

Delivery Program

2025 – 2029

Operational Plan

2026 - 2027

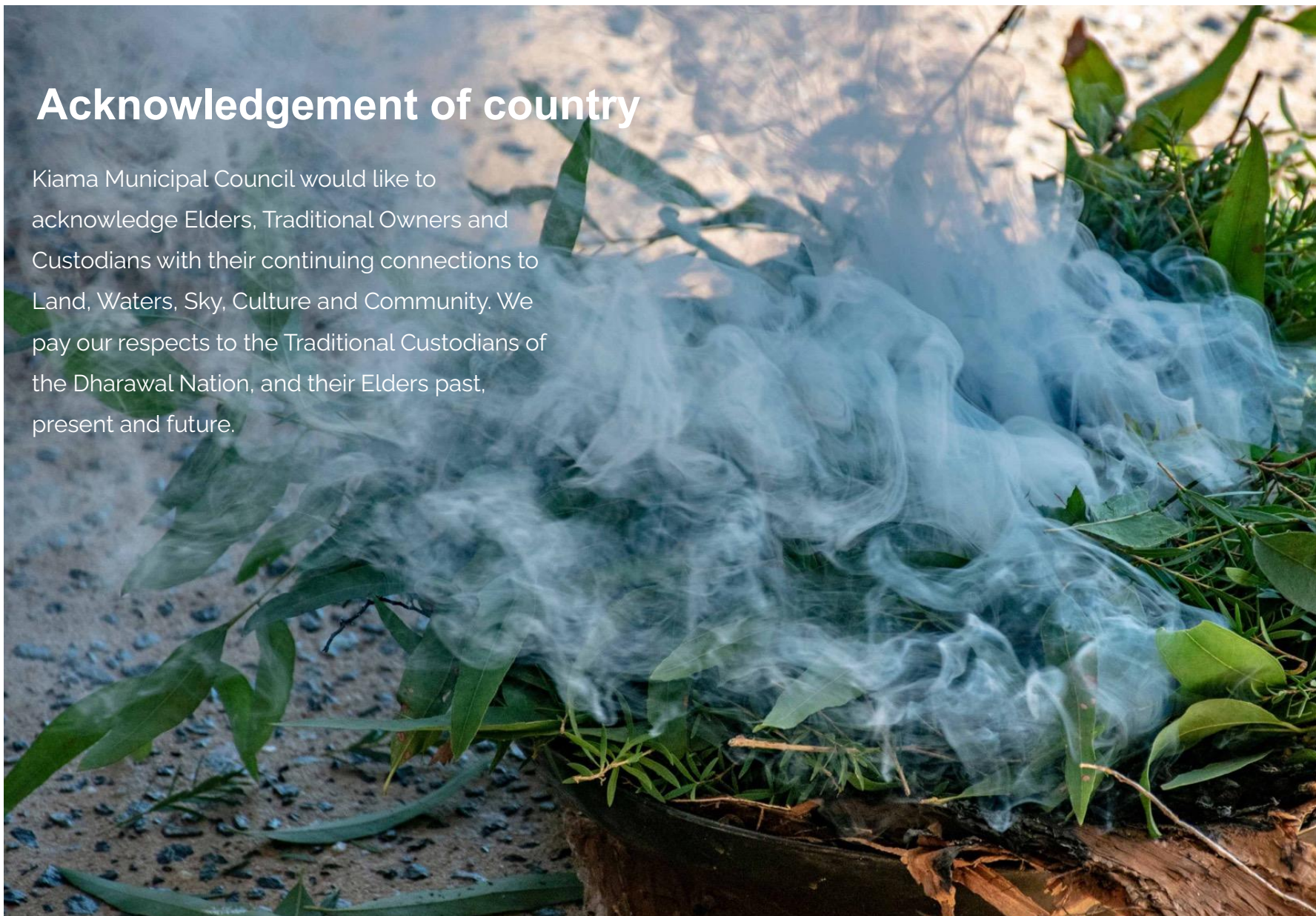


KIAMA MUNICIPAL COUNCIL
your council, your community



Acknowledgement of country

Kiama Municipal Council would like to acknowledge Elders, Traditional Owners and Custodians with their continuing connections to Land, Waters, Sky, Culture and Community. We pay our respects to the Traditional Custodians of the Dharawal Nation, and their Elders past, present and future.



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Attachment 1

Item 8.4

Message from our CEO

I am pleased to present our Delivery Program 2025-29 and Operational Plan (DPOP) 2026-27 to our community.

As we move into FY2026-27, we'll be in year two of our Delivery Program (DP) under our current 2025-2035 Community Strategic Plan, created in conjunction with our community and the new Council body who were elected in late 2024.

The Operational Plan (OP) is Council's annual program of works. It includes the Capital Works Program, the Annual Budget and the Statement of Revenue Policy.

Our OP is the roadmap for what Council will continue to deliver and maintain in terms of the infrastructure, services, projects and programs that provide the safe, healthy and vibrant community of Kiama that's loved by locals and visitors alike.

As such, you'll see in our DPOP that we're conducting a rolling program of service reviews to allow us to identify opportunities for improvement and efficiency.

We will continue to seek to maximise revenue opportunities and recycle our assets, making wise investments for a sustainable financial future.

I want to thank my staff for all the hard work they do each day, as we look forward to the implementation of this DPOP for 2025-29.

Thanks,
Jane



Our Executive Leadership Team



Jane Stroud

Chief Executive Officer

The office of the CEO's responsibilities include:

- Implementation
- Executive Support
- Media & Communications



Joe Gaudiosi

Director Corporate & Commercial

The office of the DCC's responsibilities include:

- Finance
- Information Technology
- People & Culture
- Property & Commercial
- Retirement Village Operations
- Customer Experience



Darren Brady

Director Infrastructure & Operations

The office of the DIO's responsibilities include:

- Operations and Maintenance
- Waste Services
- Engineering and Technical Services



Ed Paterson

Director Strategies & Communities

The office of the DSC's responsibilities include:

- Environment and Compliance
- Libraries
- Planning and Development
- Community Outcomes
- Tourism and Economic Development

The above Leadership Team breakdown represents the roles, position holders and responsibilities as at 1 July 2026, the date this plan will take effect

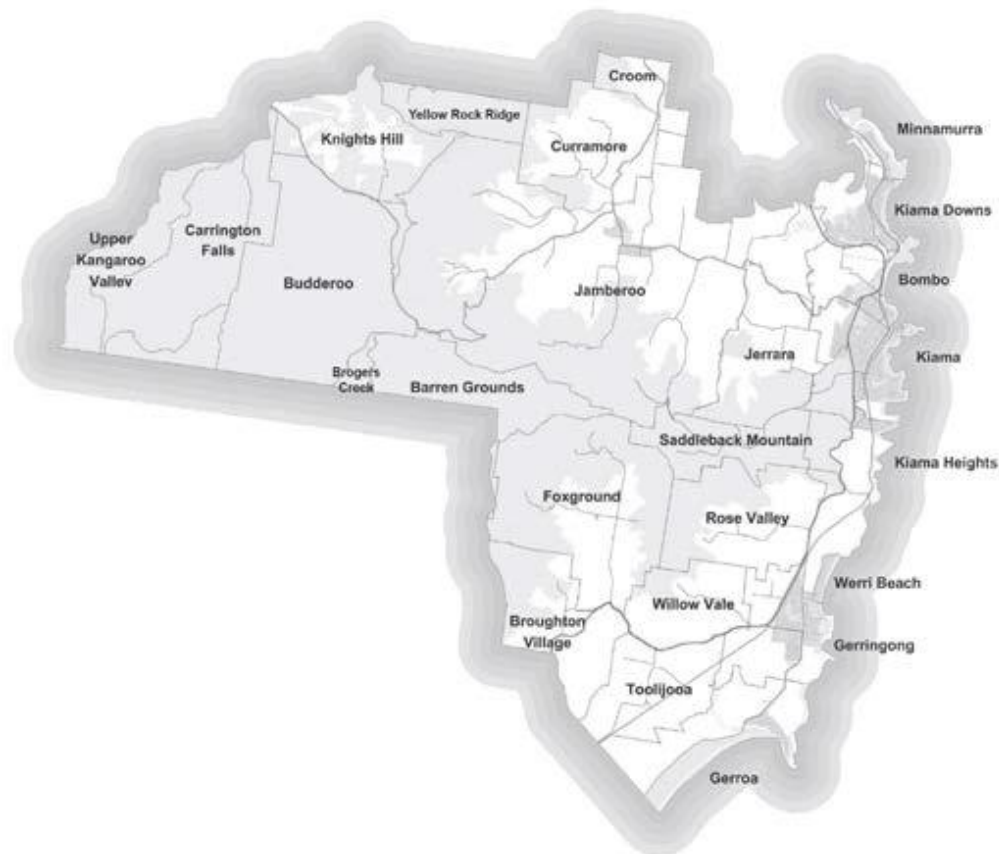
Our Municipality

The Municipality of Kiama is located 120km south of Sydney, in the Illawarra on the South Coast of New South Wales. The closest major regional centres to Kiama are Wollongong, Shellharbour and Nowra.

Our landscapes are diverse and include beaches, rainforests, escarpments, mountains and rural areas. The LGA is made up of six main towns, each with its own individual character.

These are: Gerringong, Gerroa, Jamberoo, Kiama, Kiama Downs and Minnamurra.

The Kiama area has a strong sense of community and locals take pride in their LGA. Kiama Council works hard to create and maintain a municipality with a healthy, vibrant, beautiful environment and a harmonious, connected and resilient community.



Integrated Planning and Reporting

All councils in NSW are required to operate within the Integrated Planning and Reporting (IP&R) framework. The IP&R framework guides how each council develops, documents and reports on their strategic plans for their Local Government Area. The framework reflects relevant legislative requirements under the *Local Government Act 1993*.

The IP&R framework requires each council to develop and implement a suite of planning documents in response to the Community Strategic Plan. Our Delivery Program 2025-29 and Operational Plan 2026-27 has been developed to meet all the essential elements outlined in the Integrated Planning and Reporting: Guidelines for Local Government in NSW September 2021. (Further details available at <https://www.olg.nsw.gov.au>).

The **Community Strategic Plan (CSP)** captures and reflects the community's vision and aspirations for Kiama Municipality. This is the 10-year plan that forms a basis for Council to respond to with its planning and delivery.

The **Community Engagement Strategy** outlines Council's approach to genuine and inclusive engagement to support development of plans, strategies, programs, key activities and service level reviews.

The **Delivery Program** is the four-year plan that outlines the specific activities that a council will undertake during its elected term to address the strategies and outcomes outlined in the CSP. It creates a link between the vision of the community and the operational plan of Council.

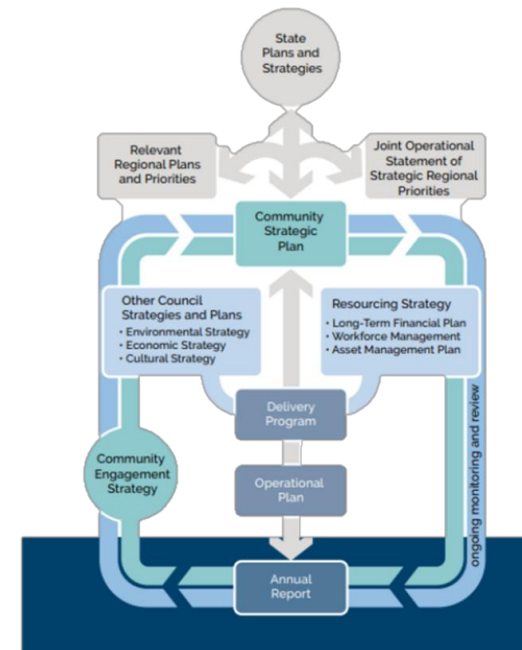
The **Operational Plan** then sets out the specific action that will be undertaken on a yearly basis to achieve the Delivery Program, along with the detailed annual budget.

The **Resourcing Strategy** shows how Council will leverage its available resources to implement the Delivery Program and Operational Plan (DPOP).

Kiama Council presents the DPOP in a combined document to highlight the direct link between the four-year Delivery Program activities and the annual Operational Plan actions and budget. The 2026-27 financial year is the second year of the current Delivery Program 2025-29. Included within this plan are the details of the actions for each activity and how these actions will be measured. It also contains Council's detailed Annual Budget and Revenue Policy, including proposed rates, fees and charges.

Supporting documents

Council has a suite of strategies and plans that are called supporting documents. These documents provide strategic direction on a wide range of Council's services, facilities and assets. Key activities and action contained within the supporting documents have been prioritised and included in the Delivery Program 2025-29 and the Operational Plan 2026-27.



Plans and strategies guiding Council's actions

Alongside the Integrated Planning and Reporting (IP&R) suite of plans sits a Resourcing Strategy that shows how Council will leverage available resources to implement the DPOP.

The Resourcing Strategy is comprised of:

- Long Term Financial Plan
- Workforce Management Strategy
- Asset Management Strategy

Progress reporting: IP&R progress is reported through quarterly budget statements, half-yearly progress reports, annual reports and the four-year State of Our Municipality Report which is provided at the second meeting of a newly elected Council.

Underpinning all of this are Principles of Social Justice.

All plans are developed giving consideration to the four key areas of Community, Environment,

Economy and Civic Leadership, and are based on the Social Justice Principles of:

Equity – There should be fairness in decision-making, prioritising and allocation of resources particularly for those in need. Everyone should have fair opportunity to participate in the future of the community.

The planning process should take particular care to involve and protect the interests of people in vulnerable circumstances.

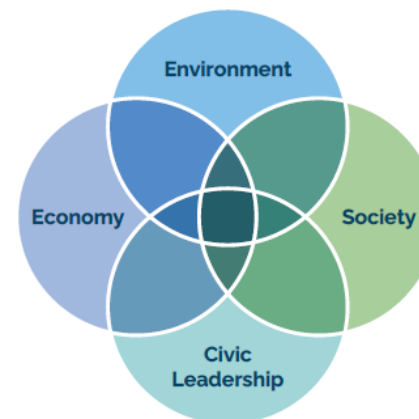
Access – All people should have fair access to services, resources and opportunities to improve their quality of life.

Participation – Everyone should have the maximum opportunity to genuinely participate in decisions that affect their lives.

Rights – Equal rights should be established and promoted, with opportunities provided for people

from diverse linguistic, cultural and religious backgrounds to participate in community life.

Social Justice Principles



About this plan

Each year, we produce an Operational Plan (OP) that outlines the actions Council will be focused on delivering to achieve our Delivery Program (DP) and contribute towards Kiama LGA's Community Strategic Plan.

This plan covers the period 1 July 2026 – 30 June 2027 and outlines our second OP under the 2025-2035 CSP and 2025-29 DP.

The OP is combined with the 2025-29 DP (which was adopted by Council in June 2025) to form a single Delivery Program and Operational Plan (DPOP) document. It should be noted by readers that while this is a combined document, the Delivery Program is not updated annually given it outlines a four-year program of activity that is supported through the actions detailed in each annual OP.

You can also view current versions of the CSP 2025-2035, [Community Strategic Plan \(CSP\) Kiama Council](#) on our website.

The DPOP follows the structure of our 2025-2035 CSP, which has four focus areas, under which sit key goals and delivery strategies, which determine the focus of and underpin DP activity and OP actions.

The four focus areas of our CSP are:



Liveable



Sustainable



Resourceful



Responsible



How to read this Plan

The below table outlines how to read this plan in reference to the Community Strategic Plan (CSP) cascading structure of focus areas, goals and strategies. Based on the CSP, in June 2025 Council adopted the 2025 -29 Delivery Program (DP), in reading this plan reference is made to Activities from the DP – these activities cover the four-year term of the DP and are shown as activities supporting goals from the CSP.

Term used in the plan	Cascading Code e.g.,	What this term means.
CSP Focus areas	1	The focus areas reflect the aspirations of the community, supporting the Community Vision. Our Community Vision and aspirations have been grouped into four key areas.
CSP Goals: Where do we want to be?	1.1	The outcomes are the goals we aim to achieve and are linked to the focus areas of the vision. They are numbered as 1.1, 1.2 and so on.
CSP Strategies: How will we get there?	1.1.1	The strategies are how we will achieve the outcomes. They reflect the 2025-2035 Community Strategic Plan (CSP). They are numbered as 1.1.1, 1.1.2 and so on.
Delivery Program: Four-year activity	Activities that outline how Council will contribute to delivering the vision, goals and strategies of the CSP across the four-year period 2025-29.	
Operational Plan	The actions Council will focus on in the 2025-26 financial year to contribute to achieving Delivery Program activities in the coming financial year.	
Measures	Outputs are mainly used when measuring the Operational Plan – these are the measures detailed in this plan. Outcomes are mainly used when measuring the Delivery Program. A combination of information is used to demonstrate 'the difference the actions of Council made' when reporting on these plans.	

Below these DP activities are tables of 2026-27 Operational Plan (OP) actions and associated output measures, which contribute to achieving the DP activities. This plan represents year two of the four-year overall DP and as such does not include all work that will be undertaken to deliver DP activities, as some of this will occur in future years of the DP.

Our 2026-27 DPOP





Attachment 1

Item 8.4

liveable

We are part of a connected and liveable community.

Delivery Program activity supporting Goal 1.1

Ensure the community continues to have access to quality seniors accommodation and services for current and future residents.

Empower and build a connected, resilient, safe and cohesive community through partnerships and community development programs and initiatives.

Deliver programs and activities that support lifelong learning, build social inclusion and promote a sense of belonging.

Create welcoming, vibrant and accessible library spaces to build a stronger library community.

Develop customer-driven dynamic and sustainable collections.

Support access, equity and inclusion through current and emerging technology.

Operational Plan action	Measure	Responsible team
Develop key priority actions for the Blue Haven Terralong Retirement Village asset condition report including the peer review of the report.	Number of priority actions listed. Peer review finalised.	Corporate and Commercial
Develop key action list from the Fire Safety Order and related building compliance matters.	Key action list developed for 26/27 year addressing building compliance.	Infrastructure and Operations
Commence and complete review of existing Disability Inclusion Action Plan (DIAP).	Desktop review. Community and stakeholders' consultation. Revised DIAP is drafted.	Community Outcomes
Review current practices relating to recruitment and retention (including work experience and volunteering), to ensure they are inclusive of people with disability.	Desktop review. Include reference to Access and Inclusion index audit.	People and Culture

Operational Plan action	Measure	Responsible team
Investigate developing a talent register of local people with disability who could be recruited for opportunities or panels and events.	Talent register is developed.	People and Culture
Subject to receiving appropriate grant funding, prepare an accessibility audit priority program of Council-owned or managed public space and public buildings	Audit undertaken (funding dependent).	Engineering and Technical Services
Facilitate partnership and collaboration with First Nations community to co-design meaningful cultural events and activities, aligned with cultural protocols.	Deliver three significant cultural events. Joint applications for funding. Embed Aboriginal Cultural Protocols in operations.	Community Outcomes
Facilitate culturally appropriate, genuine and meaningful engagement and consultation with First Nations peoples in alignment with the Community Engagement Strategy (CES).	Co-convene the Aboriginal Advisory Group. Facilitate consultation on key Council strategies and plans. Participation in Council programs and services. Access to facilities and open space.	Community Outcomes
Commence planning and undertake necessary works to host the Illawarra Local Government Regional NAIDOC Awards to be held in Kiama in July 2027.	Planning commences. Convene NAIDOC Awards Committee. Convene community consultation and engagement. Implementation Plan developed for delivery in July 2027.	Community Outcomes
Deliver the community grants, donations and sponsorship program to build capacity within community groups and organisations.	Facilitate two rounds of grants annually. Facilitate Donations (Small Grants) program open year-round. Manage documentation, record keeping and accountability reports.	Community Outcomes
Convene and co-convene interagencies and networks to support sector, build partnership, identify and support emerging community needs and groups.	Meeting convened or attended. Actions implemented. New partnerships established. Advocacy and support on emerging needs.	Community Outcomes
Deliver and host community events to facilitate participation, celebrate days of significance to community and target groups, promote access, inclusion and community cohesion and safe activation of community facility and open spaces.	Deliver and evaluate up to seven community events. Source and secure external grants.	Community Outcomes

Operational Plan action	Measure	Responsible team
Develop a comprehensive Community Safety Plan.	Community Safety Plan developed.	Community Outcomes
Lead arts and cultural development through implementation of actions and initiatives from Create Kiama, including creative learning, commissioning of public arts and resource development.	Delivery of creative learning program, workshops and public arts initiatives. Collaborative and resourceful art community.	Community Outcomes
Deliver practical sessions on grant writing, marketing, portfolio development and arts entrepreneurship - led by cultural leaders, industry experts and/or established artists.	A minimum of two professional development workshops annually. Attendee feedback reporting increased skills or confidence. Artists and emerging arts feel supported.	Community Outcomes
Coordinate the annual Old Fire Station exhibition program.	Number of exhibitions. Number of visitations.	Community Outcomes
Support public street art, murals and outdoor festivals that contribute to Kiama's unique identity.	A minimum of one public art project (temp/permanent) annually. Support a minimum of two festivals/events each year.	Community Outcomes
Prepare a holistic business case for Kiama Library to analyse the existing and potential layout to maximise flexibility.	Business case and strategic recommendations reported to Council and included in future Asset Management Plan/s for Kiama Library.	Libraries
Create a visible and public online database of our public art and permanent art collection.	Database launched. Artworks/catalogued entries are accessible online.	Community Outcomes

Delivery Program activity supporting Goal 1.2

Community has access to equitable and affordable facilities that meet their needs.

Kiama Leisure Centre is managed efficiently and effectively and remains competitive in the industry and region.

Investigate development of Community Facility Strategy, inclusive of Leisure Centre.

Finalise the development of a masterplan to include future plans and design for Kiama Leisure Centre.

Ensure and enhance public health and safety and compliance by implementing/enforcing the following:

- *Public Health Act 2010* and associated regulations
- *Swimming Pool Act 1992* and associated regulations
- *Food Act 2003* and associated regulations
- Australia New Zealand Food Standards Code

Implement the requirements of the *Roads Transport Act 2013*, Road Rules and *Public Spaces (Unattended property) Act 2021*. Investigate and action parking, traffic and abandoned item complaints. Make legal determination for non-compliance (caution/warning/infringement). Conduct scheduled parking patrols to support effective traffic and parking management.

Develop Open Space and Recreation strategy.

Deliver educational programs, services and infrastructure that improve the cleanliness of public places and reduce litter.

Modernise and standardise the cleaning services provided to all Council facilities.

Operational Plan action	Measure	Responsible team
Deliver lifesaving services across seven beaches from October-April annually: Jones Beach North Bombo Beach Surf Beach Kendalls Beach	Maintain staffing levels to ensure lifeguard positions are filled for all operational hours. Weekend and weekly beach lifeguard serviced delivered as per the seasonal timetable.	Community Outcomes
Easts Beach (subject to cost recovery) Werri Beach Seven Mile Beach		

Operational Plan action	Measure	Responsible team
Deliver safe and high quality recreational and aquatic programs through Council's leisure and fitness facilities, achieving agreed participation, safety and customer satisfaction targets from the customer satisfaction survey, while promoting community health, wellbeing and water safety for residents and visitors.	70% respondent rate in the customer satisfaction survey. Use of diverse participation method. Meet or exceed annual participation targets for programs. Maintain 100% compliance with safety and regulatory requirements. Demonstrated positive impact on community health and wellbeing.	Community Outcomes
Ensure the safe seasonal operation of Jamberoo Pool by meeting all compliance, maintenance and safety standards throughout the operating period.	Community response rate.	Community Outcomes
Undertake essential maintenance and renewal works at the Kiama Leisure Centre as per outstanding priority works.	Complete 95% of planned maintenance and renewal works within agreed timeframes. Deliver works within approved budget allocations. Complete high-priority works within defined service levels.	Operations and Maintenance
Implementation of maintenance and operation fee for sports ground usage.	Deliver implementation of sports ground maintenance and operations fee within approved timeframe.	Property and Commercial
Ensure requirements of the <i>Swimming Pools Act 1992</i> are met.	Develop and implement inspection program.	Environment and Compliance
Manage and implement requirements of the <i>Public Health Act 2010</i> and Regulation 2022, in relation to water quality of public swimming pools, public non-reticulated drinking water, skin penetration and legionella in accordance with legislative requirements.	Develop and implement inspection program.	Environment and Compliance
Conduct regular inspections of food businesses, providing food safety education programs and ensuring adherence to the Australia New Zealand Food Standards Code.	Develop and implement inspection program.	Environment and Compliance
Conduct scheduled parking patrols to support effective traffic and parking management, and investigate and action reports of illegal parking, traffic and abandoned items.	Develop and implement inspection program.	Environment and Compliance

Operational Plan action	Measure	Responsible team
Empower young people to lead and shape their community through ongoing engagement activities.	Bi-annual youth forums held. Weekly high school engagement held. Participation of young people in Council events. Workshops for young people held.	Community Outcomes
Create inclusive and safe spaces and programs for young people to connect and thrive.	School holiday programs delivered. Weekly Drop-in sessions facilitated. Pathfinders Program delivered. SENTRAL Sounds music events delivered.	Community Outcomes
Contribute to the Libraries/Community Development school holiday programs to increase creative opportunities to children and young people.	A minimum of two creative learning workshops delivered to children and young people each school holiday.	Community Outcomes
Prepare and finalise the Open Space and Recreation Strategy to ensure that adequate and appropriate open space and recreation facilities are provided and well located.	Strategy completed and endorsed by Council ready for implementation.	Planning and Development
Implement Parks and Gardens service review recommendations.	90% of service review recommendations implemented from the endorsed plan.	Operations and Maintenance
Implement Tree Management service review recommendations.	90% of service review recommendations implemented from the endorsed plan.	Operations and Maintenance
Undertake works required to deliver on any grants awarded for sports clubs. Current applications related to lighting for Gerry Emery and Bonaira ovals; Kiama Netball courts re-surfacing; Gerry Emery clubhouse.	Works completed as per details in grant applications.	Engineering and Technical Services
Implement Bookable reserve module for open spaces.	Bookable reserve module implemented and in use.	Property and Commercial
Prepare and finalise the open space lighting and playground strategy.	Strategy completed, endorsed by Council and implementation commenced.	Property and Commercial
Deliver educational programs, services and infrastructure that improve the cleanliness of public places and reduce litter.	Install new lids on 50% of the public place litter bins to reduce illegal dumping/improve capacity. Continue litter patrols as resources allow, including weekends in peak tourist periods.	Waste Services

Delivery Program activity supporting Goal 1.3		
Recognise and respect our First Nations people and their connections to the land and water, and cultural practices.		
Develop Reconciliation Action Plan (RAP) implementation plan.		
Safeguard areas and items of local cultural and/or heritage significance.		
Operational Plan action	Measure	Responsible team
Deliver the annual NAIDOC Week Art Exhibition by First Nations artists.	Number of exhibiting First Nations artists. Total visitor attendance.	Community Outcomes
Prepare and finalise the Local Heritage Strategy.	Local Heritage Strategy adopted by Council.	Planning and Development



Sustainability

We thrive in a sustainable environment.

Delivery Program activity supporting Goal 2.1

Ensure compliance with and effectively manage and respond to complaints/incidents in accordance with the following:

- *Local Government Act 1993*
- Relevant environmental and planning regulations
- *Companion Animals Act 1998* and associated regulations
- *Protection of the Environment Operations Act 1997*
- *Environmental Planning and Assessment Act 1979*
- Relevant Council policies

As well as delivering associated education and preventions initiatives where relevant.

Implement actions of the Kiama Open Coastline Coastal Management Program.

Development and implementation of Coastal Management Programs (CMPs) for Minnamurra River, Crooked River and Werri Lagoon in accordance with the *NSW Coastal Management Act 2016* and the Coastal Management Manual. This includes identifying key estuarine risks, ecological values and management priorities to support sustainable coastal and estuarine health.

Collaborate with Wollongong and Shellharbour Councils to review and update the Illawarra Biodiversity Strategy, ensuring improved coordination and management of biodiversity conservation across the region. This includes identifying priority areas, aligning conservation efforts and enhancing ecological connectivity.

Protect natural areas through restoration and protection projects at priority sites on Council owned/managed land where grant funding is available for non-operational activities.

Investigate incidents of littering and illegal dumping, and partner regionally to implement programs.

Effectively manage impacts from natural disaster.

Operational Plan action	Measure	Responsible team
Evaluate built assets identified as being at risk of coastal hazards. Modify existing asset management plans and/or develop new plans, where required, to address coastal hazards and risks.	Recommendations implemented from the Coastal Risk Built Assets Evaluation.	Engineering and Technical Services

Operational Plan action	Measure	Responsible team
Preparation and response to Coastal Hazards. Review of environmental factors, assessments and concept designs prepared, and relevant approvals obtained for interim coastal protection works and activities.	Interim design works consulted and approvals obtained.	Environment and Compliance
Undertake routine inspections of on-site sewage management systems (OSSMs) in accordance with the risk-based frequency schedule. Issue approvals to operate and take regulatory action to ensure compliance where required.	Inspection of OSSMs in accordance with the OSSM Strategy.	Environment and Compliance
Investigate reports of unlawful development and land use matters.	Number of customer service requests relating to building and non-complying development investigated.	Environment and Compliance
Investigate reports of air, water, noise and land pollution, ensuring compliance with regulatory requirements and implementing mitigation measures where necessary.	Number of customer service requests relating to building and non-complying development investigated.	Environment and Compliance
Manage companion animals and administrative requirements of the <i>Companion Animals Act 1998</i> . Respond to companion animal issues, undertake scheduled patrols, investigate reports of dog attacks and undertake assessment of declared dangerous dogs.	Number of customer service requests relating to building and non-complying development investigated.	Environment and Compliance
Implement actions from the Dog Friendly Spaces Strategy.	Actions completed from the Dog Friendly Spaces Strategy	Environment and Compliance
Assess the condition of all existing access tracks and other community facilities and amenities on coastal lands to inform operational budget for improving coastal access tracks, amenities and facilities.	Condition assessments conducted in 2026-27 financial year.	Engineering and Technical Services
Prepare a coastal habitat restoration and revegetation work plan that identifies, maps and prioritises specific works locations, along with works details suitable for implementation, such as weeds to be controlled and plants to be used, including species and habitats and locations that have cultural significance to the local community.	Preparation of works plan with actions integrated into the operational budget.	Environment and Compliance
Consider options of the Estuaries CMP Stage 1 Scoping Study to proceed to Stage 2 technical investigations.	Council report prepared and options considered to budget and proceed with a Stage 2 technical investigation.	Environment and Compliance
Undertake strategic weed management of Bangalay Sand Forest Endangered Ecological Community at Seven Mile Beach Reserve through weed control programs.	Record keeping of identified incidents of illegal dune vegetation damage/removal to help ascertain effectiveness of awareness campaign.	Environment and Compliance

Operational Plan action	Measure	Responsible team
Subject to available grant funding, consult with landowners and undertake preliminary works to enable progression of the extension of the Coastal Walking Track between Gerringong and Gerroa.	Progression of an application under the Coastal Lands Protection Scheme.	Engineering and Technical
Prepare and oversee the pedestrian and cycle strategy.	Endorsed by ELT and Council.	Engineering and Technical
Investigate complaints received of littering and illegal dumping and proactively monitor hotspot areas. Work with regional stakeholders including ISJO to identify grant-funded programs and preventative initiatives to reduce incidents of illegal dumping and support delivery of education campaigns.	Number of customer service request relating to illegal dumping investigated.	Environment and Compliance
Utilise the NSW Infrastructure Betterment fund to design and deliver, Jamberoo Mountain Road, Foxground Road and Wallaby Hill Road Betterment projects.	Betterment projects for Jamberoo, Foxground and Wallaby Hill roads designed and delivered.	Engineering and Technical Services
Prepare and have gazetted a Planning Proposal to amend the Resilience and Hazards State Environmental Planning Policies (SEPP) to include the Coastal Management Plan Vulnerability Mapping.	Planning Proposal to amend the Resilience and Hazards SEPP to include the Coastal Management Plan Vulnerability Mapping prepared, exhibited and gazetted.	Planning and Development

Delivery Program activity supporting Goal 2.2

Partner and collaborate with local organisations, stakeholders, and community groups to deliver education and engagement programs that promote environmental sustainability initiatives. This includes raising awareness of sustainable practices, encouraging community participation, and fostering environmental stewardship.

Operational Plan action	Measure	Responsible team
Coordination of National Tree Day by working with local schools and land care groups for planting priority areas on Council-managed land.	National Tree Day delivered July 2026.	Environment and Compliance

Delivery Program activity supporting Goal 2.3

Review Council's Contaminated Land Policy to ensure contaminated lands are effectively identified and managed.

Meet our future waste infrastructure needs through promotional, service delivery and infrastructure programs.

Provide high quality waste and resource recovery services.

Implement Council's adopted Corporate Emissions Reduction Plan and climate change adaptation and mitigation initiatives in alignment with Council's Net Zero Strategy. This includes reducing corporate greenhouse gas emissions, enhancing climate resilience and integrating sustainability into Council operations.

Investigate feasibility of transition of Minnamurra Waste and Recycling Facility to renewable energy.

Discontinue the Hire Services Business Unit as per Waste Services Service Review recommendation.

Operational Plan action	Measure	Responsible team
Continue development of Domestic Waste budget including forward planning.	Budget reported to Council.	Waste Services
Install GPS tracking systems on operational plant and fleet to gather data and telematics for decision making.	Plant vehicle GPS tracking system scoped and installed. Specifications for waste collection trucks reviewed to improve telematics and data technology.	Operations and Maintenance
Implement Fatigue Management Procedure for all Waste Services vehicles >4.5T in line with Heavy Vehicle National Law (HVNL).	No heavy vehicle operators to work more than 6 out of 7 days or exceed prescribed daily work hours.	Waste Services
Prepare and deliver implementation of updated waste collection zones and domestic collection service provision.	Review of collection zones completed and recommendations reported to ELT. Approved updated zones implemented.	Waste Services
Prepare and finalise the Community Emissions Reduction Plan.	Complete and endorse the Community Emissions Reduction Plan and then integrate the Plan into the Net Zero Strategy.	Environment and Compliance
Investigate funding for Energy & Emission Reduction Projects including further efficiency upgrades; battery storage to be incorporated with solar PV installations; installation of EV charging stations on Public Land and/or within Council facilities.	Reduction in energy consumption and carbon footprint (tCO ₂ -e) at key sites.	Environment and Compliance

Operational Plan action	Measure	Responsible team
Prepare a Sustainability Policy to incorporate into the procurement framework and embed best practice environmentally sustainable design specifications, product and material selection for capital works and maintenance programs.	Opportunities identified in the 'Regional Framework to Benchmark Social & Sustainable Procurement' are incorporated into the Procurement Policy and Procedures.	Operations and Maintenance
Undertake planning work and design for merged depots at Minnamurra.	Waste Depot project planning and investigations continuing, resources available.	Waste Services
Prepare for regional/testing market for waste collection services.	Undertake testing and document results.	Waste Services



Research

We create a strong and diverse economy.

Delivery Program activity supporting Goal 3.1

Support a wide range of business opportunities through land use planning.

In collaboration with regional partners implement the Regional Economic Development Strategy.

Operational Plan action	Measure	Responsible team
Build industry capability and workforce resilience by delivering targeted workshops, networking opportunities and shared data insights that support local business sustainability and growth.	Minimum of four workshops delivered (or in partnership with Destination Sydney Surrounds South or Kiama Business Network). Minimum 75% satisfaction achieved from workshop participants.	Tourism and Economic Development
Participate in regional collaboration for economic development.	Participate in meetings with Regional Development Australia, Department of Primary Industries and Regional Development, Business Illawarra and other stakeholder groups as required.	Tourism and Economic Development

Delivery Program activity supporting Goal 3.2

Provide strategic leadership and advocacy to support a sustainable visitor economy.

Support provided for the event industry ensuring a diverse, year-round calendar that strengthens Kiama area's visitor appeal and delivers social and economic benefits to the Kiama Local Government Area.

Destination Kiama will deliver strategic marketing that showcases the area's unique experiences, fosters visitor dispersal, addresses seasonality and drives sustainable economic growth for a resilient tourism industry.

The Pavilion Kiama will support community usage needs while prioritising commercial profitability to ensure its long-term sustainability.

Holiday Park Strategy & Masterplans, implement service review decisions for maximising revenue for Kiama Coast Holiday Parks.

Major events delivery, including implementing the key actions of the Major Events Strategy.

Research and adopt contemporary, consumer-focused methods of information delivery, guided by benchmarking and data insights, to enhance visitor engagement and satisfaction while reducing operating costs.

Operational Plan action	Measure	Responsible team
Plan and deliver Kiama Winter Festival and Kiama Cultural Mix, depended on availability of external funding.	Successful planning and delivery of Kiama Winter Festival, meeting economic, social and funding program goals, anchoring off-peak visitation.	Tourism and Economic Development
Work with stakeholders to explore a future vision for the Visitor Information Centre-Pilot's Cottage-café precinct, identifying the most appropriate and sustainable uses of Council-managed buildings to enhance the visitor experience.	Range of future use options identified for Council-managed buildings, including implications for visitor experience, operations and financial stability.	Tourism and Economic Development
Undertake accommodation demand and feasibility assessments to guide land use planning and support private sector investment as outlined in Visitor Economy Strategy - dependent on external funding being secured.	External funding secured. Accommodation demand and feasibility study undertaken.	Tourism and Economic Development
Redevelop Destination Kiama website as per Visitor Economy Strategy to address cybersecurity.	Redevelop Destination website to address cyber security risk, improve efficiency and functionality, and leverage modern technology to support delivery of the Visitor Economy Strategy.	Tourism and Economic Development

Operational Plan action	Measure	Responsible team
Conduct a formal review of The Pavilion Kiama's wedding catering contract and preferred operating model in preparation for the 2027 contract expiry.	Strategic options analysis to inform future catering and operating arrangements for The Pavilion Kiama ahead of the 2027 contract expiry.	Tourism and Economic Development
Define Kiama Coast Holiday Parks management model and implement new management contracts.	New management contracts developed for upcoming year and management model review as per the service review to be progressed.	Property and Commercial
Plan and deliver major events, subject to funding, in accordance with: - The major events report - Visitor Economy Strategy.	A safe initiative that supports the community.	Tourism and Economic Development
Support Destination Sydney Surrounds South capability programs and local workshops to improve online book ability, trade readiness and digital capability across the visitor economy.	Record and share data supporting benchmarking and performance tracking of Destination Sydney Surrounds South capability programs and local workshops.	Tourism and Economic Development
Finalise Night-time Economy Strategy for adoption.	Finalise and adopt a Night-time Economy Strategy for the Kiama LGA.	Tourism and Economic Development
Trial Special Entertainment Precinct (SEP) by implementing Night-time Economy Strategy.	Use the Night-time Economy Strategy to commence a trial SEP to support a growth in vibrancy after dark.	Tourism and Economic Development

Delivery Program activity supporting Goal 3.3

Local Housing Strategy facilitates the provision of adequate housing supply within the Municipality.

Remain engaged with Federal, State and Regional Planning.

Council meets the legislative requirements for planning and assessment.

Support and strengthen our diverse communities through regional collaborations and local connections.

Operational Plan action	Measure	Responsible team
Undertake LEP review to investigate options to improve feasibility of development within existing strategic centres of Kiama and Gerringong for medium density development within the R3 zone and to consider the appropriate application of the NSW Government's Mid-Rise reforms. Explore innovative methods for achieving infill development within our existing towns and villages.	LEP review and investigations commenced. Planning proposal prepared and exhibited.	Planning and Development
Assess Rural Lands Strategy to ensure that identified rural lands are managed appropriately including any peri-urban interfaces.	Rural Lands Strategy developed and adopted by Council.	Planning and Development
Assess development applications and planning proposals in accordance with legislative requirements and within legislative timeframes.	Application assessment timeframes meet the NSW Planning Ministers Expectations (i.e. an average of 95 days).	Planning and Development
Undertake Development Control Plan (DCP) review, of chapters 2, 3, 5, 6 and 12 of the Kiama DCP 2020, to: - investigate opportunities to increase feasibility of infill development - better respond to urban heat, sustainable waste and water sensitive urban design, and - incorporate the principles of Liveable Housing Design in a proportion of new housing. - explore innovative methods for achieving infill development within our existing towns and villages.	DCP review is commenced and exhibited.	Planning and Development
Develop a structure plan for the Kiama urban expansion area, as identified by the Employment Lands Strategy, to identify appropriate road networks, servicing networks, zonings, staging and timing.	Kiama Urban Expansion Area Structure Plan is commenced and included in updated Local Housing Strategy.	Planning and Development

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Operational Plan action	Measure	Responsible team
consistent with the non-negotiables outlined in this Strategy, in collaboration with DPHI, Sydney Water, Endeavour Energy, schools Infrastructure and Transport for NSW, and relevant landowners.		
Complete Spring Creek flood study and associated risk management plan/s in accordance with the Department of Planning, Housing and Infrastructure's flood risk management manual - dependent on applicable grant extension of time approval.	Completion of flood study.	Engineering and Technical Services
Complete Jamberoo flood study and associated risk management plan/s in accordance with the Department of Planning, Housing and Infrastructure's flood risk management manual - dependent on applicable grant extension of time approval.	Completion of flood study.	Engineering and Technical Services

Delivery Program activity supporting Goal 3.4

Work to improve Council's ability to meet increased in demand for its public infrastructure and assets.

Deliver roads program of works as per approved budget.

Operational Plan action	Measure	Responsible team
Implement a robust peak and off-peak cleaning schedule and service standards for public infrastructure and assets.	Off-peak cleaning schedule and service standards for public infrastructure and assets developed to meet community/tourist expectations.	Waste Services
Deliver externally funded road network rehabilitation.	Program delivered within the requirements of the funding body.	Operations and Maintenance



Research

Our primary obligation is achieving long-term financial sustainability. This responsibility involves making prudent use of public funds, ensuring the responsible management of community assets and preventing unnecessary financial burdens on future ratepayers.

Delivery Program activities supporting Goal 4.1

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.

Council will take a risk-based approach in pursuit of its objectives. Safety and minimising exposures are actively considered as we maintain assets and delivering services for the community.

Develop a strategic plan for the future sustainability and direction for Blue Haven Terralong - this will include development of an asset condition and capital works requirements over coming years.

Asset Recycling Strategy finalised and implemented.

Development of Lease and Licence Policy for lessee and licensing in property.

Implement maintenance and capital renewal and improvement programs for Council's built assets and infrastructure.

Deliver major capital works and projects utilising external funding opportunities.

Asset revaluations on all classification of assets undertaken, responding to management letters from external auditors.

Review and update asset management plans for Kiama Council, including policy, plans and procedures.

Maintain compliance with all relevant legislation and requirements, including the Office of Local Government risk management and framework, including the Audit, Risk and Improvement Committee (ARIC) and internal audit operation.

Develop a program for telematics system for operational fleet.

Operational Plan action	Measure	Responsible team
Continue review of potential revenue sources and cost reductions to improve operating performance and financial sustainability.	Opportunities presented to ELT (and Council as required) and then introduced through the QBR processes.	Finance
Continue the recent years' improvement in internal systems, processes and controls, to maintain and align with contemporary fraud and corruption business and regulatory environment.	Review existing internal controls and identify and implement opportunities to strengthen these controls along with proactive monitoring activities.	Finance
Manage Council property divestment, including identifying non-strategic land holdings for potential divestment to support and enable other strategic initiatives. Complete Strategic Asset review.	Continue review of non-strategic asset holdings for potential divestment, including managing planned divestments through commencement of planning proposals, required reclassification/rezoning works, and strategic investigation of further divestment opportunities. Strategic asset review completed and provided to the Office of Local Government by the end of Q1.	Property and Commercial
Finalise Kendall's Cemetery Conservation Management Plan.	Completion of Conservation Management Plan for Kendall's Cemetery and associated approval followed by implementation.	Property and Commercial
Undertake capital work, in line with grant allocation, funding and resources available, that includes the following: - Gerry Emery lighting and clubhouse - Bonaira Oval lighting - Kiama Netball courts resurfacing - Detailed design rectification for Flood study designs - Kiama SLSC upgrade - Road restoration block grants - Strategic Shared Pathway Plan - Belinda St pedestrian crossing	Capital works undertaken in line with successful grant funding applications or other funding sources.	Engineering and Technical Services
Undertake asset revaluations on all classification of assets, responding to management letters from external auditors.	Undertake assets re-evaluation in line with re-evaluations timetable. 2026-27 focus on road assets re-evaluation.	Engineering and Technical Services
Undertake annual review of asset management plans.	Asset Management Plans reviewed and updated as necessary.	Engineering and Technical Services
Conduct an annual review of Delivery Program and development of Operational Plan including public exhibition and incorporation of community feedback.	DPOP is reviewed for 2027-28 period by 30 June 2027, including period of public exhibition and further review based on submissions.	Implementation

Operational Plan action	Measure	Responsible team
Migrate the reporting of IP&R documents from Pulse to Tech One.	Corporate Planning module in Tech One operational and in use.	Implementation

Delivery Program activities supporting Goal 4.2

Focus on customer experience, including monitoring analytics, through the Customer Service Charter.

Enhancing AI and virtual customer service offerings.

Develop and implement Communications Strategy including media and social media. Continue to implement and update Council's Social Media Policy, Media Policy and Website Content Strategy.

Information management is transparent and builds trust. Council's records are managed as per legislative requirements.

Focus on strong and transparent governance supported by robust systems and processes.

Effectively communicate the projects, plans, actions and outcomes of Council (and relevant government departments) to inform our community in a timely and accessible way.

Continue to implement Council's Community Engagement Strategy incorporating 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.

Communicate and engage staff and the community on the implementation, outcomes and change-management required around the Safety Strategy.

Council organisational structure and capability is appropriate and evolving. The workforce is supported with the right policies, resources and opportunities for development while delivering services for our community.

Enhance operational efficiency by leveraging innovative technology solutions, ensuring robust cybersecurity, and fostering digital inclusivity to support sustainable growth and resilience within the local government.

Continue implementation of service reviews and resulting recommendations to improve organisational efficiency.

Operational Plan action	Measure	Responsible team
Develop a Customer Experience Strategy incorporating Council's face to face, telephone and digital channels including the website, social media and potential Live Chat channels.	Customer Experience Strategy drafted and placed on exhibition for community feedback and adoption.	Customer Experience
Revise and update the Website Content Strategy based on current and projected future use, incorporating the TechOne implementation.	Website Content Strategy reviewed and updated to incorporate alignment with Tech One.	Customer Experience

Operational Plan action	Measure	Responsible team
Configure and implement OneCouncil Electronic Content Management module.	Council document management system is operational within OneCouncil ECM module.	IT Service Delivery
Deliver Phase 2 of the archiving digitisation project by clearing depot archive space in preparation for depots merge.	Records stored in mezzanine level of the Works Depot completely removed by way of archiving or destruction.	IT Service Delivery
Continue community engagement and communication improvements across social media, website and 'your say' platform.	Provide an ongoing stream of community-focused news stories highlighting the work of Council and designed to celebrate community connections, Council staff and improve engagement.	Customer Experience
Evaluation of project management framework.	Evaluation of current Project Management framework undertaken and completed. Implementation of any identified changes developed and approved by the ELT.	Implementation
Commence implementation of key actions of Community Engagement Strategy.	Key actions identified and implementation commenced.	Customer Experience
Prepare and document the actions from the Staff Engagement survey.	Documented messaging of action plans endorsed by ELT.	People and Culture
Implementation of Learning Management System (LMS)	LMS implemented and training modules configured and available for staff.	People and Culture
Review learning and development opportunities to optimise workforce capability and contribute to industry skills shortage mitigation, aligned to workforce strategy.	Review opportunities for training and development opportunities to support workforce strategy.	People and Culture
Review all current software solutions used across Council with view to align with Enterprise OneCouncil solution.	Analysis undertaken and findings documented and reported to the ELT as resources allow. Additional progress to occur when Tech One full implementation finalised.	IT Service Delivery
Progress implementation plan of Essential 8 Level 1 Cybersecurity maturity in conjunction with ISJO cyber security lead.	Implementation plan developed and progress reporting to the Audit, Risk and Improvement Committee.	IT Service Delivery
Refine and review Grants Register with view to bringing into alignment with OneCouncil grants module.	Grants register developed, endorsed by the ELT and implemented.	Finance
Review the Policy Framework and update to ensure all policies are current and relevant to the needs of Council.	Review and update completed for all existing Council policies. Process for ongoing review and updates documented and rolled out across Council.	Implementation

Operational Plan action	Measure	Responsible team
Investigate funding opportunities for disaster risk mitigation, to help support business continuity plan and continuation of service for community.	Partnership participation.	Engineering and Technical Servies
OneCouncil project phase 3 go-live and phase 4 commencement.	Phase 3 of Tech One project finalised with Phase 4 underway.	Implementation
Development of online business planning and service review solution that can be integrated into existing Council systems.	Online business planning solution researched, developed and rolled out for 2027-28 planning.	Implementation
Undertake the programmed service reviews for 2026-27 and ensure oversight of actions and implementation of the service reviews.	Undertake planned services reviews over the 12-month period for records and data, procurement, human resources and communications as time and resources allow.	Implementation

2026-27 Financial Summary



The budget for 2026-27 was developed in alignment with Council's Strategic Finance & Governance Improvement Plan and key actions of the proposed variation of the Performance Improvement Order, issued May 2026.

The Budget documents originally tabled at the 21 April 2026 Ordinary Council meeting incorporated the key actions of the varied Performance Improvement Order (PIO), issued 23 May 2024 – the period of compliance with this order was due to finish on 30 June 2026.

During the exhibition period, on 13 May 2026, Council received by way of service a notice of intention to further vary the performance improvement order to Kiama Council. Among other requirements, the terms of the proposed variation of the PIO incorporated a one-year extension to achieve a balanced budget for FY 2027-28. The proposed variation to the PIO acknowledges the progress made by Council under the current PIO and recognises community concerns with potential proposed service reductions to achieve a balanced budget by FY 2026-27.

The 2026-27 budget prioritises lower impact efficiency measures and discretionary savings, with the Operating Result excluding capital grants, showing a \$3.8M deficit.

This budget focuses on budget reductions and some revenue increases, along with longer-term opportunities to increase revenue. The budget incorporates Level 1 Budget Control Improvement measures identified in Council's business papers dated 7 April 2026, along with feasible Level 2 Discretionary measures that do not result in service reductions. Council will continue to undertake an organisational structure review in the next 12 months, which combined with natural attrition and revenue growth opportunities, can produce a balanced budget by June 2028. The Quarterly Budget Review (QBR) process in 2026-27 will track progress against the PIO requirements.

Key strategies outlined in the budget include:

- Continued operational efficiencies and improvements
 - Council has made significant improvement to its operating result in recent years, and this will continue through further operational and service review improvement opportunities.
 - Centralisation of further services and procurement savings are planned.
- Discretionary Service review.
 - Current levels of discretionary services will be maintained. Due to a relatively small revenue base of 10,000 residential ratepayers, Council will consider efficiencies and operational savings as part of a broader organisation structure review.
- Staffing establishment review.
 - Following on from above, Council's total employment costs are too high for its revenue base. A full staff establishment review will be undertaken to 'rightsize' Council's operations following the Blue Haven Bonaira divestment last year.
- Special rate variation.
 - This is not included in the adopted budget but will remain a consideration in the Long Term Financial Plan as an option if required.
- Terralong Building Fire Safety Work.
 - This important work is needed for safety and compliance with fire safety regulations. Debt financing of \$10M (in two \$5M tranches) has been included in the Base Case for the Budget and adds borrowing costs to the Budget.
- Holiday Parks unsolicited proposal
 - Impact of unsolicited proposals will be considered along with a broader organisational review to be undertaken during the FY 2026-27 financial year.
- Capital works reductions.

- Due to financial constraints, the capital works program shown below will be heavily reliant on capital grants and reserve funding, with minimal allocation from general or unrestricted funds (other than works relating to Blue Haven Terralong Fire Safety and Condition Report).

Council plans to deliver \$22.8M in capital works during the 2026-27 financial year, primarily funded through grants and reserves. For the subsequent three financial years, capital works budgets of \$20.8M, \$15.7M, and \$12.6M respectively have been allocated to support the ongoing development of infrastructure and community initiatives. Blue Haven Terralong fire safety and asset condition works are included in these figures.

For further details regarding budget assumptions and projected long-term outcomes, please refer to the *Long Term Financial Plan 2026-27 to 2035-36*.

DRAFT Operational Budget 2026-2027 - Consolidated	
Income	2026-27 \$'000
Rates, Levies & Annual Charges	31,287
User charges and fees	19,729
Interest & Investment Revenue	1,780
Other Revenue	4,774
Operating Grants and Contributions	4,727
Capital Grants and Contributions	7,309
Other Income	135
Net Gain / (Loss) from disposal of assets	93
Total Income from recurring operations	69,835
Expenses	
Employee Benefits	29,139
Borrowing Costs	667
Materials & Contracts	26,300
Other Expenses	1,040
Total Expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	57,147
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	12,688
Depreciation & Amortisation	9,228
Operating result from continuing operations	3,460
Net Operating result before grants and contributions provided for capital purposes	(3,849)
<i>*Excludes internal transactions.</i>	

DRAFT Cashflow Movements Budget 2026-2027 - Consolidated	
Cashflow	2026-27 \$'000
Operating result from continuing operations	3,460
Cash Adjustments	
Depreciation	9,228
Cost of Assets Sold - Plant & Equipment	870
Cost of Assets Sold - Property	4,151
Cost of Assets Sold - Other	-
Capital Works Program	(22,837)
Purchase of Investment Property	(1,933)
Loan Repayments	(679)
Blue Haven Terralong Loan	5,000
Deferred Management fees	(2,958)
Aged Care Bonds Movements	10,608
Net Movement in Debtors/Creditors	3,000
Net Inc/(Dec) in Funds before Transfers	7,911
Net Reserve Movements	
Externally Restricted Movements	(2,159)
Internally Restricted Movements	5,201
Net Reserve Movements	3,042
Net Inc/(Dec) in Unrestricted Funds	4,869
Net Inc/(Dec) in Unrestricted Funds excluding one-off sales	718

Draft 2026-27 Operational Budget by Program/Service			
	Revenue	Expenses	Surplus/(Deficit)
Core council administration	36,684	19,936	16,747
Business Operations	19,746	16,763	2,983
Kendall Beach Holiday Park	2,569	1,700	868
Kiama Harbour Cabins	1,551	1,670	(119)
Seven Mile Beach Holiday Park	2,871	2,281	589
Surf Beach Holiday Park	2,416	1,978	437
Werri Beach Holiday Park	2,754	1,997	756
Leisure Centre	2,796	3,724	(928)
The Pavilion	603	1,400	(797)
Blue Haven – Terralong ILU	4,188	2,012	2,176
Regulatory	2,020	5,854	(3,834)
Life Saving Program	28	492	(464)
Internal Auditing Services	-	107	(107)
RFS	141	142	(1)
Building and Development	675	1,435	(761)
Compliance	451	993	(541)
Environmental Administration	13	591	(578)
Health Administration	438	1,102	(664)
Strategic Planning	275	939	(661)
Economic Development	-	57	(57)
Public Services & Amenities	11,704	29,460	(17,756)
Depreciation KMC	-	8,607	(8,607)
Building Services	8	2,816	(2,807)
Engineering and Works Construction	1,336	2,835	(1,498)
Engineering and Works Administration	921	1,004	(83)
Asset Management	55	675	(620)
Engineering Assessment and Approvals	196	-	196
Park Services	513	3,683	(3,171)
Tree Management	18	94	(76)
Kiama Works Depot	5	480	(475)
Library Administration Services	203	1,065	(862)
Domestic Waste Services	8,124	6,207	1,917
Cleaning Services	324	1,994	(1,669)
Other Community Services	539	2,543	(2,005)
Community Development	28	844	(816)
Cultural Development	19	164	(145)
Youth Services and Programs	88	170	(82)
Tourism and Events	99	731	(632)
Visitor Information Centre	304	619	(315)
Grand Totals	70,692	74,542	(3,849)

Funding our Delivery Program and Operational Plan

The core functions of Council are centred on delivering services and infrastructure that align with community priorities while ensuring compliance with legislative requirements of the *Local Government Act 1993* and OLG's Integrated Planning & Reporting Guideline. This approach upholds equity, safety and the overall well-being of the community.

The Council's financial framework is complex, comprising diverse revenue sources governed by specific principles and regulations. These mechanisms are designed to ensure equitable cost recovery, efficient allocation of resources and the affordability of services.

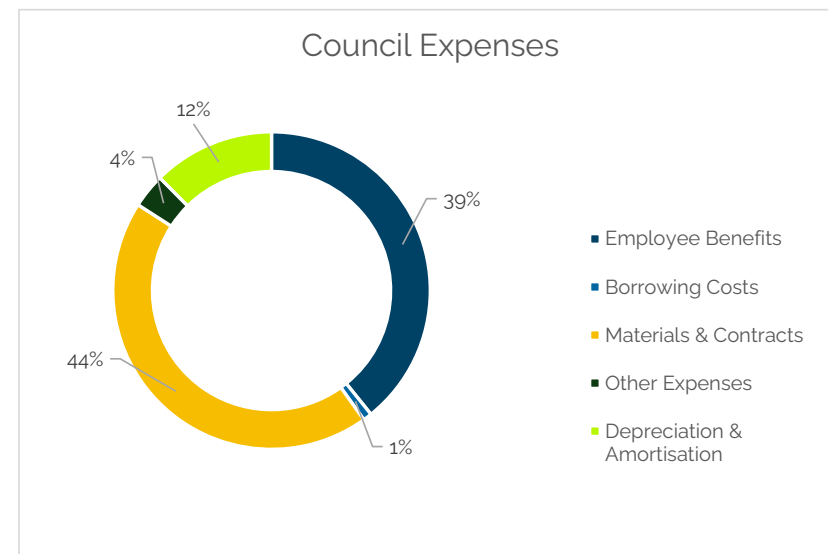
Use of funds (operational expenditure)

Council faces a diverse range of expenses, a significant portion of which are increasing at rates exceeding the standard Consumer Price Index (CPI). Rate pegging for Kiama at 3.2% in 2026-27 compares to Award wage increases of (estimated) 4% or up to 4.5% including superannuation. Trade materials, utilities and general CPI exceeds the rate peg. This simply means that each year there is a decline in operating performance unless efficiencies can be found. Alternately grant funding or an SRV is pursued by some Councils.

Many councils across NSW are dealing with financial sustainability issues and are heavily reliant on capital grants. Analysis of NSW council results for year ended June 2025 shows that 70% of councils in NSW are running at an operating loss if capital grants are excluded. This compares to approximately 50% in 2024.

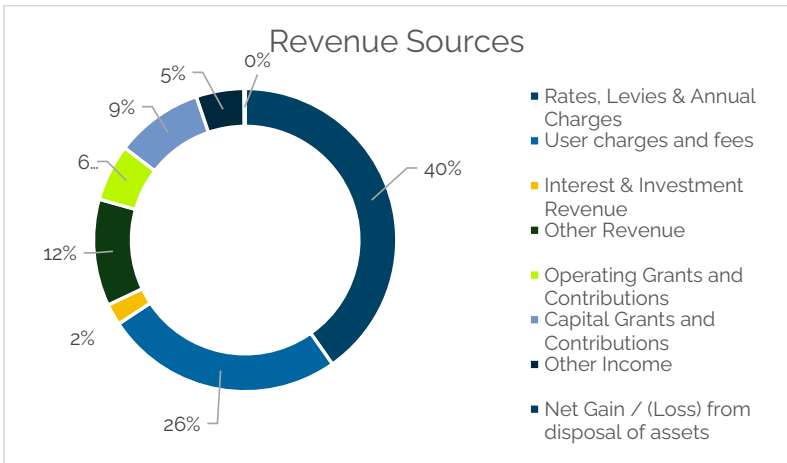
For Kiama Council, with the added requirement of the PIO, the Budget contains the challenging decisions and initiatives referred above. In response to these challenges, Council adopts proactive strategies that include cost containment, service reviews, securing additional grant funding, divesting underutilised assets, and leveraging borrowings to support long-term infrastructure investments.

As part of the annual Operational Plan, Council undertakes a comprehensive review of its ten-year Long Term Financial Plan. This plan provides a comprehensive financial forecast that encompasses projected expenditures, revenue streams, asset management, lifecycle costs and workforce planning. Through this forecast, Council can evaluate optimistic, conservative and planned scenarios.



Sources of revenue

In line with the Integrated Planning & Reporting guidelines established by the *Local Government Act 1993*, Council manages a diverse and meticulously regulated range of revenue streams. These encompass rates, fees and charges allocated to specific services, as well as grants and subsidies from higher levels of government. In addition, loans and investment interest play a role in maintaining financial stability, alongside occasional asset sales or business activities. The revenue sources we receive are crucial in shaping our ability to enhance service levels and introduce new services.



Rating

Revenue from rates constitutes the largest portion of Council's overall income. The Independent Pricing and Regulatory Tribunal (IPART) regulates the income derived from ordinary rates, special rates and drainage services through the rate pegging mechanism. Council rating strategies vary, with some councils relying more heavily on ordinary rates, while others utilise a combination of ordinary and special rates. While councils can adjust their mix of rates annually, the total rate income increase across all rates must not exceed the percentage specified by IPART each year.

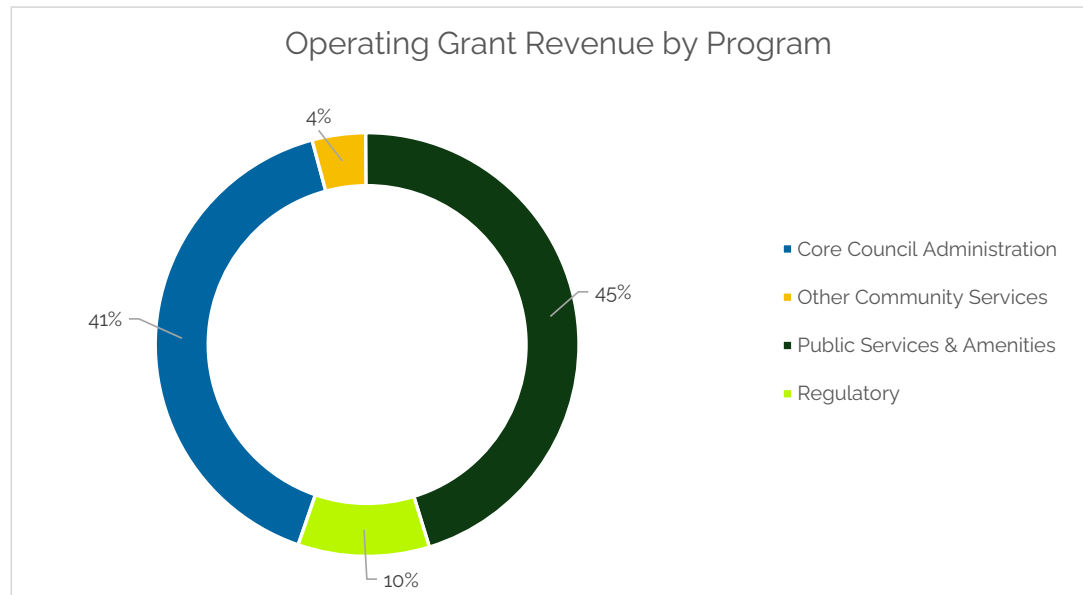
For 2026-27, Council's rate peg increase is set at 3.2%. However, the rapid escalation in current expenses and projected future costs has created a disparity between the IPART-approved rate increase and Council's actual financial needs. Considering the prevailing financial challenges, Council must focus on implementing cost reduction measures and exploring opportunities to enhance revenue generation in the short term. These options will be rigorously examined prior to considering any special rates variation.

Fees and Charges

Fees and charges are established based on a user-pays approach, facilitating partial rather than full cost recovery in service delivery. The Revenue Policy ensures that these fees and charges are structured to avoid imposing excessive financial burdens on the broader community. Any surplus revenue generated through this approach is reinvested to enhance service delivery for the benefit of the entire community. Review of fees and associated increases have been included in this budget in areas such as Holiday Parks, Terralong Independent Living Units and other areas of Council, with further reviews to be undertaken longer-term.

Grants and subsidies

The Council receives steady annual grants and discretionary grants, actively seeking the latter to fund specific projects. These grants, provided by Federal and State governments, play a critical role in financing a wide range of services and major capital projects. These include environmental programs, community services, road safety initiatives, public library operations, road construction and other infrastructure developments. While the allocation of grants is determined by higher levels of government, they remain a vital revenue source. Council proactively pursues funding opportunities to ensure the successful delivery of projects. The 2026-27 Budget includes \$7.3M of capital grants and \$4.7M of operating grants.



Investments

At any given time, Council may hold a significant amount of cash derived from sources such as grant funding, developer contributions for works, and general revenue from rates, fees and charges. These funds are allocated to specific projects and services as outlined in the annual budget and development contribution plans, though there may be a delay between their receipt and expenditure. To optimise returns during this interim period, any surplus cash is invested in accordance with Council's Investment Policy. However, the income generated from these investments may fluctuate due to factors such as economic conditions, interest rate changes and existing financial commitments.

Asset recycling

To achieve long-term community benefits, Council plans to develop the catalyst sites outlined below, which aim to generate additional revenue in the future. As part of Council's Asset Recycling strategy, surplus properties identified as non-strategic will be sold. Proceeds from these sales are utilised to benefit Council's cash position. Proceeds will fund ongoing progress and development of Council's catalyst sites.

Catalyst sites

Council has identified catalyst sites as potential long term revenue opportunities. The sites are:

- 11 Manning Street (Council Administration Building),
- Havilah Place, (and Blue Haven Terralong)
- Shoalhaven Street Precinct (Council Works Depot),
- Spring Creek
- Waste Depot at Minnamurra.

At the extraordinary April 2026 meeting, Council delegated authority to the CEO to progress requirements in line with the performance improvement order:

- Seek debt finance of \$10M for the purposes of undertaking the program of works required for the Fire Safety Order at Blue Haven Terralong and provide a separate report to Council for final signing of any loan agreement.
- Proceed to a market sounding process in line with the *Local Government Act 1993* to understand potential options and opportunities for catalyst sites inclusive of 11 Manning Street, the Shoalhaven Street site, Havilah Place inclusive of Blue Haven Terralong, merging the works depot to Minnamurra, consideration of future Council administration office location, and provide a further report to council on process and outcomes.

Council's Works Depot has operated from the current Shoalhaven/Belvedere Street site for over 40 years and is in desperate need of capital investment. Council has made the strategic decision to consolidate its Works Depot operations with its Waste Depot at Minnamurra. This consolidation rationalises Council's depot functions and operations and removes industrial uses from the heart of a residential area. Council has partnered with the NSW Government to rezone the Shoalhaven Street Precinct from Industrial to Residential. Council's adopted Local Housing Strategy recognises the benefit of increased residential densities within our existing towns. It is anticipated that the NSW Minister for Planning and Public Places has approved the rezoning on 19 June 2026 to permit 6-storey residential development. This site has the potential to provide much need homes within Kiama and significantly assist Council's financial situation.

These are too preliminary at this stage given their significance and limited information regarding revenue potential and timing that they have not been considered for Budget or LTFP purposes. These will be important inclusions in future Budgets and LTFP forecasts.

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Capital summary

DRAFT Capital Budget by Program 2027-2030				
Program	2026-27 Allocation	2027-28 Allocation	2028-29 Allocation	2029-30 Allocation
Blue Haven	9,297,000	11,297,000	5,797,000	5,797,000
Roads and Bridges	2,843,841	4,313,733	4,313,733	1,322,911
ICT	1,991,563	300,000	300,000	300,000
Buildings & Facilities	1,902,000	1,928,820	2,000,373	2,075,037
Commercial Business	70,000	19,444	19,444	19,444
Recreation and Open Space	1,222,700	44,650	320,000	339,000
Parks & Reserves	1,000,000	200,000	200,000	200,000
Stormwater Assets	841,527	550,000	550,000	614,000
Plant & Equipment	772,000	1,000,000	1,000,000	750,000
Footpaths & cycleways	489,260	80,000	80,000	80,000
Playgrounds	200,000	200,000	200,000	200,000
Leisure Centre	187,000	200,000	200,000	200,000
Holiday Parks	1,760,000	526,417	526,417	526,417
Coastal Management Program	10,000	-	-	-
Waste Services	250,000	150,000	150,000	150,000
Traffic Facilities	-	20,000	20,000	20,000
	22,836,891	20,830,064	15,676,967	12,593,809

Funding Source	2026-27 Allocation	2027-28 Allocation	2028-29 Allocation	2029-30 Allocation
General Revenue	11,671,471	12,348,394	6,883,303	6,899,826
Plant Replacement	772,000	1,000,000	1,000,000	750,000
Stormwater Levy	350,000	228,751	228,751	255,369
Crown Reserve	1,835,387	388,208	388,208	388,208
Domestic Waste Management	534,405	150,000	150,000	150,000
Unexpended Grants	5,699,368	6,075,702	6,331,945	3,445,750
Developer Contributions (S7.12)	1,974,260	639,009	694,760	704,656
	22,836,891	20,830,064	15,676,967	12,593,809

Authorisation and version control

Owner/Responsible Officer	Chief Executive Officer
Department	Office of the CEO
Date adopted/endorsed	
Resolution number (if applicable)	
TRIM reference	26/56489

How to contact council

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Our Administration Building located
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(excluding public holidays)



KIAMA MUNICIPAL COUNCIL
your council, your community

Respect
Innovation
Integrity
Teamwork
Excellence