%</b>	<b>5.23%</b>
<b>Outperformance</b>	<b>1.12%</b>	<b>0.89%</b>	<b>0.82%</b>	<b>-0.26%</b>	<b>0.77%</b>

<sup>^</sup>Total portfolio performance excludes Council's cash account holdings.

For the month of November, excluding cash, the total portfolio provided a return of +0.45% (actual) or +5.60% p.a. (annualised), outperforming the benchmark AusBond Bank Bill Index return of +0.36% (actual) or +4.48% p.a. (annualised). All time periods are now comfortably above benchmark returns up to 1 year as the previously held low yielding deposits coming out of the pandemic period (yielding between 0.50%-3.00%) have all matured and been reinvested at higher prevailing rates.



## Recommendations for Council

### Term Deposits

Going forward, Council may consider altering its longer-term strategy by placing a slightly larger proportion of deposits and stagger investments across 12–24 months terms. Over a cycle and in a normal market environment, this may earn up to ¼–½% p.a. higher compared to purely investing in shorter tenors. There is growing belief that multiple rate cuts and a global economic downturn is imminent and so locking in rates above 5% p.a. across 1–5 year tenors may provide some income protection against a lower rate environment.

As at the end of November 2024, Council's deposit portfolio was yielding around 5.18% p.a. (down 5bp from the previous month), with a weighted average duration of 218 days (~7 months). ***We commend Council for extending its weighted average duration over the past 12 months, reflective of investments in some high yielding term deposits in 1 and 2 year tenors. We continue to recommend Council to increase the portfolio's duration closer to 9 months incrementally over the current financial year (with a view to extending closer to 12 months in the medium-term).***

Please refer to the section below for further details on the Term Deposit market.

### Securities

Primary (new) **FRNs** (with maturities between 3–5 years) continue to be appealing (particularly for those investors with portfolios skewed towards fixed assets) and should be considered on a case by case scenario.

Please refer to the section below for further details on the FRN market.





## Term Deposit Market Review

### Current Term Deposits Rates

As at the end of November, we see value in the following:

ADI	LT Credit Rating	Term	Rate % p.a.
ING Bank	A	5 years	5.02%
BoQ	A-	5 years	5.00%
Westpac	AA-	5 years	4.82%
ING Bank	A	4 years	4.95%
BoQ	A-	4 years	4.95%
Westpac	AA-	4 years	4.78%
ING Bank	A	3 years	4.87%
Westpac	AA-	3 years	4.77%
NAB	AA-	3 years	4.65%
ING Bank	A	2 years	4.88%
Westpac	AA-	2 years	4.80%
NAB	AA-	2 years	4.80%
BoQ	A-	2 years	4.80%

The above deposits are suitable for investors looking to maintain diversification and lock-in a slight premium compared to purely investing short-term.

For terms under 12 months, we believe the strongest value is currently being offered by the following ADIs (*we stress that rates are indicative, dependent on daily funding requirements and different for industry segments*):



ADI	LT Credit Rating	Term	Rate % p.a.
NAB	AA-	12 months	5.11%
MyState	BBB	12 months	5.10%
ICBC	A	12 months	5.09%
Westpac	AA-	12 months	5.07%
Suncorp	AA-	9 months	5.11%
NAB	AA-	9 months	5.10%
Bendigo	A-	9 months	5.04%
ING	A	9 months	5.00%
Suncorp	AA-	6 months	5.15%
BoQ	A-	6 months	5.15%
NAB	AA-	6 months	5.10%
Bendigo	A-	6 months	5.04%
NAB	AA-	3 months	5.00%
ICBC	A	3 months	4.97%
Westpac	AA-	3 months	4.93%

If Council does not require high levels of liquidity and can stagger a proportion of its investments across the longer term horizons (1-5 years), it will be rewarded over a longer-term cycle. Investing a spread of 12 months to 3 year horizons can likely yield up to, on average, an extra ¼-½% p.a. higher compared to those investors that entirely invest in short-dated deposits (under 6-9 months).

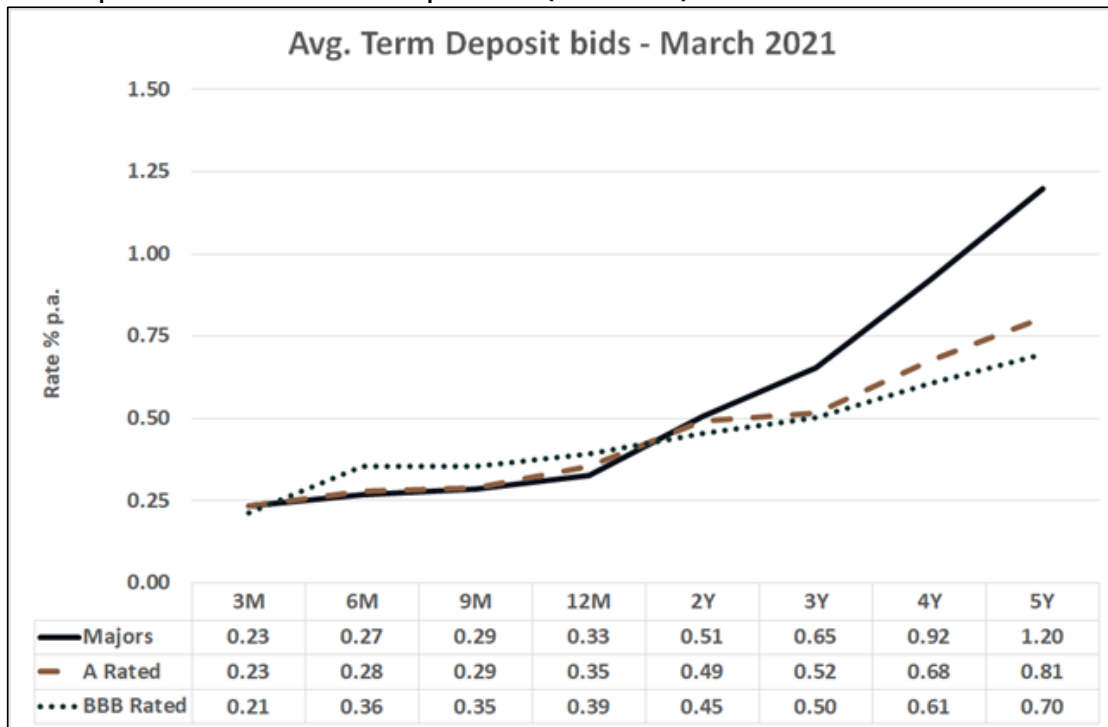
With a global economic slowdown and multiple interest rate cuts being priced over 2025, investors should strongly consider diversifying by allocating some longer term surplus funds and undertake an insurance policy by investing across 1-5 year fixed deposits and locking in rates above 5% p.a. This will provide some income protection with the RBA now potentially looking to cut rates by mid-2025.



**Term Deposits Analysis**

Pre-pandemic (March 2020), a 'normal' marketplace meant the lower rated ADIs (i.e. BBB category) were offering higher rates on term deposits compared to the higher rated ADIs (i.e. A or AA rated). But due to the cheap funding available provided by the RBA via their Term Funding Facility (TFF) during mid-2020, allowing the ADIs to borrow as low as 0.10% p.a. fixed for 3 years, those lower rated ADIs (BBB rated) did not require deposit funding from the wholesale deposit. Given the higher rated banks had more capacity to lend (as they have a greater pool of mortgage borrowers), they subsequently were offering higher deposit rates. In fact, some of the lower rated banks were not even offering deposit rates at all. As a result, most investors placed a higher proportion of their deposit investments with the higher rated (A or AA) ADIs over the past three years.

**Term Deposit Rates – 12 months after pandemic (March 2021)**



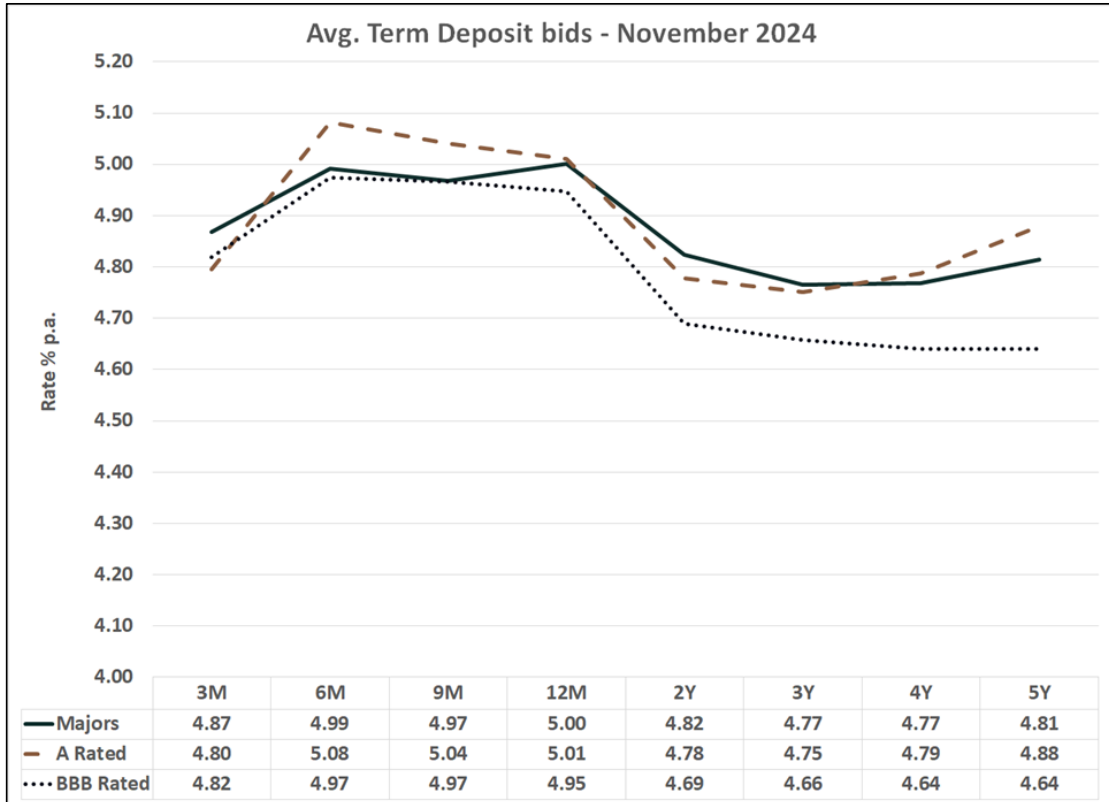
Source: Imperium Markets

The abnormal marketplace experienced during the pandemic is starting to reverse as the competition for deposits slowly increases, partially driven by the RBA’s term funding facility coming to an end. In recent months, we have started to periodically see some of the lower rated ADIs (“A” and “BBB” rated) offering slightly higher rates compared to the domestic major banks (“AA” rated) on different parts of the curve (i.e. pre-pandemic environment). Some of this has been attributed to lags in adjusting their deposit rates as some banks (mainly the lower rated ADIs) simply set their rates for the week.



Going forward, Council should have a larger opportunity to invest a higher proportion of its funds with the lower rated institutions (up to Policy limits), from which the majority are not lending to the Fossil Fuel industry or considered 'ethical'. We are slowly seeing this trend emerge, although the major banks always seem to react more quickly than the rest of the market during periods of volatility:

**Term Deposit Rates – Currently (November 2024)**



Source: Imperium Markets

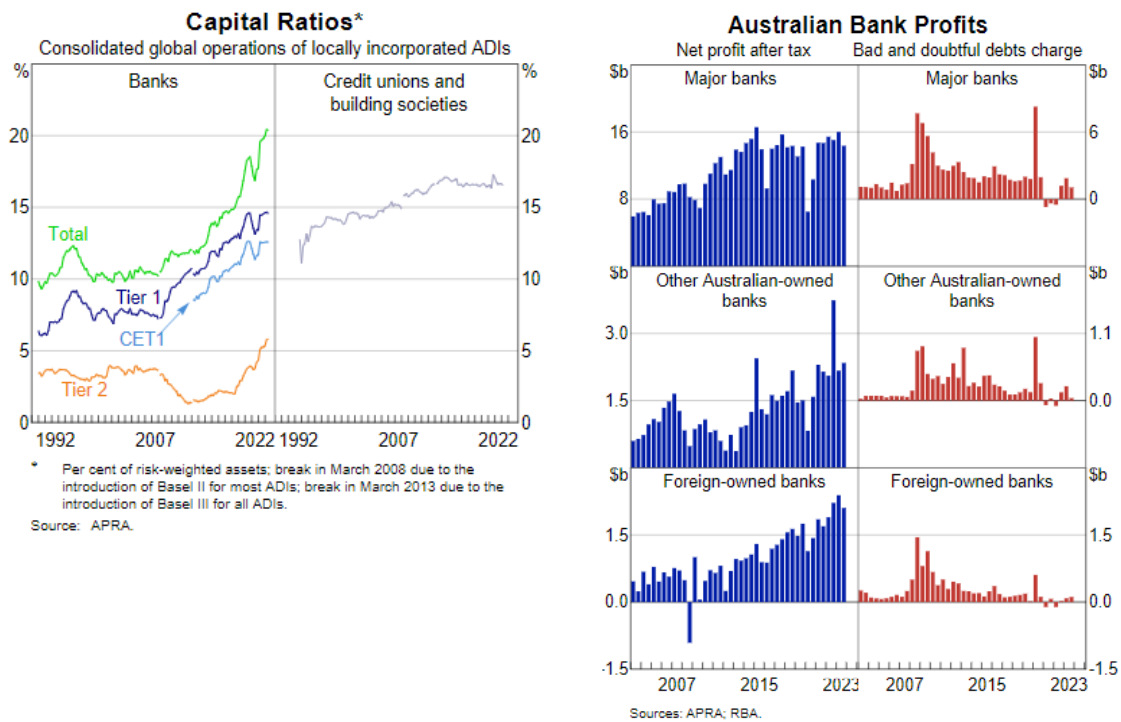
**Financial Stability of the Banking (ADI) Sector**

The RBA’s latest Financial Stability report of 2024 reaffirms the strong balance sheet across the ADI sector. They noted that the risk of widespread financial stress remains limited due to the generally strong financial positions of most (individual) borrowers. Very few mortgage borrowers are in negative equity, limiting the impact on lenders (ADIs) in the event of default and supporting their ability to continue providing credit to the economy. Most businesses that have entered insolvency are small and have little debt, limiting the broader impact on the labour market and thus household incomes, and on the capital position of lenders (ADIs).



Australian banks (collectively the APRA regulated ADIs) have maintained prudent lending standards and are well positioned to continue supplying credit to the economy. A deterioration in economic conditions or temporary disruption to funding markets is unlikely to halt lending activity. Banks have anticipated an increase in loan arrears and have capital and liquidity buffers well above regulatory requirements (see *Capita Ratios chart below*). APRA’s mandate is to “protect depositors” and provide “financial stability”.

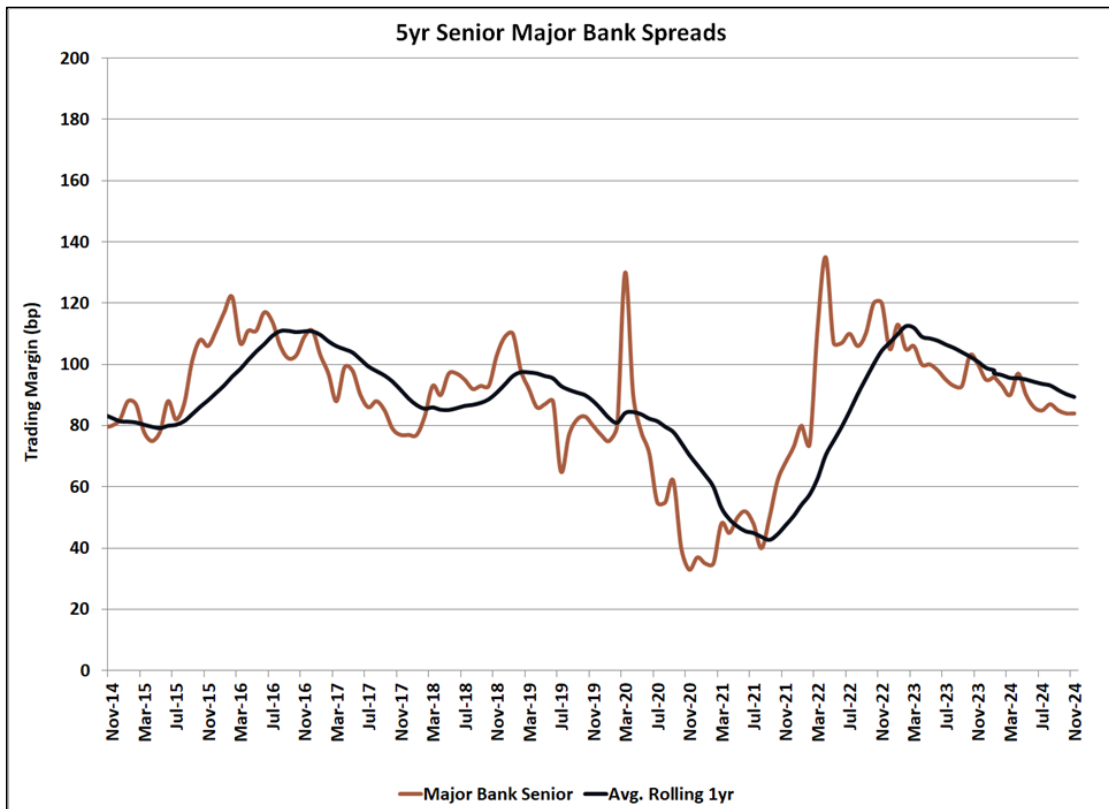
Over the past two decades, both domestic and international banks continue to operate and demonstrate high levels of profitability (see *Australian Bank Profits chart below*), which also includes two stress-test environments being the GFC (September 2008) and the COVID pandemic (March 2020):





## Senior FRNs Market Review

Over November, amongst the senior major bank FRNs, physical credit securities remained relatively flat at the long-end of the curve. During the month, NAB (AA-) issued a 5 year senior deal at +82b, whilst ANZ (AA-) issued a new 3 year senior deal at +67bp, as well as an ~18 month senior FRN at +48bp. Long-term major bank senior securities are approaching the 'expensive' territory as the 5yr margin tightens towards +80bp.



Source: IBS Capital

Outside of NAB (AA-) and ANZ (AA-), there were quite a few new (primary) issuances during the month:

- Police Bank (BBB+) 3 year senior FRN at +115bp
- AMP Bank (BBB+) 1 year senior FRN at +75bp
- ING Bank Australia (AAA) 5 year covered security at +80bp
- Bank of China, Sydney Branch (A) 3 year senior FRN at +80bp
- SMBC, Sydney Branch (A) 3 year senior FRN at +85bp
- Rabobank, Australia Branch (A+) 3½ year senior security at +75bp
- Bendigo & Adelaide (AAA) 5 year covered security at +83bp



Amongst the "A" rated sector, the securities tightened up to 5bp at the longer-end of the curve, whilst the "BBB" rated remained relatively flat.

Overall, credit securities are looking more attractive given the widening of spreads over the past 3 years. FRNs will continue to play a role in investors' portfolios mainly on the basis of their liquidity and the ability to roll down the curve and gross up returns over ensuing years (in a relatively stable credit environment), whilst also providing some diversification to those investors skewed towards fixed assets.

Senior FRNs (ADIs)	29/11/2024	31/10/2024
"AA" rated – 5yrs	+84bp	+84bp
"AA" rated – 3yrs	+68bp	+65bp
"A" rated – 5yrs	+95bp	+100bp
"A" rated – 3yrs	+80bp	+80bp
"BBB" rated – 3yrs	+110bp	+110bp

Source: IBS Capital

We now generally recommend switches ('benchmark' issues only) into new primary issues, out of the following senior FRNs that are maturing:

- On or before early 2027 for the "AA" rated ADIs (domestic major banks);
- On or before early 2026 for the "A" rated ADIs; and
- Within 6–9 months for the "BBB" rated ADIs (consider case by case).

Investors holding onto the above senior FRNs ('benchmark' issues only) in their last few years are now generally holding sub optimal investments and are not maximising returns by foregoing realised capital gains. In the current challenging economic environment, any boost in overall returns should be locked in when it is advantageous to do so, particularly as switch opportunities become available.



### Senior Fixed Bonds – ADIs (Secondary Market)

With global inflation still high by historical standards, this has seen a significant lift in longer-term bond yields over the past 3 years (valuations have fallen) as markets have reacted sharply.

This has resulted in some opportunities in the secondary market. We currently see value in the following fixed bond lines, with the majority now being marked at a significant discount to par (please note supply in the secondary market may be limited on any day):

ISIN	Issuer	Rating	Capital Structure	Maturity Date	~Remain. Term (yrs)	Fixed Coupon	Indicative Yield
AU3CB0278174	UBS	A+	Senior	26/02/2026	1.25	1.1000%	4.76%
AU3CB0280030	BoQ	A-	Senior	06/05/2026	1.44	1.4000%	4.96%
AU3CB0299337	Bendigo	A-	Senior	15/05/2026	1.46	4.7000%	4.81%
AU3CB0296168	BoQ	A-	Senior	27/01/2027	2.27	4.7000%	4.95%
AU3CB0308955	BoQ	A-	Senior	30/04/2029	4.43	5.3580%	5.07%





## Economic Commentary

### International Market

In November, risk markets rebounded after Donald Trump won the US Presidential election, promising to deliver bold ideas on tax cuts, tariffs and other programs to strengthen the US economy. Trump said he will impose additional 10% tariffs on goods from China and 25% tariffs on all products from Mexico and Canada.

Across equity markets, the S&P 500 Index gained +5.73%, whilst the NASDAQ surged +6.21%. Europe’s main indices also provided solid returns, led by Germany’s DAX (+2.88%) and UK’s FTSE (+2.18%). France’s CAC went against global trends, dropping -1.57%.

The US Fed’s decision to cut by 25bp to 4.50%-4.75% was unanimous. Changes in the statement were modest, with the most notable being a removal of the comment from September that the committee had “gained greater confidence” in inflation moving toward target.

There were other central banks that made key decisions, including a 25bp cut from the Bank of England (BoE), a 50bp from Sweden’s Riksbank and no change from Norway’s Norges Bank.

US core CPI rose +0.28% in October (versus expectations at +0.30%). On an annual basis, core CPI rose +3.3%, matching expectations. The US unemployment rate held steady at 4.1%, albeit thanks in part to a 0.1% fall in the participation rate, and still sitting well below the Fed’s September projections for Q4 2024 of 4.4%.

UK CPI printed above expectations on both headline (+2.3% y/y vs. +2.2% consensus) and core (+3.3% y/y vs. +3.1% consensus), while services inflation remained high (at +5.0% y/y).

Canada’s jobs growth was slightly weaker than expected, but the unemployment rate was steady at 6.5%, 0.1% lower than expected. October CPI showed the headline rate rose +0.4% to +2.0% annually (0.1% more than expected).

China’s stimulus announcement disappointed, being mostly focused on local government debt swaps (\$10 trillion Yuan, or \$1.4 trillion USD), rather than providing direct stimulus to businesses or consumers. Inflation data continued to show notable PPI deflation (+2.9% y/y) and CPI inflation of just +0.3% y/y, consistent with the weak domestic demand backdrop.

The MSCI World ex-Aus Index rose +4.50% for the month of November:

Index	1m	3m	1yr	3yr	5yr	10yr
S&P 500 Index	+5.73%	+6.80%	+32.06%	+9.72%	+13.94%	+11.30%
MSCI World ex-AUS	+4.50%	+4.15%	+26.19%	+7.17%	+10.85%	+8.31%
S&P ASX 200 Accum. Index	+3.79%	+5.47%	+23.42%	+9.55%	+8.28%	+9.08%

Source: S&P, MSCI



### Domestic Market

The RBA kept rates on hold as universally expected. Consistent with their earlier messaging, the level of the cash rate was assessed to be restrictive, but “less than in peer economies, despite many having lowered their policy rates” while some indicators of financial conditions have eased a little since August. Forecasts for trimmed mean inflation and unemployment also little changed.

The RBA sees an economy running above capacity and a policy setting that is restrictive but has been and remains less restrictive than many of their advanced economy peers. They are not yet comfortable inflation is sustainably tracking back to target and are concerned about upside risks should gradual labour market cooling stall and capacity growth remain sluggish.

Monthly CPI indicator remained at +2.1% y/y in October (consensus +2.3% y/y). The exclusion-based core measure that strips out fruit, vegetable, fuel and holiday travel slowed to +2.4% from +2.7% (excluding electricity, it was steady at +3.5%)

The unemployment rate held steady in October at 4.1% (consensus also 4.1%), partially driven by a slight fall in the participation rate to 67.1% (from 67.2%). Even though the headline rate was widely expected, it does challenge the RBA’s forecast track of the unemployment rate increasing to 4.3% in Q4 2024. Given the labour market is stronger than expected and the RBA’s concerns about upside risks to inflation, it is unlikely the RBA will be confident enough to cut rates in the first half of 2025.

The wage price index (WPI) rose +0.8% q/q and +3.5% y/y in Q3. That was 0.1% below consensus and RBA forecasts for +0.9% q/q. Wages growth is past its peak, reflecting the substantial rebalancing in the labour market over the past couple of years, but the RBA is still awaiting further evidence that will continue and will translate through into cooler inflation pressures.

Australia’s trade surplus has been broadly stable around \$5bn a month since March, after earlier correcting lower on a pullback from elevated prices for especially energy commodities.

The Australian dollar fell -0.79%, finishing the month at US65.17 cents (from US65.69 cents the previous month).

### Credit Market

The global credit indices marginally contracted in November and is looking very tight on a historical basis. They remain at their levels in early 2022 (prior to the rate hike cycle from most central banks):

Index	November 2024	October 2024
CDX North American 5yr CDS	48bp	54bp
iTraxx Europe 5yr CDS	57bp	59bp
iTraxx Australia 5yr CDS	66bp	66bp

Source: Markit



## Fixed Interest Review

### Benchmark Index Returns

Index	November 2024	October 2024
Bloomberg AusBond Bank Bill Index (0+YR)	+0.36%	+0.37%
Bloomberg AusBond Composite Bond Index (0+YR)	+1.14%	-1.88%
Bloomberg AusBond Credit FRN Index (0+YR)	+0.37%	+0.50%
Bloomberg AusBond Credit Index (0+YR)	+0.86%	-0.88%
Bloomberg AusBond Treasury Index (0+YR)	+1.17%	-2.06%
Bloomberg AusBond Inflation Gov't Index (0+YR)	+1.34%	-2.57%

Source: Bloomberg

### Other Key Rates

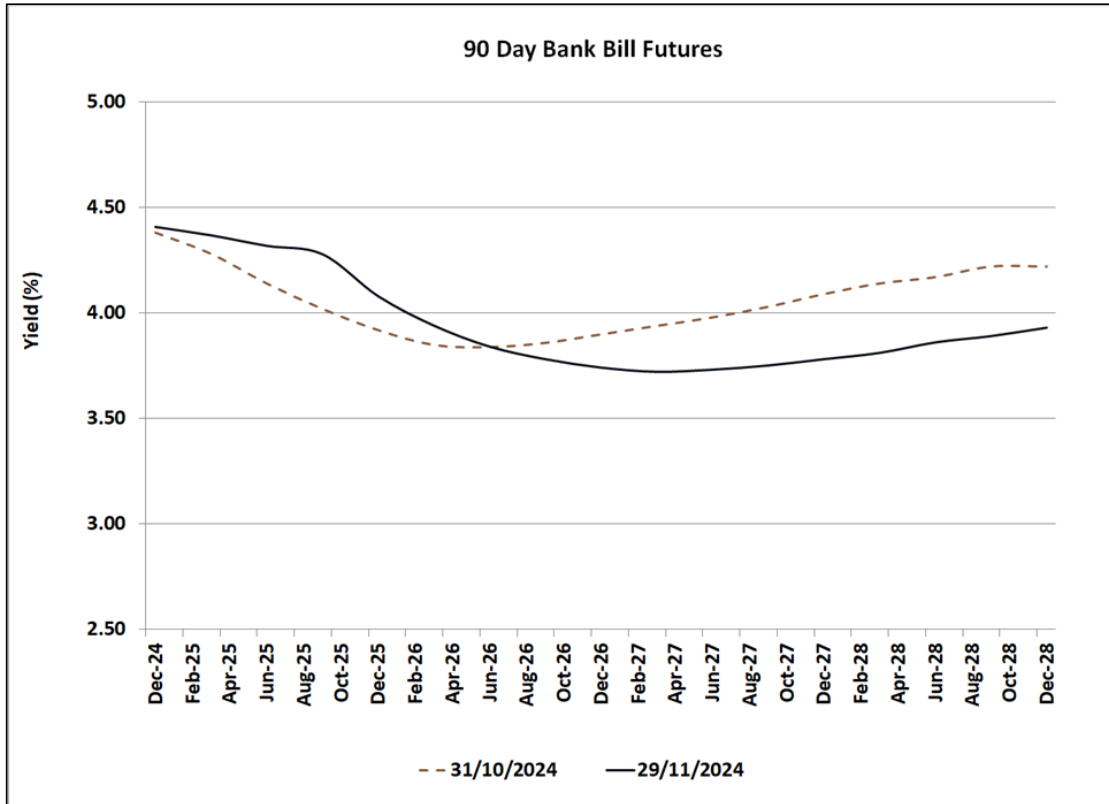
Index	November 2024	October 2024
RBA Official Cash Rate	4.35%	4.35%
90 Day (3 month) BBSW Rate	4.43%	4.42%
3yr Australian Government Bonds	3.90%	4.02%
10yr Australian Government Bonds	4.34%	4.50%
US Fed Funds Rate	4.50%-4.75%	4.75%-5.00%
2yr US Treasury Bonds	4.13%	4.16%
10yr US Treasury Bonds	4.18%	4.28%

Source: RBA, ASX, US Department of Treasury



**90 Day Bill Futures**

Bill futures rose at the very short-end this month in response to tempered expectations on the timing and number of rate cuts expected in coming years.



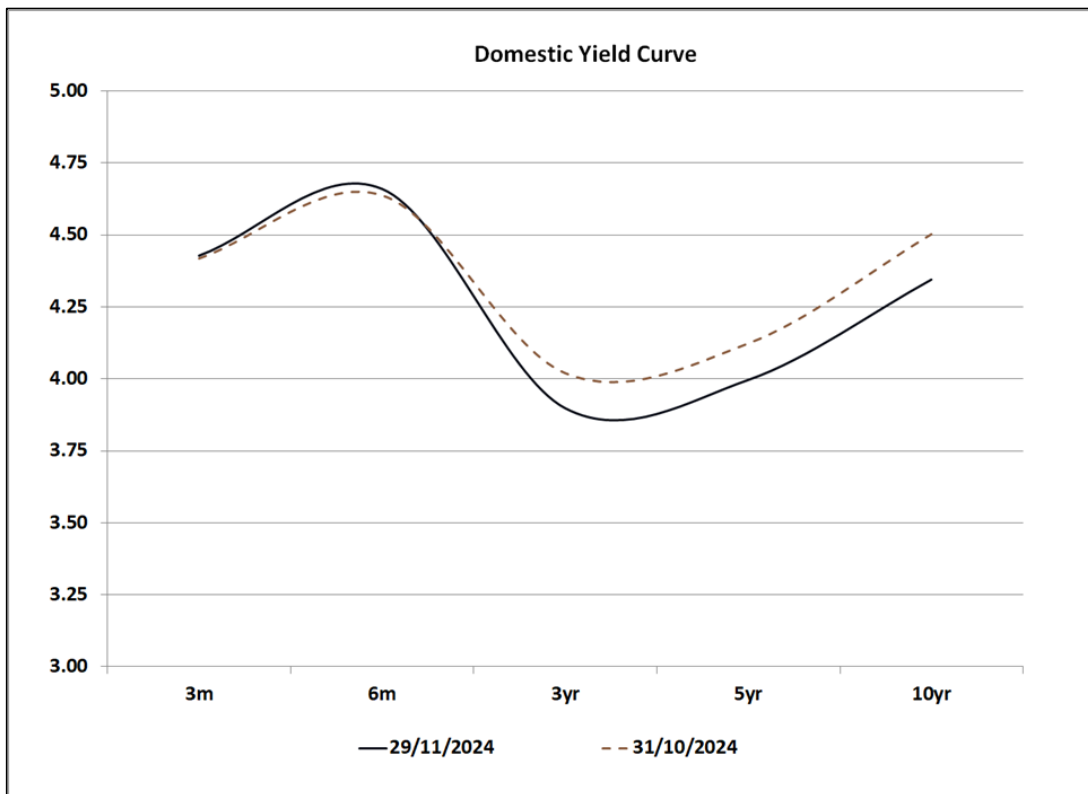
Source: ASX



## Fixed Interest Outlook

The market continues to price in the possibility of another 25bp rate cut by the US Fed in December. Longer-term, Fed Funds pricing has shifted materially to a higher terminal rate above 3.70% by mid-2026, from 3.35% a few months ago. US Fed Chair Powell said that *“the economy is not sending any signals that we need to be in a hurry to lower rates”* and that *“the strength we are currently seeing in the economy gives us the ability to approach our decisions carefully”*. The latest Fed minutes showed some officials may elect to pause rate cuts and hold borrowing costs at a restrictive level if inflation remains elevated.

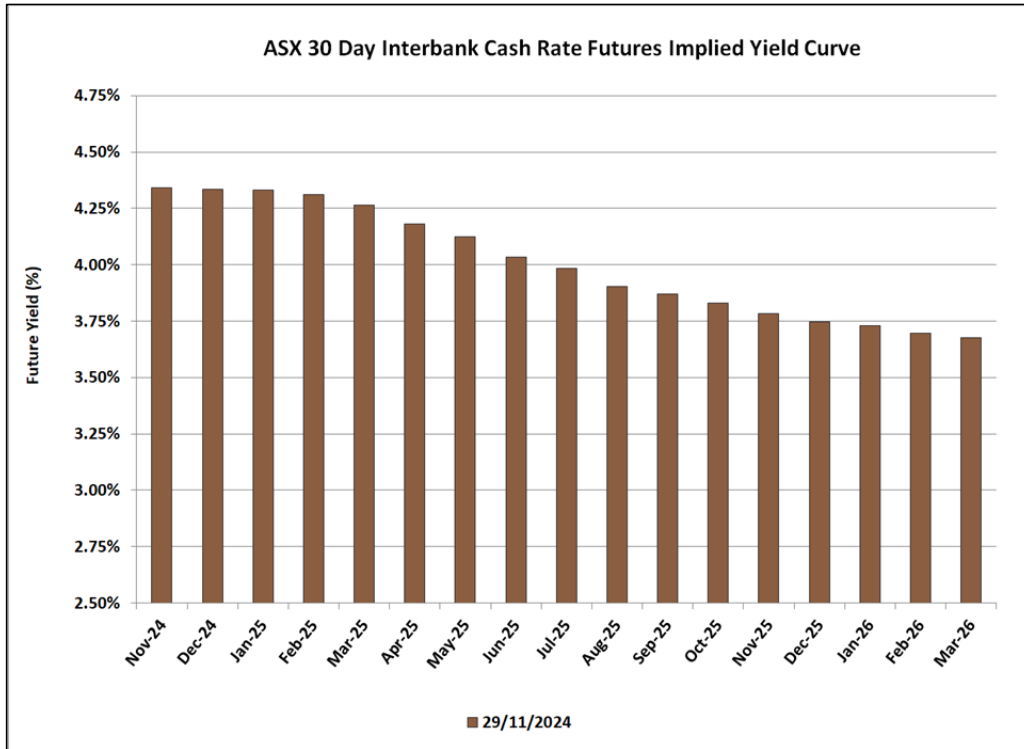
The RBA continues to push back on any immediate talks of rate cuts. The RBA’s policy stance is only modestly restrictive and there is little urgency to adjust policy settings while both inflation and the unemployment rate are evolving gradually. The RBA remains *“vigilant to upside risks to inflation and the Board is not ruling anything in or out. Policy will need to be sufficiently restrictive until the Board is confident that inflation is moving sustainably towards the target range”*. On neutral rates, RBA Deputy Governor Hauser said the RBA models show this to be between 3% and 4%.



Source: ASX, RBA



Financial markets have pushed back their expectations of rate cuts, with the first cut fully priced in by May-June, and now only a maximum of two cuts priced by the end of 2025. Governor Bullock did not disagree with this forecast, commenting the market implied cash rate path is “as good as any”:



Source: ASX

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**14.3 Statement of Investments - December 2024**

CSP Objective: Outcome 5.1: Public funds and assets are managed strategically, transparently and efficiently

CSP Strategy: 5.1.1 Public funds are managed in accordance with Financial Management Standards and the Local Government Act.

Delivery Program: 5.1.1.1 Improved financial reporting and legislative compliance through reporting, scrutiny oversight and processes.

Item 14.3

**Summary**

This report provides an overview of Council's cash and investment portfolio and investment performance as at 31 December 2024 and endorsement of the restricted funds position.

**Financial implication**

Investments are undertaken based upon the best rate on the day and after consideration of spreading Council's Investment risk across various institutions as per the Investment Policy and section 625 of the Local Government Act 1993. The distinction between restricted and unrestricted funds is a key operational and financial understanding.

**Risk implication**

The risk related to this information is non-compliance with Council's Investment Policy and Office of Local Government guidelines for appropriate monitoring and reporting of changes and the position of restricted funds.

**Policy**

Clause 625 of the *Local Government Act 1993*

Clause 212 of the Local Government (General) Regulation 2021

Kiama Municipal Council – Investment Policy

Kiama Municipal Council – Restricted Funds Policy

**Consultation (internal)**

Chief Executive Officer

Chief Operating Officer

Chief Financial and Technology Officer

Financial Manager

Senior Financial Accountant

**Communication/Community engagement**

N/A

**Attachments**

- 1 Kiama Monthly Report - December 2024 [↓](#)

**Enclosures**

Nil

**RECOMMENDATION**

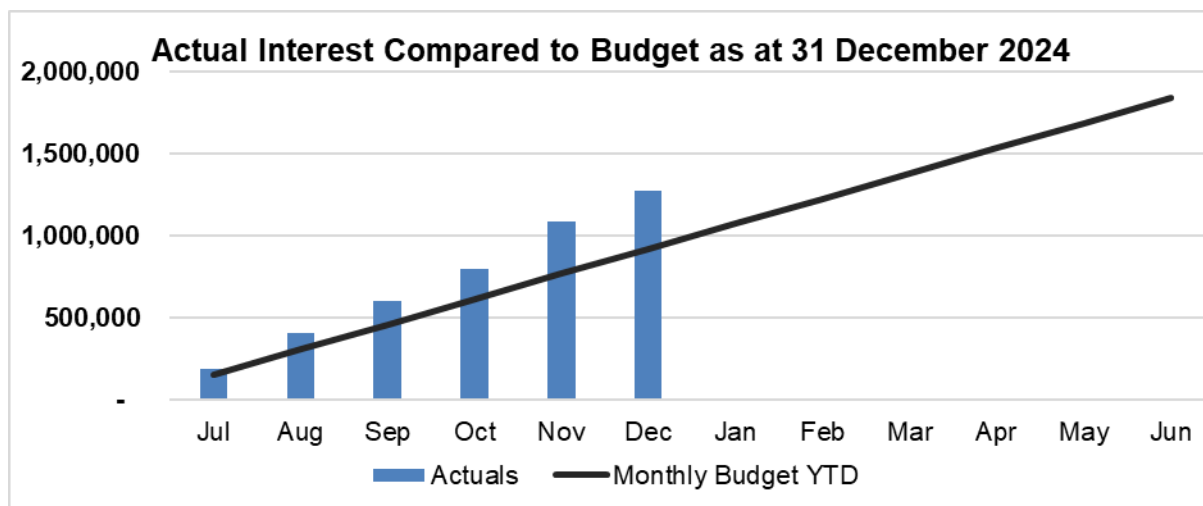
That Council receive the information relating to the Statement of Investments as at 31 December 2024.

**Background**

Council is required to invest its surplus funds in accordance with the Ministerial Investment Order and Office of Local Government guidelines. The Order reflects a conservative approach and restricts the investment types available to Council. Council’s Investment Policy provides a framework for the credit quality, institutional diversification, and maturity constraints that Council’s portfolio can be exposed to. Council’s investment portfolio was controlled by Council’s Finance Department during the period to ensure compliance with the Investment Policy. External investment advisor advice is also considered at the time.

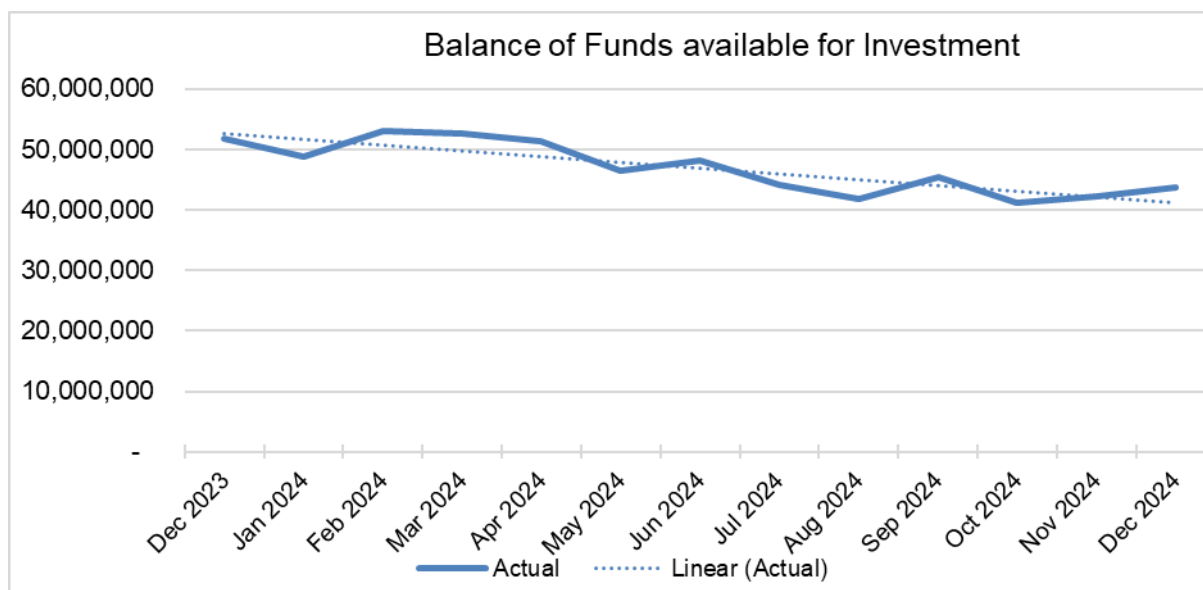
**Return on Investments**

For the month of December, excluding cash, the total portfolio provided a return of +0.44% (actual) or +5.34% p.a. (annualised), outperforming the benchmark AusBond Bank Bill Index return of +0.38% (actual) or +4.53% p.a. (annualised).





**Movement in Investments**



Item 14.3

Trades matured in December:

Issuer	Rating	Type	Interest	Purchase	Maturity	Rate %	Value
ING Bank (Australia) Ltd	A	TD	Annual	21/12/2023	18/12/2024	5.23	2,000,000
Suncorp Bank	AA-	TD	At Maturity	04/12/2023	04/12/2024	5.35	1,000,000
Suncorp Bank	AA-	TD	At Maturity	13/12/2023	13/12/2024	5.30	2,000,000
<b>Total</b>							<b>5,000,000</b>

New trades entered under delegation, during December:

Issuer	Rating	Type	Interest	Purchase	Maturity	Rate %	Value
Suncorp Bank	AA-	TD	At Maturity	04/12/2024	04/09/2025	5.15	1,000,000
P&N Bank	BBB+	TD	At Maturity	13/12/2024	07/01/2026	5.02	1,000,000
NAB	AA-	TD	At Maturity	18/12/2024	04/02/2026	4.95	1,000,000
<b>Total</b>							<b>3,000,000</b>

Report of the Chief Operating Officer

14.3 Statement of Investments - December 2024 (cont)

**Portfolio summary:**

Issuer	Rating	Type	Interest	Purchase	Maturity	Rate %	Value
ING Bank (Australia) Ltd	A	TD	At Maturity	10/01/2024	09/01/2025	5.22	1,000,000.00
NAB	AA-	TD	At Maturity	07/08/2024	12/02/2025	5.10	1,000,000.00
NAB	AA-	TD	At Maturity	26/02/2024	26/02/2025	5.08	2,000,000.00
Suncorp Bank	AA-	TD	At Maturity	06/03/2024	12/03/2025	5.14	1,000,000.00
BankVic	BBB+	TD	At Maturity	25/03/2024	26/03/2025	5.15	2,000,000.00
ING Bank (Australia) Ltd	A	TD	At Maturity	16/04/2024	02/04/2025	5.13	1,000,000.00
NAB	AA-	TD	Annual	18/09/2024	16/04/2025	5.00	1,000,000.00
NAB	AA-	TD	At Maturity	03/07/2024	28/05/2025	5.43	2,000,000.00
NAB	AA-	TD	At Maturity	26/09/2024	11/06/2025	5.01	1,000,000.00
NAB	AA-	TD	At Maturity	03/07/2024	02/07/2025	5.45	2,000,000.00
NAB	AA-	TD	At Maturity	10/07/2024	09/07/2025	5.45	2,000,000.00
Suncorp Bank	AA-	TD	At Maturity	23/10/2024	06/08/2025	5.06	1,000,000.00
Suncorp Bank	AA-	TD	At Maturity	04/12/2024	04/09/2025	5.15	1,000,000.00
ING Bank (Australia) Ltd	A	TD	At Maturity	22/11/2023	23/09/2025	5.35	1,000,000.00
NAB	AA-	TD	At Maturity	16/10/2024	15/10/2025	4.95	2,000,000.00
Suncorp Bank	AA-	TD	At Maturity	21/11/2023	21/11/2025	5.36	1,000,000.00
Australian Unity Bank	BBB+	TD	At Maturity	28/11/2024	27/11/2025	5.11	2,000,000.00
ING Bank (Australia) Ltd	A	TD	Annual	04/12/2023	04/12/2025	5.25	1,000,000.00
ING Bank (Australia) Ltd	A	TD	Annual	18/12/2023	18/12/2025	5.20	2,000,000.00
P&N Bank	BBB+	TD	At Maturity	13/12/2024	07/01/2026	5.02	1,000,000.00
ING Bank (Australia) Ltd	A	TD	Annual	10/01/2024	14/01/2026	4.96	1,000,000.00
NAB	AA-	TD	At Maturity	18/12/2024	04/02/2026	4.95	1,000,000.00
Bank of Us	BBB+	TD	At Maturity	06/03/2024	11/03/2026	4.96	1,000,000.00
ING Bank (Australia) Ltd	A	TD	At Maturity	11/04/2024	08/04/2026	4.92	2,000,000.00
Westpac	AA-	CASH	Monthly	31/12/2024	31/12/2024	4.26	12,249,845.47
<b>Total</b>							<b>45,249,845.47</b>

Item 14.3

## Report of the Chief Operating Officer

## 14.3 Statement of Investments - December 2024 (cont)

**Restricted Funds Movements**

The restricted funds movement for this month and balances are presented in the table below.

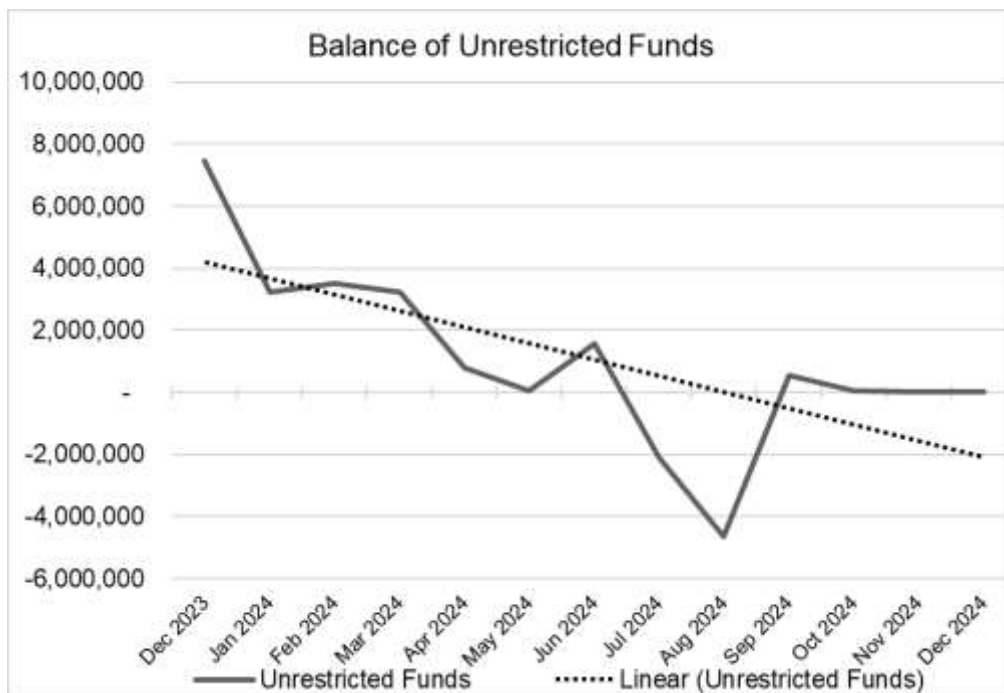
Cash and Investments Held	30/11/2024	Movement	31/12/2024
Cash at Bank - Transactional Account	8,955,416	3,294,864	12,250,280
Other Cash and Investments	35,000,000	(2,000,000)	33,000,000
<b>Total Portfolio Balance (agrees to Arlo Advisory report)</b>	<b>43,955,416</b>	<b>1,294,864</b>	<b>45,250,280</b>
Cash on Hand	6,000	0	6,000
Bank Reconciliation items**	(1,784,082)	273,445	(1,510,637)
<b>Book Value of Cash and Investments</b>	<b>42,177,333</b>	<b>1,568,310</b>	<b>43,745,643</b>
Unspent Loan Funding	400,000	0	400,000
Unexpended Grants	4,618,104	(257,771)	4,360,333
Developer Contributions (Unexpended)	13,638,241	417,413	14,055,654
Stormwater Levy	321,681	39,700	361,381
Security bonds, Deposits & Retentions	1,943,225	(9,620)	1,933,605
Crown Reserve	3,514,108	(40,878)	3,473,230
Blue Haven Home Care Client Credit Balance	110,546	(6,434)	104,112
Domestic Waste Management	8,598,317	(491,744)	8,106,573
Blue Haven Terralong ILU Maintenance Levy	1,798,000	0	1,798,000
Blue Haven Bonaira ILU Maintenance Levy	395,000	0	395,000
Blue Haven Residential Aged Care (RAC) Prudential Liquidity Management	4,900,000	0	4,900,000
<b>External Restrictions</b>	<b>40,237,223</b>	<b>(349,334)</b>	<b>39,887,889</b>
Employee Leave Liabilities	3,443,958	0	3,443,958
Land Development	688,343	(24,755)	663,588
Temporary Funding of Disaster Recovery Funding Agreement Works	(5,300,437)	1,561,663	(3,738,774)
Blue Haven ILU Prudential Cover	1,567,000	0	1,567,000
Plant Replacement	799,312	(31,349)	767,963
Risk Improvement Incentive	28,408	119,561	147,970
Waste Business Unit	0	0	0
Terralong ILU Capital Works	685,438	319,666	1,005,104
<b>Internal Restrictions</b>	<b>1,912,022</b>	<b>1,944,786</b>	<b>3,856,808</b>
<b>Unrestricted Cash</b>	<b>28,088</b>		<b>947</b>

Item 14.3

- Increase noted in the Temporary Funding of Disaster Recovery Funding Reserve due to receiving funds from Transport NSW.
- Increase noted in Developer contributions to recognise interest and revenue.

\*\* Bank Reconciliation items have been manually adjusted to account for genuine transactions such as unrepresented cheques.

**Unrestricted Funds**



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Council’s overall cash balance increased during December from \$42.1M to \$43.7M. This \$1.6M increase is a result of business as usual operations and:

- Due to a net movement of \$1.8M across Independent Living Unit and Resident Accommodation Deposits (RAD’s) at Blue Haven. Note this shows the cash flow variability from month to month.
- Disaster recovery funding of \$1.5M
- Offset by additional payroll in December due to holiday period (\$450K) and transfer of community transport funds of \$315K held on behalf and as part of the Transport for NSW contract guidelines.

The summary of extraordinary transfers from internal reserves in order to replenish unrestricted cash as per previous Council resolutions is summarised below:

Reference	Date Effective	Reserve	Amount	Reason
24/316OC	30/11/2024	Waste Business Unit Reserve	-1,420,704	Insufficient unrestricted cash balance – to be repaid when funds available
TBC	TBC	Blue Haven Prudential Cover	-2,050,000	Permanent transfer in line with adopted LTFP
	<b>Total:</b>		<b>-3,470,704</b>	

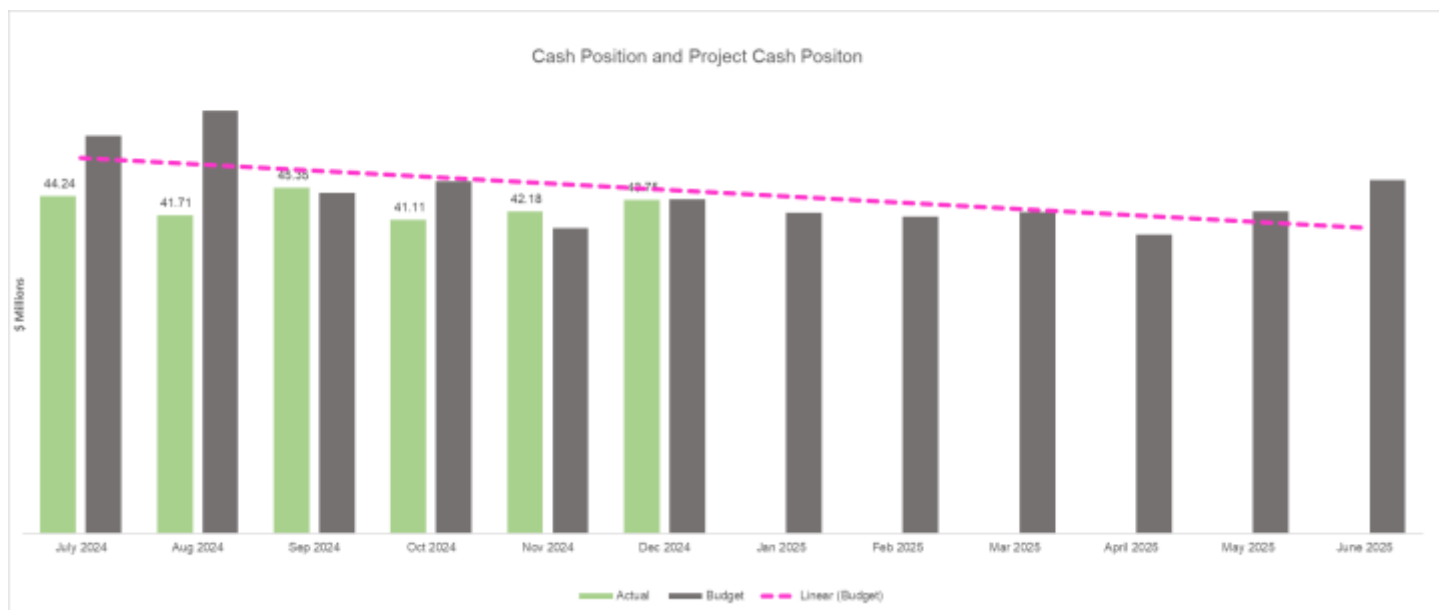
Council has adopted a deficit budget for the 2024/25 financial year, with an expected reduction in unrestricted cash of \$7.3 million (excluding proceeds from asset sales and Blue Haven debt repayment). This equates to \$600K per month. As a result, it is anticipated that Council will need to draw from internal reserves temporarily, until cash proceeds from operating surplus or planned divestments are realised.

A key challenge outside Council’s control impacting unrestricted cash, is disaster recovery spend prior to reimbursement from funding bodies, currently this balance is \$3.7M which has a material impact on the unrestricted funds balance. Note this ‘debtor’ position denies any interest earning potential. Some further funds are expected in January.

**Consolidated Cash Position and Cash Flow Forecast**

The below graph depicts the revised cash forecast for the 2024-25 financial year, whilst comparing the current cash reserve balance to the predicted cash reserve balance.

December’s cash position is in line with the projected cash balance.



**Certification – Responsible Accounting Officer**

I hereby certify that the investments listed in this report have been made in accordance with Section 625 of the *Local Government Act 1993*, clause 212 of the Local Government (General) Regulation 2021 and Council’s Investment Policy.

Olena Tulubinska  
**Chief Financial Officer**

14/01/2025



# Monthly Investment Review



**KIAMA MUNICIPAL COUNCIL**  
your council, your community

**December 2024**

Item 14.3

Attachment 1

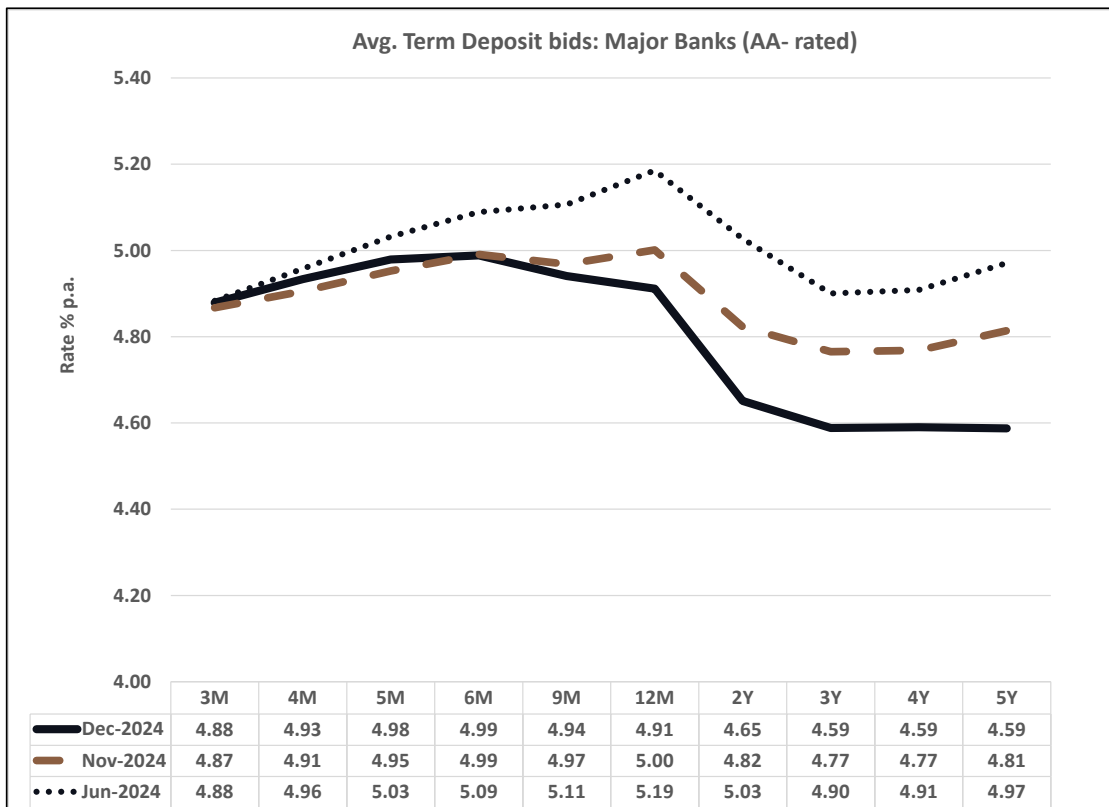
Arlo Advisory Pty Ltd  
ABN: 55 668 191 795  
Authorised Representative of InterPrac Financial Planning Pty Ltd  
AFSL 246 638  
Phone: +61 2 9053 2987  
Email: [michael.chandra@arloadvisory.com.au](mailto:michael.chandra@arloadvisory.com.au) / [melissa.villamin@arloadvisory.com.au](mailto:melissa.villamin@arloadvisory.com.au)  
Level 3, Suite 304, 80 Elizabeth Street, Sydney NSW 2000



## Market Update Summary

Risk markets were largely negative in December as financial markets assessed high valuations, uncertainties surrounding tax and tariff policies from the administration of US President-elect Trump, and prospects of global central banks becoming more cautious in 2025 due to sticky inflation.

In the deposit market, over December, at the very short-end of the curve (less than 6 months), the average deposit rates offered by the major banks were relatively unchanged compared to where they were the previous month (November). The biggest moves have been seen at the long-end of the curve. The average rates being offered for 1-5 year terms dropped another 10-23bp compared to where they were in November. The market had reacted after the RBA somewhat pivoted and removed their slight tightening bias in their latest Board meeting in early December.



Source: Imperium Markets

With rate cuts and a global economic downturn priced in over the next few years, investors should consider diversifying and taking an 'insurance policy' against a potentially lower rate environment by investing across 1-5 year fixed deposits and locking in rates above 4% p.a. (small allocation only).



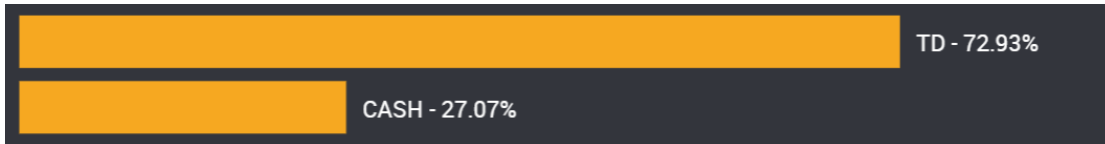
## Kiama Municipal Council’s Portfolio & Compliance

### Asset Allocation

The majority of the portfolio is directed to term deposits (73%), with the remainder in cash (27%).

Senior FRNs are starting to become slightly expensive on a historical basis, although new issuances should continue to be considered on a case by case scenario. In the interim, staggering a mix of fixed deposits between 12 months to 3 years remains a more optimal strategy to maximise returns over a longer-term cycle.

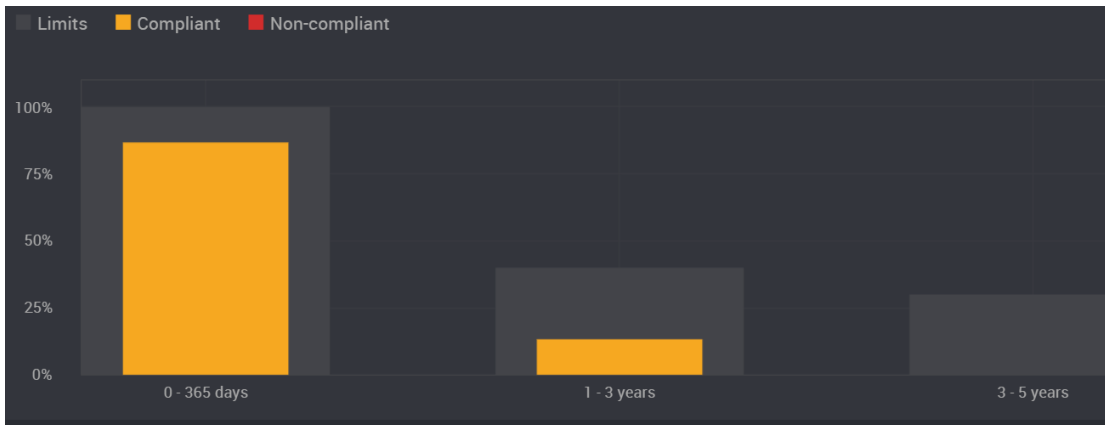
With multiple rate cuts and a global economic downturn being priced in coming years, investors can choose to allocate a small proportion of longer-term funds and undertake an insurance policy against any potential future rate cuts by investing across 1-5 year fixed deposits, locking in and targeting yields above 4% p.a. Should inflation be within the RBA’s target band of 2-3% over the longer-term, returns around 4% p.a. or higher should outperform benchmark.



### Term to Maturity

The portfolio is highly liquid with the majority maturing within 1 year (~87%). We recommend a more diversified maturity profile to optimise the overall returns of the portfolio in the long-run.

All the maturity policy allocations are compliant, with substantial capacity to invest in 1-3 year terms particularly amongst the higher rated ADIs. Where ongoing liquidity requirements permit, we recommend Council to invest a higher proportion in deposits with a minimum term of 9-12 months, with a smaller allocation to 2-3 year deposits.







Compliant	Horizon	Invested (\$)	Invested (%)	Min. Limit (%)	Max. Limit (%)	Available (\$)
✓	0 - 365 days	\$39,249,845	86.74%	0%	100%	\$5,204,417
✓	1 - 3 years	\$6,000,000	13.26%	0%	40%	\$10,495,521
✓	3 - 5 years	\$0	0.00%	0%	30%	\$11,774,954
✓	5 - 10 years	\$0	0.00%	0%	30%	\$11,774,954
		<b>\$45,249,845</b>	<b>100.00%</b>			

**Counterparty**

As at the end of the December, all individual counterparties were within policy limits. We stress that exposures are dependent on capital inflows/outflows which can be volatile and unexpected at times. Breaches are typically temporary and usually rectified within months.

Compliant	Issuer	Rating	Invested (\$)	Invested (%)	Max. Limit (%)	Available (\$)
✓	ANZ	AA-	\$4,000,000	8.84%	40%	\$14,099,938
✓	Westpac	AA-	\$12,249,845	27.07%	40%	\$5,850,093
✓	NAB	AA-	\$14,000,000	30.94%	40%	\$4,099,938
✓	ING	A	\$9,000,000	19.89%	30%	\$4,574,954
✓	Australian Unity	BBB+	\$2,000,000	4.42%	15%	\$4,787,477
✓	Bank of Us	BBB+	\$1,000,000	2.21%	15%	\$5,787,477
✓	BankVic	BBB+	\$2,000,000	4.42%	15%	\$4,787,477
✓	P&N Bank	BBB+	\$1,000,000	2.21%	15%	\$5,787,477
			<b>\$45,249,845</b>	<b>100.00%</b>		

On 31<sup>st</sup> July 2024, ANZ’s takeover of Suncorp Bank was formalised, and ratings agency S&P upgraded Suncorp’s long-term credit rating to that of its parent company immediately (now rated AA-). Investor’s exposure to Suncorp is now reflected under the parent company being ANZ.



### Fossil Fuel Investments

#### What is Council's current exposure to institutions that fund fossil fuels?

Using the following link <http://www.marketforces.org.au/banks/compare>, based on the Council's investment portfolio balance as at 31/12/2024 (~\$45.3m), we can roughly estimate that ~87% of the institutions invested have some form of exposure. Note this is purely based on the institution/counterparty and not the actual underlying investments themselves.

Council's exposure is summarised as follows:

Counterparty	Rating	Funding Fossil Fuel
ANZ (inc. Suncorp)	AA-	Yes
WBC	AA-	Yes
NAB	AA-	Yes
ING	A	Yes
Aus. Unity	BBB+	No
Bank of Us	BBB+	No
BankVIC	BBB+	No
P&N Bank	BBB+	No

Source: <https://www.marketforces.org.au/info/compare-bank-table/>

Summary	Amount	Invested %
Yes	\$39,249,845	87%
No	\$6,000,000	13%
<b>Total</b>	<b>\$45,249,845</b>	<b>100%</b>

#### Transition to investments without major exposure to fossil fuels

Council has not made a formal decision to divest from the current portfolio of investments which have exposure to fossil fuels. To do so would have unfavourable implications to the credit quality, rating and interest income forecasts.

However, where possible, and within the ministerial and policy guidelines, Council will continue to favour newly issued fossil fuel free investment products, providing it does not compromise the risk and return profile.

In time, it is Council's intention to move to a more balanced portfolio which has less exposure to fossil fuels, providing it is prudent to do so.

#### What would be implications on our portfolio credit rating?

By adopting a free fossil fuel policy or an active divestment strategy, this would eliminate the major banks rated "AA-" as well as some other potential "A" rated banks (e.g. Macquarie and ING). Council would be left with a smaller sub-sector of banks to choose to invest with.



**What would be risks and implications on Council’s portfolio performance?**

Some implications include:

- High concentration risk – limiting Council to a selected number of banks;
- Increased credit/counterparty risk;
- May lead to a reduction in performance (e.g. should Council choose to invest in securities, most of the senior FRN issues are with the higher rated ADIs);
- Underperformance compared to other Councils which could result in a significant loss of income generated – could be in excess of hundreds of thousands of dollars per annum.

It may actually be contrary to Council’s primary objective to preserve capital as the investment portfolio’s risk would increase (all things being equal). Council may not be maximising its returns – this is one of the primary objectives written in the Investment Policy.

**Credit Quality**

The portfolio is diversified from a credit ratings perspective, with exposure down to the BBB category. All ratings categories are within the Policy limits:

Compliant	Credit Rating	Invested (\$)	Invested (%)	Max. Limit (%)	Available (\$)
✓	AAA Category	\$0	0.0%	100%	\$45,249,845
✓	AA Category	\$30,249,845	66.9%	100%	\$15,000,000
✓	A Category	\$9,000,000	19.9%	70%	\$22,674,892
✓	BBB Category	\$6,000,000	13.3%	30%	\$7,574,954
✓	Unrated Category	\$0	0.0%	0%	\$0
		<b>\$45,249,845</b>	<b>100.0%</b>		



### Performance

Council's performance (excluding cash holdings) for the month ending December 2024 is summarised as follows:

Performance (Actual)	1 month	3 months	6 months	FYTD	1 year
Official Cash Rate	0.36%	1.08%	2.17%	2.17%	4.36%
AusBond Bank Bill Index	0.38%	1.12%	2.24%	2.24%	4.47%
<b>Council's Portfolio<sup>^</sup></b>	<b>0.44%</b>	<b>1.30%</b>	<b>2.62%</b>	<b>2.62%</b>	<b>5.24%</b>
<b>Outperformance</b>	<b>0.07%</b>	<b>0.19%</b>	<b>0.37%</b>	<b>0.37%</b>	<b>0.77%</b>

<sup>^</sup>Total portfolio performance excludes Council's cash account holdings.

Performance (Annualised)	1 month	3 months	6 months	FYTD	1 year
Official Cash Rate	4.35%	4.35%	4.35%	4.35%	4.36%
AusBond Bank Bill Index	4.53%	4.50%	4.50%	4.50%	4.47%
<b>Council's Portfolio<sup>^</sup></b>	<b>5.34%</b>	<b>5.26%</b>	<b>5.26%</b>	<b>5.26%</b>	<b>5.24%</b>
<b>Outperformance</b>	<b>0.81%</b>	<b>0.76%</b>	<b>0.76%</b>	<b>0.76%</b>	<b>0.77%</b>

<sup>^</sup>Total portfolio performance excludes Council's cash account holdings.

For the month of December, excluding cash, the total portfolio provided a return of +0.44% (actual) or +5.34% p.a. (annualised), outperforming the benchmark AusBond Bank Bill Index return of +0.38% (actual) or +4.53% p.a. (annualised). All time periods are now comfortably above benchmark returns up to 1 year as the previously held low yielding deposits coming out of the pandemic period (yielding between 0.50%-3.00%) have all matured and been reinvested at higher prevailing rates.



## Recommendations for Council

### Term Deposits

Going forward, Council may consider altering its longer-term strategy by placing a slightly larger proportion of deposits and stagger investments across 12-24 months terms. Over a cycle and in a normal market environment, this may earn up to ¼-½% p.a. higher compared to purely investing in shorter tenors. There is growing belief that multiple rate cuts and a global economic downturn is imminent and so locking in rates above 4¾% p.a. across 1-5 year tenors may provide some income protection against a lower rate environment.

As at the end of December 2024, Council's deposit portfolio was yielding around 5.16% p.a. (down 2bp from the previous month), with a weighted average duration of 232 days (~7½ months). **We commend Council for extending its weighted average duration over the past 12 months, reflective of investments in some high yielding term deposits in 1 and 2 year tenors. We continue to recommend Council to increase the portfolio's duration closer to 9 months incrementally over the current financial year (with a view to extending closer to 12 months in the medium-term).**

Please refer to the section below for further details on the Term Deposit market.

### Securities

Primary (new) **FRNs** (with maturities between 3-5 years) continue to be appealing (particularly for those investors with portfolios skewed towards fixed assets) and should be considered on a case by case scenario.

Please refer to the section below for further details on the FRN market.



## Term Deposit Market Review

### Current Term Deposits Rates

As at the end of December, we see value in the following:

ADI	LT Credit Rating	Term	Rate % p.a.
ING Bank	A	5 years	4.92%
BoQ	A-	5 years	4.85%
Westpac	AA-	5 years	4.68%
ING Bank	A	4 years	4.84%
BoQ	A-	4 years	4.80%
Westpac	AA-	4 years	4.64%
ING Bank	A	3 years	4.79%
Suncorp	AA-	3 years	4.69%
Westpac	AA-	3 years	4.59%
ING Bank	A	2 years	4.80%
Suncorp	AA-	2 years	4.72%
BoQ	A-	2 years	4.60%
Westpac	AA-	2 years	4.59%
NAB	AA-	2 years	4.55%

The above deposits are suitable for investors looking to maintain diversification and lock-in a slight premium compared to purely investing short-term.

For terms under 12 months, we believe the strongest value is currently being offered by the following ADIs (we stress that rates are indicative, dependent on daily funding requirements and different for industry segments):



ADI	LT Credit Rating	Term	Rate % p.a.
AMP	BBB+	12 months	4.95%
ING	A	12 months	4.93%
NAB	AA-	12 months	4.90%
ICBC Sydney	A	12 months	4.86%
Suncorp	AA-	12 months	4.90%
Westpac	AA-	12 months	4.68%
BankVIC	BBB+	9 months	5.11%
BoQ	A-	9 months	5.05%
AMP	BBB+	9 months	5.00%
NAB	AA-	9 months	4.95%
Suncorp	AA-	9 months	4.90%
BoQ	A-	6 months	5.20%
Bendigo-Adelaide	A-	6 months	5.05%
NAB	AA-	6 months	4.95%
Suncorp	AA-	6 months	4.92%
NAB	AA-	3 months	5.00%
Westpac	AA-	3 months	4.92%

For those investors that do not require high levels of liquidity and can stagger their investments longer term, they will be rewarded over a longer-term cycle if they roll for an average min. term of 12 months, with a spread of investments out to 5 years (this is where we see current value). In a normal market environment (upward sloping yield curve), investors could earn over a cycle, on average, up to ¼-½% p.a. higher compared to those investors that entirely invest in short-dated deposits.

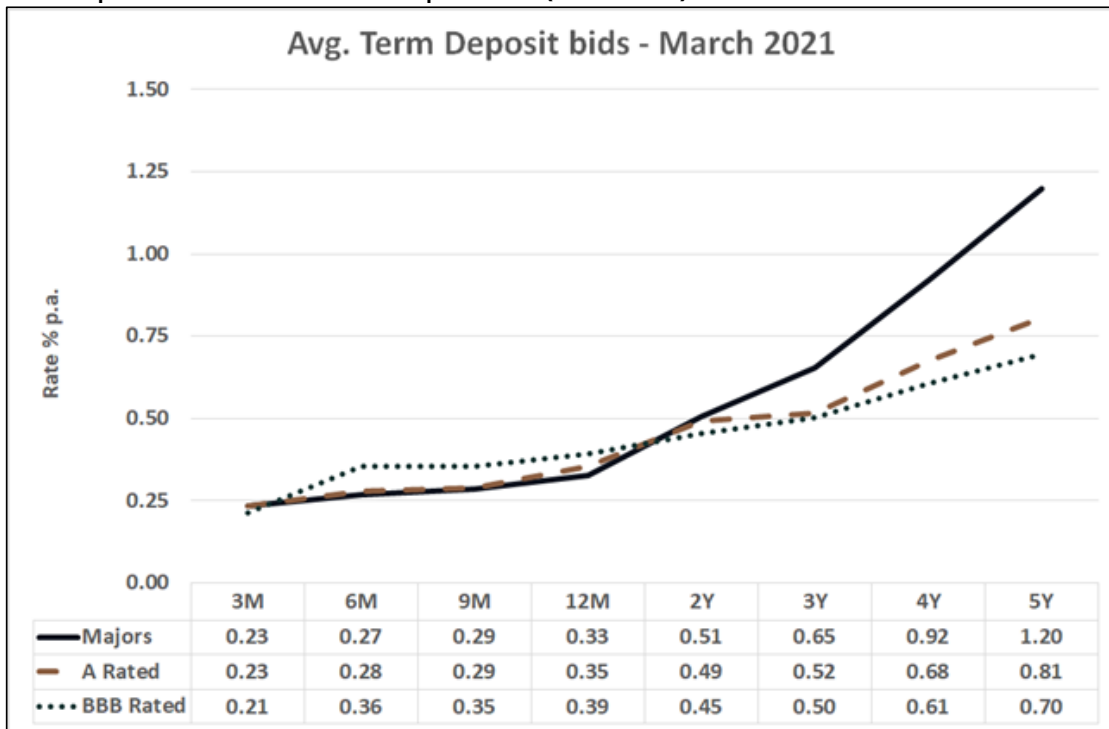
With rate cuts and a global economic downturn priced in over the next few years, investors should consider allocating some longer-term surplus funds and undertake an insurance policy by investing across 1-5 year fixed deposits and locking in rates above 4¼% p.a. This will provide some income protection if the RBA decides to start cutting rates over the second half of 2025.



**Term Deposits Analysis**

Pre-pandemic (March 2020), a 'normal' marketplace meant the lower rated ADIs (i.e. BBB category) were offering higher rates on term deposits compared to the higher rated ADIs (i.e. A or AA rated). But due to the cheap funding available provided by the RBA via their Term Funding Facility (TFF) during mid-2020, allowing the ADIs to borrow as low as 0.10% p.a. fixed for 3 years, those lower rated ADIs (BBB rated) did not require deposit funding from the wholesale deposit. Given the higher rated banks had more capacity to lend (as they have a greater pool of mortgage borrowers), they subsequently were offering higher deposit rates. In fact, some of the lower rated banks were not even offering deposit rates at all. As a result, most investors placed a higher proportion of their deposit investments with the higher rated (A or AA) ADIs over the past three years.

**Term Deposit Rates – 12 months after pandemic (March 2021)**



Source: Imperium Markets

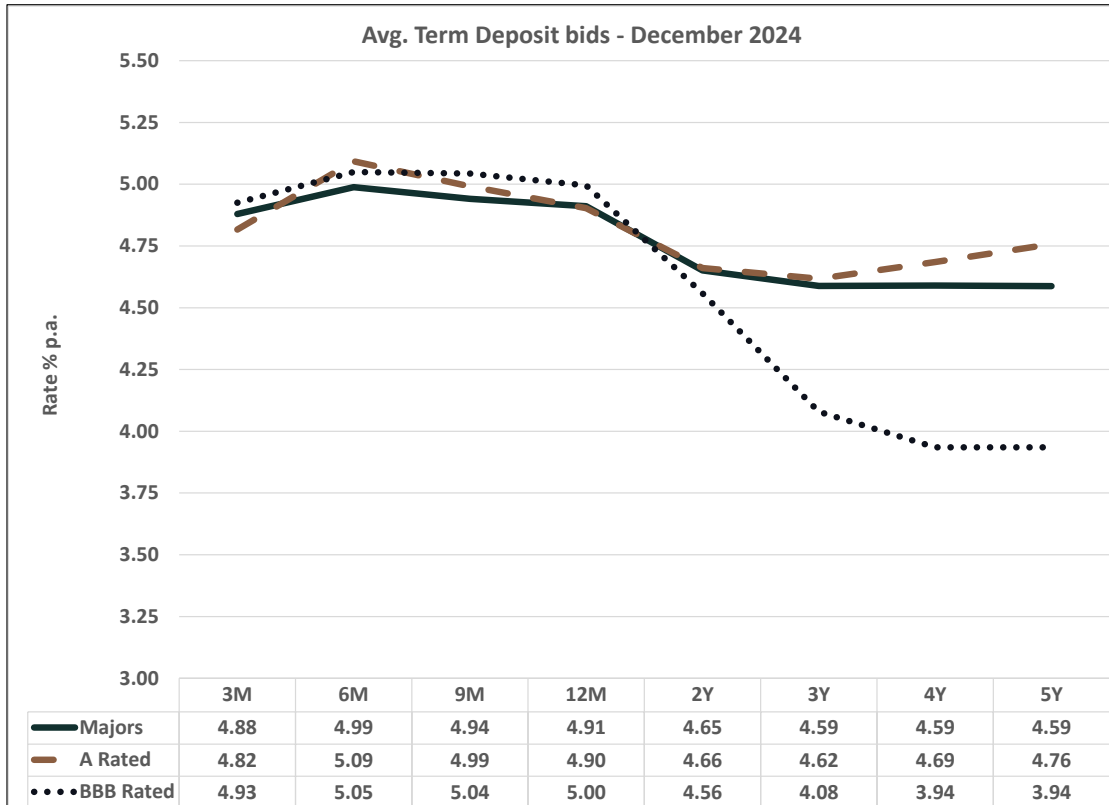
The abnormal marketplace experienced during the pandemic is starting to reverse as the competition for deposits slowly increases, partially driven by the RBA’s term funding facility coming to an end. In recent months, we have started to periodically see some of the lower rated ADIs (“A” and “BBB” rated) offering slightly higher rates compared to the domestic major banks (“AA” rated) on different parts of the curve (i.e. pre-pandemic environment). Some of this has been attributed to lags in adjusting their deposit rates as some banks (mainly the lower rated ADIs) simply set their rates for the week.





Going forward, investors should have a larger opportunity to invest a higher proportion of its funds with the lower rated institutions (up to Policy limits), from which the majority are not lending to the Fossil Fuel industry or considered 'ethical'. We are slowly seeing this trend emerge, although the major banks always seem to react more quickly than the rest of the market during periods of volatility:

**Term Deposit Rates – Currently (December 2024)**



Source: Imperium Markets

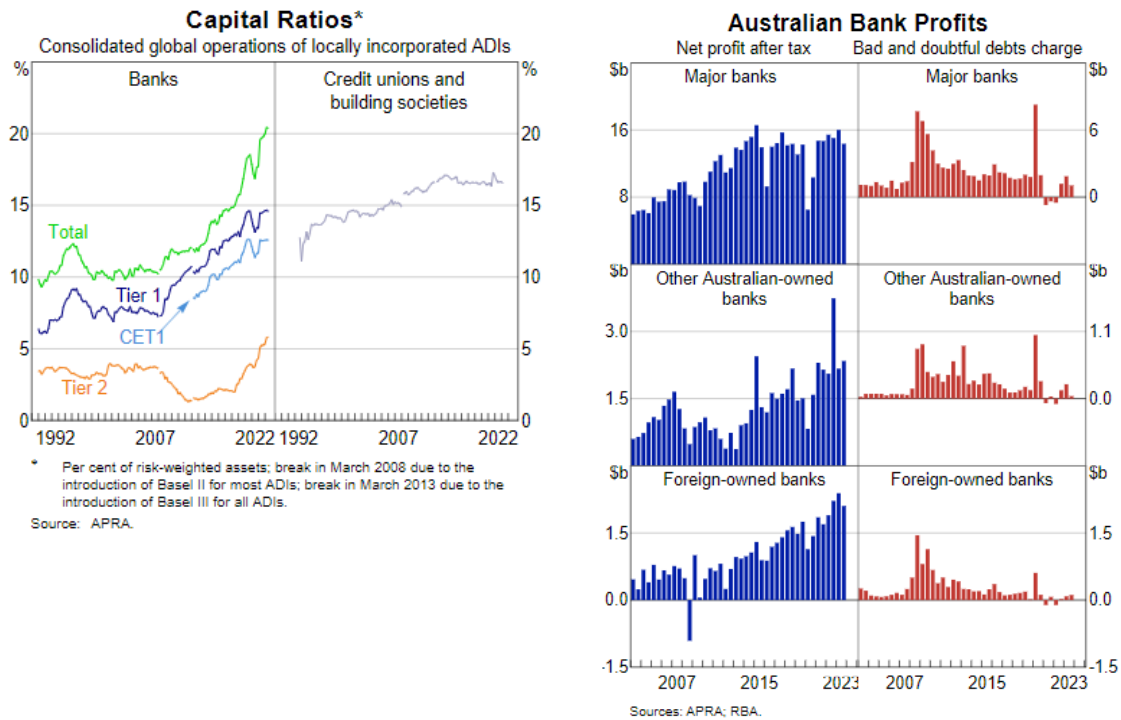
**Financial Stability of the Banking (ADI) Sector**

The RBA’s latest Financial Stability report of 2024 reaffirms the strong balance sheet across the ADI sector. They noted that the risk of widespread financial stress remains limited due to the generally strong financial positions of most (individual) borrowers. Very few mortgage borrowers are in negative equity, limiting the impact on lenders (ADIs) in the event of default and supporting their ability to continue providing credit to the economy. Most businesses that have entered insolvency are small and have little debt, limiting the broader impact on the labour market and thus household incomes, and on the capital position of lenders (ADIs).



Australian banks (collectively the APRA regulated ADIs) have maintained prudent lending standards and are well positioned to continue supplying credit to the economy. A deterioration in economic conditions or temporary disruption to funding markets is unlikely to halt lending activity. Banks have anticipated an increase in loan arrears and have capital and liquidity buffers well above regulatory requirements (see *Capita Ratios chart below*). APRA’s mandate is to “protect depositors” and provide “financial stability”.

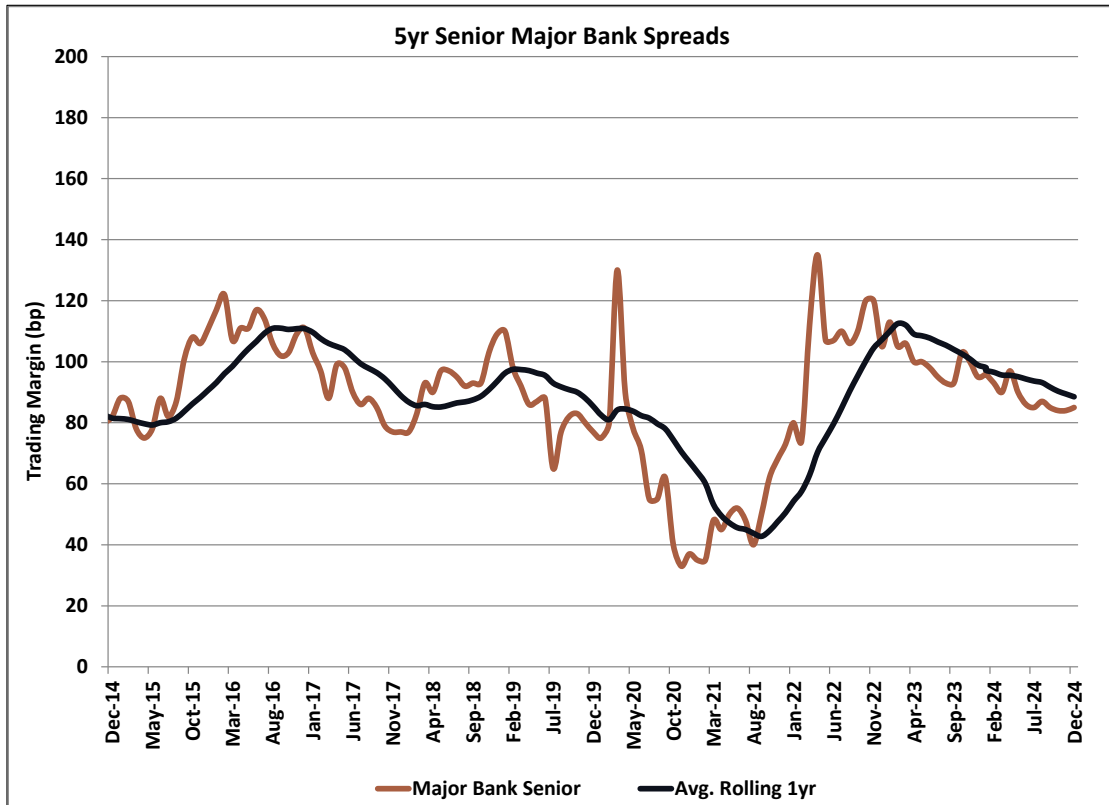
Over the past two decades, both domestic and international banks continue to operate and demonstrate high levels of profitability (see *Australian Bank Profits chart below*), which also includes two stress-test environments being the GFC (September 2008) and the COVID pandemic (March 2020):





### Senior FRNs Market Review

Over December, amongst the senior major bank FRNs, physical credit securities slightly widened at the long-end of the curve. Long-term major bank senior securities are approaching the ‘expensive’ territory especially if the 5yr margin tightens towards +80bp. During the month, Westpac (AA-) issued a 1 year senior deal at +40bp.



Source: IBS Capital

During December, there was a lack of new issuances from the ADIs heading into the holiday period, with only the following notable issuance:

- Bank of Queensland (A-) 1 year senior FRN at +65bp

Amongst the “A” rated sector, the securities widened by around 5bp at the longer-end of the curve, whilst the “BBB” was wider by around 8bp and is marked at a relatively attractive level. Overall, credit securities remain fair value on a historical basis without being overly exciting. FRNs will continue to play a role in investors’ portfolios mainly based on their liquidity and the ability to roll down the curve and gross up returns over ensuing years (in a relatively stable credit environment), whilst also providing some diversification to those investors skewed towards fixed assets.



Senior FRNs (ADIs)	31/12/2024	29/11/2024
"AA" rated – 5yrs	+85bp	+84bp
"AA" rated – 3yrs	+70bp	+68bp
"A" rated – 5yrs	+100bp	+95bp
"A" rated – 3yrs	+83bp	+80bp
"BBB" rated – 3yrs	+118bp	+110bp

Source: IBS Capital

We now generally recommend switches ('benchmark' issues only) into new primary issues, out of the following senior FRNs that are maturing:

- On or before early 2027 for the "AA" rated ADIs (domestic major banks);
- On or before early 2026 for the "A" rated ADIs; and
- Within 6–9 months for the "BBB" rated ADIs (consider case by case).

Investors holding onto the above senior FRNs ('benchmark' issues only) in their last few years are now generally holding sub optimal investments and are not maximising returns by foregoing realised capital gains. In the current challenging economic environment, any boost in overall returns should be locked in when it is advantageous to do so, particularly as switch opportunities become available.



### Senior Fixed Bonds – ADIs (Secondary Market)

With global inflation still high by historical standards, this has seen a significant lift in longer-term bond yields over the past 3 years (valuations have fallen) as markets have reacted sharply.

This has resulted in some opportunities in the secondary market. We currently see value in the following fixed bond lines, with the majority now being marked at a significant discount to par (please note supply in the secondary market may be limited on any day):

ISIN	Issuer	Rating	Capital Structure	Maturity Date	~Remain. Term (yrs)	Fixed Coupon	Indicative Yield
AU3CB0278174	UBS	A+	Senior	26/02/2026	1.16	1.1000%	4.60%
AU3CB0280030	BoQ	A-	Senior	06/05/2026	1.35	1.4000%	4.80%
AU3CB0299337	Bendigo	A-	Senior	15/05/2026	1.37	4.7000%	4.77%
AU3CB0296168	BoQ	A-	Senior	27/01/2027	2.08	4.7000%	4.85%



## Economic Commentary

### International Market

Risk markets were largely negative in December as financial markets assessed high valuations, uncertainties surrounding tax and tariff policies from the administration of US President-elect Trump, and prospects of global central banks becoming more cautious in 2025 due to sticky inflation.

Across equity markets, the S&P 500 Index fell -2.50%, whilst the NASDAQ added +0.48%. Europe's main indices were mixed, with gains for both France's CAC (+2.01%) and Germany's DAX (+1.44%), while dropping for UK's FTSE (-1.38%).

As widely expected, the US Federal Reserve cut interest rates by 25bps to a range of 4.25%-4.50%. This marks a total of 100bp in cumulative rate cuts since September 2023. However, the Fed is now signalling a more gradual pace of reductions going forward, with a total of 50bp of cuts expected in 2025 (compared to the 100bp projected in September).

There were other central banks that made key decisions, including a 25bp cut from both the European Central Bank and Sweden's Riksbank, and a 50bp cut from Bank of Canada; while there was no change from both the Bank of England and Bank of Japan.

Europe's core CPI was +2.7% y/y vs. +2.8% expected, and headline CPI was +2.3% y/y vs. +2.3% expected.

The November US CPI rose by +0.3% m/m, matching the consensus. The core reading also increased by +0.3%, in line with expectations. This was the fourth consecutive month the core CPI printed with a +0.3% handle, implying a y/y running rate of +3.6%.

The US economy expanded at an annualised rate of +3.1% in Q4 2004, up from the previous estimate of +2.8%. Consumer spending increased by +3.7% during the quarter (the fastest pace since early 2023) driven by +5.6% surge in goods consumption and +2.8% rise in services spending.

The US unemployment rate ticked higher to 4.2% in November (the median forecast was 4.1%), with payrolls rising +227k, in line with consensus for 220k.

Canada's employment growth was a solid +50k, but it was a 0.3% rise in the unemployment rate to 6.8%.

The MSCI World ex-Aus Index fell -2.59% for the month of December:

Index	1m	3m	1yr	3yr	5yr	10yr
S&P 500 Index	-2.50%	+2.07%	+23.31%	+7.26%	+12.73%	+11.07%
MSCI World ex-AUS	-2.59%	-0.18%	+17.41%	+4.80%	+9.64%	+8.21%
S&P ASX 200 Accum. Index	-3.15%	-0.80%	+11.44%	+7.41%	+8.06%	+8.51%

Source: S&P, MSCI



**Domestic Market**

The RBA kept rates on hold in its final meeting for 2024. However, of more importance is the growing confidence that the RBA has in its November inflation track (“Board is gaining some confidence”). They removed the prior hawkish language that “policy will need to be sufficiently restrictive”.

Australia’s GDP rose by +0.3% q/q (+0.8% y/y) in Q3, weaker than consensus (+0.5%) and the RBA at +0.5% q/q. Overall, growth remains very soft in annual terms and is still around its weakest (ex. COVID) since the early 1990s. Public sector spending remains an important support, with private sector growth flat.

Unemployment in November surprised sharply, falling 0.2% to 3.9% from 4.1% (consensus 4.2%). The unemployment rate is now back to its equal lowest since March 2024. Underemployment (those employed but wanting and able to work more hours) fell a 0.1% to 6.1%, its equal lowest since April 2023.

Retail Sales for October were better than expected at +0.6% m/m vs. +0.4% consensus.

Australian consumer sentiment fell by -2% m/m in December, reflecting renewed pessimism surrounding the economic outlook. The sub-indices for “economic outlook (next 12 months)” and “economic outlook (next 5 years)” declined -9.6% and -7.9%, respectively (with both metrics retracing half of their gains from the past two months).

Dwelling prices in November rose +0.1% m/m nationally and are up +5.5% y/y according to CoreLogic. Dwelling price growth remains strong in Brisbane (+0.6% m/m), Adelaide (+0.8% m/m) and Perth (+1.1% m/m). Growth has slowed in Sydney with a small negative being seen in October and again in November (-0.2% m/m). Affordability remains challenged in Sydney.

The goods trade surplus beat expectations at \$5.95bn vs. \$4.5bn consensus.

The Australian dollar fell around -5.05%, finishing the month at US61.88 cents (from US65.17 cents the previous month).

**Credit Market**

The global credit indices marginally widened during the month. They remain near the levels seen in early 2022 (prior to the rate hike cycle from most central banks):

Index	December 2024	November 2024
CDX North American 5yr CDS	49bp	48bp
iTraxx Europe 5yr CDS	57bp	57bp
iTraxx Australia 5yr CDS	67bp	66bp

Source: Markit



## Fixed Interest Review

### Benchmark Index Returns

Index	December 2024	November 2024
Bloomberg AusBond Bank Bill Index (0+YR)	+0.38%	+0.36%
Bloomberg AusBond Composite Bond Index (0+YR)	+0.51%	+1.14%
Bloomberg AusBond Credit FRN Index (0+YR)	+0.43%	+0.37%
Bloomberg AusBond Credit Index (0+YR)	+0.71%	+0.86%
Bloomberg AusBond Treasury Index (0+YR)	+0.37%	+1.17%
Bloomberg AusBond Inflation Gov't Index (0+YR)	-0.26%	+1.34%

Source: Bloomberg

### Other Key Rates

Index	December 2024	November 2024
RBA Official Cash Rate	4.35%	4.35%
90 Day (3 month) BBSW Rate	4.42%	4.43%
3yr Australian Government Bonds	3.82%	3.91%
10yr Australian Government Bonds	4.38%	4.34%
US Fed Funds Rate	4.25%-4.50%	4.50%-4.75%
2yr US Treasury Bonds	4.25%	4.13%
10yr US Treasury Bonds	4.58%	4.18%

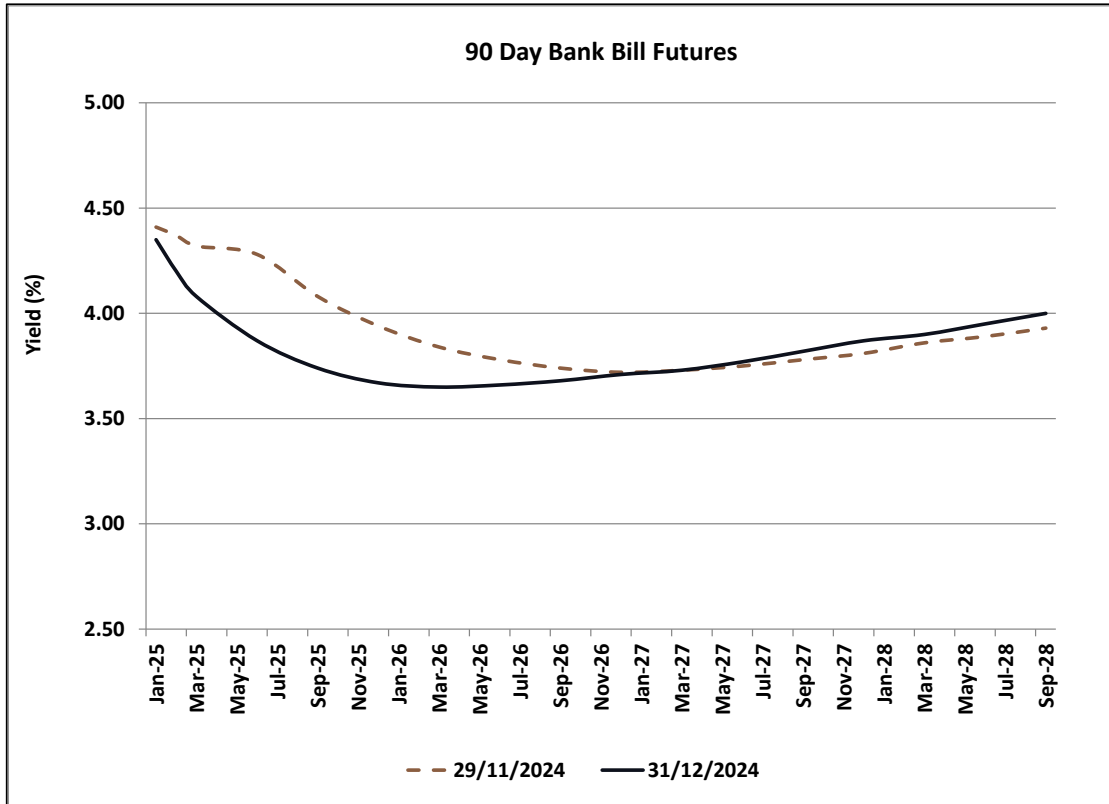
Source: RBA, ASX, US Department of Treasury





**90 Day Bill Futures**

Bill futures fell at the short-end of the curve this month, following the movement in the global bond market. The focus from the market remains on when rate cuts will be delivered in 2025:



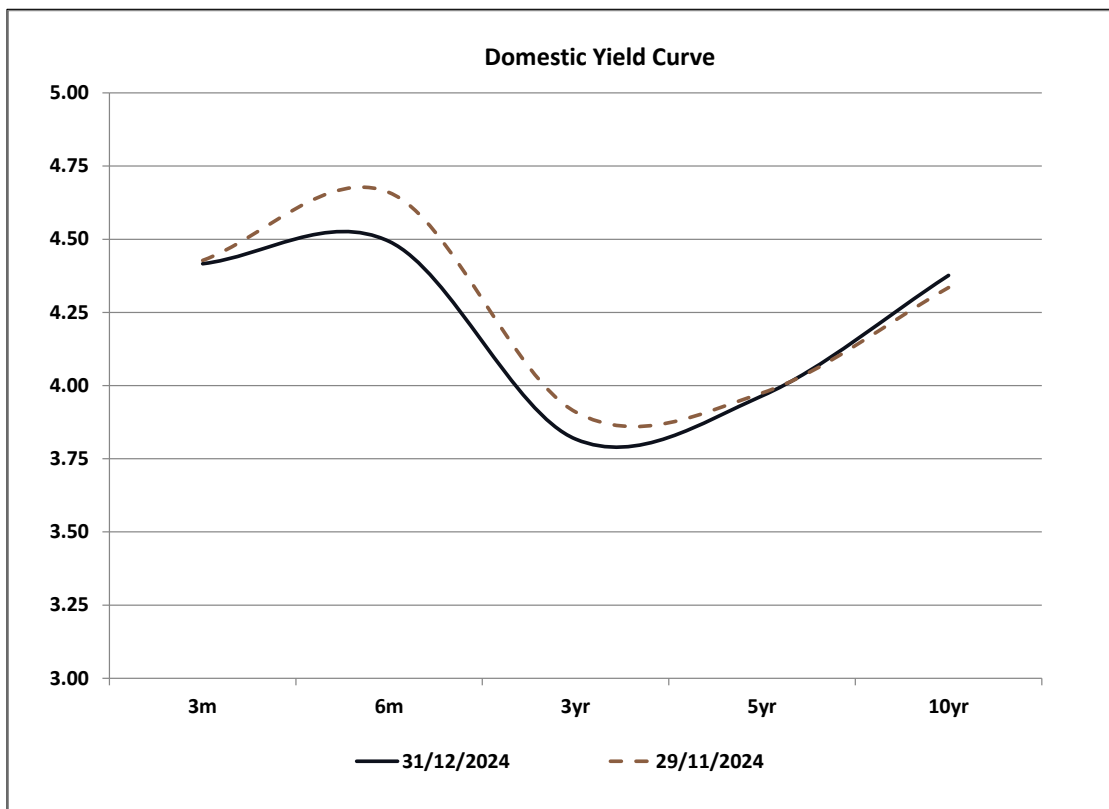
Source: ASX



### Fixed Interest Outlook

In delivering the US central bank’s 25bp rate cut during its December meeting, the Fed also signalled it probably would only lower twice more in 2025 (down from the four projected in September), according to the “dot plot” matrix of individual FOMC members’ future rate expectations. Fed Chair Powell’s press conference also confirmed the Fed is going to be much more cautious in 2025, reflective of sticky inflation combined with President-elect Trump’s proposed economic policies (which is expected to exacerbate price pressures).

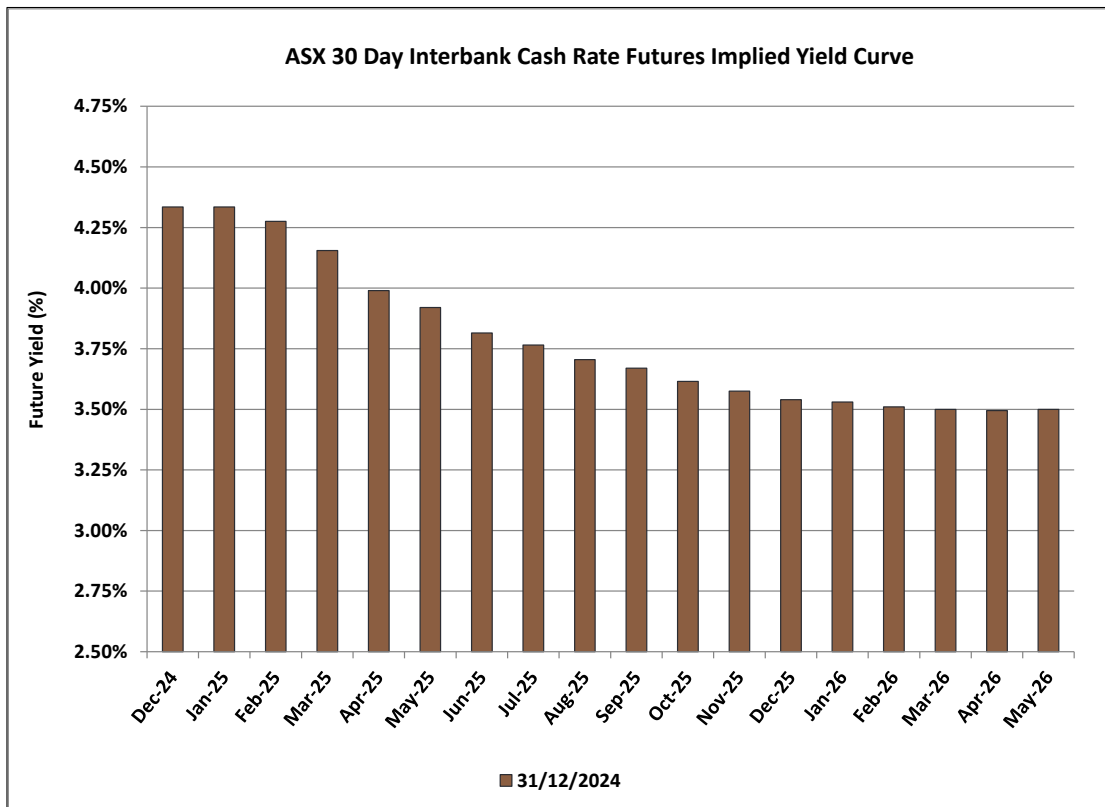
In the RBA Board’s December statement, the RBA removed their hawkish stance and commented “recent data on inflation and economic conditions are still consistent with these forecasts, and the Board is gaining some confidence that inflation is moving sustainably towards target”. Growing confidence in the inflation forecast is important as it lessens the probability of the RBA needing to hold rates for even longer, or the tail risk of them having to hike rates further. Therefore, there is little urgency to adjust policy settings while both inflation and the unemployment rate are evolving gradually. The next quarterly CPI data will be published in late January.



Source: ASX, RBA



Financial markets are currently expecting the first RBA rate cut by March–April, with up to three rate cuts priced in by the end of 2025:



Source: ASX

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## 15 REPORT OF THE DIRECTOR PLANNING, ENVIRONMENT AND COMMUNITIES

### 15.1 Kiama's visitor economy: Exploring the potential of a Special Entertainment Precinct (SEP)

CSP Objective: Outcome 3.2: An economy that embraces the opportunities of tourism while ensuring that we don't lose our community feel; our tourism development and the visitor economy is well managed.

CSP Strategy: 3.2.2 Support sustainable local business development, visitations and events.

Delivery Program: 3.2.2.1 Deliver Kiama Tourism and Events Strategic Plan 2022-26.

#### Summary

At its meeting on 16 July 2024 (24/238OC), Council resolved to:

1. *Reaffirms its commitment to develop a Night-time Economy Strategy to support the vibrancy of our community and local businesses.*
2. *Supports the petition to the NSW Legislative Council which calls on the Hon John Graham MLC, Minister for the Night-time Economy, to support the development of a Special Entertainment Precinct in the Kiama Town Centre.*
3. *Write to the Hon John Graham MLC in support of the petition and call on the NSW Government to further consult Council and the community to deliver a Special Entertainment Precinct in the Kiama Town Centre.*
4. *Allow for copies of the petition to be hosted at the Administration Building, Kiama Library and Gerringong Library and Museum."*

This report provides the newly elected Council with an update on the State Government's Vibrancy reforms and to confirm that Council will be reviewing its Tourism & Events Strategic Plan with a view of converting it into a Visitor Economy Strategy.

#### Financial implication

There are no financial implications associated with the implementation of the proposed recommendations outlined in the report. The review of the existing Tourism and Events Strategic Plan is already included in the Tourism and Events Team's work program.

Confirmation has been obtained from the Department that any funds expended in compliance with the grant conditions for the preparation of SEP documentation will not need to be returned, even if the resulting Planning Proposal report is not adopted by Council.

#### Risk implication

Nil

Report of the Director Planning, Environment and Communities

15.1 Kiama's visitor economy: Exploring the potential of a Special Entertainment Precinct (SEP) (cont)

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**Policy**

Nil

**Consultation (internal)**

Manager of Planning and Economic Development

Director Planning, Environment & Communities

Cultural Development Officer

**Communication/Community engagement**

Communication with the community representatives driving the Kiama Entertainment Precinct.

**Attachments**

Nil

**Enclosures**

Nil

**RECOMMENDATION**

That Council:

1. Review the existing Tourism and Events Strategic Plan with a view to convert it into a Visitor Economy Strategy, incorporating the relevant findings/recommendations of:
  - a. Kiama Major Events Impact Review and Recommendations Report
  - b. Kiama Regional Economic Development Strategy
  - c. Tourism & Events Service Review
  - d. NSW Vibrancy Reforms
2. Consult with the Kiama Special Entertainment Precinct working group and licensed venue operators on an appropriate Kiama Special Entertainment Precinct boundary.
3. Provide a report to the ordinary February 2025 Council meeting to confirm an appropriate Kiama Special Entertainment Precinct boundary.

**Background**

On 30 November 2023 the 24-Hour Economy Legislation ([Vibrancy Reforms](#)) Amendment Act 2023 and the 24-Hour Economy Commissioner Act 2023 passed through NSW Parliament.

Report of the Director Planning, Environment and Communities

15.1 Kiama's visitor economy: Exploring the potential of a Special Entertainment Precinct (SEP) (cont)

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These cross-government reforms included a wide range of new regulations for noise, planning and liquor licensing, known as the Vibrancy Reforms. The full list of the amended series of legislation are:

- *Local Government Act 1993.*
- *Liquor Act 2007.*
- *Liquor Regulation 2018.*
- *Environmental Planning and Assessment Act 1979.*
- *Environmental Planning and Assessment Regulations.*
- *Protection of the Environment Operations (General) Regulation 2022.*
- *Gaming and Liquor Administration Regulation 2016.*

Improving the Night-Time Economy (NTE) has been a key focus of the NSW Government and Department of Enterprise, Investment and Trade over the past three years.

A number of these reforms took effect in November and December 2024, including:

- removing the rule requiring local residents living within a radius of 5km of a registered club to become a member to attend the club
- No longer placing as a 'standard condition' on temporary outdoor dining approvals for licensed premises that require patrons to only consume liquor when seated
- Overriding conditions of development consent that prohibit live entertainment in a Special Entertainment Precinct (SEP)
- Requiring that councils notify neighbouring residents and businesses of a Special Entertainment Precinct by a notice published on its website and a notation on planning certificates
- SEP Support Hub for councils launched online, with Guidelines, an Acoustic Toolkit, Handbook and templates
- Streamlined pathway for declaring a major event so recurring events of state significance can be more easily supported
- Cultural State Environmental Planning Policy (SEPP) Explanation of Intended Effect on public exhibition
- Consultation on the mutual recognition of mobile outdoor businesses across local government areas
- Entertainment sound guidelines published on system design and acoustic sound management for venues and councils

Council staff have provided feedback to the NSW Government on the mutual recognition of mobile outdoor businesses across local government areas. Staff are supportive of the concept of removing the requirement for mobile food vendors to obtain approvals across multiple LGAs but have raised concerns with the lack of information around the application and assessment process and how Council's local

Report of the Director Planning, Environment and Communities

15.1 Kiama's visitor economy: Exploring the potential of a Special Entertainment Precinct (SEP) (cont)

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controls will be applied and enforced. Concern about potential impact on local businesses was also raised.

During the first quarter of 2025, the following reforms will take effect:

- 'Switching off' conditions of development consent or plans of management at all licensed premises that prohibit particular music genres, the number or types of instruments, the number of musicians, the playing of original music, whether dancing occurs, the presence of a dancefloor, the direction a stage faces or use of decorations (e.g. mirror balls)
- 'Switching off' conditions of development consent or plans of management that prohibit 'live entertainment' at hotels, clubs and small bars (only)
- Changes to enable automatic notation on planning certificates about whether a property is in a Special Entertainment Precinct

Council does not impose conditions of development which prohibit particular music genres etc. and as such this tranche of reforms will have very little bearing on the Kiama LGA.

During the second quarter of 2025, the following reforms will take effect:

- Referral pathway to mediation for significant live music or performance venues involved in a dispute
- Development of regulations and guidance material for mutual recognition of mobile outdoor businesses across local government areas

### Special Entertainment Precinct (SEP)

As part of the ordinary 16 July 2024 (24/238OC) Council meeting, Council resolved to support a community led petition to the NSW Legislative Council which called on the Hon John Graham MLC, Minister for the Night-time Economy, to support the development of a Special Entertainment Precinct (SEP).

In late 2022 the NSW Department of Planning, Housing and Infrastructure (DPHI) (then the Department of Planning and Environment) announced a new planning mechanism known as a 'Special Entertainment Precinct' (SEP), alongside the trial of a SEP on Enmore Road within the Inner West Council Local Government Area (LGA).

A short extract from the NSW Government, enshrined in section 202 of the Local Government Act is provided below:

*A special entertainment precinct is a defined area where sound from premises with amplified music is managed by a council through its noise management plan. This lets councils more easily support live music and performance in the precinct.*

The purpose of a Special Entertainment Precinct (SEP) is to balance entertainment sound compliance with the needs of businesses and residents. It aims to foster and encourage both new and existing businesses to host live entertainment, support the arts and live music sector, and enhance the vibrancy of local centres. By doing so, SEPs effectively protect and assist existing venues, future-proof emerging precincts, and support major festivals and event programs.

Report of the Director Planning, Environment and Communities

### 15.1 Kiama's visitor economy: Exploring the potential of a Special Entertainment Precinct (SEP) (cont)

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This is achieved by:

- Specific sound limits for entertainment venues within the precinct.
- Extended trading hours, allowing businesses an extra hour of operation.
- Outdoor dining permitted until 11 pm.
- New developments, such as residential flat buildings, required to incorporate soundproofing against entertainment noise.

As per the Local Government Act, once established, a Special Entertainment Precinct will switch off conditions of development consent if they are inconsistent with council's noise management plan for the precinct. These will apply to trading hours and noise from amplified music.

For example, if a condition of development consent sets the trading hours as 10am to 10pm and the council's plan allows trading to be 10am to 12midnight, the condition of consent (to the extent of the inconsistency) ceases to have effect.

Councils must also notify residents and people moving into the area about the precinct. This could be done on a council website or a notation on planning certificates for land in the precinct.

To establish a SEP, Council would be required to undertake acoustic modeling and prepare a Precinct Management Plan to govern the operation of 'entertainment premises' within the Precinct. As part of the Enmore trail, the responsibility for managing compliance with the Management Plan, including noise complaints, remained with Inner West Council.

It is noted that at present Council's planning instruments/controls do not restrict hours of operation and Development Applications are assessed on their merits and against the hours applied for.

A SEP's Management Plan only applies to licensed 'entertainment premises' and not temporary outdoor events.

#### **SEP Kickstart Grant Program**

In November 2024, the SEP Kickstart Grant Program was opened by Create NSW. The purpose of the Program is to encourage local councils to take up and implement SEPs.

This grant has been designed to meet the costs of Councils in developing a SEP with funding between \$50,000 and \$200,000 available.

The grant program can apply funds to:

- Labour expenditure for temporary employment for the new SEP/s
- External or third-party costs, such as:
  - Acoustic specialists to prepare the sound management framework
  - Strategic planning consultants to prepare internal reporting and maps, lodgement of planning proposal, draft DCP provisions, and/or draft precinct management plan



## Report of the Director Planning, Environment and Communities

## 15.1 Kiama's visitor economy: Exploring the potential of a Special Entertainment Precinct (SEP) (cont)

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- Community engagement consultants to develop consultation strategies and undertake engagement activities (such as letterbox drops or drop-in sessions)
  - Costs associated with marketing and communication of the SEP/s prior to the trial period being approved.

Funded activities must be completed 6 months after the funding agreements have been signed and no later than 31 December 2025. Funding activities required to be completed by 31 December 2025 include the submission of a Planning Proposal, to amend the *Kiama Local Environmental Plan (LEP) 2011*, the Department of Planning, Housing and Infrastructure for a Gateway Determination. This would mean that a Planning Proposal would need to be supported by Council no later than their ordinary December 2025 meeting.

**Eligibility**

In order to be eligible to apply for this grant program the following needs to be provided to Create NSW:

- (a) A copy of a Council resolution to establish the SEP/s, including a specific location, map and boundary for the SEP/s; and.
- (b) A copy of Council's:
  - i. Night-Time Economy Strategy; or
  - ii. Another strategy document or strategic planning statement in which the night-time economy is identified as a priority, pillar or key action; or
  - iii. A resolution to prepare a night-time economy strategy and have other demonstrated strategic context including a visitor economy strategy or plan or economic development strategy or plan.

At this point, Council is ineligible to apply for the grant programs for the following reasons:

1. Council has not resolved to establish a SEP and has not prepared a specific location, map or boundary for the SEP, and
2. Council has not adopted a Night-Time Economy Strategy.

**Conclusion**

It is recommended that Council resolve to amend its existing Tourism and Events Strategic Plan with a view to convert it into a Visitor Economy Strategy, incorporating the relevant findings/recommendations of:

- a. Kiama Major Events Impact Review and Recommendations Report
- b. Kiama Regional Economic Development Strategy
- c. Tourism & Events Service Review

Council's Tourism & Events Team have commenced an initial review of the Tourism and Events Strategic Plan. An updated Visitor Economy Strategy would encompass:

- major events,

Report of the Director Planning, Environment and Communities

15.1 Kiama's visitor economy: Exploring the potential of a Special Entertainment Precinct (SEP) (cont)

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- accommodation needs,
- marketable experiences, and
- mechanisms to support entertainment etc

It is also recommended that Council's Tourism & Events Team collaborate with the community led Kiama Special Entertainment Precinct working group to identify an appropriate SEP boundary.

With applications for the grant program closing on 12 March 2025, it is recommended that a report be provided to Council's Ordinary February 2025 to endorse the establishment of a Kiama SEP.

## 16 REPORT OF THE DIRECTOR INFRASTRUCTURE AND LIVEABILITY

### 16.1 Traffic management: Kiama Local Traffic Committee meeting - 10 December 2024

CSP Objective: Outcome 4.3: Our built environment is safe and inclusive; our infrastructure is well planned and well managed.

CSP Strategy: 4.3.2 Actively plan how we travel and create safe travel routes whether we are walking, cycling, driving or accessing public transport.

Delivery Program: 4.3.2.2 Implement road safety and traffic management programs and responsibilities

#### Summary

Council submitted a proposal for the annual Australia Day event at Kiama Downs Surf Life Saving Club (SLSC) to the Kiama Local Traffic Committee (LTC), and an out of round meeting was held on Tuesday 10 December 2024 via email.

#### Financial implication

The traffic management proposals will be implemented within existing budget allocations.

#### Risk implication

Not implementing the recommendations which are in accordance with standards and guidelines may not result in the intended improved road safety of all users.

#### Policy

A Guide to the Delegation to Councils for the Regulation of Traffic (TfNSW).

#### Consultation (internal)

Kiama Local Traffic Committee

#### Communication/Community engagement

Organisers are required to advertise and notify of closures as per endorsed Traffic Management Plans.

#### Attachments

- 1 Minutes of Kiama Local Traffic Committee Meeting - 10 12 24 [↓](#)

#### Enclosures

Nil

Report of the Director Infrastructure and Liveability

16.1 Traffic management: Kiama Local Traffic Committee meeting - 10 December 2024 (cont)

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### **RECOMMENDATION**

That Council receive the Minutes of the 'out of round' Kiama Local Traffic Committee meeting held on 10 December 2024 and the following recommendation be adopted, subject to the following:

**24/036LTC** the traffic changes associated with the Kiama Downs SLSC Australia Day event on Sunday 26 January 2025 from 7:00 AM to 12:00 PM be approved subject to organisers complying with the following conditions:

1. The event organiser complies with the Traffic Management Plans.
2. Notification of the closures be given to bus operators, Police, local emergency services, businesses and affected residents.
3. An advertisement be placed in the local media advising of the closure a minimum of seven days prior to the event.
4. Notice placed on Council's website a minimum of seven days prior to the event.
5. No access to North Kiama Dr signage at entrance to the carpark on Johnson Street between Johnson Street and North Kiama Drive.
6. Consideration of a physical barrier (ie parked Traffic control vehicle) at the North Kiama Drive driveway of the carpark to ensure no vehicles can make it into the closed precinct.

### **Background**

This out of round Kiama Local Traffic Committee Meeting was held on 10 December 2024 via email to consider reports for traffic management in the Kiama Local Government Area.

The Kiama Local Traffic Committee considered 1 item that required adoption by Council, as above.

### **Report**

The Local Traffic Committee is a Technical Committee of Transport for New South Wales (TfNSW). The Committee operates under the authority conferred to Council by TfNSW under the Transport Administration Act 1988. Council has been delegated certain powers by TfNSW with regard to traffic matters upon its local roads. A condition of this delegation is that Council must take into account the advice of the LTC.

There are four permanent members of the LTC, each of whom has a single vote only. The members are representatives of the NSW Police Force, TfNSW, the Local State Member of Parliament (for the location of the issue to be voted upon) and a representative of Council.

Report of the Director Infrastructure and Liveability

16.1 Traffic management: Kiama Local Traffic Committee meeting - 10 December 2024 (cont)

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Only matters requiring a resolution of Council are included in this report, other endorsed upgrades have been approved under delegated authority.

**Options**

Council's options are to:

1. Accept report items as recommended.
2. Decline to accept the recommendations.
3. Request the LTC to reconsider the report.



**MINUTES OF THE  
KIAMA LOCAL TRAFFIC COMMITTEE  
MEETING**

**commencing at 10:00 AM on**

**TUESDAY 10 DECEMBER 2024**

**Council Chambers, 11 Manning Street, KIAMA NSW 2533**

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**MINUTES OF THE KIAMA LOCAL TRAFFIC COMMITTEE 10 DECEMBER 2024**

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**MINUTES OF THE KIAMA LOCAL TRAFFIC COMMITTEE**

**HELD ONLINE**

**ON TUESDAY 10 DECEMBER 2024 AT 10:00 AM**

**MEMBERS:** Stuart Larkins (Councillor Representative), Brad Ross (Transport for NSW Representative), William Collins (NSW Police Representative), Darrell Clingan (Local Member's Representative),

**1 REPORT OF RMS DELEGATED FORMAL ITEMS**

**1.1 Road Closures - Kiama Downs Surf Club Australia Day Event - North Kiama Drive, Kiama Downs - 26 January 2025**

**24/036LTC**

**Resolved** that the Committee approves the traffic changes associated with the Kiama Downs SLSC Australia Day event on Sunday 26 January 2025 from 7:00 AM to 12:00 PM be approved subject to organisers complying with the following conditions:

1. The event organiser comply with the Traffic Management Plans shown in Attachment 1.
2. Notification of the closures be given to bus operators, Police, local emergency services, businesses and affected residents.
3. An advertisement be placed in the local media advising of the closure a minimum of seven days prior to the event.
4. Notice placed on Council's website a minimum of seven days prior to the event.
5. No access to North Kiama Dr signage at entrance to the carpark on Johnson Street between Johnson Street and North Kiama Drive.
6. Consideration of a physical barrier (ie parked Traffic control vehicle) at the North Kiama Drive driveway of the carpark to ensure no vehicles can make it into the closed precinct.

(Member Darrell Clingan and Member Brad Ross)

**1 CLOSURE**

These Minutes were confirmed at the Ordinary Meeting of Council held on 21 January 2025

## 17 REPORTS FOR INFORMATION

### 17.1 Outstanding Questions with Notice Register - January 2025

Responsible Director: Office of the Chief Executive Officer

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#### Report

Attached for Councillors' information is a list of the outstanding questions with notice as at January 2025.

#### Communication/Community Engagement

This report provides the community with the status and timeframes for a response to any outstanding questions with notice from Councillors from previous meetings.

#### Risk implication

This register provides tracking of responses to questions with notice submitted by Councillors to ensure that all questions are responded to, therefore removing the risk of a question being missed.

#### Attachments

- 1 Outstanding questions with notice - January 2025 [↓](#)





## Outstanding Questions with Notice Register

24/084681

No	Details	Response actions
<b>Questions with notice from the 18 June 2024 meeting</b>		
19.1	<p><b>Cr Renkema-Lang - Forecast and actual cash receipts from sale of assets - 2023-2027</b></p> <p>Could Council please have a report detailing actual or forecast cash flows from investing activities covering financial years 2023-2027 that identifies:</p> <ul style="list-style-type: none"> <li>(a) public land sales</li> <li>(b) redemption of term deposits</li> <li>(c) a year-by-year breakdown</li> <li>(d) totals for the 5-year period.</li> </ul> <p>This report is requested to provide transparency and improve understanding of the extent to which Council has and will continue to be reliant on the sale of assets as progress is made along the improvement journey. This is consistent with Part A of the Performance Improvement Order – Council's Financial Management, action (6) '...to break the practice of adopting a deficit budget without relying on property sales'.</p>	Response report to be provided to the February 2025 meeting.

Page | 1

**17.2 Response to Councillor Croxford's question with notice: financial mismanagement, project management failures and payout transparency**Responsible Director: Office of the Chief Executive Officer

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**Précis**

At the 18 June 2024 ordinary Council meeting then Councillor, Mark Croxford asked a question with notice on the financial mismanagement, project management failures and payout transparency.

Responses to each of the questions are provided below. Responses have been kept brief as the public record on this matter is extensive.

**Q1. Origins of financial mismanagement and project management failures:**

*The current body of council has inherited significant issues related to financial mismanagement and project management failures. Can the Chief Executive Officer confirm whether these issues originated in the 2016 - 2021 term of Council, or do they have roots in earlier terms of Council?*

The previous term of Council certainly inherited some challenging matters to address. Those matters were documented and reported by the CEO (as per the requirements of the Local Government Act) to the NSW Office of Local Government (OLG) in late December 2021. At that time local government elections were being held and there was no Council body.

Therefore, in order to ensure governance and oversight the CEO convened a briefing on those matters with the Blue Haven Advisory Committee, the Audit, Risk and Improvement Committee (ARIC), and the Finance Advisory Committee and met with staff from the OLG. A draft report titled State of the Organisation was prepared which outlined the financial, governance and organisational challenges that were being experienced by Kiama Municipal Council (KMC).

Once the new Council was sworn in on 11 January 2022, a confidential briefing was provided to the new Councillors with senior staff from the Office of Local Government in attendance. At that briefing a draft copy of the State of the Organisation paper was circulated to Councillors for information. Councillors as part of their induction on 12 January 2022 participated in a workshop with the Chairs of ARIC, the Blue Haven Advisory Committee and the Finance Advisory Committee to discuss in more detail the State of the Organisation paper. Following that session, the draft was refined and presented publicly in a Council report to the 15 February 2022 ordinary meeting (resolution 22/023OC). All parties agreed that being open and transparent with the challenges being experienced by KMC would be in the public interest, and the report was made fully public.

In order to address the issues raised in the State of the Organisation report, Council then prepared its own Strategic Improvement Plan (SIP) making this document public at Council's Ordinary Meeting in April 2022. Monthly and bi-monthly updates were provided publicly on progress so the community and councillors could be informed.

## Reports for Information

## 17.2 Response to Councillor Croxford's question with notice: financial mismanagement, project management failures and payout transparency (cont)

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The State of the Organisation (SoO) report made it quite clear that some of the matters affecting KMC had existed for decades, so it is not reasonable to assume that all matters in their entirety originated in the 2016 – 2021 term, some occurred prior.

What is evident is that the costs of embarking on a major capital project such as Blue Haven Bonaira together with Council's lack of adequate operational planning for the Blue Haven project, and the business's insufficient and immature accounting / financial practices, meant that the Blue Haven project placed the financial solvency of the organisation at acute risk.

This situation gave rise to the Audit Office of NSW questioning and duly reporting to the OLG concerns about going concern status. Ultimately these concerns from the Audit Office were also tabled publicly on 24 August 2022 and resulted in qualifications and disclaimers of audit opinions. For the last three (3) years the organisation has worked tirelessly to address and remove these issues. In positive news all disclaimers and qualifications on audit opinions were lifted late 2024 by the Audit Office of NSW. This information was also shared publicly.

The going concern issue and other matters outlined in the State of the Organisation and SIP reports also resulted in KMC being issued a State Government imposed Performance Improvement Order (PIO) on 8 November 2022 by former Minister for Local Government Wendy Tuckerman. The PIO was subsequently reviewed and varied by the current Minister for Local Government Ron Hoenig on 23 May 2024. The PIO is a public document, all reports related to it are fully public and able to be reviewed.

Minister Hoenig commissioned a report prepared by Mr John Rayner to review the status of KMC. This too is a public document and provides a brief and insightful body of information on the challenges faced by KMC and the Blue Haven build / cost situation. This Rayner report, copy of the PIO and the adopted Strategic Governance and Finance Improvement Plan were sent to all Councillor candidates for this current term (2024-28) and was noted in the induction processes. Importantly the varied PIO binds this Council as well.

**Q2. Project management and Blue Haven Bonaira costs:**

*Why did the Council fail to adequately project manage or seek reports on key projects, including but not limited to the Blue Haven Bonaira project, across multiple terms? Specifically, why were the following aspects not adequately addressed:*

- *Operational costs of the facilities*
- *Variances to budget*
- *Defects reporting*
- *Completion reports*

*The Blue Haven Bonaira project, in particular, incurred substantial costs not fully covered by available funding, leading to significant budget overruns. What steps were missed in the project management process that contributed to these issues?*

## Reports for Information

- 17.2 Response to Councillor Croxford's question with notice: financial mismanagement, project management failures and payout transparency (cont)

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*Can the Chief Executive Officer provide an account of the Blue Haven Bonaira construction project costs and explain why the council did not adequately manage and report on these costs?*

This question has been answered extensively in prior reports to the previous Council (and current) including the following:

- Report to the 12 May 2022 extraordinary meeting (item 4.1)
- Report to the 18 July 2023 ordinary meeting (item 13.4)
- Report to the 13 February 2024 ordinary meeting (item 17.3)
- Supplementary report to the 1 February 2024 extraordinary meeting.

The Rayner report adequately summarises this information utilising all sources of publicly available information. The public record clearly attests to costs and project management immaturity of the organisation at the time of the Blue Haven Bonaira build and the effect this has had on the operating position of the organisation.

It is a matter of public record and already published fact that:

- no operational or strategic plan was developed for the project or facility
- no clear strategies for the repayment of the TCorp loan and replenishment of significant internal cash reserves had been documented, or developed or endorsed by council
- the original feasibility plan lacked extensive detail on alternative options (with the main attention based on a 134 bed model)
- inadequate reporting to Council on project variation costs occurred
- operational funds were used to fund capital shortfalls without any strategies or ability to repay or replenish operational cash flow and without correct approval processes from Council reporting
- project management practices were of concern and lacked structure and due process
- Council's financial records did not adequately show or separate the accounting ledgers for Blue Haven and KMC.

All of the above was well reported publicly and regularly discussed with the previous Council and the OLG.

**Q 3. Transparency, justification and overturning confidentiality agreements for payouts:**

*Why have the significant payouts to executive directors and the then General Manager, which occurred during the period 2018 to 2021, not been made public?*

*Can the Chief Executive Officer provide details for these substantial payouts, including the rationale behind these payments and the approval process followed?*

## Reports for Information

## 17.2 Response to Councillor Croxford's question with notice: financial mismanagement, project management failures and payout transparency (cont)

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*Considering the substantial financial impact of these payouts on the Council's cash flow, can the Council review and potentially overturn any confidentiality agreements related to these payouts to enhance transparency and accountability? How does the Council plan to address the community's concerns about the lack of transparency regarding these payouts and ensure that similar situations are handled more openly in Page 3 in the future?*

The Forsyths report which was adopted in confidential session in May 2022 outlined a concern with contract payouts sign off / process for the former General Manager and the lack of Elected Body delegation, documentation and decision-making processes. The need to improve this aspect was made public in the SIP 1 and 2 (publicly available) and an internal procedure for administration was implemented in direct response. Likewise, in direct response to this, the CEO Performance Review Committee was established and adopted in February 2022 and again in 2024 in accordance with State regulations issued by the OLG.

Under section 338 of the Local Government Act 1993, general managers of councils and executive officers of joint organisations must be employed under an employment contract based on a standard contract approved by the departmental chief executive of the Office of Local Government. This is a public document on the OLG website titled "Standard contracts of employment for general managers". Section 11 clearly outlines relevant termination clauses.

Confidentiality and nondisclosure agreements at the time of termination are legally binding documents and cannot be made public without consequences for both parties (including KMC). In the former General Managers instance an agreement was executed and signed by relevant parties and therefore must be maintained as confidential. It is therefore simply not possible for the current CEO to make this information public, and the Councillor was aware of this at the time of lodging this question with notice. To do so would expose KMC to contract breaches and potential risks attached to defamation.

Information on salaries or severance pay for Senior staff in Local Government is governed by the Local Government Act 1993 and the Annual Report must account for these. The figures associated and brief rationale were provided in the 2020-21 Annual Report on page 55, again a public document which the previous Council endorsed.

Other executive payouts related to that period of time are not known to the CEO, was not identified as an issue in the Forsyth's work and that question is unable to be answered.

**Q 4. Informed decision-making:**

*Were the elected members of the Council, whether from the 2016-2021 term or earlier, adequately advised by the General Manager and Executive Leadership Team of Council of the specifics of 'Project Management and Blue Haven Bonaira Costs' and 'Transparency, Justification, and Overturning Confidentiality Agreements for Payouts' details in either public or confidential sessions of ordinary and extraordinary meetings of Council to allow them to make informed decisions? If not, why was this critical information withheld?*

## Reports for Information

## 17.2 Response to Councillor Croxford's question with notice: financial mismanagement, project management failures and payout transparency (cont)

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This question is repetitious and has already been answered above. Nonetheless, it is worth noting that in June 2022 Council resolved to release publicly all available information on the Blue Haven Bonaira build and its origins at the Ordinary meeting. All of this material is readily accessible to any member of the public on Council's website.

As previously noted above, the facts and the known circumstances are noted in the State of the Organisation Report, SIP 1, SIP 2 and the current Strategic Governance and Finance Improvement Plan. Ultimately an elected body makes decisions on the information at hand, available at a particular point in time.

It is impossible and not appropriate for the current CEO to speculate on whether critical information was deliberately withheld by any previous member of staff. The CEO can only look at the prior public record and the set of circumstances that exist on the day their tenure commences and then take positive corrective action to address any deficits in processes, procedures, policies or practices within the allocated resources of the day.

To speculate on intentions of prior general managers is simply not appropriate and may bring the organisation into disrepute. As stated on many occasions verbally and in public documents, much good work has been done in past by many former and current staff, and Elected Representatives. Many past staff and Elected Representatives are much loved, respected and valued residents of the community who worked tirelessly for their community and performed their duties exceptionally well. Their efforts are to be commended and appreciated.

The CEO and Executive have remained focused on ensuring previous term and current Councillors have been provided with information, quality financial reporting and clear plans for addressing matters in the PIO or the Strategic Governance and Finance Improvement Plan. This effort must remain the core focus of this current Council. Financial sustainability and lifting the PIO must be the core focus and all effort and attention must remain on forward momentum for the business.

**Q 5. Accountability for financial mismanagement and maladministration of operational issues:**

*What actions have been or can be taken against those identified as responsible for the financial mismanagement and maladministration of operational issues inherited at the beginning of this Council term?*

*Specifically, what measures, including disciplinary actions, sanctions, terminations, or legal proceedings, have been implemented or considered? If no actions have been taken, please explain why not.*

As previously noted, the CEO has met the fiduciary and statutory responsibilities associated with the role and as required by legislation, reported maladministration to the OLG in December 2021. Likewise, Council resolved to self-report to the Independent Commission Against Corruption (ICAC) on 20 September 2022 and this was dutifully actioned. Correspondence from ICAC in relation to the November 2022 self-referral noted no investigations would be undertaken. Refer to the Information report from the 18 April 2023.

## Reports for Information

- 17.2 Response to Councillor Croxford's question with notice: financial mismanagement, project management failures and payout transparency (cont)

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Local Government is an instrument of the State Government and accordingly the process for oversight is handled by the Minister for Local Government and their appointed Office bearers / senior staff of the Office of Local Government. It is a fact that the PIO was issued on KMC and varied (by two Ministers) in direct response to many of the matters previously publicly reported.

PIO's are serious State Government interventions issued after investigation / reviews processes and require extensive work and regular reporting. Every action possible continues to be taken to address the PIO as finances and resources allow and the CEO regularly reports to the OLG on progress and completes compliance reports.

ICAC legislation and role is important to understand in relation to this question. The CEO took the required legislative reporting steps for disclosure and has continued to focus on the improvement of the business.

**Q 6. Release of Forsyths Report:**

*What would need to be done to publicly release the full details of the Forsyths Report? Can the Chief Executive Officer provide an outline of the necessary steps and any potential legal or procedural obstacles to making the full report available to the public?*

The executive summary of the Forsyths Report was made public in a subsequent report tabled and adopted by Council in July 2023. As much information as can be made public has already been released.

In July 2022, a GIPA Application was lodged for release of the Forsyths Report. In September 2022, following third party consultation and balancing of the public interest test, Council staff refused the application on the grounds that it was not in the public interest to release the document. An application for review of Council's decision was subsequently lodged with the Information and Privacy Commission NSW (IPC). The IPC recommended that Council make a new decision.

In January 2023, following review of the original decision, a new decision was made and again, access to the Forsyths Report was again refused pursuant to various considerations of the GIPA Act 2009.

The Council resolved to undertake a forensic audit assessment report. Following completion of the report, it was lodged with the NSW Audit Office to be reported to Parliament, the OLG, ICAC and NSW T-Corp. As the NSW Audit Office held a stake in the process it was not able to be released without their explicit consent. The Forsyths Report is an assessment that was conducted on behalf of Council and its release would prejudice the conduct, effectiveness and integrity of the audit that was conducted.

The report contains information that relates to the 'investigative, audit and reporting functions' of the Audit Office which is considered to be excluded information under the GIPA Act. The objector (the Audit Office) did not provide consent to disclose the information. These reasons for refusal were supported by the IPC decision.

**18 LATE ITEMS**



## 19 QUESTIONS WITH NOTICE

### 19.1 Question with notice: Bombo staircase

Councillor Mike Cains has submitted the following question with notice for Council's consideration:

#### Question

Can the CEO update Council on the status of the Bombo staircase and advise on the timing of further works and also completion?

#### Background

It is understood that significant work has been undertaken on the staircase and the community eagerly awaits its completion, some members of our community are becoming impatient, and we seek an update to provide them with assurances and information on the progress of works.

#### Chief Executive Officer response

The delays for this project have been significant and relate to compliance with the Development Application (DA) and the ability to gain an Occupation Certificate (OC).

Staff have worked with the contractor to rectify outstanding areas of non-compliance including stair height consistency and handrail heights.

We are also investigating an alternate finalisation pathway by using a Building Information Certificate (BIC) instead of an OC and the DA modification has recently been submitted having obtained owner's consent from the Office of Strategic Lands as the owner of the site.

It is expected that the issues can be worked through and we are working towards an opening in the coming months. It is appreciated that the long and significant delays have caused frustration for the community and organisation.

**20 NOTICE OF MOTION**

Nil.

**21 CONFIDENTIAL SUMMARY****CONFIDENTIAL COMMITTEE OF THE WHOLE**

Submitted to the Ordinary Meeting of Council held on 21 January 2025

**PROCEDURE**

- Mayoral call for Public Representations.
- Consideration of Representations and issues to be removed from Closed Committee.
- Recommendation to exclude Press and Public if required.
- Recommendation to go into Closed Committee.
- Closed Committee discussions if required.

**21.1 Exclusion Of Press And Public:*****RECOMMENDATION***

That in accordance with Sections 10 and 10A of the Local Government Act, 1993 as amended, Council close the meeting of the Confidential Committee of the Whole to the Press and Public on the grounds detailed under the report headings as detailed below.

**22.1 BLUE HAVEN UPDATE - DECEMBER 2024**

**Reason for Confidentiality:** This matter deals with information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business as per Section 10A(2)(c) of the Local Government Act and information that would, if disclosed, confer a commercial advantage on a competitor of the council as per Section 10A(2)(dii) of the Local Government Act.

**22.2 TENDER: WERRI BEACH HOLIDAY PARK - AMENITIES BUILDING**

**Reason for Confidentiality:** This matter deals with commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it as per Section 10A(2)(di) of the Local Government Act.

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## 22 CONFIDENTIAL REPORTS

### 22.1 Blue Haven Update - December 2024

CSP Objective: Outcome 5.1: Public funds and assets are managed strategically, transparently and efficiently

CSP Strategy: 5.1.4 Commercial investments are managed to maximise their value; and in accordance with legislative obligations.

Delivery Program: 5.1.4.2 Continue to implement Council Resolution 22/1040C for Blue Haven and Resolution 23/053OC

#### **REASON FOR CONFIDENTIALITY**

*This item is classified CONFIDENTIAL under the provisions of Section 10A(2) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business and information that would, if disclosed, confer a commercial advantage on a competitor of the council.*

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### 22.2 Tender: Werri Beach Holiday Park - Amenities Building

CSP Objective: Outcome 3.2: An economy that embraces the opportunities of tourism while ensuring that we don't lose our community feel; our tourism development and the visitor economy is well managed.

CSP Strategy: 3.2.4 Foster economic diversity to attract and retain investment in our Municipality.

Delivery Program: 3.2.4.1 Operate Kiama Coast Holiday Parks as a financially sustainable, quality accommodation provider

#### **REASON FOR CONFIDENTIALITY**

*This item is classified CONFIDENTIAL under the provisions of Section 10A(2) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.*

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## 23 CLOSURE