

8.1 Quarterly Project Update - North Cronulla Surf Life Saving Club Redevelopment - September 2026

RESPONSIBLE Michelle Whitehurst, Director Infrastructure

MANAGER:

FILE NUMBER: 2024/489496

ATTACHMENTS:

1. Attachment 1 - Update on Status of Council Resolutions
2. Attachment 2 - Confidential Legal Update - 3 September 2026

In accordance with Section 10A(1) of Local Government Act 1993, the attachments will be considered in Closed Session as the matters relate to:

Section 10A(2)(g) Advice Concerning Litigation, or Advice that would Otherwise be Privileged from Production in Legal Proceedings on the Grounds of Legal Professional Privilege.

The receipt and consideration of legal advice concerning litigation; or which would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege. On balance, the public interest in preserving the confidentiality of information relating to legal privileged information outweighs the public interest in maintaining openness and transparency in council decision-making because the disclosure of this information may result in council waiving its right to claim legal professional privilege in any relevant legal action which may lead to loss or damage by council.

PURPOSE

This report is presented to Council to provide a quarterly update on the planning, design, progress of delivery and legal recovery process for the North Cronulla Surf Life Saving Club Redevelopment.

EXECUTIVE SUMMARY

- The North Cronulla Surf Life Saving Club redevelopment is progressing in accordance with Council's endorsed pathway, following extensive investigations that confirmed the new building, former heritage building, pool and associated structures are not economically viable to remediate.

- NSW Public Works has been appointed to lead the demolition phase, with demolition tenders currently under assessment and pre-tender approvals progressing for traffic management, site hoardings and noise monitoring.
- Planning and design work is advancing, with Jasmax appointed as lead design consultant and currently developing final concept plans based on Council's adopted medium-term option.
- Internal and external stakeholder workshops have been held to inform the concept plan, while ongoing engagement with Club representatives, neighbouring properties and the broader community will continue as the project progresses.
- Council has secured external funding support, including a \$100,000 NSW Government Office of Sport grant for the design phase and a \$10 million NSW Government funding commitment toward project delivery, while legal recovery actions continue to protect Council's financial position
- This quarterly report gives an update on the planning, design, progress of delivery and legal recovery process for the North Cronulla Surf Life Saving Club Redevelopment.

REPORT RECOMMENDATION

THAT:

The report 'Quarterly Project Update – North Cronulla Surf Life Saving Club Redevelopment – September 2026' be received and noted.

BACKGROUND

A Project Update Report on the North Cronulla Surf Life Saving Club Redevelopment was brought to Council in December 2025, to provide an update on extensive investigation works, following Council assuming control of the site in December 2024.

At its Meeting on 15 December 2025, Council considered report [CCL068-25](#) Project Update – North Cronulla Surf Life Saving Club Redevelopment where it resolved:

Minute No: 420

THAT:

1. *The report 'Project Update – North Cronulla Surf Life Saving Club Redevelopment' be received and noted.*
2. *In accordance with the information received, Council Officers progress with the development of comprehensive project documentation and the preparation of formal planning submissions, and the formulation of estimated programme schedules for the initiatives outlined below:*
 - a. *Initiating a Planning Proposal to amend the Sutherland Shire Local Environmental Plan 2015 to remove North Cronulla Surf Life Saving Club (item 1044) from Schedule 5 – Environmental Heritage.*
 - b. *Demolition of the New Building, as it has been confirmed that the piles supporting the New Building are seriously defective and the structure is unsound.*
 - c. *Demolition of the existing heritage building, as it has been assessed to have significant structural deficiencies and is at the end of its useful life.*
 - d. *Demolition of the existing pool, as it has been assessed that the pool structure has significant defects, and the hydraulic systems are insufficient.*
 - e. *Demolition of the masonry wall, to facilitate works associated with the other structures and to remediate minor structural deficiencies.*
3. *Council initiates a process to appoint a qualified and experienced Architect for the design of a new North Cronulla Surf Life Saving Club, adhering to the parameters specified in the "medium" option presented within the report.*
4. *A quarterly project update be provided to Council to guarantee oversight and transparency over this significant infrastructure project.*
5. *Council includes in its Draft 2025-2029 Delivery Program and 2026/27 Operational Plan and Budget:*
 - a. *The redevelopment of the North Cronulla Surf Life Saving Facility with a construction value of \$25,000,000.*

- b. Funding for the construction comprised of \$8,500,000 of external loan borrowings, \$10,500,000 from the Strategic Priorities Reserve, and \$6,000,000 of general revenue from the capital program.*
 - c. An additional allocation be made up to \$5,000,000 from unrestricted cash to fund the demolition, cleanup and other approval pathway costs.*
 - d. As part of the preparation of the Draft 2025-2029 Delivery Program and 2026/27 Operational Plan and Budget, and aligning with the funding strategy, any changes to the capital program for funding the redevelopment project must be clearly identified and reported to Council.*
- 6. Any revenue generated from commercial operations of the facility be applied to servicing any external loan borrowings.*
- 7. In accordance with the Office of Local Government's Capital Expenditure Guidelines, a business case / capital expenditure review be prepared based on the above recommendations.*
- 8. For the avoidance of doubt, the operation of any previous Council resolutions which are inconsistent with this resolution are superseded.*
- 9. Council authorises Council's Chief Executive Officer to:*
 - a. take reasonable ongoing steps to preserve Council's financial position with a view to ensuring that any continuation of the project is, as far as possible, at no ultimate net cost to ratepayers, and*
 - b. commence proceedings seeking compensation from relevant persons in relation to the North Cronulla Surf Life Saving Club project, if determined to be reasonable and prudent.*
- 10. In accordance with the Power of Attorney dated 15 July 2024 (Registered 10 October 2024, Book 4830 No. 875), Council's Chief Executive Officer execute any necessary documentation to give effect to these resolutions, with such documentation being to the satisfaction of Council's Chief Executive Officer.*

In accordance with this resolution, quarterly updates have been tabled at the 23 March 2026 Council Meeting ([CCL009-26 Minute No: 69](#)) and 22 June 2026 Council Meeting ([Item 5.2 Minute No: 189](#)). A summary of the status of previous Council resolutions is provided in Attachment 1.

STRATEGIC ALIGNMENT

This report contributes to the delivery of Our Community Plan Priorities. It specifically relates to:

Community Plan Towards 2035	Active and Vibrant AV2 Spaces and Places
Delivery Program (2025-2029)	Property
Operational Plan (2026/27)	PPS.SA.07 Redevelopment of the North Cronulla Surf Life Saving Club
Supporting Document	Sports Strategy Safer Communities Strategy
Legislative Requirements	• <i>NSW Heritage Act 1977</i> • <i>Environmental Planning and Assessment Act 1979</i> • <i>Local Government Act 1993</i> • National Construction Code and Australian Standards • Oversight by the Office of Local Government (NSW)

DISCUSSION

In accordance with Council resolutions, the following quarterly status update outlines progress across demolition, planning and design, and legal recovery.

Demolition: Council has progressed the demolition pathway endorsed through previous resolutions, following expert advice that the new building, former heritage building, pool and associated structures are not economically viable to remediate. The removal of the heritage listing from the Sutherland Shire Local Environmental Plan 2015, effective 1 May 2026, enabled the project to advance through the required approvals and documentation for demolition and site preparation.

NSW Public Works has been appointed to lead the demolition phase, providing specialist project management and technical oversight to support safe and coordinated delivery.

Demolition tenders are currently being assessed, while pre-tender approvals are being progressed for traffic management, site hoardings and noise monitoring. These activities will

support a safe, coordinated and appropriately managed demolition phase.

Planning and Design: Planning and design work for the new North Cronulla Surf Life Saving Club facility is progressing, supported by completion of the Preliminary Capital Expenditure Review and its submission to the Office of Local Government on 2 April 2026. External funding has also been secured, including a \$100,000 NSW Government Office of Sport grant and a further \$10 million NSW Government funding commitment to support planning, design and delivery of a modern, fit-for-purpose community facility.

At its Meeting on 13 July 2026 ([Item 13.6 Minute No: 231](#)), Council resolved to appoint Jasmax as the lead design consultant for the redevelopment. Jasmax is developing final concept plans for the new facility based on Council's adopted medium-term option, to inform the next stages of planning, approvals and project delivery.

External and internal stakeholder workshops have been held to inform development of the concept plan. Input from key users, Council teams and relevant stakeholders is helping ensure the emerging design responds to operational requirements, community needs and long-term facility functionality.

Legal Recovery: In line with Council's resolution, the Chief Executive Officer remains authorised to take reasonable steps to preserve Council's financial position and, where reasonable and prudent, commence proceedings seeking compensation from relevant parties associated with the project. This process is intended to protect Council's interests and support the objective that any continuation of the project is, as far as possible, at no ultimate net cost to ratepayers. A confidential legal update is provided in Attachment 2.

RESOURCING STRATEGY IMPLICATIONS

A Funding Strategy for the construction phase of the North Cronulla Surf Life Saving facility was presented to Council in December 2025. The draft funding strategy examined the funding needs for the range of construction options and assesses all potential funding sources, including Council reserves, external grants, developer contributions, commercial revenue and borrowing. It provides a clear, sustainable pathway to deliver a modern, fit-for-purpose surf lifesaving facility for North Cronulla, supporting both current and future community needs while maintaining Council's strong financial position.

The Funding Strategy will be continuously updated as detailed planning of the re-development progresses.

COMMUNITY ENGAGEMENT

Council has continued to engage regularly with Club representatives to keep them informed of project progress. This has included meeting regularly with the Club, providing communications support for updates to members and involving Club representatives as key stakeholders throughout the design development process.

Council will also install updated signage at the site directing the community to the project website. Neighbour notifications will be issued ahead of demolition commencing, and a further project update will be included in the next issue of the Our Shire newsletter.

CONCLUSION

The North Cronulla Surf Life Saving Club redevelopment continues to progress in line with Council's endorsed pathway, with key work underway across demolition, design development, funding and legal recovery. The appointment of NSW Public Works and Jasmax provides the specialist expertise required to advance the demolition and planning phases, while ongoing stakeholder engagement is informing the development of a modern, fit-for-purpose facility.

Council has also secured external funding support, including a \$100,000 NSW Government Office of Sport grant for the design phase and a further \$10 million NSW Government funding commitment toward project delivery.

Council will continue to report quarterly to support transparency, oversight and accountability as the project progresses.