8.4 Integrated planning and reporting documents 2026-27

CSP Objective:	Outcome 5.1: Public funds and assets are managed strategically, transparently and efficiently
CSP Strategy:	5.1.1 Public funds are managed in accordance with Financial Management Standards and the Local Government Act.
Delivery Program:	5.1.1.2 Maintain compliance with the Office of Local Government risk management and internal audit framework, including the Audit, Risk and Improvement Committee and internal audit operation in accordance with legislation.

Summary

The purpose of this report is to seek Council's adoption of the following documents in accordance with the NSW *Local Government Act 1993* and the Office of Local Government Integrated Planning & Reporting Framework (IP&R):

- 2025-29 Delivery Program, 2026-27 Operational Plan and Budget
- Statement of Revenue Policy
- 2026-27 Fees and Charges.

Financial implication

The budget for operating results from continuing operations provided within the Delivery Program and Operational Plan as attached to this report shows an overall surplus of $3.5M for 2026-27. However, excluding capital grants the 2026-27 budget results in a deficit of $3.8M.

Risk implication

It is a requirement of all councils to complete and endorse or adopt the documents required within the IP&R Framework by 30 June of each year. Failure to do so would be a breach of the *Local Government Act 1993*. The financial result are an improvement on last year and part of the improvement program required by the Office of Local Government's Performance Improvement Order to address Council's financial sustainability.

Policy

- *Local Government Act 1993*
- Office of Local Government – Integrated Planning & Reporting Framework
- Community Strategic Plan

Consultation (internal)

- Councillors
- Chief Executive Officer
- Kiama Municipal Council Directors and Chief Financial Officer
- Kiama Municipal Council Managers

Communication/Community engagement

The documents were publicly exhibited for a period of 30 days to allow community input and consideration of the proposed draft documents. The exhibition period occurred from 24 April to 24 May 2026.

Attachments

1 2026-27 Delivery Program and Operational Plan post exhibition⇩

2 Statement of Revenue Policy⇩

3 2026-27 Fees & Charges⇩

4 Public Exhibition Engagement Report⇩

Enclosures
Nil

RECOMMENDATION

That Council:

1. Notes the submissions received as part of the exhibition process for the Draft 2026 27 Delivery Program and Operational Plan, Budget, and Fees and Charges,
2. Adopts the 2025-29 Delivery Program and 2026-27 Operational Plan including the associated budget inclusive of the changes made post-exhibition.
3. Adopts the 2026-27 Fees and Charges with the following changes made post exhibition:
    - (a) Updated and corrected description texts and unit values
    - (b) Wording changes for regulations and statutory requirements for:
        - (i) Companion Animals
        - (ii) Public Health
    - (c) Planning and development statutory fees updated
    - (d) Rates statutory fees updated
    - (e) Fee amounts changed for:
        - (i) Selected Hall Hire Fees
        - (ii) Adult Change Facility Key Replacement Fee
    - (f) Sports field Recreation Fees amalgamated:
        - (i) New fees - Senior and Junior Registered Player fees - All Codes
        - (ii) Discontinued - Senior and Junior Registered Player fees - Different codes
    - (g) Swimming Pools Act Fees updated:
        - (i) New fee – Administration Fee
        - (ii) Discontinued Fees:
            - (A) Application for Certificate of Compliance (valid for 3 years)

(B) Application to request an extension of time to comply with Swimming Pools Direction

(C) Additional Urgency Fee.

4. Publish the adopted documents on Council's website within 28 days of the 30 June 2026 extraordinary meeting and notify those who made submissions.

Background

Integrated Planning and Reporting is required by all NSW councils under the *Local Government Act 1993* (the LG Act). The intent of the framework and documents are to set planning for Council with a clear understanding of the community's expectations and priorities, balanced with Council's financial position, resources and ability to deliver the services and actions that the community seek. The framework is integrated and includes ongoing monitoring, reporting and review.

Council reports annually on the framework, specifically the Operational Plan, and our progress to achieving the actions for the year through 6 monthly progress reports and the Annual Report at the end of each year.

The reports were provided to, and endorsed by, Council at the Ordinary Meeting on 21 April 2026 to seek to place the following documents on public exhibition; draft 2025-29 Delivery Program and 2026-27 Operational Plan, Budget, Fees and Charges.

The Budget documents originally tabled at the 21 April 2026 Ordinary Council meeting incorporated the key actions of the current 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 vary the performance improvement order to Kiama Council. Amongst other requirements, the terms of the proposed variation of the PIO incorporate a one-year extension to achieve a balanced budget for FY 2027-28.

The table below recommends changes to the Operational Plan, in line with the proposed variation of the PIO and submissions received.

Whilst there are no significant changes to the 2025-29 Delivery Program and 2026-27 Operational Plan based on the above (noting some minor amendments to wording and formatting), internal review and refinement of these documents have led to changes to the draft documents presented at the April meeting of Council. The tables below provide a summary of the amendments made.

Amendments made to draft DPOP

Amendment	Details of change
1	Administrative changes to format and layout of DPOP including the removal of some unrequired sections such as Council vision, mission, values, facilities and assets to streamline documents.
2	Update to Councillor profiles due to resignation of Councillor Cains.
3	Administrative updates to some deliverables and measures to provide more clarity/detail or improve readability.

Amendment	Details of change
4	Removal of some deliverables due to duplication.
5	Removal of our updates to some deliverables based on progress made in projects since draft developed.
6	Update to budget – costs associated with bi-election required due to Councillor Cains resignation.
7	Update to budget – costs associated with New Years Eve 2026 as determined on June 26 Council meeting.
8	Update to budget – costs associated with debt financing of Terralong building fire safety works
9	Update to budget – benefits associated with the inclusion of feasible Level 2 Discretionary measures that do not result in service reductions
10	Update to budget – net cost associated with adjustments to original operational assumptions, including updated rates parameters and timing on lease-back vehicle savings
11	Update to Fees and Charges relating to Recreation Fee.

Budget

Post exhibition, the following changes were made to the 2026-27 budget:

Capital Works Program

The capital budget remained unchanged, at $22.8M.

Operational Budget

Overall, an increase to the budget deficit before capital grants and contributions of $282K, bringing the pre-exhibition deficit of $3.6M, to a post-exhibition deficit of $3.8M.

The surplus operating result from recurring operations (including capital grants) decreased by the same amount, from $3.7M to $3.5M.

The following changes have been incorporated since exhibition:

- $250K increase in cost associated with by-election required due to Councillor Cains resignation
- $275K increase in cost associated with debt financing of fire safety works at Terralong Independent Living Units
- $500K net savings associated with the inclusion of feasible Level 2 Discretionary measures, noting that only Level 1 measures were publicly exhibited, including:
    - $154K from updated Holiday Park fees & charges already on exhibition
    - $148K from exiting Commercial Waste

  - $67K from cost recovery of sports field maintenance
  - $60K from cessation of donations
  - $59K from updated Leisure Centre fees & charges already on exhibition
  - $51K from updated fees & charges for Cemeteries already on exhibition
- $250K net cost from updates to original operational assumptions, including rates parameters ($180K) and timing on leaseback vehicles ($63K)
- Minor offsetting variances including costs associated with New Years Eve 2026

The New Year’s Eve event may be subject to external sponsorship. Management is working on the details to ensure community needs are accommodated with further details to follow.