



SUBMISSION ON CROWN LAND MANAGEMENT AMENDMENT (STATUTORY REVIEW) BILL 2026

Introduction

Kiama Municipal Council welcomes the opportunity to provide feedback on the proposed Crown Land Management Amendment (Statutory Review) Bill 2026. Council manages a significant portfolio of Crown reserves on behalf of the State and the community. These reserves provide important recreation, environmental, tourism, community and economic benefits and are valued by residents and visitors alike.

Council supports the NSW Government's objectives of:

- ensuring Crown land continues to meet community needs;
- building stronger and more capable Crown Land Managers; and
- modernising Crown land management practices and governance arrangements.

Council generally supports reforms that improve flexibility, reduce administrative burden and allow Crown land to be managed more efficiently. However, Council has concerns regarding several aspects of the Bill, particularly where important matters are proposed to be transferred from the Act into regulations and Crown land management rules that have not yet been released.

Matters Supported by Council

Simpler Crown Land Manager Framework

Council supports reducing the complexity of the current Crown Land Manager framework. A simpler structure that enables councils to continue managing Crown land through existing Local Government Act processes will improve efficiency and reduce duplication.

Greater Autonomy and Reduced Red Tape

Council supports reforms that provide Crown Land Managers with greater flexibility and autonomy in managing Crown reserves. Local councils are well placed to make operational decisions regarding community assets and should be empowered to do so efficiently.

Streamlined Approval Processes



Council supports a more streamlined process for obtaining the Minister's consent where the Minister acts as landowner on behalf of the Crown. Delays associated with Crown consent can affect projects, infrastructure delivery and community outcomes.

Improved Lease Administration

Council supports reform of current lease approval processes, including Ministerial execution requirements where these create unnecessary delays or administrative complications. A more efficient process would support timely project delivery and improved asset management outcomes.

Modernisation of Public Recreation Uses

Council supports updating the definition of public recreation to reflect contemporary community expectations and land uses.

Uses such as holiday parks, restaurants, cafes, community facilities and tourism-based activities can provide important public benefits and should be clearly recognised within the legislation.

Commercial Opportunities and Financial Sustainability

Council supports greater opportunities to appropriately commercialise Crown land where this is consistent with community benefit and reserve purposes. Income generated through commercial activities can assist in funding the maintenance, renewal and improvement of Crown assets and reduce reliance on ratepayer funding.

Enhanced Compliance and Enforcement

Council strongly supports improved compliance and enforcement measures to better protect Crown land assets. Council has experienced situations where poorly structured lease arrangements and inadequate compliance measures have resulted in:

- deterioration of Crown assets;
- increased community complaints;
- poor maintenance outcomes;
- additional regulatory issues; and
- reputational impacts on Council despite limited influence over lease conditions.

Council submits that lease provisions should better integrate tenant compliance, maintenance obligations, operational performance and asset management requirements to ensure positive outcomes for both the community and the Crown asset.



Council's Key Concerns

Excessive Reliance on Future Regulations

Council's principal concern is that many significant aspects of the proposed reforms will be determined by future regulations and Crown land management rules that are not currently available.

Without access to these documents, it is difficult for councils to fully assess the operational, governance and financial impacts of the reforms.

Impacts on Local Government

Proposed provisions allowing regulations to modify the operation of the Local Government Act 1993 create uncertainty regarding the future role and responsibilities of council Crown Land Managers.

Council considers that significant changes affecting local government powers should remain subject to Parliamentary scrutiny rather than being implemented solely through regulation.

Public Recreation Land and ILUAs

Council is concerned that land reserved or dedicated for public recreation could be automatically revoked following an Indigenous Land Use Agreement.

While Council supports appropriate recognition of native title rights and interests, decisions affecting land held for public recreation should remain subject to community consultation, transparency and appropriate public scrutiny.

The community generally views public reserves as community assets regardless of whether they are Crown land or council-owned land. Consequently, changes to their status should involve an appropriate level of public engagement.

Native Title and Compensation Risks

Council supports the protection of native title rights and interests.

However, councils manage Crown land on behalf of the State and do not own Crown land. As a result, Council is concerned about provisions that could expose Crown Land Managers to native title compensation liabilities or compliance obligations arising from historic actions outside Council's control. Council submits that:

- native title compensation responsibilities must be clearly defined;
- councils should not assume liability for historic State actions;



- any compensation framework should recognise that councils act as land managers, not landowners; and
- councils should not be exposed to significant financial risks through future regulation without consultation.

Crown Assets and Community Investment

Council manages Crown assets that require significant ongoing investment, renewal and maintenance. The legislation should recognise:

- the substantial contribution councils make in managing Crown assets;
- the need for revenue-generating opportunities to support asset sustainability;
- the importance of local decision-making;
- the need for clarity regarding future asset ownership, transfers and liabilities; and
- the importance of balancing public access, community benefit and financial sustainability.

Reporting and Administrative Burden

Council is concerned that proposed new reporting requirements may create duplicate administrative processes.

Councils are already subject to extensive audit, governance and reporting obligations under the Local Government Act and associated legislation. Any Crown land reporting requirements should be integrated into existing frameworks wherever possible.

Ministerial Powers and Local Decision-Making

Council is concerned about provisions that allow the Minister to require approval of management plans, business plans and other strategic documents relating to Crown reserves.

These provisions may increase administrative burden, create uncertainty and reduce local autonomy in circumstances where councils are responsible for the day-to-day management of Crown reserves.

Council is particularly concerned where commercially sensitive information may be required to be submitted to Crown Lands in situations where the State may operate competing businesses within the same sector.

Performance Improvement Orders

Council supports accountability and good governance.



However, any performance improvement order should incorporate principles of procedural fairness, including a requirement for councils to be provided with reasons, an opportunity to respond and a show-cause process prior to an order being issued.

Commercial Opportunities and Financial Sustainability

Council supports reforms that provide greater flexibility to use Crown land for a broader range of community, tourism, recreational and commercial purposes where these uses remain consistent with the reserve purpose and community expectations.

A modern Crown land framework should support appropriate commercial opportunities that generate income to assist with the maintenance, renewal and improvement of Crown assets while continuing to deliver public benefit. Expanding the range of permissible uses would enhance the long-term financial sustainability of Crown reserves and reduce reliance on ratepayer funding.

Lease Terms Should Be Reviewed

Council supports a review of the current framework for Crown land lease terms. Longer lease periods may be appropriate in some circumstances where significant private investment is required to upgrade or maintain Crown assets, therefore lease terms beyond 21 years and 30 years (with Minister's consent) need to be further considered. Appropriate lease lengths can improve investment certainty, support economic development and deliver improved community outcomes.

Consistent Ministerial Approval Timeframes

Council supports the introduction of clear and consistent timeframes for Ministerial approvals, lease execution and Crown consent processes.

Delays in obtaining approvals can impact infrastructure projects, commercial investment, community facility upgrades and operational decision-making. Establishing service standards would improve certainty for councils, tenants and investors.

Crown Reserve Improvement Program (CRIP)

Council supports exploring opportunities to improve the distribution and allocation of Crown Reserve Improvement Program (CRIP) funding.

As councils manage a significant proportion of Crown reserves, funding programs should continue to recognise the important role councils play in maintaining Crown assets and provide equitable access to funding opportunities that support community outcomes.

Unsolicited Proposals



The legislation should provide greater guidance regarding the assessment and management of unsolicited proposals involving Crown land.

Council increasingly encounters proposals from private and community organisations seeking to invest in or develop Crown land. A clear framework would assist councils and proponents by providing transparency, consistency and confidence in the assessment process.

Proactive Tenancy Management

Council strongly supports a more proactive approach to tenancy management on Crown land.

Successful outcomes are achieved where lease management, compliance monitoring, maintenance obligations and asset management requirements are integrated throughout the life of a tenancy rather than only addressed when problems emerge. Where a Crown Land Manager is not the local council, the Crown Land Manager should work collaboratively with the relevant council to ensure that leaseholders and tenants operate in a manner that delivers positive outcomes for both the local community and the broader public, while protecting the long-term value and amenity of the Crown asset.

Poorly performing tenancies can negatively impact Crown assets, community amenity and public confidence. Councils should be given greater ability to influence lease conditions, compliance actions and tenancy outcomes where they manage Crown land on behalf of the State.

Conclusion

Kiama Municipal Council supports the intent of the proposed reforms and welcomes measures that simplify Crown land management, improve efficiency, increase flexibility and enhance opportunities for sustainable management of Crown assets.

However, Council remains concerned about:



- the significant reliance on currently unavailable regulations and rules;
- uncertainty regarding future Local Government Act interactions;
- native title compensation and compliance risks;
- the reduction of community oversight regarding public recreation land;
- additional reporting requirements;
- commercial opportunities and financial sustainability;
- lease terms – needs to be considered on a case by case basis;
- consistent ministerial timeframes;
- the distribution and allocation of Crown Reserve Improvement Program (CRIP) funding;
- guidance regarding the assessment and management of unsolicited proposals involving Crown land
- tenancy management on Crown land and
- expanded Ministerial involvement in local operational matters.

Council requests that these matters be carefully considered as the Bill progresses and that local government's role as a Crown Land Manager continues to be supported through a clear, transparent and practical legislative framework that protects community interests while enabling councils to effectively manage Crown land assets.

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Kiama Municipal Council

Item 14.3

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