14 REPORT OF THE DIRECTOR CORPORATE AND COMMERCIAL

14.1 Endorse for public exhibition: draft Community Engagement Strategy

CSP Objective:	Outcome 4.2: Our governance is transparent and trusted, supported by the right structures, technology and processes to effectively serve the community.
CSP Strategy:	4.2.3 Engage with the community in a timely and meaningful way to help inform decision making and clearly demonstrate how the community input shapes outcomes.
Delivery Program:	4.2.3.1 Continue to implement Council's Community Engagement Strategy incorporating the Community Participation Plan, in accordance with the Local Government Act and NSW Department of Planning (DPE) requirements. Continue to develop and implement community engagement program, including staff training and schedule of activities.

Summary

Council has conducted a review of our Community Engagement Strategy and provided a range of updates based on the feedback received. Overall, the proposed updates focus on strengthening existing practice, improving consistency across the organisation, and making engagement processes clearer and more transparent for staff, Councillors, and the community.

Financial implication

This review was identified in the Delivery Program and Operational Plan and Budget for 2025/26.

Risk implication

There are no direct risk implications associated with preparing or exhibiting the revised Strategy. Not updating the Community Engagement Strategy presents several broader risks to Council in terms of not meeting our governance and compliance targets (including IP&R guidelines), reputational risk from operating under outdated policies. Operational consistency risk - the updated strategy provides clearer direction and improved guidance to strengthen our engagement practice across the organisation. Without this, there is a risk that engagement practices will not improve consistently across the organisation, with a loss in quality and approach.

Policy

Delivery and Operational Plan item 4.2.3.1 and 4.2.3.2.

Consultation (internal)

A range of review and engagement activities were undertaken as outlined in the draft Community Engagement Strategy 2026-2030 Engagement Report in enclosures. Collectively, these activities provided clear insights into what is working well, where practices are inconsistent, and where clearer strategic direction and guidance are required. ELT and Councillor workshops have also formed the consultation process.

Communication/Community engagement

As above and outlined in the Engagement Report. If endorsed for public exhibition, Council will conduct community engagement and seek feedback to shape the final strategy. This will be conducted via our usual channels including the Council website, Kiama your say platform, social media and community pop-ups.

Attachments

Nil

Enclosures

1 Community Engagement Strategy Update 2026 - Engagement Report⇨

2 Kiama Municipal Council Community Engagement Strategy DRAFT 2026⇨

RECOMMENDATION

That Council:

1. Endorse the draft Community Engagement Strategy 2026-2030 for public exhibition for a period of 28 days calling for submissions.
2. Following conclusion of the exhibition period:
   (a) Receive a further report for consideration, if any relevant submissions are received or if any substantial changes are proposed for any other reason, detailing the public exhibition outcomes and proposed changes with recommendations regarding adoption of the above documents, or
   (b) Adopt the Community Engagement Strategy 2026-2030 if there are no relevant submissions received and there are no substantial changes proposed for any other reasons.

Community engagement and Local Government

Community engagement is how Council works with the community to share information, seek feedback, and involve the community in decisions that affect them.

Under the NSW Office of Local Government's Integrated Planning & Reporting (IP&R) framework, each council is required to create a strategy for how they will engage the community. This strategy must:

- be based on the social justice principles of access, equity, participation and rights
- identify relevant stakeholder groups in the community
- outline the methods that the council will use to engage each of these groups
- allow sufficient time to effectively undertake the engagement

Community engagement is governed, deliberate and evidence based. Its purpose is to inform Council decision making, not to negotiate outcomes or replace other Council processes.

Community Engagement Strategy

In 2024, Council undertook a comprehensive review and renewal of its Community Engagement Strategy, which had not been updated since its original adoption in 2016. This work involved a significant redesign and reset of Council's approach to engagement and was informed by an extensive co design and engagement program involving key stakeholders, including the local community, Councillors and Council staff.

The updated Community Engagement Strategy was endorsed by Council in June 2024. It provides a practical and contemporary framework to support meaningful, inclusive, and measurable community engagement, while strengthening the diversity of voices informing Council decision-making.

The Strategy is underpinned by three key action areas:

1. Build staff capacity and capability
2. Equip staff with practical tools and guidance to deliver consistent, high quality engagement that clearly articulates the level of community influence on decisions.
3. Meet the community where they are. Reaching a broader and more diverse cross section of the community through a combination of online and face to face engagement opportunities.
4. Close the loop. Strengthen follow up communication to demonstrate how community input has been considered and applied, and to fulfil engagement commitments.

Implementation of the Strategy has been led by a dedicated Community Engagement Officer and has delivered strong outcomes across all action areas.

Why update the Strategy now?

Under the Integrated Planning and Reporting (IP&R) framework, the Community Engagement Strategy is typically reviewed within three months of a local government election. As the current Strategy was endorsed in June 2024 (approximately three months prior to the election) and it was anticipated that the next update would incorporate the Community Participation Plan (CPP), Council deferred the review.

The NSW Government has since developed a statewide model CPP, which Council is currently reviewing. To ensure alignment with this model and to provide a sensible and sustainable review cycle, we are undertaking a mid-term review of the Community Engagement Strategy now, with the next comprehensive review scheduled for after the 2028 local government elections, which will re-align our timings with the IP&R guidelines for best practice.

Proposed Strategy updates

The following updates are proposed in response to the findings of the review and engagement activities:

- **Written for the community**

  The Strategy has been rewritten in clearer, more accessible language to make it easier for community members to understand how and when they can be involved.

- **New action area: Promoting equity, diversity and inclusion**

  This formalises existing work and ensures engagement is intentionally inclusive, particularly for groups who are traditionally under-represented.

- **In-house Community Engagement training**

  Developing training internally will allow content to be tailored to Council's specific context while delivering cost savings compared to external training providers.

- **Merging of internal staff working groups**

  Combining Communications and Engagement related working groups will reduce duplication and support more efficient and coordinated delivery.

- **Development of a Community Engagement Policy**

  A new Policy will provide a clear governance framework, defining roles, responsibilities, and minimum standards for engagement across Council.

Overall, these updates focus on strengthening existing practice, improving consistency across the organisation, and making engagement processes clearer and more transparent for staff, Councillors, and the community.

Expected outcomes

Endorsing the updated Community Engagement Strategy 2026-2030 delivers clear governance, operational, and community outcomes for Council:

- **Stronger governance and legislative alignment**

  The updated Strategy strengthens alignment with the intent of the Local Government Act and contemporary best practice, improving accountability and the defensibility of Council's engagement processes. Improving governance is a directive of the PIO.

- **Improved consistency and effectiveness of engagement**

  Clearer direction, accessible language, and strengthened supporting mechanisms will drive more consistent, high quality engagement across the organisation.

- **Greater community trust and inclusion**

  Endorsement reinforces Council's commitment to meaningful and inclusive engagement by clearly outlining how the community can participate, ensuring under represented voices are better reached, and demonstrating how community input influences decisions.

Timeframe

- February – March 2026: Best practice review, internal stakeholder consultation.
- April 2026: Councillor workshop, Strategy revision and approvals.

- May - July 2026: Council submission, public exhibition, endorsement.
- July 2026 onwards: Implementation and monitoring.

14.2 Monthly Financial Report - April 2026

CSP Objective:	Outcome 4.1 Public funds and assets are managed strategically, transparently and efficiently.
CSP Strategy:	4.1.1 Public funds are managed in accordance with Financial Management Standards and the Local Government Act, with accurate and timely reporting.
Delivery Program:	4.1.1.1 Strengthen financial reporting, ensure legislative compliance, and promote long-term sustainability by enhancing scrutiny and oversight processes while optimising funding opportunities, and improving procurement practices.

Summary

The Monthly Financial Report for YTD to 30 April 2026 includes both consolidated and individual Income Statements for Council's various business activities, along with program and service-level income statements. A consolidated Statement of Financial Position is also provided. This report highlights any material variances from the year-to-date budget and outlines any changes to the adopted budget that have been approved outside the formal Quarterly Budget Review process.

Financial implication

This report relates directly to the financial performance of Council. Monitoring of the budget monthly enables timely financial management to effectively manage the resources available to Council to provide public services and amenities.

Risk implication

The risk related to this information is non-compliance with legislation for monitoring and reporting of Council's financial performance.

Policy

Local Government Act 1993

Local Government (General) Regulation 2021

Part 9, Division 3, Clause 203 (1) of the Local Government (General) Regulation 2021 legislates the preparation of this report. As such Kiama council complies with the legislation by preparation of this report.

Consultation (internal)

Chief Executive Officer

Director Corporate and Commercial

Budgeting and Analysis Team

Communication/Community engagement

N/A

Attachments
Nil

Enclosures

1 Monthly Financial Statements - April 2026⇨

RECOMMENDATION

That Council receives and adopts the Monthly Financial Report for April 2026.

Executive summary

Council's 2025-26 budget continues to rely on asset sales and grant funding to deliver positive cash flow to cover asset depreciation and for critical reinvestment in future strategic revenue generating initiatives.

The current Performance Improvement Order (PIO) specifies Council must demonstrate sustainable financial performance, including net surplus positions before one-off divestments and maintaining positive unrestricted cash balances by the 2026-27 financial year. On 13 May 2026, Council received by way of service a notice of intention to vary performance improvement order to Kiama Council. Council will consider the proposed PIO and make submissions within the 14-day period.

As at 30 April 2026, Council's YTD operating results from continuing operations excluding depreciation are moderately below the adopted budget. After depreciation, the result is materially unfavourable, and likewise when capital grants are excluded.

Council's YTD unrestricted cash position currently on track against the annual budget forecast. (Refer to cash flow section for further details).

Operating results

As at 30 April 2026, YTD consolidated operating results from continuing operations excluding depreciation show Council is tracking moderately behind its adopted budget, with an unfavourable variance of $812K (6%).

When considering operating results from continuing operations including depreciation and excluding capital grants, the result is $767K (32%) unfavourable.

Total income from continuing operations

At a consolidated level, Council's YTD income from continuing operations is unfavourable by $231K (<1%) versus budget. No material variances in individual revenue categories have resulted, with the largest notable variance being a shortfall in interest revenue.

Expenses from continuing operations excluding depreciation

Expenses from continuing operations, excluding depreciation, are $581K (1%) unfavourable. This result is primarily driven by higher employee costs ($507K) due mainly to lower than expected vacancies across the staffing establishment, along with higher overtime and penalty rates. Further details can be found in Table 1.

Table 1. This table provides further explanation of the identified material budget variances

Financial Reporting Level	Consolidated variances	General Fund (Council operations Excluding Holiday Parks & Blue Haven Terralong operations)	Holiday Parks	Blue Haven
Interest & Investment Revenue	$137K (9%) (U)	$137K U (10%) • Lower-than-expected interest revenue, indicating that recent interest rate increases are still not sufficient to offset lower investment balances.	N/A	N/A
Employee Benefits	$507K (2%) (U)	$488K U (2%) • Vacancy rate $280K U – less vacancy than forecast • Overtime $69K U – Mainly in Domestic Waste ($48K), Commercial Waste ($18K) • Casuals $80K U – Lifeguards ($35K), Leisure centre ($17K), Domestic Waste ($14K) • Allowances $47K U	$9K F (2%) On track	$28K U (11%) Overtime $13K U – relating to emergency maintenance and callouts
Materials and Contracts	$44K (<1%) (U)	$43K U (<1%) • Green Waste processing fees ($200K F) – delayed invoicing • Fleet costs, including registration, tyres ($93K U) • Consultants ($94K U) • Bank fees and charges ($46K U)	$120K F (2%) • Mainly due to maintenance ($138K F) • Subscriptions and other minor variances ($18K U)	$121K U (25%) • Essential maintenance and repairs ($111K U) • Other minor variances ($10K U)

Item 14.2

Table 2. This table categorises the YTD variances and classifies the cash impact into restricted, unrestricted or non-cash.

Total variance per Consolidated Income Statement (Continuing Operations)	**$716K (U)**	
Unrestricted Fund Variance	**$1.29M (U)**	**Net impact on unrestricted cash position, including:** $62K U – User charges & Fees $137K U – Interest & Investment Revenue $170K U – Proceeds from sale of assets $730K U – Employee Benefits $193K U – Other immaterial variances
Restricted Fund Variance	**$354K (F)**	**Net impact on restricted cash position, including:** $128K F User charges and fees (Domestic Waste, Crown Land and Plant Reserve) $20K U Operational and Capital grants (Unspent Grant Reserve) $223K F Employee Benefits (Domestic Waste, Crown Land and Plant Reserves) $23K F – Other immaterial variances
Non-Cash Variance	**$221K (F)**	**Net impact - No impact on cash position** $96K F – Depreciation $126K F – Cost of assets sold

Cash flow

Council has recorded a net inflow of $3.95M over the ten months to April 2026. The annual budget projects a $4M inflow by June 2026, therefore relatively flat cash flows are expected in the following months.

YTD movements include $400K drawn from restricted reserves (both internal and external) resulting in a $3.55M increase in unrestricted cash YTD. As a result, the unrestricted cash balance has increased to $4.47M, up from $923K at the beginning of the financial year. This increase is primarily driven by budgeted land sales relating to Glenbrook Drive and Akuna Lane.

The current adopted budget projects the unrestricted cash balance to grow to $4.95M by the end of the year. This result is largely dependent on Blue Haven Terralong ILUs sales.

Blue Haven Terralong Unit Sales

The cash flow forecasts will continue to be closely monitored and updated across Council's entire operations, with particular focus on the timing of key matters such as the Blue Haven Terralong building compliance issue and upcoming unit sales.

The current Fire Safety Order has resulted in unit refurbishment delays, which are in turn delaying unit sales and therefore impacting cash reserves. The Fire Safety Order has the added impact of requiring a DA process for the normal internal unit refurbishment process, adding to the delay in sales. Council staff are working diligently to prepare DAs and resolve the dry fire issues. A loan application for fire safety upgrades is in preparation.

14.3 Statement of Investments - May 2026

CSP Objective: Outcome 4.1 Public funds and assets are managed strategically, transparently and efficiently.

CSP Strategy: 4.1.1 Public funds are managed in accordance with Financial Management Standards and the Local Government Act, with accurate and timely reporting.

Delivery Program: 4.1.1.1 Strengthen financial reporting, ensure legislative compliance, and promote long-term sustainability by enhancing scrutiny and oversight processes while optimising funding opportunities, and improving procurement practices.

Summary

This report provides an overview of Council's cash and investment portfolio and investment performance as at 31 May 2026 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

Director Corporate and Commercial

Chief Financial Officer

Senior Financial Accountant

Communication/Community engagement

N/A

Attachments

Nil

Enclosures

Nil

RECOMMENDATION

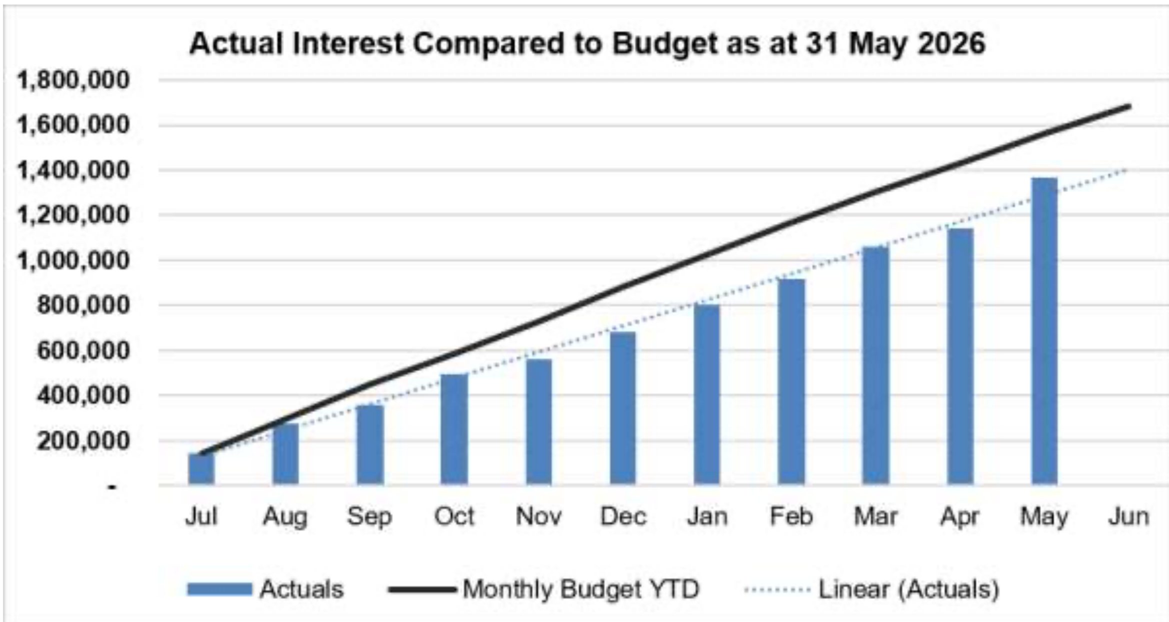
That Council receives the information relating to the Statement of Investments as at 31 May 2026.

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 May, excluding cash, the total portfolio provided a return of +0.41% (actual) or +4.96%p.a. (annualised), outperforming the benchmark AusBond Bank Bill Index return of +0.34% (actual) or +4.06% p.a. (annualised). All time periods are now comfortably above benchmark returns.



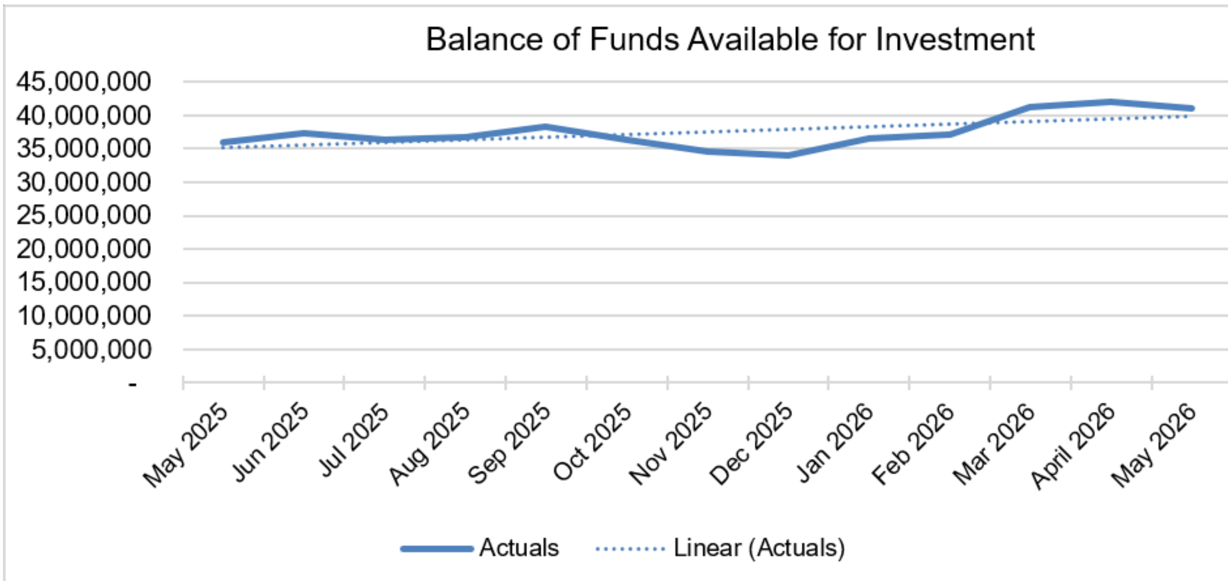
Even though the total portfolio continues to perform above benchmarks, surplus cash and investment balances have been lower than forecast in May, therefore interest income is lower than the adopted budget.

Portfolio compliance

As at month-end, all individual counterparties were within policy limits. There were new deposits established with Bendigo (A-) and P&N (BBB+) during the month. Exposures are dependent on capital inflows/outflows which can be volatile at times. The Finance team reviews upcoming investment maturities, along with significant events and BAU operations, to rebalance the portfolio within counterparty limits.

Compliant	Issuer	Rating	Invested ($)	Invested (%)	Max. Limit (%)	Available ($)
✓	Westpac	AA-	$9,965,792	24.33%	40%	$6,420,525
✓	NAB	AA-	$9,000,000	21.97%	40%	$7,386,317
✓	ING	A	$9,000,000	21.97%	30%	$3,289,738
✓	Bendigo and Adelaide	A-	$1,000,000	2.44%	30%	$11,289,738
✓	BOQ	A-	$4,000,000	9.76%	30%	$8,289,738
✓	Hume Bank	BBB+	$1,000,000	2.44%	15%	$5,144,869
✓	P&N Bank	BBB+	$3,000,000	7.32%	15%	$3,144,869
✓	State Bank of India	BBB	$4,000,000	9.76%	15%	$2,144,869
			$40,965,792	**100.00%**		

Movement in investments



Trades matured in May:

Issuer	Rating	Type	Interest	Purchase	Maturity	Rate %	Value
BOQ	A-	TD	At Maturity	27/11/2025	27/05/2026	4.34	2,000,000
Total							**2,000,000**

New trades were entered into in May:

Issuer	Rating	Type	Interest	Purchase	Maturity	Rate %	Value
NAB	AA-	TD	Annual	27/05/2026	24/05/2028	5.35	1,000,000
NAB	AA-	TD	Annual	27/05/2026	12/05/2027	5.35	1,000,000
Total							**2,000,000**

Portfolio summary:

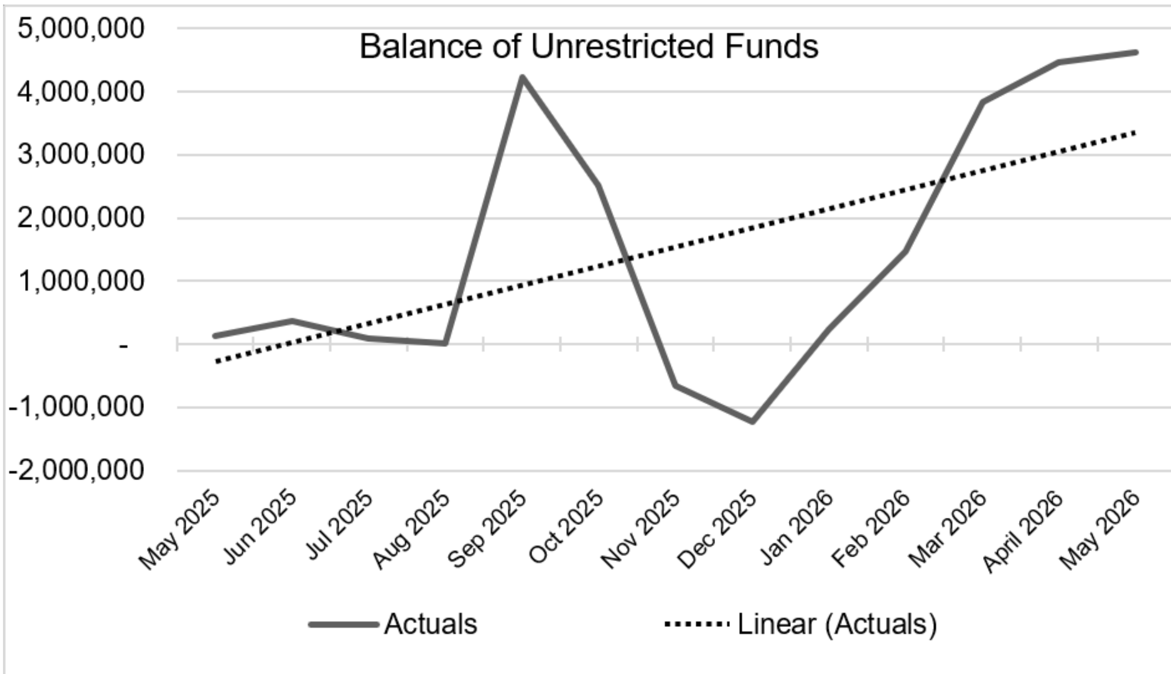
Issuer	Rating	Type	Interest	Purchase	Maturity	Rate %	Value
NAB	AA-	TD	At Maturity	04/09/2025	04/06/2026	4.18	1,000,000
State Bank of India, Sydney Branch	BBB	TD	At Maturity	11/06/2025	10/06/2026	4.30	1,000,000
Westpac	AA-	TD	Semi-Annual	10/07/2025	08/07/2026	4.15	2,000,000
ING Bank (Australia) Ltd	A	TD	At Maturity	22/07/2025	22/07/2026	4.15	1,000,000
NAB	AA-	TD	At Maturity	06/08/2025	05/08/2026	4.16	1,000,000
NAB	AA-	TD	At Maturity	11/03/2026	09/09/2026	5.06	1,000,000
BOQ	A-	TD	Annual	08/04/2026	07/10/2026	5.34	1,000,000
BOQ	A-	TD	At Maturity	08/04/2026	07/10/2026	5.34	2,000,000
NAB	AA-	TD	Annual	14/01/2026	14/10/2026	4.50	1,000,000
P&N Bank	BBB+	TD	Annual	08/04/2026	21/10/2026	5.38	1,000,000
NAB	AA-	TD	At Maturity	04/09/2025	04/11/2026	4.11	1,000,000
ING Bank (Australia) Ltd	A	TD	Annual	18/12/2025	18/11/2026	4.55	2,000,000
BOQ	A-	TD	Annual	04/12/2025	02/12/2026	4.39	1,000,000
State Bank of India, Sydney Branch	BBB	TD	At Maturity	29/04/2026	18/12/2026	5.35	2,000,000
ING Bank (Australia) Ltd	A	TD	At Maturity	07/01/2026	06/01/2027	4.64	1,000,000
P&N Bank	BBB+	TD	Annual	08/04/2026	13/01/2027	5.38	1,000,000
P&N Bank	BBB+	TD	Annual	08/04/2026	20/01/2027	5.38	1,000,000
ING Bank (Australia) Ltd	A	TD	At Maturity	04/02/2026	03/02/2027	4.83	1,000,000
ING Bank (Australia) Ltd	A	TD	At Maturity	11/02/2026	10/02/2027	4.89	2,000,000
ING Bank (Australia) Ltd	A	TD	At Maturity	11/03/2026	10/03/2027	5.14	1,000,000
NAB	AA-	TD	At Maturity	29/04/2026	24/03/2027	5.45	2,000,000
ING Bank (Australia) Ltd	A	TD	Annual	08/04/2026	07/04/2027	5.43	1,000,000
Bendigo and Adelaide	A-	TD	Annual	08/04/2026	14/04/2027	5.39	1,000,000
NAB	AA-	TD	Annual	27/05/2026	12/05/2027	5.35	1,000,000
State Bank of India, Sydney Branch	BBB	TD	At Maturity	28/05/2025	28/05/2027	4.25	1,000,000
Hume Bank	BBB+	TD	Annual	06/08/2025	04/08/2027	3.95	1,000,000
NAB	AA-	TD	Annual	27/05/2026	24/05/2028	5.35	1,000,000
Westpac	AA-	CASH	Monthly	31/05/2026	31/05/2026	4.25	7,965,792
					Total		**40,965,792**

Restricted Funds movements

The restricted funds movement for May 2026 are presented in the tables below.

Cash and Investments Held	**30/04/2026**	**Movement**	**31/05/2026**
Cash at Bank - Transactional Account	9,112,978	(1,147,186)	7,965,792
Other Cash and Investments	33,000,000	-	33,000,000
Total Portfolio Balance (agrees to Arlo Advisory report)	**42,112,978**	**(1,147,186)**	**40,965,792**
Cash on Hand	5,550	-	5,550
Unpresented cheques & other items	224,221	94,570	318,791
Book Value of Cash and Investments	**42,342,750**	**(1,052,616)**	**41,290,133**
Unspent Loan Funding	400,000	-	400,000
Unexpended Grants	4,534,128	(210,364)	4,323,764
Developer Contributions (Unexpended)	15,381,130	69,323	15,450,453
Stormwater Levy	614,926	38,009	652,934
Security bonds, Deposits & Retentions	2,201,251	77,322	2,278,573
Crown Reserve	3,842,295	(487,252)	3,355,043
Domestic Waste Management	7,824,598	(34,409)	7,790,189
Blue Haven Terralong ILU Maintenance Levy	1,715,405	-	1,715,405
Roads Reserve	35,200	-	35,200
External Restrictions	**36,548,933**	**(547,372)**	**36,001,561**
Employee Leave Liabilities	1,440,502	-	1,440,502
Land Development	-	-	-
Temporary Funding of Disaster Recovery Funding Agreement Works	(618,223)	(651,701)	(1,269,925)
Blue Haven Terralong ILU Prudential Cover	500,000	-	500,000
Plant Replacement	-	-	-
Risk Improvement Incentive	-	-	-
Terralong ILU Capital Works	-	-	-
Internal Restrictions	**1,322,278**	**(651,701)**	**670,577**
Unrestricted Cash	**4,471,539**	**146,457**	**4,617,996**

Unrestricted funds



Council's unrestricted cash increased by $146K during May to $4.6M. Overall cash balance decreased during May from $42.3M to $41.3M. The $1M decrease is a result of business-as-usual operations and the following significant events:

- Capital works of $190K
- Net ILU Unit Sales of $316K
- Grant funding received of $294K

Council has adopted a deficit budget for the 2025-26 financial year, along with an increase of $4.0 million in unrestricted cash; excluding proceeds from asset sales of $4.8 million, unrestricted cash is budgeted to decrease by $0.8 million. As a result, it is anticipated Council will need to draw from internal reserves to provide a buffer at times during the year, until cash proceeds from operating surplus or planned divestments are realised. The 'negative' trends in the chart reflect such occurrences.

The following table shows the formal use of these internal restricted reserves. No repayment of previous drawdowns of internal restricted reserves is planned at this stage until available funds exist. This will be reviewed during 2026/27 with a coinciding review of all restricted reserves.

The summary of extraordinary transfers from reserves 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
25/144OC	30/04/2025	Land Development	**-476,308**	Insufficient unrestricted cash balance – to be repaid when funds available
25/144OC	30/04/2025	Plant Replacement	**-900,000**	Insufficient unrestricted cash balance – to be repaid when funds available
25/144OC	30/04/2025	Terralong ILU Capital Works	**-1,100,000**	Insufficient unrestricted cash balance – to be repaid when funds available
25/259OC	31/07/2025	Plant Replacement	**-874,588**	Insufficient unrestricted cash balance – to be repaid when funds available
25/289OC	31/08/2025	Employee Leave Liabilities	**-1,500,000**	Insufficient unrestricted cash balance – to be repaid when funds available
25/289OC	31/08/2025	Terralong ILU Capital Works	**-1,000,000**	Insufficient unrestricted cash balance – to be repaid when funds available
		Total repayable transfers	**-7,271,600**	

As noted earlier and as per each resolution in accordance with the policy, above transfers will be repaid as soon as unrestricted funds become available. While the unrestricted cash position in the earlier table is positive, any possible transfer to the above reserves is not recommended at this stage. A review will be undertaken after mid year December 2026 results and forecasts are reviewed to determine appropriate balance targets for each internal reserve and a report presented to Council in February 2027.

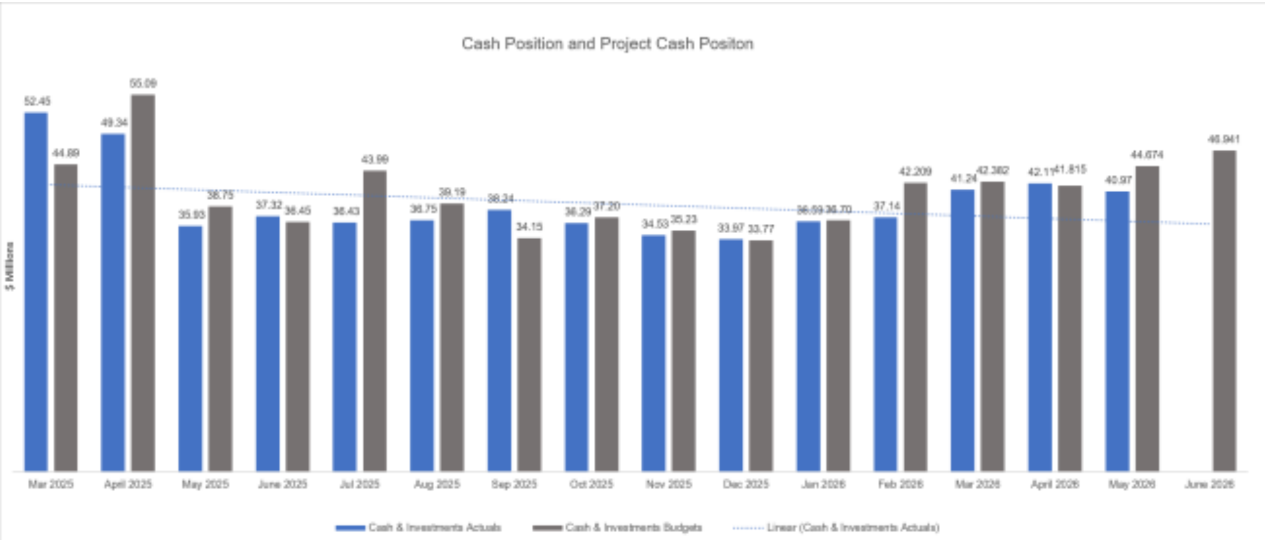
Item 14.3

Consolidated cash position and cash flow forecast

The below graph depicts the historical cash balances for a period of 12 months including May 2026 and a forecast until 30 June 2026, while comparing the current cash reserve balance to the budgeted cash reserve balance.

The cash position at the end of May 2026 is $3.7MK unfavourable to forecast. This is mainly due to delayed ILU deposits.

The cash flow forecast will continue to be tightly monitored and updated across Council's entire operations, but notably to reflect the timing issues of key matters such as the Blue Haven Terralong building compliance issue and the upcoming unit sales, which have a significant impact on cash reserves. Additionally, a review of all internal and external reserves along with a review of internal corporate allocations will occur to ensure appropriate and equitable allocation across business units and corresponding reserves.



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.

Jose Diaz
Chief Financial Officer

09/06/2026

14.4 Update on proposed lease: Gerringong Surf Life Saving Club

CSP Objective:	Outcome 1.2: We embrace the natural beauty of our area which fosters a healthy, active lifestyle and a diverse range of activities to sustain our mental and physical well-being, supported by the services and facilities we rely on.
CSP Strategy:	1.2.1 Foster accessible, inclusive and safe community spaces, facilities and services that cater to a range of physical, mental and social needs for different ages and abilities.
Delivery Program:	1.2.1.1 The community has access to equitable and affordable facilities that meet their needs.

Summary

The purpose of this report is to provide Council with an update on the progress of the proposed lease to Gerringong Surf Life Saving Club Incorporated (GSLSC) and to recommend that Council make an application to the Minister for Local Government, the Hon. Ron Hoenig, for consent to enter the proposed lease.

Council staff have been working with the executive of the GSLSC to finalise the draft lease agreement including addressing the submissions received during the exhibition period for the proposed lease agreement.

In accordance with the *Local Government Act 1993,* Section 47 (5) Council must not grant a lease, licence or other estate except with the Minister's consent if a person makes a submission by way of objection to the proposal. There were seven (7) objections received. Therefore, Council must make an application to the Minister for Local Government, the Hon. Ron Hoenig, for consent to enter the proposed lease.

The submissions outlined four (4) main concerns; use of the members' changing rooms and toilets, storage for Werri Beach Boardriders equipment, the operation of the kiosk and community use of the club upstairs area.

The report is recommending that Council enter into a licence agreement with the Werri Beach Boardriders for a period of 10 years for storage of their trailer and other equipment to assist with acknowledging their recognition by the NSW Government as an emergency lifesaving organisation. This will ensure the Werri Beach Boardriders can continue to effectively support community safety and contribute to the broader lifesaving function of the Werri Beach precinct.

The report is also recommending that Council adopts an operating model for the first-floor space as a community facility with GSLSC granted defined and regular use. This will ensure equitable community access whilst maintaining structured use of the Surf Club.

Financial implication

There is no financial implication to applying to the Minister for Local Government for consent to enter the proposed lease.

Risk implication

Council must adhere to the *Local Government Act 1993*, Section 47 (5) which states:

> *Council must not grant a lease, licence or other estate except with the Minister's consent if a person makes a submission by way of objection to the proposal.*

Policy

Local Government Act 1993

Council's Public Land Management Policy

Council's Lease and Licence Policy (including Rental Rebate)

Consultation (internal)

Director Corporate & Commercial

Manager Property & Commercial

Property Coordinator

Communication/Community engagement

Under the *Local Government Act 1993* (the Act) Council is required to advertise the proposal in accordance with s 47 of the Act, which has allowed the community to comment on the proposal within the 28 day advertising period, which ended on 23 November 2025.

There was a total of 93 submissions received:

- 82 in support of the lease
- 7 objections to the lease
- 4 uncertain

A full list of the submissions is contained in the background of the report.

Attachments

Nil

Enclosures

1 Letter from Surf Life Saving NSW to CEO and Mayor dated 13 May 2026⇨

RECOMMENDATION

That Council:

1. Apply to the Minister for Local Government for consent to enter into a ten (10) year plus ten (10) year lease with Gerringong Surf Life Saving Club Incorporated for the premises known as Lot 1 DP 1075959 Pacific Avenue Werri Beach.
2. Receive a further report outlining the outcome of the application to the Minister for Local Government for consent to enter a ten (10) year plus ten (10) year lease with Gerringong Surf Life Saving Club Incorporated.

3. Enter into a licence agreement for a period of ten (10) years with the Werri Beach Boardriders for the storage of their trailer, club memorabilia, historical records and shark drone equipment within agreed ground floor area of the GSLSC.
4. Note the information provided on the concerns raised in relation to the use of the members changerooms and toilets, and community use of the club upstairs area
5. Endorses Option 3 under the proposed Operating models for the first-floor space to ensure this is used as a community facility as well as Surf Life Saving regular use.

Background

Council at its meeting of 21 October 2025 resolved that:

> 1. *Council commences the formal process including advertising the proposal to enter into twenty (20) year lease with Gerringong Surf Life Saving Club Incorporated, for the premises known as Lot 2 DP 1075959, Pacific Avenue, Werri Beach.*
> 2. *A further report be presented to Council in relation to any submissions received prior to any final lease being executed.*

Council at its meeting of 17 February 2026 resolved that Council:

> 1. *Delegates to the Chief Executive Officer the authority to extend the License Agreement with Gerringong Surf Life Saving Club Incorporated for continued tenure for eight (8) months to October 2026 on the same current terms and conditions.*
> 2. *Undertake to prepare the final draft lease for Gerringong Surf Life Saving Cub Incorporated and submit to a future Ordinary meeting, noting that the Minister for Local Government will be the decision maker on this leasing matter as per Section 47 of the Local Government Act.*

This report provides an update on the progress of the proposed lease to Gerringong Surf Life Saving Club Incorporated. Council staff have been working with the executive of the GSLSC to finalise the draft lease including addressing the submissions received during the exhibition period for the proposed lease agreement.

Licence agreement

Gerringong Surf Life Saving Club Incorporated have entered into a licence agreement with Council for continued tenure for the term of eight (8) months to 13 October 2026 on the same current terms and conditions as the previous license agreement.

Draft lease agreement

Council staff have been working with the executive of the GSLSC to finalise the draft lease agreement including addressing the submissions received during the exhibition period for the proposed lease agreement. As requested by GSLSC, Council, has utilised the NSW Surf Life Saving Lease template for the proposed lease document.

Public exhibition and feedback

As per s 47 of the Act, the draft lease was placed on public exhibition between 27 October 2025 and 24 November 2025. Letters, signs, website, etc were used to advise the public. During the exhibition period, there was a total of 93 submissions received:

- 82 in support of the lease
- 7 objections to the lease
- 4 uncertain

The Councilors have been provided with a current draft copy of the proposed lease and maintenance schedule prior to submitting to the Minister for Local Government for consent. Further updates to the proposed lease may be required to respond to the final resolution of Council.

Below is a summary of the submissions received, Council's response and recommendations and any changes to the lease.

Submission details	Number of submissions which raised concern	Recommendations of the Submissions	Change to the proposed lease
Community Use Community building however, is confusing around what services the community can access within the building. Function hire area upstairs becomes accessible not only to SLSC members. Accessibility: the building was built with public funds on public land and should be publicly accessible. Club should not be able to sub lease to a third party. Provide upstairs as a 'public hall' which would be consistent with plan of management. The Surf Clubs conditions of consent under DA make it very clear that the Clubhouse is to be used	26	Submissions generally supported the inclusion of a clause within the draft lease requiring that any sub-leasing arrangement be subject to prior written approval from Council. It is recommended that this clause be retained, as it provides an appropriate level of oversight while still allowing flexibility for the tenant to propose sub-leasing arrangements. It is further recommended that the clause explicitly maintains that Council's consent must not be unreasonably withheld, ensuring that potential opportunities for broader use of the premises are not unnecessarily constrained. Submissions also highlighted the importance of recognising the building as a publicly funded asset situated on public land. Accordingly, it is recommended that Council continue to emphasise that the facility should remain accessible and deliver a broader community benefit. Any sub-leasing or	Yes – proposed Council adopt an operating model for the first floor area to ensure community usage. A license will be issued to the GSLSC for their operations upstairs

Submission details	Number of submissions which raised concern	Recommendations of the Submissions	Change to the proposed lease
as Community Facilities only and not for commercial uses such as Function Centre or restaurants.		occupancy arrangements should therefore align with this objective, supporting activities that enhance community use and engagement rather than limiting access or creating exclusive use outcomes. It is recommended that Council formalise the operational approach for the upstairs space through the development and assessment of a range of management options. This should include consideration of different operating models to determine the most effective and equitable way to maximise community access and benefit. Further detail on these potential models is outlined in the Management Options section below. Option 3 is recommended, which gives community access to the first floor area	
Changerooms and Bathroom Facilities Access footpaths to disabled toilets comply. Building to be fully accessible to persons with a disability. Disability toilets should have space and seating for showering and disabled persons to manage dressing with privacy. Downstairs toilets and changerooms (northern side of building) to become available for community use, not just to members.	8	Advice from Surf Life Saving NSW (SLSNSW) that does not support providing unrestricted access to surf club facilities due to concerns regarding safeguarding and the protection of junior members. It was highlighted (GSLSC) has limited capacity to monitor and control access by unauthorised individuals, and that shared use of changerooms may present challenges in maintaining appropriate safety, privacy, and oversight for junior participants. Submissions also reflected strong community expectations that publicly funded facilities on	No

Submission details	Number of submissions which raised concern	Recommendations of the Submissions	Change to the proposed lease
		public land should be broadly accessible. Detailed response provided below	
Kiosk Kiosk become commercial operation not run by the club. GSLSC should operate the Kiosk freely and make their own profit and spend it how it sees fit. Kiosk extend trading hours. Kiosk card only payment. Kiosk operations to be made commercial Kiosk become commercial operation, not run by the club If Kiosk cannot be commercially operated, a coffee van / food truck accessible within carpark	12	Submissions raised matters relating to the operation and management of the on-site kiosk. Council notes that the kiosk is operated by GSLSC and cannot be sublet to a commercial operator due to current zoning restrictions. GSLSC retains responsibility for financial performance, trading hours (as set by the approved development consent), and service offerings, with Council not seeking a share of revenue. Consistent with the lease provisions, any future proposal to sublet would require Council approval. GSLSC has advised no intention to sublet. Should the kiosk cease trading, that Council may consider alternative arrangements, such as a mobile food and beverage vendor, to support ongoing public amenity.	No
DA Matters Lack of sufficient seating surrounding building. Insufficient parking surrounding club. Showers not built in accordance with the DA. Kiosk non-compliant.	13	It is noted that these matters relate to the design, approval, and compliance of the development and are therefore governed by the conditions of the Development Consent, rather than the terms or provisions of the proposed lease agreement. They do not form part of the leasing framework and are outside the scope of the proposed lease, which is limited	No

Submission details	Number of submissions which raised concern	Recommendations of the Submissions	Change to the proposed lease
		to the occupation and management of the facility.	
Commercial Opportunities Building become a full service model offering affordable, quality food service. Club should be able to use all of the spaces commercially Once lease approved a DA should be lodged for commercial operations on Community land within the clubhouse Proper commercially minded management of utilised areas into upstairs function area, kiosk and clubhouse downstairs to reach club full potential An opportunity to offer locals tourists a world class venue with café, bar and bistro whilst supporting the surf club and share by the community like other locations including Wollongong and Shellharbour Sunday sippers – opportunity to have a venue that is licensed and provide food similar to clubs on the lower gold coast whilst providing an income stream to Council / Club Commercial opportunities allow the club to function	18	Submissions raised concerns regarding the permissibility of ongoing commercial operations at the site. In response, it is noted that the current zoning of the land does not permit such activities on a permanent basis. As such, any proposal to expand or formalise commercial operations beyond what is currently authorised would not be supported under the existing planning framework and would require further statutory planning consideration. It is further noted that matters relating to land use permissibility, zoning, and classification are governed by planning legislation and the applicable environmental planning instruments, and are therefore not matters addressed through the proposed lease. Should (GSLSC) wish to pursue changes to enable expanded commercial activity, it may consider preparing a planning proposal to amend the zoning and/or classification of the land. Any such proposal would be subject to a formal assessment process, including consideration of its strategic merit and impacts, and would require consultation with the community in accordance with statutory requirements.	No

Submission details	Number of submissions which raised concern	Recommendations of the Submissions	Change to the proposed lease
effectively without burdening Council or the Community of further funding Gym to be sublet. Gerringong needs venues that can be hired for whatever occasion as there are limited places now of this size and outlook Reclassification from Community to Operational land not supported.			
Werri Beach Boardriders Werri Beach Boardriders club need to be included in the lease as having provision to store their trailer, club memorabilia and history and shark drone equipment having been recognised by the NSW government grant as a emergency lifesaving organisation. Both the surf club and board riders have supported each other with youth training and surf education and assist each other with rescues. This community service by the board riders club needs formalised and recognised by suitable allocation of space and use of the new community building in the proposed lease.be able to access change rooms & toilets.	2	It is proposed to enter into a licence agreement for a period of 10 years with the Werri Beach Boardriders for the storage of their trailer, club memorabilia, historical records and shark drone equipment within agreed ground floor area of the GSLSC. Detailed response provided below	No

Submission details	Number of submissions which raised concern	Recommendations of the Submissions	Change to the proposed lease
Other Matters 10 year term is too low for a service that offers life saving and emergency services. Longer lease term, past leases were 20 years	8	The proposed lease term of 10 years plus 10 years equates to a total of 20 years. This is the same term as the other 2 surf clubs in the Kiama local government area. This is also in line with Council's Lease and Licence Policy.	No
Clarity of management for functions i.e. functions per annum, noise & curfews for surrounding residents Very loose interpretation of definitions of events allowed	4	The proposed lease allows for Surf Club member related events being celebratory recognition events, lifesaving awards events, social functions – being any gathering of members of the club and their guests organised by the club for social purposes. The hours of operation for the clubhouse will be included in the proposed lease, being 7am till 12midnight and any hiring agreement for the upstairs area. The development consent states - noise from any activity within and around the GSLSC must be within the provisions of the Protection of the Environment Operations Act 1997.	Yes – clause stating the hours of operation of upstairs area for surf club for related events.
Financials of the club should be publicly accessible being a community building	2	Under Council's Lease and Licence Policy surf clubs are required to provide Council with their audited financial reports by 30 September each year.	There is a clause in the lease to cover this.
Lease must be clear and concise to adhere to all regulations	1	Lease must be clear and concise to adhere to all regulations	No
Alcohol permitted – licensing queries	3	A liquor licence is required from the Office of Liquor and Gaming for the provision of alcohol sales and consumption. GSLSC currently holds a liquor licence.	No

Submission details	Number of submissions which raised concern	Recommendations of the Submissions	Change to the proposed lease
Ensuring compliance of lease terms	1	Council will implement regular monitoring, reporting and engagement measures - including six-monthly inspections in accordance with Council's Lease and Licence Policy - to ensure the tenant remains fully compliant with all lease terms and conditions.	No
Lease ensure that council protects the rights of council lifeguards to use the building. The lease must ensure that they have full access to the building to carry out their activities and adequate space allocated for storage of their equipment.	2	This clause is in the proposed lease: *'Council lifeguards and authorised staff may access and use the building at all times to carry out their duties.* The Tenant must not restrict this access and must provide adequate, designated space for the storage of lifeguard equipment. Council's access rights under this clause take priority over the Tenant's use of the premises where necessary.	There is a clause in the lease to cover this

Detailed response to submissions

1. <u>Members changing rooms and toilets</u>

Submissions received stated:

> *Downstairs toilets and changerooms (northern building) to become available for community use, not just to members.*

It should be noted that Surf Life Saving NSW has explicitly advised it does not support public or shared access to surf club changerooms, citing an inability to appropriately monitor access and the resulting risks to child safety, particularly for junior members. While the current design reflects what was approved during the assessment of the Development Application, and the club has invested in additional externally accessible public amenities, it is important to recognise that this arrangement differs from standard practice across the LGA.

At other sporting venue where member changerooms and toilet facilities are available to the public, there is no mechanism to appropriately monitor access for child safety especially for junior sporting members.

The other two Surf Life Saving Clubs within the LGA, member changerooms and toilet facilities are contained within clubhouses and are not publicly visible or accessible.

In this case, however, the external visibility of these facilities creates a community expectation of access, notwithstanding the newly upgraded public amenities nearby on the other side of the club building facing the park. Community expectations in this context generally centre on reasonable, convenient access to basic amenities—particularly toilets, showers and change facilities—when using public spaces such as beaches and sporting reserves.

Council's Draft *Visitor Economy Strategy* highlights there is a weakness in overcrowding and strain on many things including public amenities. It also states that Kiama's popularity places pressure on public amenities. Also Council's delivery program states – *'The community has access to equitable and affordable facilities that meet their needs*.' New public amenities have been provided on the southern side of the building with the construction of the new GSLSC.

It is noted that Council was not directly involved in the initial planning and design phase of the building. Following the receipt of Federal Government funding, the elected Council resolved to instruct the Chief Executive Officer to provide owner's consent for the lodgement of the Development Application (DA). As such, Council's role at the time was limited to enabling the progression of the project through the statutory and development assessment process planning process, rather than influencing the detailed design outcomes that have been raised in submissions.

Council has since introduced the proposed 'Works on Council Land' Policy, which establishes a more robust and transparent framework for the planning and delivery of development on Council-owned land. This policy outlines clearer requirements for early engagement, design review, and alignment with community expectations and Council standards. It is considered that, had this policy and associated processes been in place at the time, a number of the design-related concerns raised in submissions may have been identified and addressed earlier in the project lifecycle.

Balancing accessibility with safety and operational constraints is therefore a key consideration in meeting these community expectations and having toilet amenities available to the public whilst ensuring child safety at the same time. To ensure consistency with the other Surf Clubs in the LGA it is recommended that public access to these changerooms be restricted.

2. *Werri Beach Boardriders*

Submissions received in relation to the Werri Beach Board riders stated

> *Werri Beach board riders club need to be included in the lease as having provision to store their trailer, club memorabilia and history and shark drone equipment having been recognised by the NSW government grant as a emergency lifesaving organisation. Both the surf club and board riders have supported each other with youth training and surf education and assist each other with rescues. This community service by the board riders club needs formalised and recognised by suitable allocation of space and use of the new community building in the proposed lease.be able to access change rooms & toilets*.

It is understood that during the design development of the facility, Werri Beach Boardriders were consulted in relation to the layout and intended use of the building. Through these discussions, provision of storage space for the Boardriders was identified as a key requirement and was indicated as an intended inclusion within the facility. Furthermore, the original funding application emphasised that the building would function as a community hub, designed to support a range of user groups and to be fully accessible to the broader public. These commitments establish an expectation that the facility accommodates multiple stakeholders and delivers inclusive community outcomes consistent with its publicly funded purpose.

Therefore, it is recommended that Council consider entering into a 10-year licence agreement that formally recognises both the Surf Life Saving Club and the Werri Beach Boardriders Club, ensuring the Boardriders Club is appropriately included within the arrangements. This should provide for the storage of their trailer, club memorabilia and historical materials, as well as shark drone equipment, acknowledging their recognition by the NSW Government as an emergency lifesaving organisation.

The longstanding collaboration between the Surf Club and the Boardriders Club—particularly in youth training, surf education and mutual assistance in rescue activities—demonstrates a valuable community service that warrants formal recognition. Accordingly, the proposed lease should allocate suitable space within the new community building and provide equitable access to change rooms and toilet facilities, ensuring the Boardriders Club can continue to effectively support community safety and contribute to the broader lifesaving function of the precinct.

3. *<u>Community use of the upstairs area</u>*

Submissions received stated:

> *Community building however, is confusing around what services the community can access within the building.*
>
> *Function hire area upstairs becomes accessible not only to SLSC members.*
>
> *Accessibility: the building was built with public funds on public land and should be publicly accessible.*
>
> *Provide upstairs as a 'public hall' which would be consistent with plan of management*.

Council acknowledges community feedback highlighting confusion around access to spaces within the building, particularly the upstairs area and the expectation that, as a publicly funded facility on public land, it should be accessible and support broader community use. It is also acknowledged that many of submissions wrongly believe that the first floor of the building is a commercial or function centre. This is incorrect. Commercial activities, including function centres, are currently prohibited in the RE1 Public Recreation zone. The GSLSC are aware of this prohibition and it is for this reason that the DA for the building clearly outlines that the building has been approved as a *community facility.*

Funding applications for the design and construction of the building emphasised that the building would function as a community hub, designed to support a range of user groups and to be fully accessible to the broader public. These commitments establish an expectation that the facility accommodates multiple stakeholders and delivers inclusive community outcomes consistent with its publicly funded purpose including the local indigenous community.

There is a clear opportunity to improve transparency, accessibility, and alignment with the Plan of Management by formalising how the upstairs space operates.

To address this, three potential operating models are outlined below for consideration for the surf club and first-floor space, balancing Council oversight, community access, and surf lifesaving needs. All options include the same key considerations:

- Maintaining Surf Club operational capability and culture
- Ensuring fair and transparent community access
- Managing compliance, safety, and licensing requirements
- Providing clarity around booking priorities and allocation limits
- Aligning with Council's broader community facility management approach

Option 1 – Council-Operated Model

Council retains operational control of the first-floor space as a community facility, with the GSLSC granted defined and regular use. Under this model:

- The GSLSC is permitted to conduct "Sunday Sippers" during the lifesaving season, along with other life saving related events.
- The GSLSC is also allocated up to 52 functions per year including presentation nights, awards evenings, and lifesaving training activities..
- Council manages bookings and community access outside these agreed uses.

This ensures equitable community access while maintaining structured use by the GSLSC.

Option 2 – Shared Management Model

Council and the GSLSC jointly manage the space under a formal agreement:

- The GSLSC manages day-to-day use during the patrol season.
- Council manages off-season bookings and broader community use.
- Agreed allocations for GSLSC events (Sunday Sippers, training, awards, 26 functions) are retained.

This model promotes collaboration while reducing Council's operational burden.

Option 3 – Licence with Priority Use Rights

Council licenses the upstairs area of the building to the GSLSC with conditions:

- The GSLSC has primary use but must make the space available for community hire at agreed times.
- Council sets usage parameters, pricing, and compliance requirements.
- The GSLSC retains rights for core activities and approved events.

This provides more autonomy to the GSLSC while ensuring public benefit is maintained.

These options provide varying levels of Council control, community access and surf club autonomy, allowing Council to select a model that best aligns with strategic and operational priorities.

It is recommended that Council adopt **Option 3** – Licence with Priority Use Rights as the preferred model to operate the first-floor space as a community facility.

Section 47 – *Local Government Act 1993*

Council received 93 submissions with 7 objections to the proposed lease. Under the Act Council must apply to the Minister for Local Government for consent to enter into a ten (10) year plus ten (10) year lease with the Gerringong Surf Life Saving Club Incorporated.

Next steps

The next steps are to apply to the Minister for Local Government for consent to enter into the lease.

At this stage, while the Minister is considering the application to enter into the lease, it is appropriate that Council refine the operating model process for the upstairs space. Further discussions with the GSLSC will outline the functionality that balances the operational requirements of the surf life saving club with the expectations associated with a publicly funded facility on public land. This will ensure the building delivers both functional outcomes for its primary users and equitable access and community benefit consistent with its intended role as a shared public asset.

The table below sets out an indicative timeline for the completion of the proposed lease.

Updated timeline

Matter	Proposed date of completion
Prepare the application to the Minister for Local Government for consent to enter into the proposed lease	June 2026
Forward the application to the Minister for Local Government for assessment and consent	July 2026
Further consultation with the GSLSC identifying a preferred approach that balances the operational requirements of the surf life aving club with the expectations associated with a publicly funded facility on public land including the preferred operating model.	June – July 2026
Report to Council the outcome of the application for Ministers' consent to enter into the proposed lease	August 2026
Lease signed by both parties	September 2026
Lease registered on Title	October 2026

Conclusion

Council staff have been working with the executive of the GSLSC to finalise the draft lease agreement including addressing the submissions received during the exhibition period for the proposed lease agreement.

Council will now refine the operating model process for the upstairs space. Further discussions with the GSLSC will outline the functionality that balances the operational requirements of the surf life saving club with the expectations associated with a publicly funded facility on public land. This will ensure the building delivers both functional outcomes for its primary users and equitable access and community benefit consistent with its intended role as a shared public asset.