



OUR COMMUNITY. OUR COMMITMENT.

FOCUS ON SERVICES AND FACILITIES

ANNUAL REPORT
2016-2017



ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

Council acknowledges the Guringai people as the Traditional Owners of the land of which the Ku-ring-gai local government area is a part, and pays its respects to their Elders, past and present.

About this report

This is Ku-ring-gai Council's report to the Ku-ring-gai community on Council's performance during the 2016/17 financial year.

The Annual Report is one of the key accountability mechanisms between Council and the community and has been prepared in accordance with Section 428 of the *Local Government Act, 1993* and the *Office of Local Government's Integrated Planning and Reporting guidelines*. This and earlier annual reports are available on our website kmc.nsw.gov.au/annualreport

The report reflects Council's continued focus during 2016/17 on delivering services and facilities that meet our changing community needs and expectations.

This includes Council's 2016/17 activities, achievements, challenges and issues, as well as an overview of the year ahead. Our performance is measured against what we said we would do in our four year Delivery Program 2013 – 2017 and one year Operational Plan 2016-2017.

This includes the delivery of projects, programs, tasks and performance measures as well as progress towards four year term achievements that Council set in June 2013.

This year Council is also required to report on its progression of the community's long term objectives contained in the Community Strategic Plan, as well as environmental issues and indicators relevant to the community's long term environmental objectives. This information is contained in Council's End of Term Report 2013 – 2017 and State of the Environment Report 2013 -2017 which are included as Parts 2 and 3 of this Annual Report and can be found on our website at kmc.nsw.gov.au/endofterm and kmc.nsw.gov.au/stateofenvironment

KU-RING-GAI COUNCIL

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FURTHER READING
kmc.nsw.gov.au/annualreport

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Part 2 – End of Term Report 2013-2017 (see separate report)

Part 3 – State of the Environment Report 2013-2017 (see separate report)

Our community's vision

In 2008 the Ku-ring-gai community and Council together developed a vision and set of principles to guide future strategic planning and directions for Ku-ring-gai. The vision and principles formed the basis of Ku-ring-gai's first Community Strategic Plan.

The vision and principles continued to be relevant to Ku-ring-gai and its community beyond that first plan and formed the basis for Ku-ring-gai's second *Community Strategic Plan 2030 – Our Community. Our Future*, which was adopted in June 2013.

VISION STATEMENT

Our community vision is a Ku-ring-gai that is a creative, healthy and liveable place where people respect each other, conserve the magnificent environment and society for the children and grandchildren of the future.

This will be achieved by

- Behaving ethically
- Leading in sustainability
- Learning and sharing knowledge
- Taking responsibility for our actions
- Respecting the needs of future generations
- Caring for the local environment and people.

DELIVERING THE VISION

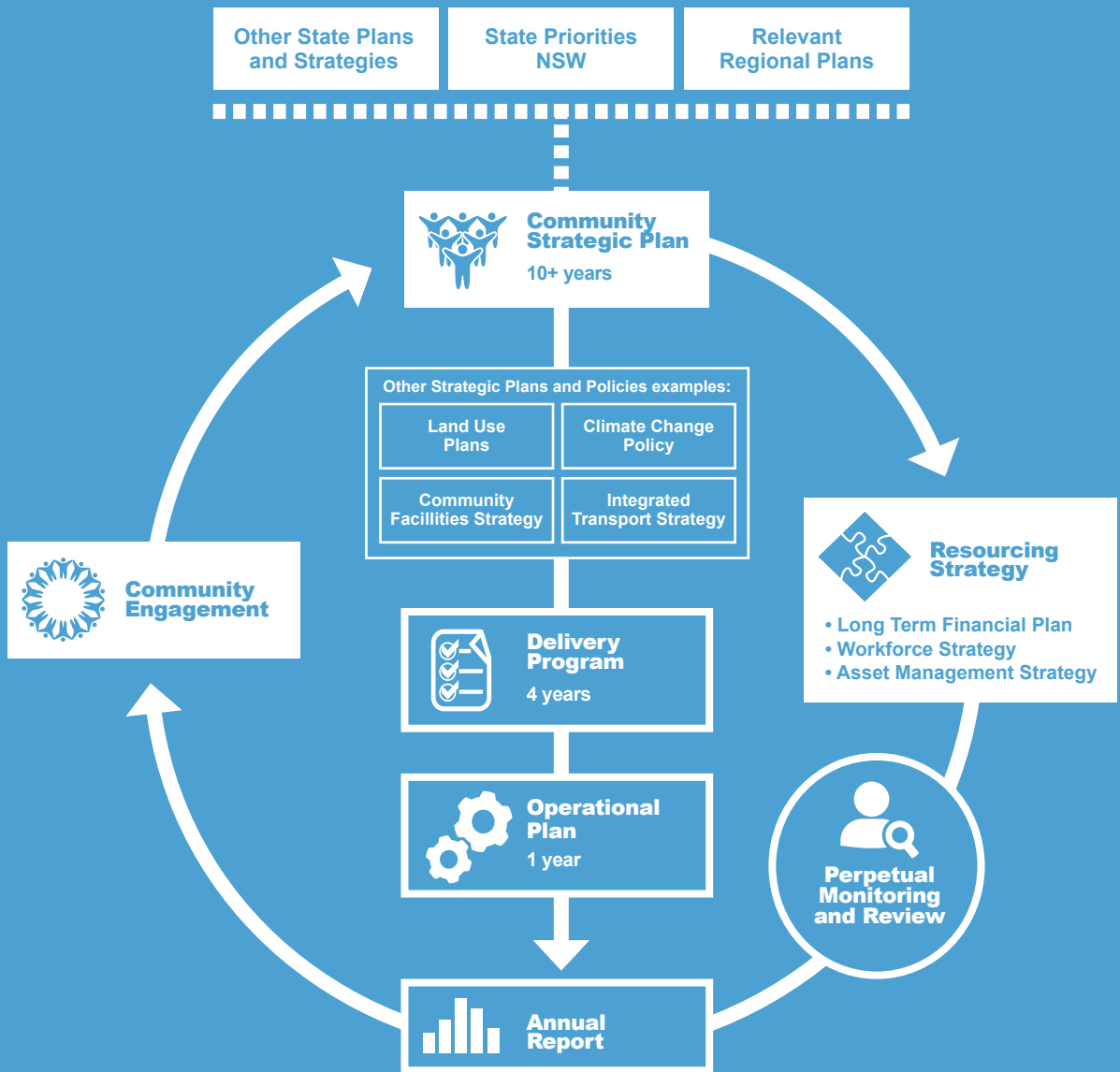
INTEGRATED PLANNING AND REPORTING FRAMEWORK

In 2009, the NSW Government introduced the integrated planning and reporting framework to assist local councils to deliver their community vision and long term objectives through long, medium and short term plans and regular reporting on performance. The purpose of the framework was to formalise best practice strategic planning across NSW councils to ensure a more sustainable local government sector. The diagram opposite illustrates the hierarchy of plans within the framework and their relationship to state and regional planning.



FURTHER READING
kmc.nsw.gov.au/integratedplanning

Integrated Planning and Reporting Framework



Source: NSW Office of Local Government – Integrated Planning and Reporting Framework. Website: olg.nsw.gov.au

Ku-ring-gai – our place

The Ku-ring-gai local government area (LGA) covers about 85 km² and is located in Sydney's northern suburbs, 16 kilometres north of the Sydney CBD. The LGA includes 17 suburbs, 6 local centres and one town centre. Each suburb has its own unique character reflecting the local natural bushland, heritage conservation areas or more recent post war development.

OUR NAME

The name 'Ku-ring-gai' is a derivation of the name of the Guringai people, the traditional owners of the land of which the Ku-ring-gai local government area is a part.

THE 'GREEN HEART' OF SYDNEY

Known as the 'Green Heart' of Sydney, we are unique for a local government area situated so close to the centre of Sydney's CBD with:

- more than 150 bushland reserves covering 1,150 hectares
- nationally significant ecological communities - includes remnant Blue Gum High Forest and Sydney Turpentine Ironbark Forest
- over 800 recorded native plant species and more than 400 species of native animals
- three adjoining National Parks (Ku-ring-gai Chase, Garigal and Lane Cove)
- a visually significant tree canopy.

ABORIGINAL HERITAGE

The original inhabitants of Ku-ring-gai– the Guringai people - have left behind many traces including middens, petroglyphs (rock drawings or carvings) and remains of shelters. As many as 650 sites of Aboriginal heritage may have existed within the Ku-ring-gai LGA. While 101 recorded sites exist in the LGA, at least double that number are believed to remain.

EUROPEAN HISTORY

European settlement in Ku-ring-gai began in 1814. Ku-ring-gai was established as a represented Municipal Council in 1906. Larger-than average suburban allotments, building covenants, fine gardens, retention of native flora and restriction of industrial and commercial development are indicative of Ku-ring-gai's heritage. Today Ku-ring-gai is renowned for its architectural heritage, particularly those homes built during the Federation and interwar periods.

CONNECTED URBAN VILLAGES

Historically, Ku-ring-gai's urban areas developed as a series of villages along the main ridgelines, each with their own identity, and always bounded by or close to large tracts of natural bushland and national parks. While subdivision and residential development have connected the villages into larger suburbs over time, their distinct characteristics still largely remain intact.

OUR SUPPORTIVE COMMUNITY

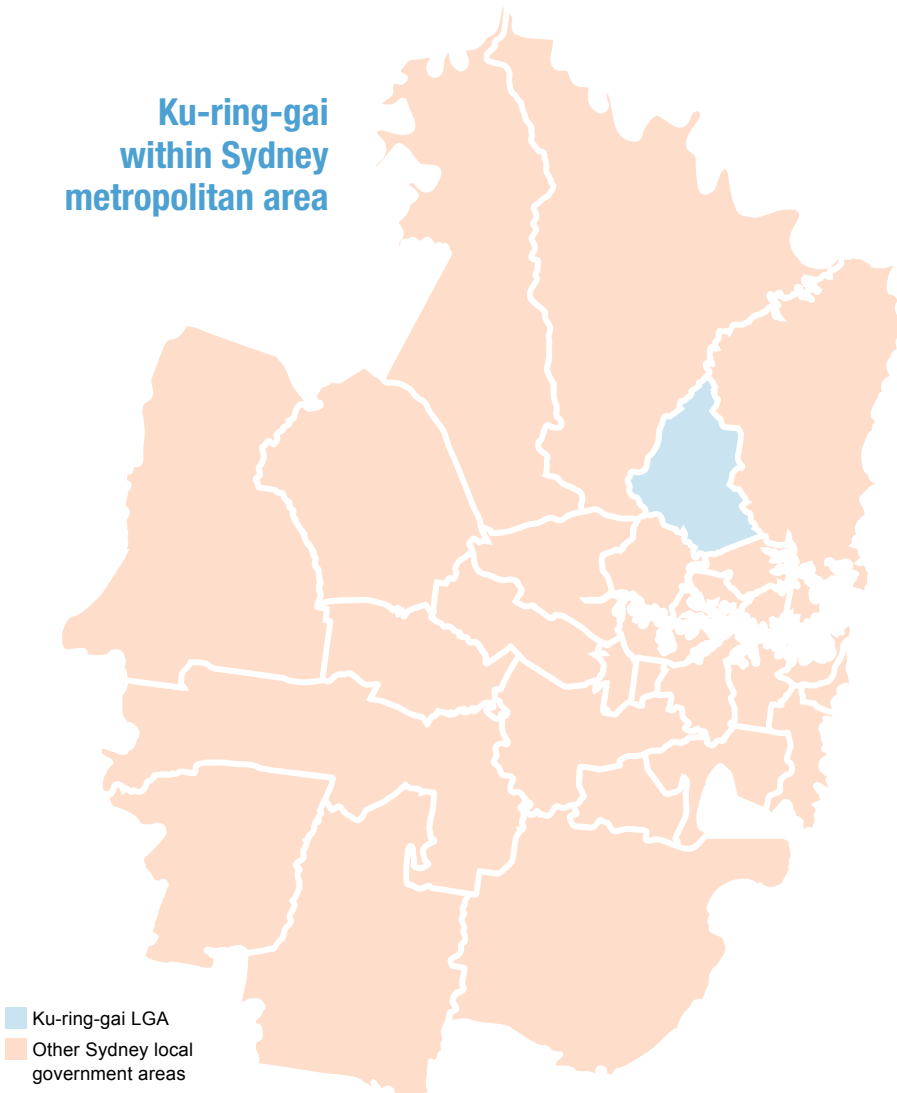
The village nature of our suburbs created close knit and self-sufficient communities with a strong connection to the area. Over time this has evolved into strong resident participation in local organisations, sporting clubs and events as well as a desire to preserve the area's unique natural and historical assets.

OUR SUBURBS

- Gordon
- Lindfield
- East Lindfield
- Pymble
- West Pymble
- Turramurra
- North Turramurra
- South Turramurra
- Roseville
- Roseville Chase
- Killara
- East Killara
- St Ives
- St Ives Chase
- Warrawee
- Wahroonga
- North Wahroonga

Ku-ring-gai is characterised by unique natural bushland, native flora and fauna and heritage legacy.

Ku-ring-gai within Sydney metropolitan area



Below left: Gordon Rd, Lindfield ca.1910. Taken on Gordon Road (now known as the Pacific Highway) looking North with Strickland Avenue on the right.

Below right: St. Ives Show ca.1924. McLeod, K. H., photographer. Shows horse competitors at St Ives show held by the St Ives Agricultural and Horticultural Association at Hassall Park, St Ives.



Ku-ring-gai – our people

From 2011 to 2016, Ku-ring-gai Council area's population increased by 8,771 people (+8.0%) to 123,143. This represents an average annual change of 1.56% per year over the period. (ABS 2016). Ku-ring-gai has a vibrant and increasingly diverse population spanning all generations. It is a popular area for families with school aged children attracted to the area for its open spaces, range of sporting facilities, access to schools and health services and close proximity to major employment areas.

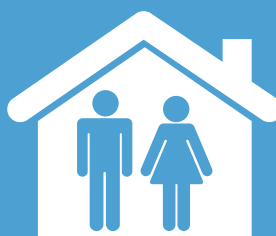
Our residents are generally employed as professionals in the health, social assistance, education and finance sectors.

*Unless otherwise stated, the demographic information on these pages is derived from the 2016 ABS Census. An * denotes a significant percentage increase from 2011 Census figures.*

 FURTHER READING
kmc.nsw.gov.au/demographics

14,004

LOCAL BUSINESSES
(ABS 2016)

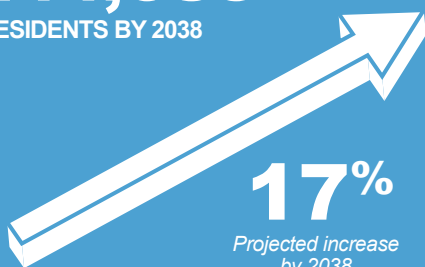


123,143 (7.5%↑)*

RESIDENTS (ERP 2016)
ABS AUGUST 2017

144,085

RESIDENTS BY 2038



17%

Projected increase
by 2038

28% (7%↑)*

SPEAK A LANGUAGE OTHER
THAN ENGLISH AT HOME



47% (0.8%↑)*

HOUSEHOLDS ARE
FAMILIES WITH CHILDREN



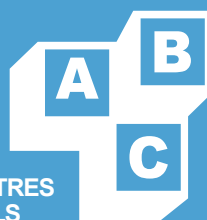
POSITIVE

NET OVERSEAS MIGRATION

The key driver of our population change
7,767 people (2011-2016)

56

CHILDCARE CENTRES
AND PRESCHOOLS

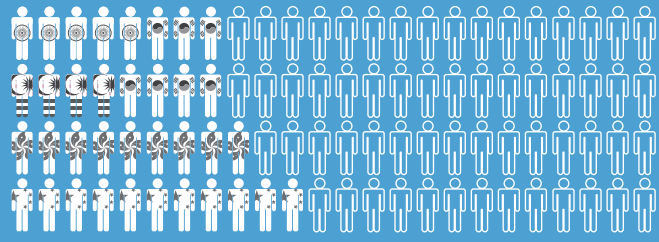


13.3%

SENIORS (70+ years)



9.5% in Greater Sydney



38.9% BORN OVERSEAS
 Mainly China 7.1%, UK 6.5%, South Africa 3.4%, Hong Kong 2.5%, South Korea 2.1%



8.2%

YOUNG WORKFORCE 25-34 YEARS
 (16.1% in Greater Sydney)



45

PRIMARY AND HIGH SCHOOLS

3.6%

NEEDING ASSISTANCE
 (Day to day assistance due to disability)
 (4,294 people)



20.1%

School aged children (5-17 years)
 (15.7% IN GREATER SYDNEY)

27.4%



MEDIUM/HIGH DENSITY DWELLINGS (22.3 % in 2011)



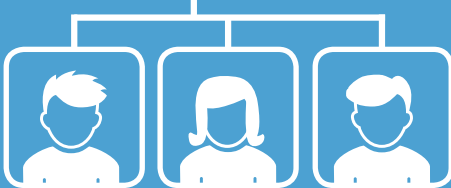
37,542

LOCAL JOBS (NIEIR 2016)

28.2% Volunteering



Persons aged 15+ years
 (16.7% IN GREATER SYDNEY)



CHANGING ANCESTRY

32.5% English, 25.0% Australian, 17.7% Chinese

Sources:
 • profile.id Community Profile – Ku-ring-gai Council
 • economy.id Economic Profile – Ku-ring-gai Council
 • ABS, Census of Housing and Population 2016.

Key achievements and challenges 2016/2017

	THEME 1	THEME 2	THEME 3
	COMMUNITY, PEOPLE AND CULTURE	NATURAL ENVIRONMENT	PLACES, SPACES AND INFRASTRUCTURE
	Building a healthy, safe and diverse community that respects our history, and celebrates our differences in a vibrant culture of learning. (Refer to pages 47-62)	Working together as a community to protect and enhance our natural environment and resources. (Refer to pages 65-78)	Creating a range of well planned, clean and safe neighbourhoods and public spaces designed with a strong sense of identity and place. (Refer to pages 81-95)
KEY ACHIEVEMENTS	<ul style="list-style-type: none"> Over 45,000 people attended diverse and exciting Council organised events and attractions. See p54 Community groups received \$100,506 funding from Council for community based projects. See p261 Over 54,880 people visited the Visitor's Centre, events and programs at the Wildflower Garden. See p114 Over 10,000 participants in Council's youth and aged and disability services and programs. See p48 Two new school vacation care centres established in St Ives and West Lindfield. See p48 Council's Family Day Care Scheme received the highest possible quality accreditation rating. See p48 Council's Disability Action Plan recognised by the NSW Minister for Disability Services. See p50 Well received services for migrants and new residents. See p52 	<ul style="list-style-type: none"> Highly successful outcomes from \$2.7million annual Environmental Levy program. See p66 \$47,000 funding provided to community environmental projects. See p260 5,348 residents participated in sustainability initiatives. See p68, 77 619 bushcare, streetcare and parkcare volunteers supported. See p68 WildThings programs reached 1000 distributed native beehives and 72 pool to pond conversions. See p68 Ku-ring-gai ranked No 1 in fridge buyback program. See p75 Established new partnership to recycle household goods. See p74 Successful native animal monitoring programs. See p70 New and revised environmental policies adopted. See p67 Successful community waste education initiatives. See p75 	<ul style="list-style-type: none"> \$3.4 million spent on new/upgraded parks and playgrounds. See p88 \$3.7 million spent on new/upgraded sports fields and facilities. See p88 Three new sports fields completed at NTRA and one additional field at Koola Park. See p88 Lindfield and Turrumurra Community Hub masterplans receive design awards. See p26 Council's Activate Ku-ring-gai urban renewal program receives Greater Sydney Commission award. See p26 Highly successful inaugural Ku-ring-gai Architecture and Urban Design Awards. See p86 Successful anti-litter program extended to more local centres. See p91 Graffiti removal success. See p91
CHALLENGES	<ul style="list-style-type: none"> Responding to changing population needs for services and facilities Determining the most suitable location for the new cultural and education centre at the St Ives Precinct Council fire safety review of apartment building wall cladding materials. 	<ul style="list-style-type: none"> Aligning Council's Biodiversity policy objectives with the changing and overriding State legislation and policy environment Completing major hazard reduction program Addressing illegal dumping of waste Implications of revised bushfire prone land maps for bushfire prone designated lands. 	<ul style="list-style-type: none"> Ensuring infrastructure assets renewals and maintenance are adequately funded Reallocation of staff resources required to prepare responses to legislation and policy changes Wet weather delayed carpark works for the North Turrumurra Recreation Area by several weeks.
THE YEAR AHEAD	<ul style="list-style-type: none"> Analyse 2016 census population information for future community planning Support new residents and migrants Implement actions under Council's Disability Action Plan Complete fire safety review of apartment building wall cladding materials Review options for the proposed cultural and education centre Deliver Council's annual program of events and cultural activities Deliver arts and cultural programs Support community organisations and volunteers. 	<ul style="list-style-type: none"> Implement priority actions from environmental policies and strategies Deliver outcomes from the Environmental Levy Program Deliver environmental programs for the community and visitors at the Ku-ring-gai Wildflower Garden Deliver the Climate Wise Communities program Support environmental volunteers Deliver recycling and waste education programs. 	<ul style="list-style-type: none"> Focus on urban and landscape design excellence Respond to draft Greater Sydney and North District plans Review implications of the NSW Biodiversity Conservation Act and Regulations Progress planning for revitalisation of Lindfield and Turrumurra local centres Complete revitalisation works at the Mall Shops, Warrimoo Avenue, St Ives and Wellington Road, East Lindfield Progress a regional playground at St Ives Showground Review Council's Outdoor Dining and Goods on Footpath Policy Complete the Playground Strategy Monitor state government changes to legislation and planning policies Monitor maintenance requirements for new and upgraded parks and sporting facilities.

	THEME 4	THEME 5	THEME 6
	ACCESS, TRAFFIC AND TRANSPORT	LOCAL ECONOMY AND EMPLOYMENT	LEADERSHIP AND GOVERNANCE
	<p>Ensuring access and connection to, from and within Ku-ring-gai provides safe, reliable and affordable public and private travel, transport and infrastructure. (Refer to pages 97-107)</p>	<p>Creating economic employment opportunities through vital, attractive centres, business innovation and technology. (Refer to pages 109-117)</p>	<p>Ensuring Ku-ring-gai is well led, managed and supported by ethical organisations which deliver projects and services to the community by listening, advocating and responding to their needs. (Refer to pages 119-129)</p>
KEY ACHIEVEMENTS	<ul style="list-style-type: none"> ■ \$9.8 million spent on road upgrades. See p98 ■ \$528,000 spent on new/upgraded footpaths. See p82 ■ Further traffic and transport studies completed for Lindfield and Turramurra local centres. See p98 ■ Road safety and efficiency initiatives implemented. See p100 ■ Sustainable transport initiatives implemented. See p103 ■ Successful Ride to Work Day hosted by Council. See p103 	<ul style="list-style-type: none"> ■ Growing participation in Council's small business event program. See p110 ■ Over 100% increased readership of Council's Business Connection e-news. See p110 ■ Council provided \$61,000 in sponsorship support for popular local events and cultural organisations. See p113 ■ New Destination Management Plan completed. See p113 ■ Visitors and tourism opportunities increased. See p114 ■ Highly successful Medieval Faire – Council's tourism signature event. See p114 ■ Successful marketing and coordination of local activities and events. See p113 	<ul style="list-style-type: none"> ■ Successful appeal to the NSW Court of Appeal against the proposal to merge Ku-ring-gai Council and Hornsby Shire Council in early 2017. See p38 ■ Maintained a sound financial position. See p120 ■ Delivered a comprehensive communication and engagement program. See p124 ■ Online e-learning modules available for staff learning and development. See p123 ■ Online service options continued to be expanded for residents and applicants. See p124
CHALLENGES	<ul style="list-style-type: none"> ■ Implementing new boat trailer parking legislative requirements ■ Finalising plans for the next stage of Council's Bike Plan route ■ Advocating improvements to access, traffic and transport in Ku-ring-gai and the Northern Sydney Region. 	<ul style="list-style-type: none"> ■ Facilitating conditions to attract new businesses and employment to the area ■ Ongoing liaison and communication of Council's planning for local and neighbourhood centres ■ Pursuing opportunities for economic growth with local and regional business partners. 	<ul style="list-style-type: none"> ■ Delayed projects and programs due to the uncertainty of the merger proposal for Hornsby and Ku-ring-gai Councils ■ Staff resources required to prepare submissions on a number of government policy, legislative and regulatory changes ■ Communicating government policy, legislative and regulatory changes and their implications to the Ku-ring-gai community ■ Delays in land classification due to deferrals and the lack of timely responses from State Government impacting on the sale of surplus assets to fund infrastructure renewal programs ■ Government suspension of the proposed Fire and Emergency Services Levy (FESL) and changes required to July rate notices.
THE YEAR AHEAD	<ul style="list-style-type: none"> ■ Continue traffic and transport planning for local centre activation projects ■ Continue to advocate for traffic and transport improvements for Ku-ring-gai ■ Implement traffic measures to assist St Ives shopkeepers and residents affected by clearway restrictions ■ Monitor implementation of the boat trailer parking policy ■ Complete new link road between Moree and Dumaresq Street, Gordon ■ Complete next stage of the Ku-ring-gai Bike Plan ■ Assess ABS Census data on journey to work modes, when released ■ Progress car share policy. 	<ul style="list-style-type: none"> ■ Continue support for local business ■ Build local and regional economic partnerships ■ Implement actions in the Destination Management Plan ■ Continue highly successful event marketing and coordination. 	<ul style="list-style-type: none"> ■ Continue to respond to state government legislative and policy changes ■ Continue to maintain our long term financial sustainability and achieve annual operating surpluses ■ Investigate alternative revenue opportunities to fund environmental and infrastructure renewal programs ■ Meet statutory requirements for good governance and management.

From the Mayor



It is my pleasure to present Ku-ring-gai Council's Annual Report 2016-2017 to the community.

The Annual Report provides an account on the delivery of excellent services and innovative projects that help realise the vision of the Ku-ring-gai Community Strategic Plan 2030.

Against the background of a forced merger with Hornsby Shire, our Council continued to plan and deliver for our community.

In March 2017 the NSW Court of Appeal found in favour of Ku-ring-gai Council regarding its appeal against the forced merger with Hornsby Shire, after which the Premier announced that the NSW Government would not proceed with forced mergers of local councils.

Notwithstanding the uncertainty of the merger issue, Ku-ring-gai Council continued to uphold the communal legacy already established by previous Ku-ring-gai councils and generations of residents.

My fellow councillors and I are proud of our achievements over the year, in partnership with residents, business and other stakeholders.

Council continued to deliver and improve on existing services and programs during 2016/17.

Highlights include delivery of major new and upgraded community facilities, upgrades to transport infrastructure, new parks and sporting facilities, revitalisation of local centres and award-winning environmental sustainability and protection initiatives by:

- Delivering a \$26 million capital works program for infrastructure and around \$117 million to provide wide - ranging services to the community
- Three new parks and playgrounds – Lapwing Reserve St Ives, Cameron Park Turrumurra and Golden Jubilee Field Wahroonga – were opened
- The Environmental Levy program delivered many new initiatives to reduce our carbon emissions by installing solar panels at Gordon Library, Ku-ring-gai Arts Centre in Roseville, the Thomas Carlyle Centre, the North Turrumurra Golf Course and the Council Depot in Pymble. Savings from energy costs will now be redirected into a strategic energy savings plan for Council buildings
- Continuing the work on the revitalisation of Lindfield local centre, through the Lindfield Village Green and Lindfield Community Hub and progressing the urban renewal projects for Gordon and master planning for Turrumurra Community Hub

- Developing a draft Destination Management Plan for the sustainable management of tourism and visitation in the local area.

Ku-ring-gai Council was the recipient of numerous awards. The Council was recognised by the Greater Sydney Commission for the quality of its master planning for the Turramurra and Lindfield projects. The Activate Ku-ring-gai program of urban renewal also won the Parks & Leisure Australia NSW Open Space Planning Award and the NSW Resilient Australia Government Award for its Climate Wise Communities program which recognises and promotes initiatives to strengthen community disaster resilience.

I was personally honoured to receive the 2017 NSW Ministers' Award for Women in Local Government which reflects positively on the achievements of Ku-ring-gai Council.

As Mayor and on behalf of my fellow Councillors, I thank Ku-ring-gai Council's hard-working and dedicated staff and the many volunteers who share our vision to deliver the best possible future for the local area.

This report provides an overview of the past year and I do hope you enjoy reading about some of the accomplishments achieved in our local community and for our local community.

Jennifer G. Anderson

Councillor Jennifer Anderson
MAYOR



General Manager's Report



The Annual Report highlights Council's achievements over the past year and our future priorities. We are currently working towards implementing our new strategic plan in line with our community's priorities in 2017/2018 and beyond.

As I review the past years' achievements and challenges, I am proud to lead an organisation that delivers such a wide range of services and projects to our community.

In the face of pending mergers this Council sustained its focus on delivering services and facilities to over 123,000 residents.

Ku-ring-gai Council and its staff continued to progress and promote major urban renewal projects for the Lindfield and Turramurra Local Centres. These urban renewal projects to be delivered under the banner of Activate Ku-ring-gai will provide new community facilities, underpinned by a broader range of services for our diverse community. They will also provide opportunities for new retail and commercial precincts to enhance the area, lifestyle and liveability for future generations of Ku-ring-gai residents.

Our Council manages \$1.3 billion worth of assets including roads, bridges, halls, land, recreation and leisure facilities, drains, parks and property.

We continued to deliver and improve on existing services and programs during this year and spent around \$117 million on services and operations with an additional \$26 million on capital works to ensure the long term sustainability of our assets.

We achieved a strong operating result for the financial year, with an operating surplus (excluding grants and contributions provided for capital purposes) of \$18.82 million.

We achieved all of Council's financial performance measures and benchmarks in 2016/17, and most of our infrastructure performance measures, with the exception of the Asset Renewals Ratio and Backlog Ratio. Further information is contained in the detailed financial statements that are a key component of the Annual Report.

Our staff have prepared a range of policies for environmental management in Ku-ring-gai, to help Ku-ring-gai become a water sensitive city and to guide native and non-native pest animal management, biodiversity and fauna management and climate change adaptation activities.

Ku-ring-gai Council is recognised and promoted as an industry leader. We have received a number of accolades for both urban renewal and environmental programs which are highlighted throughout this report.

Council has implemented an online learning management system, which provides e-learning across the organisation. Staff are now able to access over 40 e-learning modules in ethics, leadership, EEO, communication and personal development. More modules are being developed that will further align staff performance to our corporate values.

While much has been achieved, there is still a lot to accomplish as we strive together to make a real difference for our community.

I thank the Council and the staff for their contributions and I look forward to continuing to work with people who are dedicated, motivated and innovative.



John McKee
GENERAL MANAGER



Performance Summary



Powerful Owl. Photo by Chris Charles.

REPORTING AND MEASURING PERFORMANCE

The Integrated Planning and Reporting framework requires Council to report regularly on its progress towards the achievement of community objectives through Council's four year Delivery Program and one year Operational Plan. This Annual Report measures Council's performance through both quantitative and qualitative outcomes including performance measures and indicators for principal activity areas. In addition the End of Term Report 2013 – 2017 and State of the Environment Report 2013 – 2017, both required to be prepared in the year of an ordinary election of councillors, are included as Parts 2 and 3 of this year's Annual Report.

See pages 45-129 of this report for details of Council's 2016/17 performance by theme.

The diagram below illustrates Council's plans and reporting framework for the 2016-2017 year.

 **FURTHER READING**
kmc.nsw.gov.au/integratedplanning



Our financial performance - summary

OUR OBJECTIVES

Council's overall guiding principle is to maintain a strong and sustainable financial position, underpinned by a sound income base and commitment to financial control to ensure the effective and efficient delivery of services, facilities and infrastructure required by the community.

WHAT WE DID

During 2016/17 we spent around \$117 million on services and operations and \$26 million on capital works to provide a diverse range of services to the community and to ensure the long term sustainability of our assets.

We manage \$1.3 billion worth of assets infrastructure including roads, bridges, halls, land, recreation and leisure facilities, drains, parks and property.

Our income is from rates on property, government grants, interest on investments, user charges and fees. Our expenses are for construction, maintenance, wages, grants to community groups and many other services to the community like libraries, immunisation, bush regeneration and tree removal programs. The following provides a brief summary of our 2016/17 Financial Statements.

Further details of our financial position can be found in the Financial Information – Introduction section on page 131. Full details of Council's Financial Statements are available, on pages 135-254.

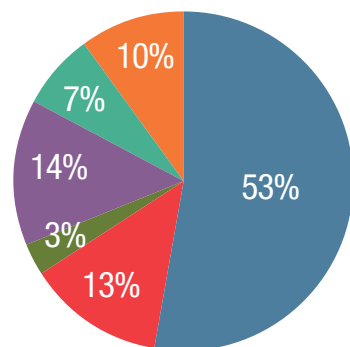
WHERE DID OUR FUNDS COME FROM?

2016/17 Total Income:
\$150.81 million

Our main sources of income in 2016/17, other than rates and annual charges, were from:

- **Capital grants and contributions**
\$14.32 million or 10%
(\$35m in 2015/16)
- **User charges and fees**
\$19.15 million or 13%
(\$18m in 2015/16)
(This includes mainly community facilities hire and regulatory/statutory fees)
- **Operating grants and contributions**
Contributed \$10.51 million or 7%
(\$8.2m in 2015/16)
- **Other revenues**
\$21.77 million or 14%
(\$11.8m in 2015/16)
- **Interest and investment revenue**
\$4.62 million or 3%
(\$4.2 m in 2015/16)
- **Total rates and annual charges**
Contributed \$80.44 million or 53%
(\$78.5m in 2015/16)

Total income by category 2016-17



- Rates and annual charges
- User Charges & Fees
- Interest & Investment Revenue
- Other Revenues
- Grants & Contributions provided for Operating Purposes
- Grants & contributions provided for Capital Purposes

WHERE WERE OUR FUNDS SPENT?

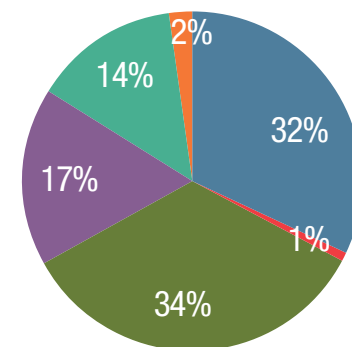
2016/17 Total Operating Expenses:
\$117.67 million

The main expenditure items for the year were:

- **Employee Costs**
\$38.27 million or 32%
(\$37.4m in 2015/16)
- **Borrowing Costs**
\$0.78 million or 1%
(\$0.9m in 2015/16)
- **Materials & Contracts**
\$40.11 million or 34%
(\$39.5m in 2015/16)
- **Depreciation**
\$19.67 million or 17%
(\$19.47m in 2015/16)
- **Other expenses**
\$16.66 million or 14%
(\$16.24m in 2015/16)
- **Net losses from disposal of Assets** Contributed \$2.18m or 2%

See page 131 for further details of our financial position and pages 135-254 for full details in our Financial Statements.

Total expenses by category 2016-17



- Employee Benefits & On-costs
- Borrowing Costs
- Materials & Contracts
- Depreciation & Amortisation
- Other Expenses
- Net Gains from the disposal of assets

HOW DID WE PERFORM?

► **Achieved performance measures and benchmarks**

We achieved all of Council’s performance measures and benchmarks in 2016/17, with the exception of the Asset Renewals Ratio and Backlog Ratio. See page 132 for details of Council’s achievement of other financial indicators and benchmarks.

► **Achieved a strong operating result**

For the financial year ended 30 June 2017 Council had an operating surplus (excluding Grants and Contributions provided for capital purposes) of \$18.82 million or an operating surplus of \$33.14 million (with inclusion of Grants and Contributions provided for capital purposes).

The operating surplus means that Council’s revenue exceeded both the cost of running its day to day operations and the depreciation of its assets. Council has maintained an operating surplus over previous years. A comparison of our Operating Result for 2016/17 to original budget and four previous years is provided in the table below.

The surplus is available to be spent on capital works.

Major variations in expenditure and income compared to Council’s original budget for 2016/17 are disclosed in Note 16 of the Financial Statements on pages 182-183.

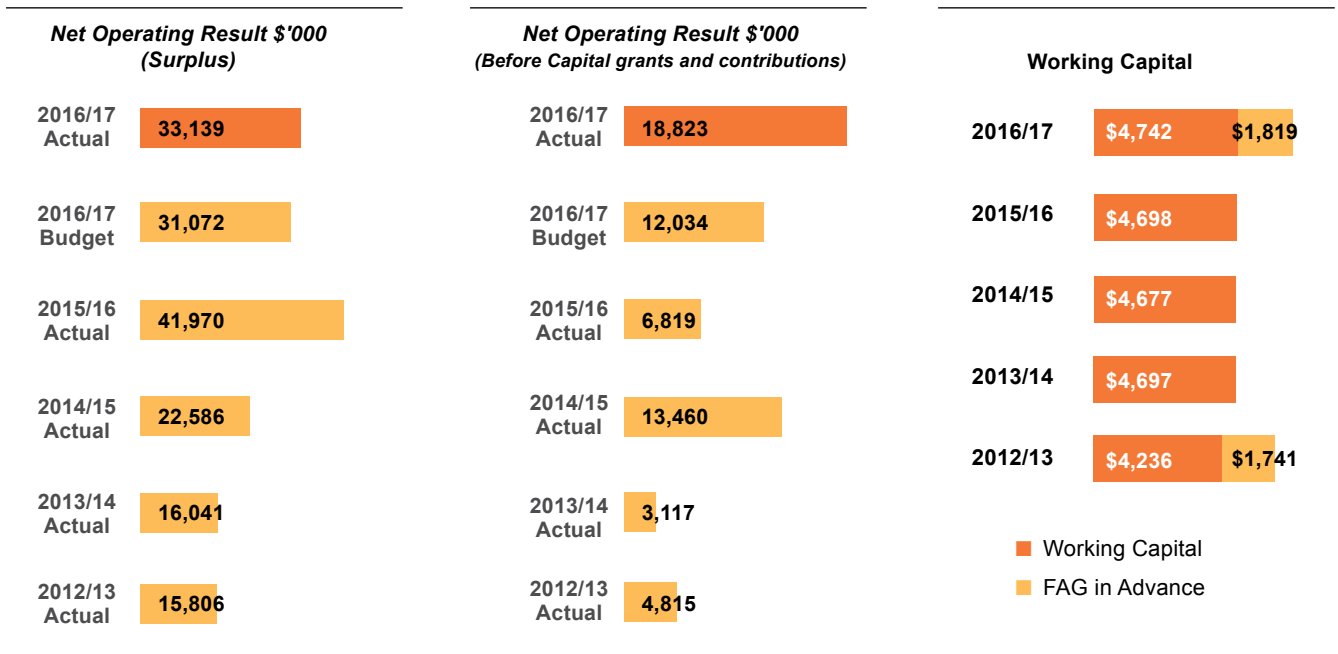
The Operating Result includes depreciation of assets and excludes capital expenditure (expenditure on assets).

► **Achieved sound working capital**

Working capital is a measure of Council’s liquidity and ability to meet its financial obligations as they fall due. It is one of the primary measures of the overall financial position of Council, which allows for unforeseen expenditure or reductions in revenue.

Our available working capital at the end of the 2016/17 financial year was \$6.56m, in line with the target identified in Council’s Annual Budget. This level of working capital highlights an adequate liquidity position with Council being able to meet its short term financial liabilities when they fall due.

The chart below provides a comparison of Council’s working capital for the last five financial years.



The financial information presented in this report may vary slightly from Council’s End of Term Report prepared in August 2017. Final Audited Financial Statements for 2016/17 were not adopted by Council until October 2017.

FURTHER READING

For information on special rates and assets see pages 120 and 122.
 For Council’s Financial Statements 2016/17 see pages 135-254.

Our corporate performance – summary

DELIVERY PROGRAM AND OPERATIONAL PLAN

Achievement of the actions, projects and activities in the annual Operational Plan contribute to the achievement of Council's four year Delivery Program and aligns with the long term objectives identified in the Community Strategic Plan.

HOW WE PERFORMED

During 2016/17 Council successfully completed or progressed a substantial program of capital works and operational projects which addressed a range of social, economic and environmental objectives contained in the Delivery Program and Community Strategic Plan.

Council also maintained or enhanced its level of service delivery across operational areas and maintained its sound financial position. This confirms Council's ongoing capacity to maintain its long term financial sustainability and to deliver services and facilities in response to changing community needs.

PERFORMANCE MEASURE	OUTCOME 2016/17	PREVIOUS 2015/16
Completion of 2016/17 Tasks (Total 255)#	89%	85%
Achievement of 2016/17 Performance Indicators (Total 85)	80%	82%
Achievement of 4 year Critical Actions (Total 124)#	84%	84% **
Achievement of 4 year Term Achievements (Total 69)	83%	81%**

Explanation:

One Operational Plan Task and one Critical Action could not be progressed or completed due to Council's reliance on external organisations or external factors outside Council's control.

** The percentage figures for 2015/16 reflect those critical actions and term achievements 'completed' at the end of year 4 of the 4 year Delivery Program.

While achievement or progression of performance measures exceeded 2015/16 results certain tasks and projects could not be progressed or completed in 2016/17. Factors affecting performance included:

- Reallocation of staff resources to respond to NSW government policy, legislative and regulatory changes as well as new plans for Greater Sydney and Sydney's North District
- Inclement weather conditions
- Delays from other government agencies
- Deferral of specific projects due to complications arising from the NSW government's previous merger proposal.



Wahroonga Food and Wine Festival.

HOW WE PERFORMED - CORPORATE PERFORMANCE INDICATORS – QBL TREND SNAPSHOT

Quadruple Bottom Line (QBL) refers to the framework for measuring and reporting on the achievement of key indicators of performance for Delivery Program and Community Strategic Plan objectives against social, economic, environmental and governance parameters.

HOW WE PERFORMED

The following table indicates our performance for key corporate performance indicators for the 2016/17 year compared to the previous four years. Variations above or below the overall performance trend are explained in the notations to the table.

KPI	QBL	Measure	Unit	2012/13	2013/14	2014/15	2015/16	2016/17	Trend
1	Gov	DA median processing time	Days	47	52	54	74	78	Increased ¹
2	Gov	Fulltime employee turnover rate	%	9	9.3	12	9.53	11.34	Increased ²
3	Gov	Policies reviewed	No.	10	11	4	7	5	Stable
4	Soc	Provision of new local open space	m ²	4000	3400	0	0	0	Stable ³
5	Soc	Major events attendance	No.	38,500	51,121	24,000	35,000	45,000	Increased ⁴
6	Soc	Library visitors	No.	563,357	456,287	533,106	492,475	521,650	Increased ⁵
7	Soc	Customer service requests received	No.	23,680	22,375	25,769	28,551	27,122	Stable
8	Env	Hazard reduction burns	ha	7.06	33.94	53.36	74	36.5	Decreased ⁶
9	Env	Bushland regeneration (area)	ha	20.5	58	59	61	60	Stable
10	Env	Water consumption (Council)	kL	98,281	96,550	101,481	102,555	183,573	Increased ⁷
11	Env	Electricity consumption (Council) buildings	kWh	3,273,000	3,767,000	4,887,000	5,581,000	5,124,000	Decreased ⁸
12	Env	Waste Kg/resident	kg	202.84	205.78	206	205.63	208.19	Increased ⁹
13	Env	Recycling Kg/resident	kg	122.90	110.78	107.86	104.36	101.15	Decreased ¹⁰
14	Env	Green waste Kg/resident	kg	171.83	152.7	163.57	170.12	157.13	Decreased ¹¹
15	Econ	Roads upgraded	\$	6,848,018	8,160,787	8,031,854	9,671,674	9,808,948	Increased ¹²
16	Econ	Development related legal costs	\$	827,038	502,525	1,153,612	1,256,887	1,054,747	Decreased ¹³
17	Econ	Debt servicing	%	2.08	4.4	16.42	2.7	1.79	Decreased ¹⁴
18	Econ	Rate income	\$	53,696,000	56,144,000	57,773,000	58,246,000	59,653,000	Stable ¹⁵
19	Econ	Return on investment	%	5.38	4.27	3.87	3.25	3.05	Stable ¹⁶
20	Econ	Ratepayers	No.	40,914	41,418	41,975	42,336	42,906	Stable
21	Econ	Source of revenue from rates and annual charges	%	61.69	62.4	57	50	53	Stable
22	Econ	Available funds balance (Working Capital)	\$M	5.90	4.7	4.7	4.7	6.5	Increased ¹⁷

1. An increase in the median processing time for all Council applications can be attributed partly to the time required to assess more complex applications, with many simpler development works now being approved through private certification. The more complex applications, requiring input from various disciplines with competing objectives are often determined at a Council meeting, the Planning Panel or the Land and Environment Court, which add further to processing times. We are also focusing on assistance to applicants, allowing amendments to applications and resolving concerns through mediation to achieve positive outcomes.

2. This increase was due to the local government reform process and the uncertainty within the sector.

3. Council has acquired the majority of land under the adopted Local Environmental Plan (Local Centres) 2012 with the owners of the remaining two parcels not seeking to sell.

4. The success of Council's events program has seen an increase in participants throughout the period.

5. The refurbishment (technology, fitout and accommodation availability) of Gordon library has contributed to the increase in library visitors.

6. Unfavourable conditions reduced the hazard reduction burns during the financial year.

7. Water consumption increased this period due to three sites requiring a new irrigation system and new turf (Koola Park), new gardens and turf mounds (North Turramurra Golf Course) and a complete field rebuild, establishment of irrigation systems and new turf (Howson Oval). It is expected that results in 2017/18 will be more favourable.

8. Improved efficiencies in Council buildings has contributed to this decrease, despite new assets such as the Ku-ring-gai Fitness and Aquatic Centre, coming on line.

9. Increased cleanup service numbers have resulted in an increase in waste tonnages. The number of larger (240L) residential waste bins also continues to increase.

10. Paper continues to decrease due to the down turn in the print media industry. Smaller increases are being seen for mixed recycling.

11. As 2016/17 was a dry summer the amount of green waste was reduced.

12. Additional funding has been allocated to continue to upgrade Council roads.

13. It is the department's policy to only use Council assessment staff to provide expert evidence. This together with the new LE Court direction aimed at resolving matters through mediation has contributed to the reduction in costs. Not reflected in these figures are Section 97B costs awarded to council in most instances which was in excess of \$220,000 in 2016/7.

14. The reduced ratio was due to decreased principal repayment during the year.

15. Due to rate pegging and property growth.

16. Decreasing due to lower interest rates and lower than anticipated return on investment portfolio. Nevertheless it exceeded the bank bill benchmark by 1.22% (1.83% Aus Bond Bank Bill Index).

17. Increased due to two instalments of the 2017-18 Financial Assistance Grant received in advance.

Services and facilities performance Summary

In 2014 and 2017 Council commissioned independent community research to examine the community’s priorities, attitudes and perceptions towards Council’s services and facilities.

This research was conducted by Micromex Research and included 44 services and facilities in 2014 and 45 in 2017.

The key objectives¹ of the research were to:

- ▶ assess and establish the community’s priorities and satisfaction in relation to Council activities, services, and facilities;
- ▶ identify the community’s overall level of satisfaction with Council’s performance;
- ▶ identify top priority areas for Council to focus on; and
- ▶ compare the research results for both 2014 and 2017.

KEY SATISFACTION TRENDS

▶ **87% overall community satisfaction with Council performance**

Overall, 87% of residents were ‘somewhat satisfied’ to ‘very satisfied’ with the performance of Council in the last 12 months. This is an improvement to the mean rating given by residents in 2014, in line with the Metro Benchmark, and significantly higher than the ‘All of NSW’ and ‘Regional’ Benchmarks.

	Overall 2017	Overall 2014
Mean ratings	3.47 ▲	3.29

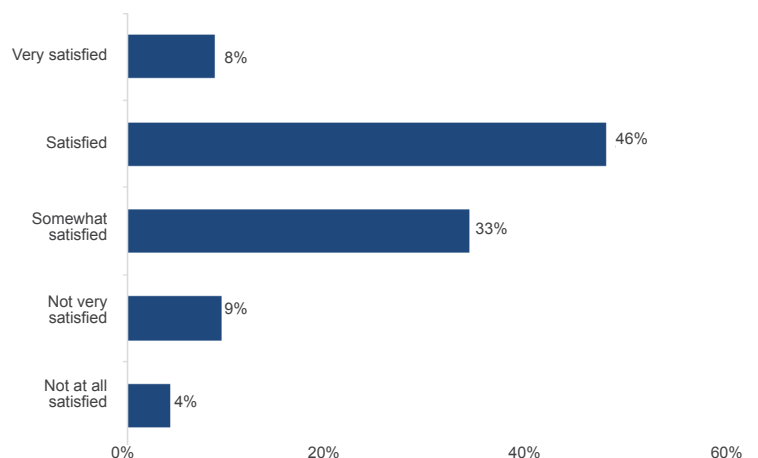
NSW LGA Brand Scores	Metro Benchmark	Regional	All of NSW	Ku-ring-gai Council
Mean ratings	3.45	3.22 ▼	3.31 ▼	3.47 ▲

Note: NSW LGA Brands Scores or benchmark scores were developed by Micromex from a state-wide community research program undertaken in 2012 across all 152 NSW LGAs. Location analysis allowed us to identify various subsets i.e. metropolitan and regional

Scale: 1 = not at all satisfied, 5 = very satisfied

▲ ▼ = A significantly higher/lower level of satisfaction (in comparison to other mean ratings)

Level of resident satisfaction



¹ Micromex Research and Consulting, Ku-ring-gai Council: Community Satisfaction Research, March 2017, p5.

KEY SATISFACTION TRENDS

► 29 services and facilities had significantly increased levels of community satisfaction

Over the same period there were increases in residents' levels of satisfaction across 29 of the comparable 44 services and facilities provided by Council.

The following table shows the change in the mean rating of resident satisfaction for services between 2014 and 2017. The mean rating is based on a scale of 1 to 5, with 1 the lowest and 5 the highest level of satisfaction.

The results of the research are being reviewed and will inform decisions on service priorities and delivery, community facilities and the preparation of new short, medium and long term plans by Council in 2017/18.

Services/facilities with significantly increased satisfaction	2017	2014
Litter control and rubbish dumping	3.84	3.69
Protection of natural areas and bushland	3.84	3.59
Community safety/crime prevention	3.78	3.58
Access to community facilities	3.73	3.59
Initiatives to reduce waste and improve recycling	3.70	3.52
Condition of waterways and creeks	3.62	3.44
Access to public transport	3.55	3.37
Support for older people	3.53	3.38
Support for people with a disability	3.51	3.24
Public toilets	3.46	2.92
Support for people from diverse cultural & language backgrounds	3.45	3.26
Availability of venues to eat out and socialise	3.45	3.23
Protecting heritage buildings and conservation areas	3.42	3.17
Providing adequate drainage	3.36	3.17
Council provision of information to residents	3.35	3.07
Variety of local activities and experiences	3.33	3.11
Tourism in the local area	3.23	2.86
Revitalisation/beautification of local centres and neighbourhood shops	3.12	2.81
Council advocacy on matters impacting on Ku-ring-gai	3.11	2.68
Initiatives to reduce energy use	3.10	2.88
Management of commercial development	3.05	2.68
Traffic management	3.04	2.85
Management of residential development	3.01	2.56
Development compatible with the local area	3.00	2.44
Long term planning for the Ku-ring-gai area	2.99	2.61
Condition of local roads	2.99	2.58
Opportunities to participate in Council decision making	2.94	2.57
Availability of car parking in the local centres	2.89	2.49
Quality of footpaths	2.81	2.63



FURTHER READING

A full copy of the community research report can be found at [kmc.nsw.gov.au/Community feedback](http://kmc.nsw.gov.au/Community%20feedback)

End of term report

Overview

The annual report in the year in which an ordinary election of councillors is held must also include an End of Term Report on Council's achievements in implementing the Community Strategic Plan over the previous 4 years.

The End of Term Report is one of the key accountability mechanisms between Council and the community and has been prepared in accordance with Section 428(2) of the *Local Government Act, 1993* and the Office of Local Government's Integrated Planning and Reporting guidelines. The Report focuses on the effectiveness of the Community Strategic Plan 2030 in progressing Ku-ring-gai's long term social, environmental, economic and civic leadership objectives over the four year period 2013-2017.

Council's performance is assessed against progress of the long term objectives contained in the Community Strategic Plan, the completion of Council's four year Term Achievements contained in its Delivery Program and the achievement of specified performance indicators. The report includes discussion on key issues and challenges affecting the Ku-ring-gai area over the past four years and how they have been addressed.

Details of Council's performance can be found in the End of Term Report, included as Part 2 of this Annual Report.

SUMMARY OF PERFORMANCE 2013 - 2017

- **Community's long term objectives**

Progress of the 30 long term objectives in the Community Strategic Plan was assessed as 'on track' and 83% of performance indicators were achieved.

- **Council's term achievements**

83% of Council's term achievements in its Delivery Program were completed, 14% were behind schedule and 3% could not be completed for the period 2013 – 2017. Commentary on term achievements not achieved or delayed can be found under each theme in Appendix 1 of the End of Term Report.

- **Finance**

Council achieved all of its performance measures and benchmarks between 2013 -2017 with the exception of the Asset Renewals Ratio and Backlog Ratio. Delays in achieving these indicators were due to delays in divesting Council assets to enable additional investment in infrastructure.

Council achieved operating surpluses for each of the financial years 2013/14 – 2016/17. Available working capital for the same period was also in line with targets identified in each of Council's Annual Budgets.

- **Services and facilities**

Independent community research was completed in 2014 and 2017 to examine the community's priorities, attitudes and perceptions towards Council's services and facilities.

Overall, 87% of residents were 'somewhat satisfied' to 'very satisfied' with the performance of Council in the last 12 months. This is an improvement to the mean rating given by residents in 2014, in line with the Sydney Metropolitan Benchmark, and significantly higher than the 'All of NSW' and Regional' Benchmarks.



FURTHER READING

A full copy of the End of Term Report is included as Part 2 of this Annual Report and can be found at kmc.nsw.gov.au/endofterm

State of the environment report

Overview

The annual report in the year in which an ordinary election of councillors is held must include a State of the Environment Report on environmental issues relevant to progress of the long term environmental objectives for Ku-ring-gai, as established by the Community Strategic Plan.

The State of the Environment Report has been prepared in accordance with Section 428A of the *Local Government Act, 1993* and the Office of Local Government's Integrated Planning and Reporting Guidelines. The report focuses on the progress of established long term objectives that contribute to environmental outcomes for Ku-ring-gai, trends relevant to the community's indicators for each long term objective and environmental impacts, challenges and achievements that have had a major effect on objectives.

Details of environmental issues, challenges and achievements can be found in the State of the Environment Report, included as Part 3 of this Annual Report.

SUMMARY OF FINDINGS 2013 - 2017

- **Community's long term objectives**

Progress of the 26 long term objectives that contribute to environmental outcomes was assessed as 'on track' for the period 2013 – 2017 across the six strategic themes in the Community Strategic Plan.

- **Performance indicators**

34 (89%) of the 38 relevant performance indicators were achieved for the period 2013 – 2017 across the six strategic themes in the Community Strategic Plan.

- **Issues and challenges**

There were significant issues and challenges that impacted on environmental objectives contained in the Community Strategic Plan during the four year period. Details of these and Council's responses are provided in the State of the Environment Report.

- **Achievements**

Council delivered a range of environmental and sustainability programs and initiatives across the key areas of biodiversity, energy, water, sustainable transport, community recreation, community engagement and environmental education during the four year period. Details of Council's achievements are provided in the State of the Environment Report.



FURTHER READING

A full copy of the State of the Environment Report is included as Part 3 of this Annual Report and can be found at kmc.nsw.gov.au/stateoftheenvironment

Awards and recognition

ORGANISATIONAL AWARDS AND RECOGNITION

2016 Australian Urban Design Awards

Australia Award

Council jointly won this award for Urban Design, Policies, Programs and Concepts (Large Scale) for the Turrumurra Community Hub Master Plan.

2016 NSW Government through the Resilient Australia Awards

Climate Wise Communities program

Council won the award for the program, which has been running for the past five years, to help local residents self-assess their vulnerability to severe weather events and through workshops, prepare plans to reduce risk.

2017 Parks and Leisure Australia Awards of Excellence

Leisure and/or Open Space Planning Award

Awarded to Council for the Activate Ku-ring-gai strategy of urban renewal and transformation. The aim is to revitalise the local centres of Turrumurra, St Ives, Gordon, Pymble, Lindfield and Roseville which is identified as a long-term goal in the Community Strategic Plan which sets out the community's vision. There are currently a number of projects underway across three local centres Lindfield, Turrumurra and Gordon.

2017 Greater Sydney Planning Awards - Greater Sydney Commission

Commendation Greater Integrated Planning Project category - Lindfield Hub masterplan

Commendation Great Plan category - Activate Ku-ring-gai program of urban renewal in retail centres.

These awards celebrate innovative projects that demonstrate high quality integration of social, economic and environmental considerations. The awards evening, hosted by Lucy Turnbull, Chief Commissioner of the Greater Sydney Commission, were presented across six categories with a total of 47 nominations.

2017 NSW Minister's Awards for Women in Local Government

Elected representative at a Metropolitan NSW Council

Award received by Mayor Jennifer Anderson, Ku-ring-gai Council in recognition of her service as an elected representative.



From left to right - Andrew Watson, Deborah Silva, Lucy Turnbull, Antony Fabbro, Louise Drum, Bill Royal, Nicole Gerschel, Deborah Dearing and Sarah Hill at the 2017 Greater Sydney Planning Awards.



From left to right – Mayor Jennifer Anderson, Helen Wortham, Anne Taylor (representing David Taylor), Dr Zeny Edwards, Kathie Reith and David Wilkins from the WW1 Writers Group.

COMMUNITY AWARDS AND RECOGNITION

The following members of the community were presented with awards or recognised for their contributions during 2016/17:

• 2017 Australia Day Awards

In recognition of outstanding contributions to the Ku-ring-gai community:

Citizen of the Year:

Dr Zeny Edwards

Young Citizen of the Year:

David Taylor

Outstanding Service to the Community (individual):

Helen Wortham

Outstanding Service to the Community (group):

WW1 Writers' Group

• 2017 Mayoral Awards – Seniors Week

In recognition of senior individuals and groups in Ku-ring-gai who have made an outstanding contribution to the community:

Outstanding contribution to the community by an individual
Roscoe Behrmann, St Ives Ukulele Group

Outstanding contribution to the community by an organisation

Uniting Gordon Community Centre, Gordon Uniting Church

Council recognised the outstanding contributions of community members and organisations.



Roscoe Behrmann of St Ives Ukulele Group receiving a Mayoral Award for outstanding contribution to the community by an individual.



The Uniting Gordon Community Centre receiving a Mayoral Award for outstanding contribution to the community by an organisation.

Calendar of events 2016/17

2016

July	August	September	October	November	December
Citizenship Ceremony	Citizenship Ceremony	Citizenship Ceremony	Citizenship Ceremony	Citizenship Ceremony	Mayor's Volunteers Christmas Function
Annual Tutors Show - Art Centre	Annual Tutors Show - Art Centre	St Ives Medieval Fair	Twilight Concert	'Elemetal' Jewellery Exhibition by artist Rachele Juter - Art Centre	Christmas
Recognising and Responding to the Abuse of Older People	Timebanking promotion	Annual Tutors Show - Art Centre	Things That Move Exhibition - Art Centre	Free movie and supper for volunteers and their friends at Roseville Cinema	Comics - Junior
40 years of PUNK rock	Art read display (read, watch and play)	Things That Move Exhibition - Art Centre	Droppin Hammers Skate Competition	Remembrance Day	Festive crafters
Naidoc Week	Human spirit through adversity	Navigating the New Pathways to Aged Home Support	Live Music – Patrick James	Biographies	Assets Test Change
Archibald Display	Chinese language health display	Spring	Pokemon display	Movember	Summer Reading Club
Short Stories	Quirky titles	Time and space	Meat Free Week	A Camera on Gallipoli	
National Diabetes Week display	Historical fiction	Read around the world	Psychological Thrillers	Author Encounter - Belinda Alexandra	
Bastille Day	Australian childrens laureate: It's your story calendar	History Week	Staff recommendations	Pyjama storytime	
Go Wild with Westerns	Spring has sprung	NAIDOC Week display	Author Encounters	Author Encounter - Tony Park	
Woniora Retirement Village talk	E books workshop	Roald Dahl	Assets Test presented by Centrelink	Author Encounter - Mark Tedeschi, QC	
Snake Fauna	Your Brain Matters - an interactive session providing healthy brain strategies	Dick Whitaker talk	Pink Ribbon morning tea	Hearing Test Australia	
Native Plant ID	The Anatomy Club for Kids - explore your brain and spine	Warrabee Public School exhibition - The black cockatoo	Introduction to Bushcare	Festive Christmas Felting	
CALD - Community sustainability event	E Magazine Workshop	Medieval Faire - Library	Native Bee Hive Workshop	Turrumurra High School Expo	
Prefab and modular housing information session	Ku-ring-gai Creative Arts Highschool Art exhibition	The Beach School Connect Expo	Regenerate Blue Gum Forest Workshop	Pool to Pond	
Making chutney at home	Free hearing checks	Introduction to Solar Power and Battery Storage	Speed Date a Sustainability Expert	Native Bee Hive Workshop	
National Tree Planting Day	Colorfest	The Ecology of Urban Ecosystems	Ride 2 Work 2016	Productive Ponds Workshop	
Guringai Festival	St Ives Orchid Fair	Welcome Bus Tour	Bee Split Workshop	Aboriginal cultural bushwalk	
	CALD - Community sustainability event	Slash your Bills - Energy Efficiency at Home	Veggie Gardening	Flying Fox event	
	Vegetable garden workshop	Draught-Proofing your Home		Water Sensitive Garden Design	
	Kombucha and Kefir workshop			Bush Foods Discovery Walk	
	Hollows as Homes workshop			Green Funerals	
	Muogamarra Nature Reserve walk				
	Wildflower Art and Garden Festival				



2017

January	February	March	April	May	June
Australia Day Celebrations/ Citizenship Ceremony	Citizenship Ceremony Black and White Exhibition - Art Centre	Citizenship Ceremony Black and White Exhibition - Art Centre	Citizenship Ceremony Ocean and Water Exhibition - Art Centre	Citizenship Ceremony Festival on the Green Famous Landmarks Exhibition - Art Centre	Citizenship Ceremony Famous Landmarks Exhibition - Art Centre
First Tuesday Book Club	Talk on volunteering benefits and opportunities at local high school	Ocean and Water Exhibition - Art Centre	Discobility – Ugly Sweater Party	Volunteering Expo	Counselling Skills for the Accidental Counsellor
Author Encounter - Thomas Keneally display	Mah-jong Workshop	St Ives Community BBQ	BBQ @ St Ives Skate Park	Sydney Writers Festival	3D Printing
Display : Australian Summer Reads	Staff and borrower recommendations	Recipe Club	HKYN Youth Forum	Let's go into the Ocean (kids)	Let's go to a Wildlife Sanctuary (kids display)
Hairy Maclary	Mah-jong Workshop	Creator Club for Kids - Board games	Shoreshocked	First Tuesday Book Club	Rome in history and literature
ELibrary demonstration for Computer Pals	Staff and borrower recommendations	Tell Your Story	Top 16 of 2016 YF and JF	Author Encounter - Susi Prescott	Scandinavian noir writers
Recipe Club	Recipe Club	Behavioural Disorders Talk	Australian stories	Cryptic Crossword Club	Mad for Science Kits
Second Friday Book Club	Author Encounter - Fired to Hired with Paul Di Michael	3D Printing - introduction session	Home assessment for energy and water (Cantonese)	May The 4th - Star Wars display	War at sea
Chinese New Year	Creator Club for Kids LEGO	Seniors Week: Hoarding with Lifeline	First Tuesday Book Club	Susi Prescott on Where Humming Birds Dance	First Monday Mah-jong club
Bi-lingual Storytime.	Explore and Create: 3d printing introduction @ Gordon	Cryptic Crossword Club	Home assessment for energy and water (Mandarin)	Mother's Day	Vivid reading
	First Tuesday Book Club	Sustainability Daycare talk	Author encounter "The Unmourned" with authors Tom and Meg Keneally	Cryptic Crossword	1st Tuesday Book Club
	Second Friday Book Club	CALD Community Sustainability event	Free hearing test : Australian Hearing	2nd Friday Book club	Creator Club
	Assets Test Talk	Flying Fox event	Charles Bean: Life and Work	Legal chat with local solicitor	Mahjong
	Creator Club	Cheese and Yoghurt Making Workshop	Whodunit	TECHmatters - Travel Apps	Literary Mocktails display based on State Library materials
	Library Lovers Week	Bushcare WHS Workshop	Charles Bean: Life and Work	Autumn reads - curl up with a good book	War on Waste
	Book Lover's Day	Bush walk and Tai Chi session	ANZAC Day Display	Bill Hosking presents "Justice Denied"	Cryptic Crossword Club
	Women's writing	Raingarden Construction workshop	Mah-jong	3D Printing Workshop	Good reads you may have missed
	Brain for Life	Australian Native Land Snails Walk & Talk	Understanding Aged Care Costs	Managing Life's Challenges	Wills and Power of Attorney - Law Week Talk 2017
	My Favourite Apps: Exercising the Mind		Hornsby Youth Zone	Library and information week display	Be Scam Aware: presentation by the Department of Fair Trading
	PRETTYcrafty - Sock Animals		Colorfest	Sydney Writers Festival - Liam Pieper	Refugee Week
	Mah-jong Club		Dogs Day Out	Beamafilm Club: Life Animated	Refugee Week Display
	Beamafilm Film Club: Where to invade next by Michael Moore		Ravenswood artwork - stencilling on drains	Mah-jong Introduction	Literary mocktails
	Cryptic Crossword Club		Productive Ponds Workshop	Kids Creator Club - Lego	Naidoc Week
	Solar for Small Businesses		CALD Community Sustainability event	Cancer Council Biggest Morning Tea	Winter wonderland
	Solar Power for Homes		Woodcarving Workshop	Vivid inspires	Author encounter - David Hunt
	DIY green cleaning home products		Introduction to Keeping Chickens	National Reconciliation Week	Beamafilm Club: Music of the Brain
	Tick information night		Crop and Swap	Mah-jong Introduction	Winter - Warm blankets & Big Books
			Welcome Bus Tour of Ku-ring-gai	Kids Posture and Spinal Health Talk	Kids Creator Club - K'nex
			Aussie Night Markets	Kids Creator Club: Lego	Wonderful Waterways Tour
				Handmade paper	Killara Garden Club
				Winter warming	St Ives Garden Club
				Bushranger Day	Aboriginal heritage walk
				Aussie Night Markets	Bush Neighbours Day
				Guringai Festival	Streetcare session
					Aussie Night Markets
					Guringai Festival

Our community leadership

Ku-ring-gai Council is a public statutory body incorporated under the Local Government Act, 1993. The Act sets out the purpose and charter of Council and defines its powers and functions.

COUNCIL'S ROLE

Council has an over-arching custodial role for the shared vision and aspirations of the Ku-ring-gai community. This includes caring for the environment, our people and places. Council has a number of roles in progressing the long-term objectives of the Community Strategic Plan. They include:

▶ Lead

Council can act to draw together diverse interests and strive towards achieving common goals for Ku-ring-gai. Council also acts as a role model for others, through its own actions, strategic organisational responses and way of doing things.

▶ Facilitate

Council can assist in the formation of partnerships aimed at promoting the area and achieving the plan's long-term objectives as well as assisting with interaction between stakeholders and community groups.

▶ Advocate

Council seeks to improve services, facilities and opportunities for Ku-ring-gai and its communities by lobbying agencies and other levels of government. Council can also articulate Ku-ring-gai's long-term vision for its area to others and the opportunities that it presents for investment in the area.

▶ Educate

Council can play an important role in educating the community and other stakeholders on important objectives such as sustainability, sound environmental management practices, quality urban design and alternative transport options. Opportunities also exist for Council to explain the community's vision and how it will be progressed.

▶ Regulate

Council has a statutory responsibility to implement legislative provisions such as health and safety controls, development assessment controls, tree preservation, energy and water reduction measures, waste management, environmental management, and other state government requirements.

▶ Deliver

Council has a vital role in delivering the services needed by the community, and ensuring that the community and Council's resources are responsibly managed. Council's role as a service provider aims to assist in building the long-term sustainability of the area.

COUNCIL'S GUIDING PRINCIPLES

The *Local Government Act 1993* as amended, sets out a number of principles for councils to carry out their functions in a way that facilitates local communities that are strong, healthy and prosperous. Key principles address:

- Strong and effective representation, leadership, planning and decision-making
- Planning strategically using the Integrated Planning and Reporting Framework
- Sound financial management
- Actively engaging with communities.

COUNCIL MEETINGS AND DECISION-MAKING

Ordinary Council meetings are held twice a month and we have committees that also meet regularly. Residents are welcome to attend these meetings. The dates of the meetings are available on our website and published in the local newspaper. Extraordinary Council Meetings are called at short notice from time to time to deal with particular issues. The dates of these meetings are published on our website and in the local newspaper (if timeframes permit).

The mayor and councillors can also raise matters to be debated at Council meetings through mayoral minutes, notices of motion and rescission motions. A decision is made when a majority of councillors vote in favour of a motion. All Council meeting proceedings are recorded. This is one important way of making our decision making processes are transparent.

Council meeting business papers are available to the public on our website, at our Customer Service Centre and all libraries on the Wednesday prior to the meetings and in the Council Chamber on meeting nights. Meeting minutes are available on our website.

COUNCIL ELECTIONS


Council elections are normally held every four years with the last local government election being held on Saturday 8 September 2012. Due to the NSW Governments merger proposal for Ku-ring-gai local government area, Council elections were deferred from September 2016 to Saturday 9 September 2017.

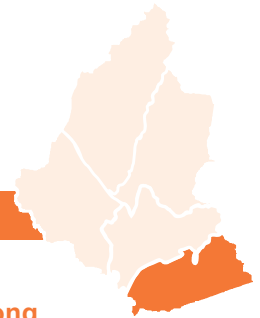
Our councillors

The Ku-ring-gai local government area is divided into five wards – Roseville, Comenarra, Gordon, St Ives and Wahroonga.

Each ward is represented by two councillors. Council elections are normally held every four years with the last local government election held on Saturday 8 September 2012. The Mayor is elected annually in September by the councillors.

The NSW Government deferred 2016 elections to September 2017 for those councils subject to merger proposals, including Ku-ring-gai Council.

 FURTHER READING
www.kmc.nsw.gov.au/wards



ROSEVILLE WARD



Mayor Jennifer Anderson

Cr Jennifer Anderson grew up in Chatswood and has lived in Killara for 29 years with her husband and four children. Cr Anderson has represented Roseville Ward since 2006.

Cr Anderson has qualifications in library and information science with appointments to the University of NSW, University of London and Lane Cove Council. Prior to election to Ku-ring-gai Council in 2006 she worked with former Bradfield MP, The Hon Dr Brendan Nelson.

Cr Anderson has served on the committees and boards of numerous local, regional and state level organisations. During 2016/17 she was Council's representative on Eryldene Trust and the Metropolitan Public Libraries Association, Chairperson of the Heritage Reference Committee, representative on Ku-ring-gai Meals on Wheels Inc. and Council's delegate to the Northern Sydney Organisation of Councils (NSROC).

In 2014 Cr Anderson won the Davidson NSW Woman of the Year Award and was also named as a Rotary International Paul Harris Fellow. In 2017 Cr Anderson was awarded the 2017 Minister's Award for Women in Local Government in the Elected Representative – Metropolitan Category.

Cr Anderson served as mayor for two consecutive terms from 2013 to 2015, and also previously served as mayor from 2011 to 2012.



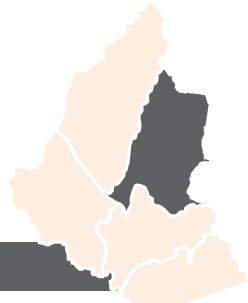
Cr David Armstrong

Cr David Armstrong has been a Ku-ring-gai resident for over 10 years and was elected to Council in 2012. He is an electrician and currently works for a private company involved in railway signalling.

During Council's 2012 - 2017 term he represented Roseville Ward.

Cr Armstrong is a member of the Ku-ring-gai branch of the Australian Labor Party and a member of the Multiple Births Association. He is particularly keen to improve services and facilities for young families in Ku-ring-gai.

During 2016/17 Cr Armstrong was elected Chair of the Flood Risk Management Reference Committee, as well as Council's alternate representative on the Rural Fire Service District Liaison Committee and Hornsby/Ku-ring-gai Bushfire Management Committee.



ST IVES WARD



Deputy Mayor David Ossip

Cr David Ossip was elected to Council in 2012 and represented St Ives Ward during Council's 2012 – 2017 term. Cr Ossip was born, raised and educated in St Ives and is presently studying for a Bachelor of Commerce and Bachelor of

Laws at the University of Sydney.

Cr Ossip works full-time as a solicitor at a commercial law firm.

A recipient of numerous academic and community service awards, as well as being an accomplished public speaker, Cr Ossip has always been keenly involved in his community. In 2009, he received the Lions Regional Youth of the Year Award and an Order of Australia Association Certificate of Recognition for Service to the Community.

An active member of the Liberal Party, Cr Ossip states he is "a passionate and enthusiastic advocate for residents, and seeks to make a positive contribution to the future of our community".

Cr Ossip previously represented Council on the Ku-ring-gai Youth Development Service Inc Management Committee (KYDS).



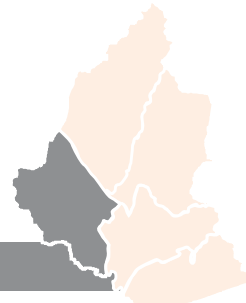
Cr Christiane Berlioz

Cr Christiane Berlioz was elected to Council in 2012 and represented St Ives Ward during Council's 2012 – 2017 term.

A community group representative for over 10 years, Cr Berlioz gained a sound knowledge of local issues and experience with Council procedures. Her focus is on representing the community voice to Council, honest and open governance, promoting development that respects environment and heritage values and most importantly preserving a sense of place and identity.

During 2016/17 Cr Berlioz was one of Council's representatives on the NSW Government appointed Sydney North Planning Panel. In previous years Cr Berlioz represented Council on the Traffic Committee, Flood Risk Management Reference Committee, Heritage Reference Committee, Greater Sydney Local Land Services Local Government Advisory Group and Sydney West Joint Regional Planning Panel.

Cr Berlioz is a qualified pharmacist and has worked in retail, hospital and industry.



COMENARRA WARD



Cr Elaine Malicki

Cr Elaine Malicki is Council's longest serving female councillor, having represented Comenarra Ward from 1991 to 2017. She was Mayor during Ku-ring-gai's Centenary Year in 2006, in 2008 to 2009 and 2012 to 2013 and initiated

programs such as ward and youth summits, a small business forum and a regional sporting forum.

Cr Elaine Malicki was awarded the honorary title of Emeritus Mayor for serving a minimum of three one-year terms as Mayor. In 2014 Cr Malicki also received a Highly Commended Award in recognition of her service as an elected representative on a metropolitan NSW council, as part of the 2014 Ministers' Awards for Women in Local Government.

Cr Malicki supported significant improvements to facilities throughout her time on Council, while protecting the built and natural environment for future generations and being an enthusiastic advocate for residents.

Cr Malicki has represented Council on numerous local committees and regional and metropolitan groups. During 2016/17 she was one of Council's representatives on the NSW Government appointed Sydney North Planning Panel.



Cr Jeffrey Pettett

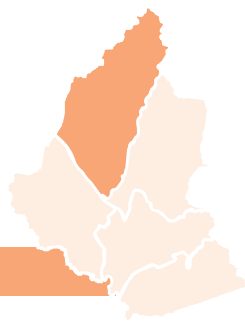
Cr Jeffrey Pettett has represented Comenarra Ward since 2012. As a long-time resident of Wahroonga, Cr Pettett has strong links with the community and is actively involved with the development of youth in Ku-ring-gai as

a coach and the Junior President of the Kissing Point Angels Baseball Club.

Cr Pettett is a qualified accountant, a Fellow of the Institute of Accountants and a Chartered Tax Adviser with the Tax Institute of Australia. Financial analysis and responsible spending are two cornerstones which drive him in his work as a Councillor.

Improvements to facilities are one of his priorities. During 2016/17 Cr Pettett was elected Chairperson for the Ku-ring-gai Traffic Committee and member of Council's Audit and Risk Committee.

WAHROONGA WARD



Cr Chantelle Fornari-Orsmund



Cr Fornari-Orsmund moved to Ku-ring-gai over 10 years ago with her husband and they are now raising their two daughters in Warringah.

Cr Fornari-Orsmund represented Warringah Ward during Council's 2012 – 2017 term.

Cr Fornari-Orsmund's interests have been at a grassroots level in a volunteer role as Project Eyewatch Coordinator for Warringah, a branch of Neighbourhood Watch that leverages social media to improve safety awareness in the local community.

Cr Fornari-Orsmund was appointed by Hornsby Police as a Volunteer in Police, which supports her passion for working as part of a team to improve safety in the local area and has previously represented Council on the Ku-ring-gai Police and Community Safety Committee.

During 2016/17 Cr Fornari-Orsmund represented Council on the Ku-ring-gai Police and Community Safety Committee and was Council's alternate representative on the Northern Sydney Organisation of Councils (NSROC) and Ku-ring-gai Youth Development Service Inc Management Committee (KYDS).

Cr Fornari-Orsmund is a former sales manager in the corporate food industry and also served as Treasurer for the NSW Liberals Women's Council.

Cr Duncan McDonald



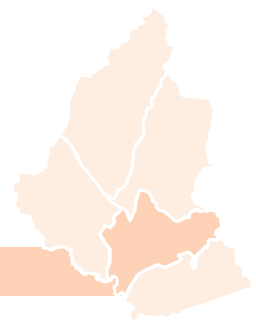
Cr Duncan McDonald is a long-time Warringah resident and represented Warringah Ward from 2009 to 2017. He grew up in Warringah and returned in the early 1990s to raise his family.

Cr McDonald has a degree in food science and a Masters of Business Administration (MBA), and is a graduate from the Institute of Company Directors (AICD). He has been involved in senior business management for over 28 years and runs his own company marketing food ingredients and brands, and has a new product development facility.

Cr McDonald is a strong advocate in supporting local community age care and chaired, for the last several years, the Ku-ring-gai and Hornsby Meals on Wheels Board, located in Turramurra.

Cr McDonald is a Fellow of the Australian Institute of Food Scientists, member of the AICD and a member of the Australian National Trust.

GORDON WARD



Cr Cheryl Szatow JP



Cr Cheryl Szatow has lived in Killara for over 21 years and has represented Gordon Ward since 2008. Cr Szatow served as Mayor from 2015 to 2016.

Cr Szatow has professional experience in education, health, research, marketing and communication and holds a Bachelor Arts with English and History majors and a Master of Education (Administration) (Hons).

Her special interests on Council include heritage, education and sustainability. Cr Szatow is also passionate about supporting the arts in Ku-ring-gai.

During 2016/17 Cr Szatow was Council's alternative representative on the NSW Government appointed Sydney North Planning Panel. Cr Szatow has previously represented Council as the Deputy Chairperson of the Ku-ring-gai Traffic Committee, Council delegate to the Northern Sydney Regional Organisation of Councils (NSROC), Chair of the Heritage Reference Committee and representative on the board of KYDS.

The desire to get things done and deliver good outcomes for the community is what continues to drive her work as a Councillor.

Cr David Citer



Cr David Citer was elected to Council in 2012 as a Gordon Ward representative.

Cr Citer spent the first 20 years of his life growing up in East Killara. Cr Citer has been working in adolescent mental health for the past 12 years in hospitals, residential mental health and drug and alcohol units and in outreach counselling services.

Cr Citer was previously the manager of the Ku-ring-gai Youth Development Service (KYDS) in Lindfield, a free youth counselling service.

Cr Citer has worked closely with students, principals, welfare teachers, school counsellors and parents' associations on early intervention programs for students.

He has also been chair of The Hornsby/Ku-ring-gai Youth Network and chair of the Northern Sydney Mental Health Working Party.

During 2016/17 Cr Citer was elected a member of the Audit and Risk Committee of Council as well as being Council's representative on the Hornsby/Ku-ring-gai Bushfire Management Committee, the Rural Fire Service District Liaison Committee, Ku-ring-gai Youth Development Service Inc. Management Committee and Greater Sydney Local Land Services Local Government Advisory Group.

Cr Citer was also Council's second delegate to the Northern Sydney Regional Organisation of Councils (NSROC) and Deputy Chairperson for the Heritage Reference Committee.

The community's role

Ku-ring-gai has an active and engaged community. Our residents and local stakeholders wish to participate in, and inform Council decision-making to ensure the delivery of high quality services and assets for the community.

There are a number of ways in which local stakeholders are involved in policy formulation and decision-making.

REFERENCE COMMITTEES

To assist in the decision making process and the operation of Council, reference committees may be established for a period of time to provide advice, assist in managing facilities or services and perform other functions. These groups often include members of the community as well as some or all councillors. As part of the decision making process, recommendations made by these formal and informal forums may be referred to an ordinary meeting of Council or general committee of Council for a decision. The following Reference Committees operated during 2016/17:

► Audit and Risk Committee

Our Audit and Risk Committee includes two external independent members (one of whom is the chair) and two Councillor representatives, as well as non-voting senior staff, other councillors and Council's external auditor. It provides independent assurance and assistance to our internal audit function in relation to risk management, internal control, governance, external accountability responsibilities, financial reporting, and compliance with laws and regulations. Additionally, the Committee also provides a level of oversight on the follow-up and completion of any issues or actions identified by internal and external audits, customer and Code of Conduct complaints as well as independent oversight of, and strategic input into our risk management framework.

► Flood Risk Management Committee

The Flood Risk Management Committee includes councillors, residents, and representatives from business or industry bodies. In addition the committee has nonvoting representatives from NSW Office of Water, NSW Department of Planning and Environment, NSW Police, NSW State Emergency Services, Sydney Water, Roads and Maritime Services and other ex-officio members. The committee is a technical review committee established under the NSW Government's Flood Prone Land Policy and has an advisory role to Council. The committee acts as a focus and forum for discussing differing views and objectives on technical, social, economic and environmental matters for floodplain management and flood risk.

► Heritage Reference Committee

The Heritage Reference Committee includes Councillors, a community representative and representatives from the National Trust Australia, Australian Institute of Architects and the Ku-ring-gai Historical Society. The committee was formed in June 2014 and provides advice to Council on heritage matters as well as promoting an understanding and appreciation of heritage through specific activities and events.

OTHER COMMITTEES

► Ku-ring-gai Traffic Committee

The Ku-ring-gai Traffic Committee is a technical body including representatives of Council, NSW Police, Roads and Maritime Services and the local Member of State Parliament. The Committee is not a committee of Council, being established under delegation of the Roads and Maritime Services. As such, the committee's role is to consider and advise Council on traffic related matters.



FURTHER READING
kmc.nsw.gov.au/committeemeetings

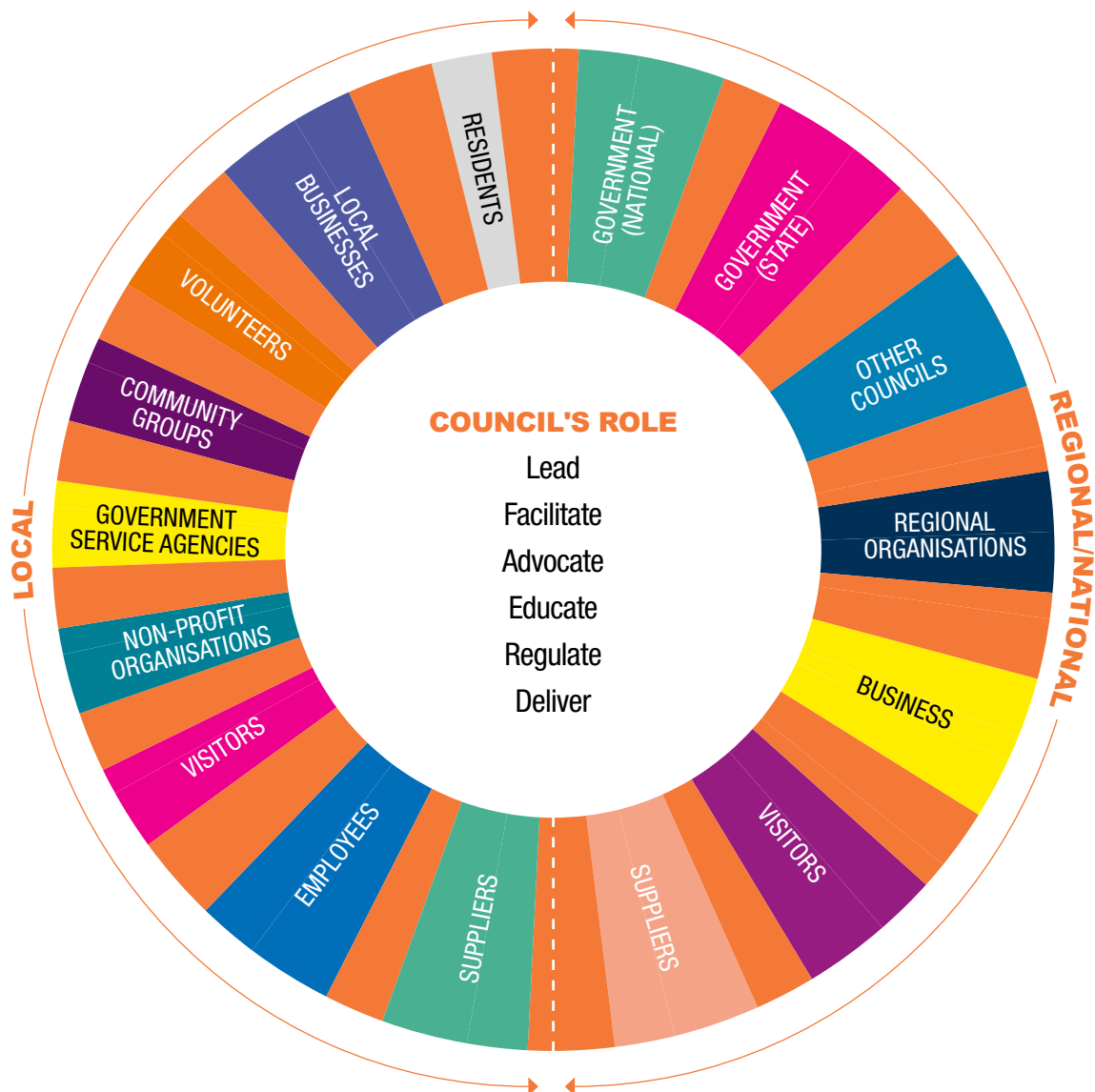
Engaging our community

While Council has a number of roles in progressing the long term objectives of the Ku-ring-gai community it does not have full responsibility for implementing or resourcing all of the community aspirations identified in the Community Strategic Plan.

Other stakeholders, such as state agencies, non-government organisations, business, community groups and individuals also have a role to play in delivering these outcomes. This can be as contributors of ideas and views on proposed projects or service levels, partners in delivering specific outcomes, or delivering outcomes on behalf of Council.

Examples of the diverse contributions made by our stakeholders can be found in this Annual Report. Specific stakeholders are also listed for each Long Term Objective in the Community Strategic Plan 2030 at kmc.nsw.gov.au/integratedplanning

The important relationship between Council and our stakeholders is illustrated below.



Consultation and engagement

Council employs best practice methods to proactively connect with its local stakeholders as well as regional organisations and government. This includes providing innovative and effective consultation by taking new ideas and master plans directly to the community through forums, workshops, special events and information stalls. All consultation includes a multimodal approach to communications and engagement. This can include special events, have your say pages on the website, forums or workshops, telephone surveys, stakeholder meetings, online and hard copy surveys and face to face availability of staff.

Recent achievements have included:

▶ Activate Lindfield and Turramurra local centre programs

Significant engagement has been undertaken with community, business and government representatives for the Activate Lindfield and Activate Turramurra projects.

▶ Business engagement program

Significant engagement took place with the local business community through Council's business engagement program.

▶ Ku-ring-gai sports forum

An annual forum was held with attendees from local sporting clubs, associations and schools.

▶ Revitalisation of neighbourhood centres

Key stakeholders and the community were consulted on designs to revitalise The Mall Shops, Warrimoo Avenue, St Ives Chase and construct an accessible link to The Mall Park.

▶ Environmental and sustainability programs

Council's engagement with the Ku-ring-gai community on environmental and sustainability continued to grow in strength, and attract community members to a broad range of initiatives.

▶ Community feedback on programs

During 2016/17 a series of surveys were conducted of user groups for specific Council programs and initiatives. Their purpose was to assess the level of user satisfaction with the programs and identify opportunities for improvements or change to suit user group needs. The majority of these surveys were undertaken online and included environmental initiative programs, community education programs for fire preparedness, children's services and workshops and programs for older people.

▶ Community research into council services

In 2017 Council commissioned independent community research to examine the community's priorities, attitudes and perceptions towards Council's services and facilities.

This research was conducted by Micromex Research and included a representative resident telephone survey of 45 identified services and facilities in 2017. The results were compared to the results of a similar survey in 2014.

▶ Specific projects

St Ives Village Green new recreation precinct; Regional Playground at St Ives Showground and the Access and Disability Inclusion Plan.

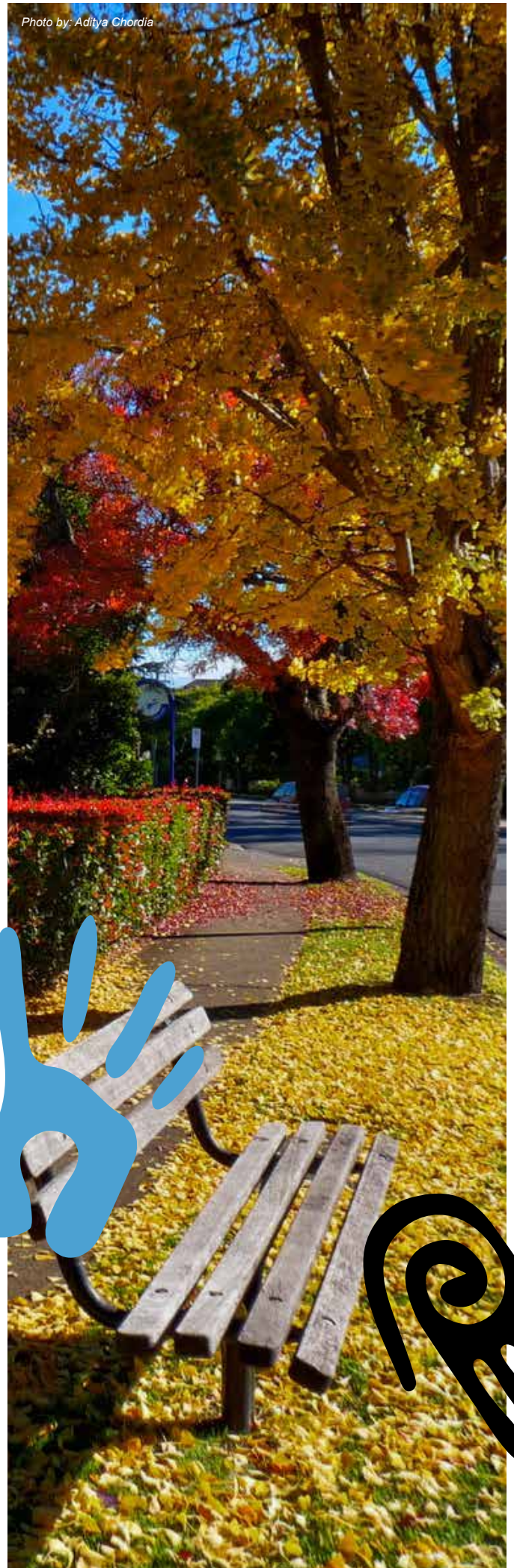
Communication and reporting

A comprehensive communications strategy also ensured that the Ku-ring-gai community and other stakeholders remain informed of the many activities, services, major projects, consultations and achievements of Council throughout the year.

A central focus during the period was on communicating Council's responses to the State government's local government reform initiatives.

Communication campaigns were also undertaken for major legislative and policy changes including proposed changes to medium density housing controls and biodiversity legislation; mandatory changes to laws affecting the sale and leasing of properties with pools and/or spas; adoption of the revised bushfire management plan; finalisation of the State Government's Solar Bonus Scheme and changes to Council's Development Control Plan and Local Centres Development Control Plan.

Photo by: Aditya Chordia



Local government reforms

Since 2012 the NSW Government has initiated a number of major reform proposals for consideration by local councils and their communities. Council has prepared a comprehensive submission for each of these proposed changes, to advise the government of changes that are supported and more particularly those changes that would have significant impacts on the Ku-ring-gai community. Staff continue to monitor and analyse the ongoing changes to the local government environment as a result of the Government's reforms and legislative changes. The following summarises the more recent proposals and Council's responses.

NSW GOVERNMENT'S MERGER PROPOSAL

The NSW Government's 'Fit for the Future' initiative in 2015 for NSW councils included a merger between Ku-ring-gai and Hornsby Councils. Ku-ring-gai Council consistently advised the NSW Government, that the option for Ku-ring-gai to amalgamate with Hornsby Shire Council, had not been substantiated by any analysis of the costs and benefits of an amalgamation. The judgement made by the NSW Court of Appeal in March 2017 found in favour of Council on the basis that there were reasons in law why the proposal to forcibly merge Ku-ring-gai Council and Hornsby Shire Council should not proceed in its current form.

In July 2017 the NSW Government announced that all proposed council mergers would not proceed further. As a result there is no proposed change to Council's stand-alone status. Background information on the 'Fit for the Future' proposal, including Council's previous resolutions and submissions on this matter can be found on Council's website.

A PLAN FOR GROWING SYDNEY

The former 'Draft Metropolitan Strategy for Sydney to 2031' included proposals to significantly increase housing across the Sydney metropolitan area. This potentially included additional housing targets for northern Sydney local government areas including Ku-ring-gai.

Council has previously raised concern that the Ku-ring-gai local government area has already supplied significant new housing over the past seven years and further significant increases will have impacts on infrastructure and service provision for residents. In late 2014 the NSW Government released a new metropolitan Sydney plan 'A Plan for Growing Sydney'. The plan identified the main northern rail line as an Urban Renewal Corridor. Based on population projections for Sydney previously released by the Department of Planning and Environment, it was anticipated that additional growth will need to be accommodated above and beyond that which Council has only recently been required to accommodate.

► Greater Sydney Commission

In 2015 the NSW Government established a new planning body, The Greater Sydney Commission (GSC), to lead metropolitan planning for the Greater Sydney Region.

The GSC established six planning districts in metropolitan Sydney as part of the metropolitan planning process. The North District comprises the local government areas of Hornsby, Hunters Hill, Ku-ring-gai, Lane Cove, Northern Beaches, Mosman, North Sydney, Ryde and Willoughby. Each district now has a Sydney Planning Panel, replacing the previous Joint Regional Planning Panels, to determine regionally significant development applications (generally development over \$20 million) and to consider rezoning reviews.



During 2016/17 Council made 11 major submissions on state government planning, legislative and regulatory changes.

► Draft North District Plan and 'Towards our Greater Sydney 2056' Plan

In late 2016 the GSC commenced exhibition of the draft North District Plan and overarching metropolitan plan for Sydney 'Towards our Greater Sydney 2056'.

The plan 'Towards Our Greater Sydney 2056' included a strategy for a Sydney metropolis of three cities, and proposes a framework to more effectively underpin strategic planning for a more productive, liveable and sustainable city.

The GSC advised that District Plans for Greater Sydney's six districts will directly inform local council planning and influence the decisions of state agencies. These plans will sit in the middle of the hierarchy of metropolitan, district and local planning for the Greater Sydney Region. Council provided a comprehensive submission in regard to these plans indicating support for certain components as well as raising concerns regarding the need for more detailed information to assess other areas. Following exhibition the GSC revised the plans and has placed them on exhibition for further comments.

PROPOSED AMENDMENTS TO PLANNING LEGISLATION

In 2013 the NSW Government released its 'White Paper: A New Planning System for NSW'. The Paper built on the reforms and changes proposed in the preliminary 2012 Green Paper and proposed major changes around the following five fundamental land-use planning areas:

- changing the planning culture at the state government level, and its relationship with local government
- community participation
- strategic planning
- development assessment
- infrastructure

Council's submission to the Government at that time identified concerns regarding some of the proposed changes. In early 2017 the Minister for Planning released modified proposals to amend the *Environmental Planning and Assessment Act, 1979 (EP&A Act)* through a series of significant amendments. The government's stated objectives for the amendments are to:

- enhance community participation
- promote strategic planning
- increase probity and accountability in decision-making; and
- promote simpler, faster processes for all participants

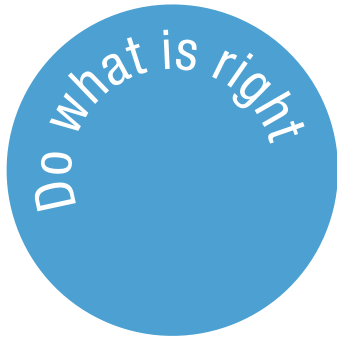
In a recent submission Council advised the Government of its support for specified amendments and raised concerns with other aspects of the proposed legislative and regulatory changes.

LOCAL GOVERNMENT ACT REVIEW

In 2012, the Minister for Local Government, appointed a four member Taskforce to review the *Local Government Act, 1993*. The Taskforce looked at options to develop a new, modern Local Government Act that would meet the future needs of the local government sector and the community. The Taskforce completed its work in late 2013, and its final report and recommendations were exhibited for public comment in early 2014, with councils invited to make submissions to the Taskforce in March 2014. Following consideration of submissions the Taskforce delivered its response to the NSW Government in September 2014. The NSW Government broadly supported the recommendations of the Taskforce and commenced work, in consultation with the local government sector and key stakeholders, to develop a new Act. Phasing in of the Act began in 2016/17 with further sections to be phased in over 2017/18.

Organisational leadership

To guide the organisation's delivery of the themes, long term objectives and term achievements Council adopted the following corporate values in 2015:



- We act with integrity in everything that we do and say
- We make transparent, ethical and consistent decisions that support the vision of Council



- We are considerate towards others ensuring fairness, dignity and equality
- We practice and encourage transparent communication



- We are accountable for our decisions
- We take responsibility for the outcomes of our choices, behaviours and actions



- We work together as a team to achieve our full potential
- We have the insight and passion to lead Council into the future

ORGANISATIONAL STRUCTURE

Ku-ring-gai’s organisational structure is made up of six departments - civic management, community, corporate, development and regulation, operations and strategy & environment.

The General Manager, along with five directors, lead the departments and make up the executive management team. The directors assist the General Manager in the development of long term strategic plans and their delivery, ensure the organisation is meeting its obligations and are responsible for the day to day management of the departments. The General Manager is responsible for the overall operation of the organisation and for ensuring the implementation of decisions of Council. The performance of the General Manager is measured through a performance agreement as part of the contract of employment.



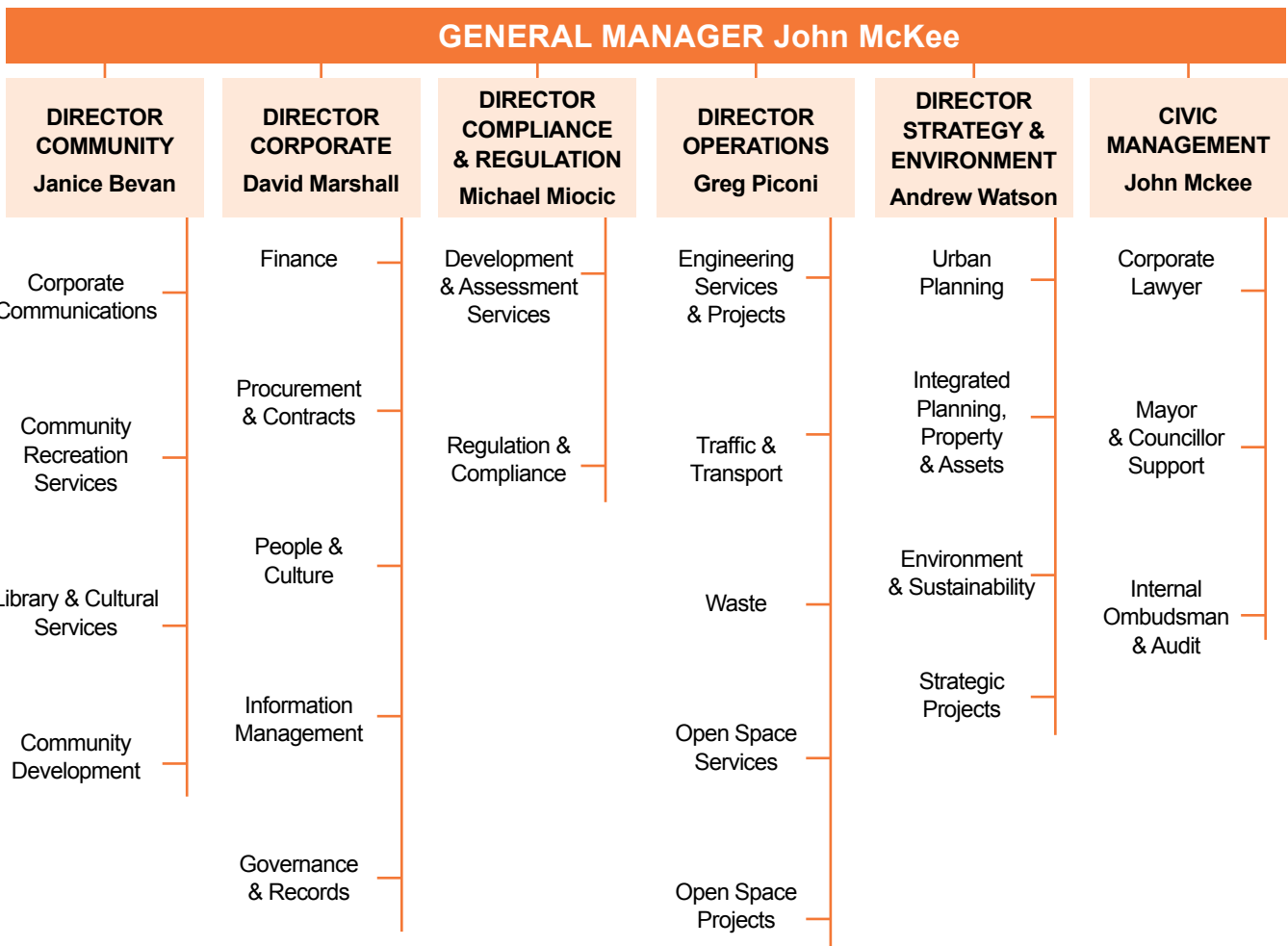
JOHN MCKEE GENERAL MANAGER

Bachelor of Business, Member Local Government Managers Association

John McKee has been General Manager at Ku-ring-gai Council since March 2006. Prior to his appointment John held the position of Council’s Director Finance and Business for five years. John has worked in local government

for 25 years. In his role as General Manager, John is responsible for overall organisational leadership, the financial, governance, operational and service performance of Council and organisational support for the elected Council.

During John’s leadership, Council has significantly improved its long term financial and asset management capability, been recognised as an industry leader through awards for recreation park design, open space acquisition, sustainability and climate change adaptation and most recently won the 2014 AR Bluett Memorial Award for the most progressive urban council in NSW.





MICHAEL MIOCIC
DIRECTOR DEVELOPMENT AND REGULATION

Bachelor of Town Planning

Michael was appointed to the position of Director Development and Regulation in 2003. Prior to joining Ku-ring-gai, Michael held the position of Manager Development Control at Woollahra Council from 1996. Michael also previously worked as a town planner with the City of Sydney and in the private sector as a planning consultant and has over 25 years experience in development assessment, regulatory services, strategic planning and planning and environmental law. In his current role at Ku-ring-gai Michael is responsible for development assessment and compliance/regulation services. This includes development and heritage assessment, Land and Environment Court appeals, building certificates, fire safety and food safety compliance, pool safety compliance, investigation of illegal or unauthorised works, investigation of environmental pollution, area ranger services, parking ranger service and pet registration.

JANICE BEVAN
DIRECTOR COMMUNITY

Bachelor of Arts (Library and Information Science), Masters studies in cultural and media policy

Janice was appointed Director Community in 2000. Prior to her appointment Janice held senior community services positions in Hunter Region Councils. During her career, which spans over 20 years in local government, Janice has had extensive experience in the disciplines of library management, cultural planning, communications and marketing. She has also held positions on regional organisations of councils representing libraries and cultural development. In her current role at Ku-ring-gai Janice is responsible for Council's community and cultural services,

including libraries, children's and youth services, aged and disability services and the Ku-ring-gai Art Centre. She is also responsible for economic development and tourism, festivals and events, communications, media liaison, customer service and community consultation. The Community department also manages Council's community buildings and sports and recreation facilities, including the new fitness and aquatic centre, sports fields and tennis courts and golf courses and the St Ives Precinct which comprises the Wildflower Garden and the St Ives Show Ground. Janice was awarded the Minister's Award for Women in Local Government in 2014 in recognition of her role as a senior staff member at a Metropolitan Council.

ANDREW WATSON
DIRECTOR STRATEGY AND ENVIRONMENT

Bachelor of Town Planning, Graduate Diploma of Local Government Management, Certificate of Mediation, Member of Planning Institute of Australia

Andrew was appointed to the position of Director Strategy and Environment in 2008. Before joining Ku-ring-gai Andrew worked for the NSW Department of Planning for five years, here he held the position of Regional Director for planning in South and Western Sydney and the Central Coast. Andrew brings extensive experience in planning to Council, having worked in the private sector and in local and state government in Western Australia, New South Wales and Tasmania. In his current role at Ku-ring-gai Andrew is responsible for long-term planning for a number of Council activities. This includes Integrated Planning and Reporting, asset management planning, property acquisition and management, land use and heritage planning, centre planning and design, open space planning and design, sport and recreation planning, traffic and

transport planning, natural area and catchment planning.

GREG PICONI
DIRECTOR OPERATIONS

Bachelor of Engineering, Post graduate qualification in Management, Member Local Government Engineers Association

Greg was appointed to the position of Director Technical Services in 2002 and Director Operations in 2005. Before joining Ku-ring-gai he held the positions of Works Manager and later Executive Manager Engineering Services at Ashfield Council. Prior to this Greg had extensive experience working for State Government agencies in areas including roads, engineering and civic capital works. In his current role at Ku-ring-gai, Greg is responsible for the delivery of Council's capital works programs, infrastructure and building asset upgrade and maintenance programs, maintenance of open space areas, emergency management, bushland maintenance and hazard reduction, tree preservation, waste and recycling, litter and street cleaning and graffiti removal.

DAVID MARSHALL
DIRECTOR CORPORATE

Master of Business Administration (MGS), Certified Practising Accountant, Graduate Diploma Accounting, Bachelor of Engineering (Hons)

David was appointed Director Corporate in 2013. David is responsible for financial management, procurement, human resources, risk management, governance, records and information technology. Before joining Ku-ring-gai Council, David held the position of Director Corporate and Information Services at Leichardt Council for 15 years, where he was responsible for finance, information technology, records, governance, property, customer service, recreation facilities and libraries.

 **FURTHER READING**
kmc.nsw.gov.au/organisationalstructure

Our staff

Council can only achieve the outcomes it seeks for the community with the aid of a skilled and motivated organisation focussed on working in the community's interest and continuously improving its delivery of services.

Council values its people and appreciates their contribution. It will continue to recognise the obligation for them to be provided with a safe, secure and satisfying workplace, treated equitably and with respect and properly rewarded.

Due to Ku-ring-gai's size, the diversity and technical interest of the projects we are undertaking, our reputation, and our successes, Ku-ring-gai has been able to recruit and retain a variety of technically and professionally qualified staff across a broad range of service areas as well as a full range of traditional local government roles.

Together with a robust talent management program we aim to continue to be well positioned to be an employer of choice in an increasingly competitive market place in coming years and well able to deliver an empowered, skilled and knowledgeable workforce to deliver our services to the community.

KEY ACHIEVEMENTS 2016/17

- Continued to improve our internal staff communication channels with the ongoing refinement of our 360 View communication format.
- Continued a diverse learning and development program with support for over 785 training or conference attendances, Induction and Code of Conduct training and work health and safety training.
- Delivered resilience workshops aligned to our leadership development program for over 330 employees.
- Successfully achieved internal accreditation and capacity in order to support delivery of the next phase of our leadership development program, 7 Habits of Highly Effective People.
- Reviewed and updated our online staff performance assessment system.
- Increased our e-learning capacity with the addition of 40 new e-learning modules to our online e-learning system.
- Completed our annual Health and Wellbeing, skin cancer screening and influenza vaccination programs that aim to create positive employee morale, reduce absenteeism and sick leave, reduce employee turnover, reduce workplace accidents and improve safety and improve staff productivity.

EMPLOYEE PROFILE

As at 30 June 2017, Ku-ring-gai Council employed 438 full and part-time people and 184 casual employees in a diverse range of service areas including engineering and open space operations, traffic and transport, waste operations, customer service, finance, people and culture, administration and governance, community and recreation services, aged and disability services, youth and children services, library and cultural services, regulation and compliance, development assessment, projects design and construction, urban and heritage planning, environment and sustainability, integrated planning, property and assets.

The table below shows the total number of Council employees.

Workforce total headcount by employment type as at 30 June 2017

Employment type	Ku-ring-gai Council 2017
Full time	345
Part time	93
Total Full and Part time	438
Plus Casuals	184

The median age of our workforce was 47 years with 50% of our employees aged between 45 and 65 years, and 44.3% per cent of employees aged less than 44 years.

There was a small decrease in staff in the 45 – 54 age bracket and a decrease in the 25 -34 age bracket from 2015/16, with slight increases in the 55 – 64 and 35 - 44 age brackets reflecting an ageing workforce and minor staff movements.



The gender profile of our workforce is 42 per cent female and 57 per cent male with employee positions spread across employment bands.

Workforce % by Age & Gender as at 30 June 2017

Age	Male	Female	Total No.	Total %
15 - 24	7	6	13	3.0
25 - 34	43	38	81	18.5
35 - 44	60	40	100	22.8
45 - 54	67	51	118	27.0
55 - 64	61	40	101	23.0
65 +	16	9	25	5.7
Total	254	184	438	100%

Consistent with the changing population trends in the Ku-ring-gai local government area and Greater Sydney region the organisation's demographic profile increasingly includes employees who were born overseas or who speak a second language.

There was a decrease of 1.59% in the number of women in senior roles (Technical Band 6 and above), with women comprising of 10.27% (down from 11.86% in 2015/16) compared to men at 17.12% (up from 16.74% in 2015/16) in this category. The table below shows the trends for the period 2009/10 to 2016/17.

Total % of Women in senior positions (band 6 and above) from 30 June 2010 to 30 June 2017

Financial Year End	Total workforce	Women Band 6+ % of total workforce	Men Band 6+ % of total workforce
2010	446	7.4%	15.0%
2011	454	8.2%	15.8%
2012	453	8.4%	15.6%
2013	428	9.1%	15.8%
2014	441	9.9%	17.2%
2015	440	10.9%	16.1%
2016	430	11.86%	16.74%
2017	438	10.27%	17.12%

Council's retention rate increased to 88% (turnover rate of 12%), up from 85% in previous years. This movement of staff was mainly due to career progression and advancement opportunities outside Council as well as some older workers retiring.

The average years of service per staff member is 8.8 years indicating that Council remains an attractive employer for prospective applicants. See table below for a comparison of average service years between departments.

Workforce total headcount by years of service as at 30 June 2017 (data only).

Department	Average years service with Council	No of people in Department
Civic	16.4	5
Community	6.4	114
Corporate	8.8	50
Development and Regulation	8.7	71
Operations	11.2	151
Strategy and Environment	6.3	47
Total Council	8.8	438

The following table provides a snapshot of our employee profile at 30 June 2017.

Employee profile - snapshot	2016/17
Number employees (full and part-time)	438
Median age range (years)	45 – 54 years
Retention rate	88%
Percentage of females	42%
Percentage of males	58%
Females in Band 6 and above	10.27%
Males in Band 6 and above	17.12%

Our performance in 2016 - 2017

Our performance against Council's four year Delivery Program 2013/17 and Operational Plan 2016/17

OUR THEMES

Council's plans address the community's long term social, environmental and economic aspirations for Ku-ring-gai as well as its supporting leadership and governance under six themes, also called principal activity areas. The themes are drawn from the Community Strategic Plan 2030 for Ku-ring-gai, which came into effect in June 2013.

COUNCIL'S OPERATIONAL PLAN 2016/17 AND FOUR YEAR DELIVERY PROGRAM 2013/17

The Operational Plan is an annual plan that contains Council's planned actions, projects and activities for the year and the financial resources required to implement them. Achievement of the actions, projects and activities in the Operational Plan contribute to the achievement of Council's four year Delivery Program and aligns with the long term objectives identified in the Community Strategic Plan.

SUMMARY OF PERFORMANCE

During 2016/17 Council successfully completed or progressed the majority of capital works, operational projects and actions in the annual Operational Plan. The outcomes from these activities addressed a range of social, economic and environmental objectives contained in the Delivery Program and Community Strategic Plan. Council also maintained or enhanced its level of service delivery across all areas and maintained its sound financial position. This supports Council's ongoing financial sustainability and capacity to deliver services and facilities in response to community needs.

HOW WE MEASURED OUR PROGRESS

The following sections provide information on our achievements and challenges in delivering the planned tasks, programs and projects, as well as our plans for the year ahead.

Our progress is measured through both qualitative and quantitative outcomes and performance measures for each of the themes or principal activity areas. This includes:

► QBL Trend Indicators

Our performance for key 'social, economic, environmental and governance' indicators is presented for the 2016/17 year for each theme, compared to the previous four years. These provide a measure of how we are addressing the four QBL parameters for each theme, over a continuous five year timeframe.

► Completion of 2016/17 Tasks

Our overall performance in achieving 2016/17 tasks is presented. This provides a measure of how effective we were in achieving our planned activities for the year.

► Performance Indicators

Our overall performance as well as performance for each indicator is presented for the 2016/17 year. These provide measures of our effectiveness in the delivery of particular services and activities.

PERFORMANCE MONITORING AND REPORTING

Integrated Planning and Reporting places a strong emphasis on the community being regularly informed on Council's progress in achieving the community's vision and long term objectives. This includes delivering efficient and effective services, major strategic projects, programs and actions. The following summarises Council's reports for the 2016/17 year.

► Quarterly reporting

Quarterly progress reports were presented every three months to Council on the annual budget including progress and expenditure on capital and operating projects and all Council services. Progress reports were also prepared for quarterly internal review for all one year tasks (includes achievements, challenges and remedial actions).

► Bi-annual reporting

Bi-annual reports were presented every six months to Council on our progress against annual tasks, and four year critical actions. The June Biannual review also included Council's term achievements and performance indicators for services.

► Annual Reporting

At the end of the financial year Council presents to the Ku-ring-gai community a set of audited financial statements and a summary of the work completed during the year, assessed against what Council said it would do. This includes reporting on service delivery through key achievements, challenges and performance indicators.

► End of Term Report

The Annual Report, in the year of an ordinary election of councillors, also includes information on Council's achievements in implementing the Community Strategic Plan over the previous 4 years.

► State of the Environment Report

The Annual Report, in the year of an ordinary election of councillors, also includes information on progress, issues and achievements in regard to the community's long term environmental objectives contained in the Community Strategic Plan over the previous 4 years.



THEME 1

Community, People and Culture

This theme is about creating a healthy, safe, and diverse community that respects our history and celebrates our differences in a vibrant culture of learning.

Services provided under this theme

- Children's services
- Youth services
- Aged services
- Disability services
- Cultural development
- Community events
- Libraries and art centre
- Community health, safety and wellbeing programs
- Community facilities and halls management
- Sports grounds and parks bookings
- Emergency management support

Key achievements in 2016/17

ADDRESSED GENERATIONAL NEEDS

Council facilitates and provides support for a comprehensive range of programs and services across the local government area targeting children, youth, aged and disability sectors within the community. Many of these programs and services are delivered in partnership with or through volunteer community organisations and government agencies.

► Seniors

The Seniors in Action Program continued to experience high levels of interest with many activities booked out with waiting lists. Over 3,000 seniors participated in activities during 2016/17 with a participant satisfaction rating of 95% for the comprehensive program. Highlights included the following:

- The “Tell Your Story” project where local residents over the age of 60 were invited to share their memories of their lives as part of a new oral history project. The project, with \$3,000 grant funding from the NSW Government’s Seniors Festival grants program, is designed to preserve 20th century history, highlight changes in our community and to give a lasting snapshot of these changes for future generations.
- Highly successful annual NSW Seniors Festival run over a four week period during March 2017. This included over 30 events run in partnership between Council and local community groups.
- Seminars on issues of interest - responsible dog ownership, changes to the pensioner assets test, federal government changes to the aged care sector, dementia awareness, elder abuse and an information session on the NBN broadband network.
- Popular weekly falls prevention classes with 108 seniors attending a class each week during the two terms.

► Youth

A total of 6,240 young people attended programs, events and activities organised by Council's Youth Services to address identified community needs throughout the year. This included a range of recreational, vocational and support based programs including Ku-ring-gai's Got Talent, Ku-ring-gai Parent Forums, live music events, workshops and youth centre activities. Highlights included the following:

- The 6th annual Hornsby/Ku-ring-gai Mental Health Youth Forum held in April 2017 at Macquarie University, involving 20 partner organisations. 250 students and 30 teachers from 16 high schools gathered in collaboration to reduce the stigma associated with mental health issues through the development of practical, youth-driven pathways to well-being.
- Discobility, a dance party for young people with special needs, was held on Friday 7 April at St Ives Community Centre. This is a much anticipated event for both young people and their carers, providing a social event and relaxation for both.
- The innovative iPads for Seniors program involving young people utilising their technological knowledge to teach 30 older residents how to operate smart devices effectively.

► Children

Council's children's services expanded their operations in response to community demand and were also recognised for their high standard. Highlights included the following:

Family day care accreditation

The high quality of Ku-ring-gai's family day care scheme was recognised through the accreditation process which took place in March 2017 putting Ku-ring-gai Council's family day care scheme in the top 20% across Australia. The family day care scheme has expanded to 20 educators in suburbs across Ku-ring-gai.

Educators provide care and education for up to four pre-school children on a daily basis and are supported by childcare professionals from the Council. The service has introduced initiatives such as visits to a nursing home to encourage interaction between young children and residents with dementia, which attracted widespread acclaim.

Vacation care services

In response to high demand Council's Vacation Care scheme opened two new service centres at West Lindfield Community Hall and Corpus Christi Primary in St Ives. While Council's former service at St Ives Park Primary will no longer operate the new Corpus Christi Primary service is offering an expanded number of places for vacation care. Due to this increased growth extra staff were recruited with vacation care enrolments, bookings and payments now available online. This has streamlined the booking process,

Council's vacation care program was expanded to 230 licensed places in response to community demand.

making it easier for both families and staff. Our vacation care service has also been recognised by the Federal Government's Inclusion Support Service providers for NSW for its work in integrating additional needs school-aged children into our services.

Thomas Carlyle Children's Centre

The newly renovated nursery room of Thomas Carlyle Children's Centre became operational in April 2017. Works included the removal of internal walls to extend the available play area and expand the cot room, creating additional 0-2 year-old places for the community. In addition, the centre has been repainted.

With the assistance of two families, the centre successfully applied for two Telstra Kids grants. The grants will be used to purchase iPads for use by the preschool children to assist children to learn Mandarin through the Department of Education and Training, through the Early Learning Languages Australia (ELLA) program.



Child painting at Thomas Carlyle Children's Centre.



ACCESS AND DISABILITY INCLUSION

The *Ku-ring-gai Access and Disability Inclusion Plan* was adopted by Council in 2015. This followed extensive consultation with stakeholders, public exhibition of a draft plan and reporting of submissions with recommendations to Council.

These plans are now mandatory for all councils and Ku-ring-gai was one of the first in the state to implement its plan. Out of a population of 123,000, Ku-ring-gai has an estimated 22,000 residents with a disability that limits, restricts or impairs their daily activities.² Council was successful in obtaining Quality Assurance Accreditation against the Federal Government's Disability Standards and meets funding requirements until June 2018.

In January 2017 the then NSW Minister for Disability Services the Hon John Ajaka MLC visited the Ku-ring-gai Fitness & Aquatic Centre for a presentation on Council's Disability Action Plan and the actions that Council has implemented so far.



FURTHER READING
More details on implementation of the plan can be found on page 267.

2. Broader disability definition than ABS Census.



Exercise class for Lindfield Seniors.



Disability services

Examples of actions implemented under Council's Disability Action Plan to date include:

- Opening of two new major public facilities with full accessibility - Ku-ring-gai Fitness & Aquatic Centre and Ku-ring-gai Library Gordon
- Fitness and swimming programs introduced at Ku-ring-gai Fitness and Aquatic Centre for people with physical and intellectual disabilities
- Library services extended for people with a disability. These include the Libraribus which transports people to and from their homes to libraries; the home visit library service and more items for the visually and hearing impaired
- The Missed Business Guide developed with the Better Business Partnership and distributed to local businesses to raise awareness of the access needs of customers
- A personalised waste collection service for residents with a registered disability
- Providing bushwalking tracks with wheelchair access
- New inclusive playgrounds built and opened
- Inclusivity and access training for Council staff in a range of areas e.g. Ku-ring-gai Wildflower Garden ranger guides for interacting with children and adults with an intellectual or physical disability.



Ku-ring-gai Council's Libraribus service.

SUPPORTED NEW RESIDENTS

Council and other local community organisations continued to partner to provide a program of initiatives aimed at removing barriers to participation and addressing social isolation for new residents. Key initiatives during 2016/17 included:

► Welcome Basket sponsorship

Council is the major sponsor of an innovative business enterprise by a local Turrumurra resident. New residents are welcomed to Ku-ring-gai by a friendly face delivering a gift basket that includes useful community information and discounts from local businesses. This supports our social and economic development objectives by creating a village atmosphere when welcoming new residents to the area and encouraging local shopping. As part of the sponsorship, Council holds welcome morning teas with the Mayor twice a year, increasing the social and community benefits.

► Multicultural services

- Weekly multicultural activities such as dancing, educational workshops, English language classes and cooking demonstrations are held at the Lindfield Seniors Centre in cooperation with the Community Migrant Resource Centre.
- The Ku-ring-gai Carnival of Cultures event was held in October 2016 at the St Ives Park Public School in cooperation with a number of community groups. This was a celebration of multicultural diversity in Ku-ring-gai and aims to promote harmony and inclusion of people from different cultures.
- A health display in Mandarin at the Gordon Library was mounted in conjunction with members of the Chinese community group CanRevive Inc. This display was accompanied by a free information talk on well-being in Mandarin. The Council worked in partnership with the Australian Chinese Association to present a series of classes for senior Chinese residents on falls prevention.

► Interpreter services

Key publications such as the Ku-ring-gai Annual Report carry details of interpreter services available via Council. Council also has a dedicated migrant worker from a non-English speaking background as well as key staff to provide interpreter services on an as-needs basis.

► Support for migrants

A range of services and activities specifically aimed at providing a helping hand to settle newly arrived migrants, refugees and humanitarian entrants were completed during 2016/17. This included partnering with Lifeline, Rotary and the Community Migrant Resource Centre (CMRC) to provide hampers of household goods, toiletries and items for children for refugee families.

38.9% of Ku-ring-gai residents were born overseas (ABS Census, 2016).





Refugee Welcome Afternoon Tea at the Ku-ring-gai Wildflower Garden, July 2016.

Ku-ring-gai welcomes refugees

The final 70 Ku-ring-gai Welcome Packs were officially delivered to Settlement Services International (SSI) in August 2016 for distribution to newly arrived refugees.

The Ku-ring-gai Refugee Welcome Pack Appeal was a whole of community effort, supported by council, to provide Welcome Packs to Syrian refugees resettling in Australia. Over 200 Welcome Packs were created comprising of essential items such as toiletries, toys, sporting equipment, first aid kits, books and school kits. The packs were well received and useful with the school packs being especially popular.

The community-based initiative for refugees supported by residents, Lifeline, Rotary, local churches and schools and the Migrant Resource Centre concluded with a celebration involving those who contributed and 100 newly arrived refugee families at the Ku-ring-gai Wildflower Garden. Newcomers to Ku-ring-gai were invited to a free bus tour of the local area showcasing sustainable businesses in the local area as well as other highlights of Ku-ring-gai's natural environment. New residents were also treated to a free lunch at the newly upgraded North Turrumurra Recreation Area.

SHARED EVENTS AND CULTURAL EXPERIENCES

Special events and cultural experiences provide major opportunities for, and play a significant part in social interaction within the Ku-ring-gai community. Council plays a major role in organising, supporting or sponsoring many events in the Ku-ring-gai events calendar. During 2016/17 an estimated 45,000 people attended Council's organised events and an estimated 100,000 people attended the full program of leisure and cultural events supported by Council during the year. Highlights included the following:

► Guringai Festival

The Guringai Festival is an annual celebration of indigenous culture and heritage, starting in May with National Sorry Day and running until the end of NAIDOC Week in July and is supported by Ku-ring-gai and other north shore councils, as well as numerous reconciliation and community groups. Events include workshops, art exhibitions, performances, films and talks.

The festival raises awareness of Aboriginal and Torres Strait Islander people living in this region of northern Sydney, once inhabited by the Guringai tribe, and the need to close the gap in health and wellbeing between indigenous and non-indigenous Australians. Events include workshops, art exhibitions and children's performances, with a focus on reconciliation. Events held in Ku-ring-gai included:

- Aboriginal Heritage Bushwalk & Didgeridoo/Smoke Ceremony
- Aboriginal Bush Skills & Survival
- Dreamtime Stories & Art
- Aboriginal Art & Culture Day

► Centenary of Anzac commemorations

Council hosted the public free-of-charge Lights of our Lives exhibition in Bicentennial Park, West Pymble in July 2016.

The exhibition brought together an image-based roll call of Ku-ring-gai servicemen and women who were killed in World War One, as well as a Wall of Honour remembering the more than 1700 Ku-ring-gai residents who enlisted in the war. Never-before-seen memorabilia donated by Ku-ring-gai families was on display and a First World War documentary and other footage from the Western Front was screened at the exhibition. A special morning tea was organised for nursing home residents and older residents during the exhibition.

► Wildflower Art and Garden Festival

Council's annual Wildflower Art and Garden Festival was held at the Ku-ring-gai Wildflower Garden in August 2017 with the festival offering a program full of activities and attractions including a sculpture walk, plant sales, guided bushwalks, market stalls, live music and entertainment. An estimated 55,000 people visited the garden in 2016/17.

► St Ives Medieval Faire

The Medieval Faire, now in its third year, attracted close to 20,000 attendees from throughout Australia over two days, with extensive TV, radio and print media coverage. Activities and attractions included a medieval feast and village, trebuchet, international jousts, live birds of prey recreating medieval hunting and falconry, and market stalls of authentic crafters and artisan weapon makers. The solid lance joust was the largest ever staged in Australia.

A total of 211,000 people attended Council's events during 2013-2017 (Annual Report Part 2).

Over \$61,000 of sponsorship funding was distributed to local events in 2016/17.

► Festival on the Green

Over 20,000 people attended the St Ives Village Green in early May to make the most of perfect weather at this year's Festival on the Green which included activities for all ages, food stalls and market stalls for local artisans set up alongside community groups, children's activities, and health and fitness booths.

► Other events

Other events included the popular Twilight Concerts, free Moonlight Movie and Australia Day celebrations held at Bicentennial Park, West Pymble in January 2017, followed by a pool party hosted by the YMCA at the Ku-ring-gai Fitness & Aquatic Centre, also at West Pymble.

► Support for other cultural events

Council provides sponsorship and promotes and supports many local activities. This financial year Council administered a sponsorship program distributing over \$61,000 to a range of events that supported the arts, sports and festivals. Events and activities sponsored or supported included The Welcome Basket, Ku-ring-gai Philharmonic Orchestra, Wahroonga Food and Wine Festival, St Ives Food and Wine Festival, Carols in the Park, Bobbin Head Cycle Classic, Ku-ring-gai Chase Event, Eryldene, a number of Rotary events, the Marian Street Theatre for Young People, the Ku-ring-gai Art Society, Bowling Clubs, schools and commemoration of WW1 events.



FURTHER READING

See pages 28-29 for a list of events held over the 12 month period.



Sheep shearing at the Australia Day 2017 celebrations, Bicentennial Park, West Pymble.



There were over 2 million visitors to Ku-ring-gai libraries during 2013-2017, averaging over 500,000 per year.

CULTURAL SERVICES AND FACILITIES

Cultural services were supported and planning for facilities was progressed within environmental constraints and limitations imposed by the state government's merger proposal.

► Libraries and Art Centre

Cultural and community services were successfully delivered through the existing libraries and the art centre, as well as other community events. Programs were designed to attract a wide audience, reduce social isolation and enhance mental and physical health.

Overall library events and activities continued to expand for all ages within the Ku-ring-gai area. The libraries hosted many cross collaborative displays, events and information sessions during the year including displays for NAIDOC Week, the Olympic Games, Book Week, notable people of Ku-ring-gai to elicit interest in our local community, Adult Learners Week, Ku-ring-gai bush walks, Chinese food and health, National Diabetes Week and National Science Week.

A special Heritage Festival exhibition "Charles Bean: Life and Work" at Gordon Library was well patronised with visitors coming to the Library from around Sydney to view it. Bestselling author talks by children's author Mem Fox and Thomas Keneally and his daughter Meg were also highlights.

Patronage at the Ku-ring-gai Art Centre at Roseville continued to increase with guest artist workshops, tutor and student exhibitions, an author encounter and popular courses. The Centre's vegetable garden continued to grow in this period, which now includes a tiled mural. New ideas have been to use the veggie and herb garden as a tool to teach children and adults about healthy eating and sustainability as well as using the space as a visual aid for art classes.

► Marian Street Theatre

Marian Street Theatre for Young People received grant funding from Council to assist in hosting performances and rehearsals at venues across Ku-ring-gai. The funding is part of a three year funding program endorsed by Council in 2016. The theatre company's home, the Marian Street Theatre in Killara, was closed in 2013 after a safety audit uncovered significant defects in the building.

A community group, Save Marian Street Theatre, consisting of local residents and supporters of the Marian Street Theatre, has received funding from Council to undertake a feasibility study. The study will examine the potential for raising an estimated \$6.5 million for the refurbishment of the Marian Street Theatre, and will be presented to Council in early 2018 for further consideration.

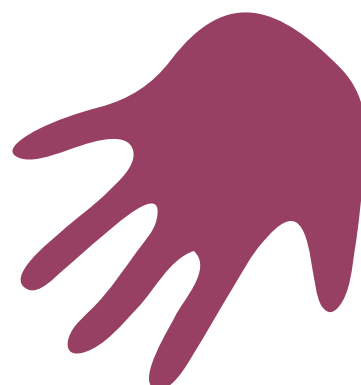
► Planning for a new Cultural and Education Centre

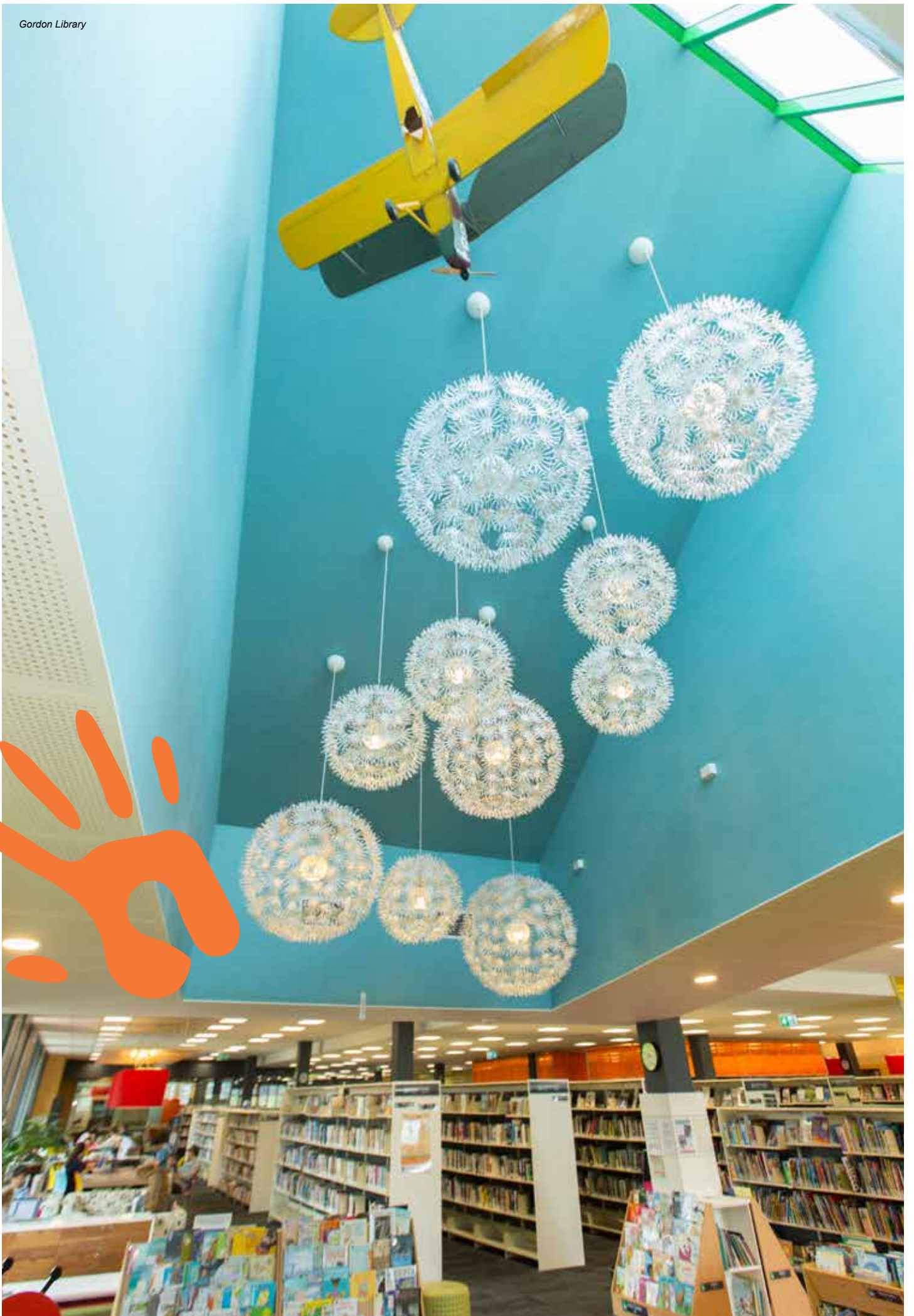
Potential bush fire risk management issues identified at the Wildflower Garden site have delayed planning for the cultural and educational centre. Further feasibility analysis is required to determine an alternative site for the centre within the St Ives Precinct.

► Planning for a new library at Lindfield local centre

Planning for a new library at Lindfield local centre continued to be progressed as part of a new Community Hub, on the western side of the Lindfield Centre. The new library would replace the existing facility which has inadequate facilities to cater for the growing usage requirements of the local Lindfield area.

See page 82 for more details on planning for the Lindfield Community Hub.







VALUED VOLUNTEERING

The work of community groups and volunteers is essential to the delivery of support services to our community and an important part of our economy. The level of volunteering in an area also indicates the cohesiveness of the community and how readily individuals are able to contribute to that community. The recent 2016 ABS Census reported that 28.2% (26% at 2011 Census) of the Ku-ring-gai population did some form of voluntary work. The actual number of volunteers today is estimated to be much higher, taking account of population growth and the extent of unreported volunteering. Highlights included the following:

► Support for Volunteers

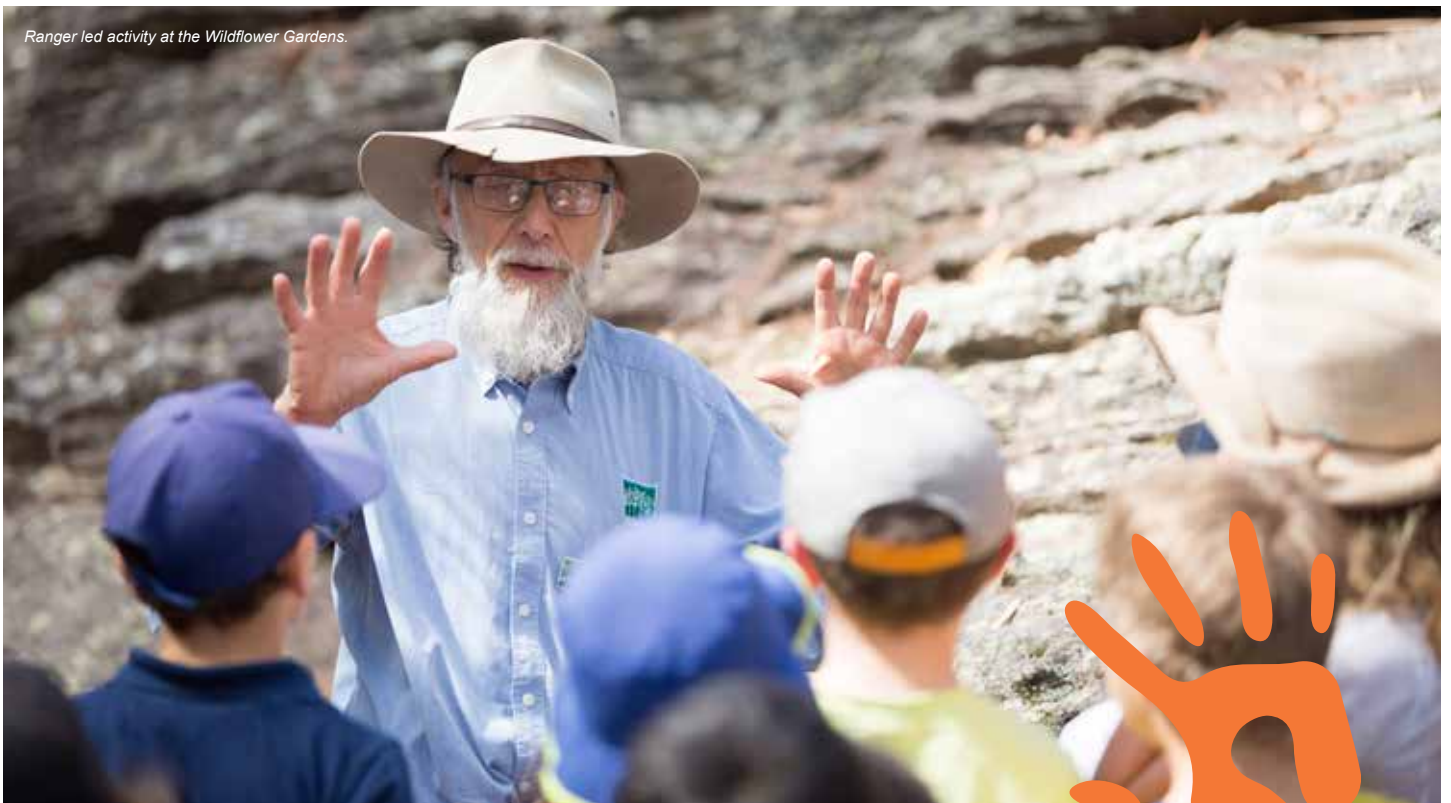
Council continued to actively support and implement volunteer programs across the Ku-ring-gai area during the year with a focus on increasing volunteering among young people to develop a sense of civic engagement. Social media is increasingly being used to promote volunteering opportunities.

Successful strategies to encourage volunteering in the community were undertaken in partnership with the

Commonwealth Home Support Program Services. These included:

- Volunteer encouragement flyers and postcards distributed in local libraries, community centres, citizenship ceremonies, Volunteering Expo, Wildflower Festival, Festival on the Green and Seniors Festival events.
- Information sessions about volunteering opportunities held at libraries and local high schools. Students were offered alternative volunteering opportunities according to their age, availability and interests.
- The Volunteering Expo conducted in partnership with 32 community organisations and attracted over 1,675 individual stall visits with a reported 142 new volunteers
- Use of social media to promote volunteering opportunities
- Two workshops conducted on the Commonwealth Home Support Program and My Aged Care for elderly residents, to inform them of the changes to the aged home support program and the process for accessing volunteer services. These workshops were attended by over 100 residents.

Ranger led activity at the Wildflower Gardens.



The year ahead

► Environmental volunteers

Community volunteers continued to enthusiastically support council's environmental programs. During 2016/17 there were 169 Bushcare/Streetcare and Parkcare sites with 628 active volunteers contributing approximately 124,000 volunteer hours per annum.

Through the Federal Government's Green Army program, a number of young people also worked on local environmental projects in Ku-ring-gai, whilst gaining practical skills and training. Projects included removing weeds, planting out degraded areas, monitoring hollows for habitat and propagating plants at the community nursery.

Volunteers were recognised for their efforts through a number of award and celebratory events in 2016/17.

RESPONDED TO COMMUNITY SAFETY ISSUES

► Fire safety inspections for new apartment buildings

Following fire tragedies affecting apartment buildings, Council resolved to undertake a fire safety inspection program targeting apartment buildings constructed since 2005. During the program Council will seek to identify buildings in Ku-ring-gai containing wall cladding materials that are not compliant with the Building Code of Australia or associated Australian Standards.

The program was introduced due to the recent Grenfell Tower fire in London, and earlier fires at a residential apartment complex in Melbourne and a hotel in Dubai. The wall cladding of concern is made from aluminium composite panels, consisting of two aluminium faces and a core material. Typically this material is either polyethylene, mineral based material or a combination of both.

28.2% of the Ku-ring-gai population did volunteering work in 2016, compared to 16.7% for the Greater Sydney population (ABS Census, 2016).

- Analyse 2016 census population information for future community planning
- Support new residents and migrants
- Implement actions under Council's Disability Action Plan
- Complete fire safety review of apartment building wall cladding materials
- Review options for the proposed cultural and education centre
- Deliver Council's annual program of events and cultural activities
- Deliver arts and cultural programs
- Support community organisations and volunteers.

Summary of our performance 2016/17

COMMUNITY, PEOPLE AND CULTURE

The tables in this section reflect the progress of our key work during 2016/17.

1. HOW WE PERFORMED AGAINST QBL TREND INDICATORS

► QBL trend analysis – key performance indicators

Quadruple Bottom Line (QBL) refers to the framework for measuring and reporting on the achievement of key indicators of performance for Delivery Program and Community Strategic Plan objectives against social, economic, environmental and governance parameters.

The following table indicates our performance for key 'social' indicators for the 2016/17 year, under this theme, compared to the previous four years.

Measure	2012/13	2013/14	2014/15	2015/16	2016/17	Trend
Major Events attendance	38,500	51,121	24,000	35,000	45,000	Increased (1)
Library visitors	563,357	456,287	533,106	492,475	521,650	Increased (2)
Library loans	894,485	904,189	914,329	907,735	936,792	Increased
Youth Services programs attendance	8,176	6,502	5,911	5,355	6,240	Increased
Utilisation rate of Council's Family Day Care service and Thomas Carlyle Children's Centre	93	94	96	93	87	Decreased
Vacation care	6,309	6,212	7,323	6,566	6,772	Increased
Seniors Week Program	2,017	2,803	2,939	3,068	3,100	Stable
Immunisation	468	389	348	331	296	Decreased
Environmental Volunteers	764	812	713	625	628	Stable

TABLE LEGEND QBL ■ Environment ■ Economic ■ Social ■ Governance

1. The success of Council's events program has seen an increase in participants throughout the period.

2. The refurbishment (technology, fitout and accommodation availability) of Gordon Library has contributed to the increase in library visitors.

2. HOW WE PERFORMED AGAINST COUNCIL'S PLAN

► Achievement of Operational Plan Tasks and Performance Indicators

The annual Operational Plan sets out 2016/17 tasks and performance indicators for each theme. The following tables indicate our performance in completing what we said we would do in 2016/17 under this theme.

Summary – 2016/17	Achieved
Completion of 2016/17 Tasks* (One Operational Plan Task was deferred from the Operational Plan - C4.1.2.1.6: Complete preparation of master plan for a regional park and recreation space at Gordon Golf Course.)	93%
Achievement of Performance Indicators **	65%

Notes:

* Of the 59 Tasks, 54 were achieved and 4 were not achieved. One task was deferred from the 2016/17 Operational Plan by resolution of Council. All tasks not completed were carried over to the 2017/18 Operational Plan.

** Of the 17 Performance Indicators, 11 were achieved and 6 were not achieved during this period. See the table overleaf for details of performance indicator results.



FURTHER READING

See details of our end of year performance at kmc.nsw.gov.au/deliveryprogram

2016/17 Performance Indicators	Target	Achieved
Utilisation levels for children's services.	90%	87 ¹
Participation in youth service programs.	5,000 participants	6,240
Participation in aged and disability service programs.	2,100 participants	3,097
Support for community organisations.	90 organisations supported	106
Utilisation of art-centred courses.	90%	90
Visits to libraries.	600,000 visits	521,650 ²
Visits to library website.	50,000 visits	176,414
Level of user satisfaction with community services and programs. These programs are inclusive of families, people with disabilities, older people, children, young people, and people with culturally and linguistically diverse backgrounds.	85% user satisfaction with all programs	95
Community participation at major supported community events.	30,000 participants	45,000
Loans per resident per year.	7.8 loans	7.1 ³
Library loans per year.	900,000 loans	936,792 ⁴
Participation in leisure and cultural activities supported by Council.	100,000 participants	100,000+
Participation in active recreation programs supported by Council.	800 registrations	738 ⁵
Land acquired through s94 Contributions for new recreational open space.	2,000m ²	0 ⁶
Swimming pool safety inspection program (within Council's responsibility).	100% completion of program	100
Companion animal management compliance.	90% compliance	95
Fire trails improvements and hazard reduction.	80% completion of agreed annual program	100% of fire trail works completed. 100% of fire breaks and Asset Protection Zones maintained. 45% of hazard reduction burn program completed) ⁷

Notes:

1. Overall demand for Council provided child care services increased. Under achievement in overall utilisation target is due to staged enrolments for the opening of 2 new vacation care centres and temporary cessation of new enrolments at Thomas Carlyle Children's Centre due to building renovations.

2. While the total number of visits to libraries is diminishing due in part to increasing online usage of library resources, the refurbished Gordon Library continues to exceed visit expectations due to the availability of space and a fitout that can accommodate the variety of uses that the community now seeks in a library. Council's other three branch libraries at Lindfield, Turrumurra and St Ives currently has limited opportunities to provide these expanding uses. Accordingly numbers of visits to these libraries have reduced. These libraries are being reorganised to encourage visits from our local community and the recent

upgrade to the wi-fi access should also help to improve our visit figures in the coming months.

3. The reduction in loans per resident per year is due in part to an increase in Ku-ring-gai's population exceeding the growth in library loans. This statistic is expected to fluctuate, depending on the demographic profile of new residents, their knowledge of Council services and facilities and inclination to access library loan services.

4. This figure includes e-loans or online resources. Over 60,000 e-loans were borrowed during the period including eAudio, eBooks, comics, films, magazines and music.

5. The transfer of the Active Kids program to a new Council Vacation Care Centre, in addition to the transfer of golf programs at North Turrumurra to the MI Golf Program has resulted in lower registration numbers in 2016/17, as these figures are not included.

6. The annual target of 2,000m² of land to be acquired for recreational open space purposes was not achieved during 2016/17 due to Council having now acquired the majority of land reserved under the Ku-ring-gai Local Environmental Plan (Local Centres) 2012 for this purpose, with only two remaining parcels to be acquired. These properties total in area 1,973m². At present the owners have advised they are not seeking to sell.

7. While 100% of fire trails were completed which included annual maintenance program and grant funded improvement works at Koombalah Fire Trail, the hazard reduction burn program was impeded due to unfavourable weather conditions that were not conducive to completing hazard reduction burns. Four burns out of nine were completed.



FURTHER READING

See details of our end of year performance at kmc.nsw.gov.au/deliveryprogram

3. HOW WE PERFORMED AGAINST COMMUNITY SATISFACTION BENCHMARKS

In 2014 and 2017 Council commissioned independent community research to examine the community's satisfaction with a range of Council's services and facilities.

The following table compares our performance for key services and facilities in 2017 against 2014 results for services which contribute to the outcomes under this theme.

The table shows the change in the mean rating of resident satisfaction for services between 2014 and 2017. The mean rating is based on a scale of 1 to 5, with 1 the lowest and 5 the highest level of satisfaction.

Comparison of the mean rating of resident satisfaction for services/facilities

Service or facility	2014	2017	Trend
Support for older people	3.38	3.53	Increased
Support for people with a disability	3.24	3.51	Increased
Support for young people	3.20	3.35	Increased
Support for children	3.44	3.58	Increased
Support for people from diverse cultural and language backgrounds	3.26	3.45	Increased
Access to community facilities	3.59	3.73	Increased
Festivals and major events	3.68	3.62	Stable
Variety of cultural experiences and performing arts	3.24	3.35	Increased
Community safety/crime prevention	3.58	3.78	Increased

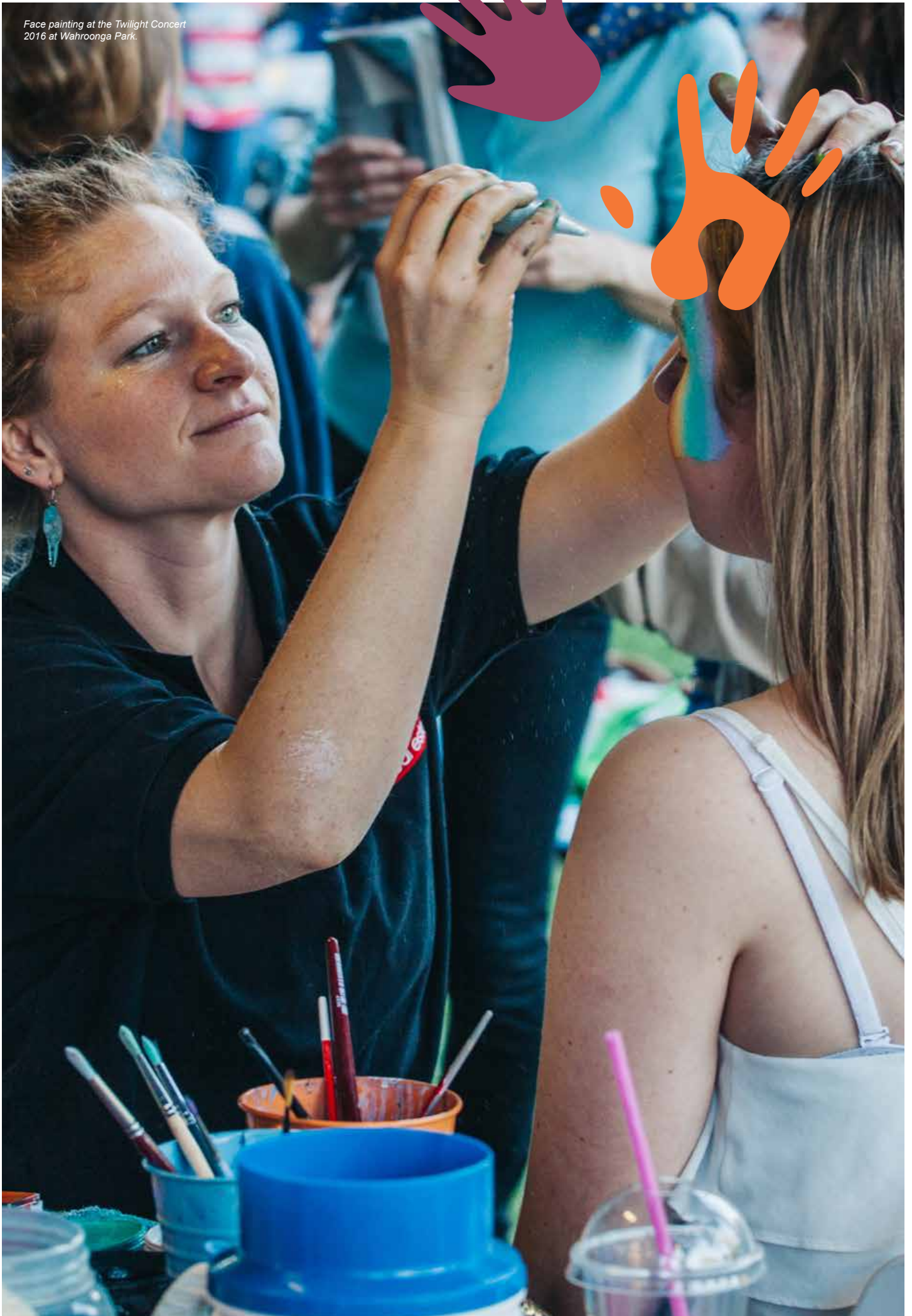
The results of the research are being reviewed and will inform future decisions on service priorities and delivery.



FURTHER READING

For a full copy of the community research report see kmc.nsw.gov.au/communityfeedback

Face painting at the Twilight Concert
2016 at Wahroonga Park.





THEME 2

Natural Environment

This theme is about working together as a community to protect and enhance our special natural environment and resources.

Services provided under this theme

- Environmental Levy programs and initiatives
- Corporate sustainability program
- Biodiversity and bushland management programs
- Bush fire management program
- Water conservation, reuse and water quality management program
- Environmental education and sustainable living programs
- Environmental volunteering program
- Climate change adaptation program
- Energy management program
- Waste management, recycling and education

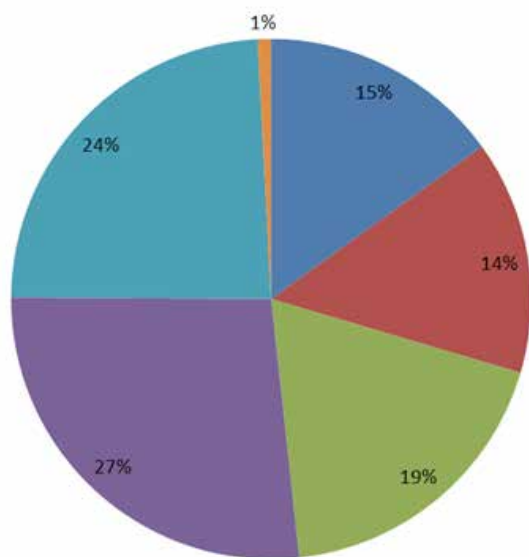
Key achievements in 2016/17

ENVIRONMENTAL LEVY PROGRAM

Council's Environmental Levy delivers a range of new and enhanced environmental and sustainability programs that would not otherwise be possible within Council's ordinary budget.

During 2016/17 programs and initiatives were delivered across the key areas of biodiversity, energy, water, sustainable transport, community recreation, community engagement and environmental education. The following chart shows the breakdown of expenditure for different environmental programs in 2016/17.

Expenditure of environmental programs 2016/17.



- Biodiversity Management
- Water Management
- Community Engagement and Environmental Education
- Project Management and Administration
- Energy Management
- Sustainable Transport and Walking Tracks

► \$2.7 million Environmental Levy expenditure 2016/17

The Environmental Levy funds or partly funds 14 staff with the technical knowledge and specialist skills in a range of disciplines, including bushfire management, catchment management, natural areas management, land use planning, community engagement, biodiversity and conservation management and environmental engineering. Environmental Levy funded staff develop and review a range of environmental policies and strategies, ensuring Council delivers best practice environmental management; respond to federal and state policy directions and legislative changes; provide expert guidance and advice for a number of sections across Council; and are responsible for ensuring environmental assessments are conducted for all Council projects and that all of Council's legislative requirements are met.

Since its inception, the Environmental Levy has also successfully leveraged an additional \$9.6 million through State and Federal Government grants.



FURTHER READING

Further details of the environmental levy programs can be found in Part 3 of this Annual Report – State of the Environmental Report

► Environmental awards

Council's leadership and innovation in delivering the Environmental Levy program has been recognised through multiple awards. During 2016/17 Council won the 2016 NSW Government Resilient Australia Award for our Climate Wise Communities program. The program, which has been running for the past five years, aims to help local residents self-assess their vulnerability to severe weather events and through workshops, prepare plans to reduce risk.



FURTHER READING

Other environmental awards as well as awards for excellence across Council services and governance can be found in Parts 2 and 3 of this Annual Report - Council's End of Term Report and State of the Environment Report

Ku-ring-gai has more than 150 bushland reserves, covering 1150 hectares and nationally significant ecological communities.

ENVIRONMENTAL POLICY FRAMEWORK

New and revised policies were exhibited and adopted during 2016/17 on biodiversity, making Ku-ring-gai a water sensitive city, native and non-native pest animal management, bushland management and the Council's climate change adaptation strategy. These included:

- Biodiversity Policy – this policy sets out how Council will manage and protect biodiversity in the local environment, while observing statewide, national and international policies and laws.
- Water Sensitive City Policy – this policy replaces four existing policies. It sets out guidelines for managing local catchments, flooding, water security among other water-related issues.
- Fauna Management Policy – this policy deals specifically with how Council will manage native and non-native animals that are considered pests.
- Bushland Dumping and Encroachment Policy – these guidelines tackle the problem of waste dumping in local bushland, as well as public land being used for private use.
- Climate Change Adaptation Strategy – this version updates the previous strategy of 2010. It sets out a framework for Council to respond to the challenges of climate change, such as flooding and rising temperatures.
- Bushfire Prone Land Map – this updates the previous mapping of 2008. The new maps have been prepared under revised Rural Fire Service classifications for bushfire prone land across Ku-ring-gai.

Striped Marsh Frog. Photo by: Jacob Sife.





SUSTAINABILITY INITIATIVES

► Community programs

A comprehensive program of activities, targeted at a range of age groups, community interest groups, schools and businesses, continued to expand in participation numbers during 2016/17 and deliver positive outcomes. Raised awareness of these activities is in turn increasing their popularity. They included:

- Through Council's Loving Living Ku-ring-gai program, community sustainability workshops and events were held. These included workshops on solar power and battery storage for homes, green cleaning, cheese making and yoghurt making, raingarden design and construction, keeping chickens, productive ponds and wood carving; a native snail talk, a welcome bus tour and bush walk and a tai chi session.
- Council's 628 Bushcare, Streetcare and Parkcare volunteers continued bush regeneration activities that improve our natural environment.
- Council offered residents tailored home sustainability and garden advice. This service is offered to residents five days a week and can be booked online or by calling Council.
- Council hosted another free 'speed dating' event where residents could book 20 minute sessions with renovation and building experts for advice on their renovation or building project. The experts taking part gave advice to several hundred residents on sustainable architecture, energy efficiency, solar power and battery storage, natural building techniques, productive and sustainable gardens, green walls and building in a bushfire zone.

► Protecting our urban wildlife - Wild Things program

Wild Things is a community program which promotes urban wildlife. A further 100 native stingless bee hives were distributed to Ku-ring-gai residents during the 2016/17 bee hive splitting season, bringing the total number of hives distributed to over 1000 since the project's inception. Native bees are important pollinators of our gardens and food crops. The popularity of the program has seen native bee hives sold or placed outside Ku-ring-gai and the development of an online shop, where bee hive accessories can be purchased. The success of the program has attracted national media coverage, with ABC Radio profiling the program.

Council's Pool to Pond program, where unwanted swimming pools are converted into ponds facilitated an additional 5 conversions of pools into ponds rich in biodiversity, through the provision of technical advice and a starter kit of aquatic plants and fish. A total of 72 conversions have been completed under the program to date.

See map below showing the location of native beehive distributions and pool to pond locations in Ku-ring-gai.

**Ku-ring-gai Council
Native Beehive and Pool to Pond locations**



May 2017

Native Bee splitting. Photo by: Christian Hofmann.



Ku-ring-gai has over 800 recorded native plants species and more than 400 species of native animals.

► Native animals

In partnership with WildThings NSW, Council expanded its Eastern Pygmy Possum monitoring program during 2016/17. There are now 24 nest boxes being monitored monthly and remote cameras are being used to help understand foraging and habitat spaces to improve conservation management.

Microbat monitoring was also conducted at 10 natural waterways and at Pool to Pond sites across Ku-ring-gai. The monitoring seeks to compare the results of natural and artificial habitat spaces and increase knowledge about the abundance and distribution of microbats in the local area.

Analysis of the results was completed in collaboration with the forest science unit of the NSW Department of Primary Industries with the monitoring recording nine species of microbats, including three listed as vulnerable under the *NSW Threatened Species Conservation Act 1995*.

Mapping also commenced of the critical habitat of the Rosenberg's Goanna, a species of goanna listed as vulnerable under the *NSW Threatened Species Conservation Act 1995*.



► Smart initiatives for energy savings

In early 2016/17, solar panels were installed on the roof of Gordon Library and additional panels at Council's depot at Pymble, doubling Council's total solar power output from 112kWp to 243kWp. In total, 459 panels were installed at the two sites.

The additional solar panels were funded through Ku-ring-gai's Environmental Levy and are part of a strategic energy savings plan for Council buildings. This plan will help Council meet its target of reducing corporate greenhouse gas emissions by 20% in 2020 and deliver ongoing energy cost savings for Council.

The solar panels add to existing ones at Ku-ring-gai Arts Centre in Roseville, the Thomas Carlyle Children's Centre, North Turramurra Golf Course and the Council Depot. A further 100kW of solar PV planned for the Ku-ring-gai Fitness and Aquatic Centre will increase Council's solar capacity by approximately 40%, to a total of 343kW. This solar PV upgrade is expected to reduce electricity consumption by 7% at the Centre. LED lighting upgrades are also planned for both the St Ives Library and Bridge Street Depot, Pymble.

Following the completion of a first stage feasibility study, Council is proceeding with the second stage feasibility study for a North Shore Regional Organisation of Councils (NSROC) solar PV master plan. The second stage feasibility study will focus on a 3MW solar PV system that would be funded and used by Northern Sydney Councils.

Council reduced its greenhouse emissions through energy savings and increased solar output from 112 kWp to 243 kWp.



Solar PV panels being installed



Aerial photo after solar installation

Gordon Library Case Study

What we did

As part of Council's commitment to achieve a 20% reduction in Greenhouse Gas (GHG) emissions by 2020, (relative to 2000), Gordon Library was selected for an energy management upgrade. The \$374,000 upgrade was funded by the Environmental Levy and involved:

- 52kW solar power system installed
- All lighting upgraded to LED
- Intelligent lighting controls installed
- Improvements to air conditioning controls
- Solar hot water system installed

The Results

- GHG reductions 401 tonnes per annum
- Energy consumption reduction 60% to 70% per annum
- Energy cost savings > \$36,000 per annum
- Maximum demand reduced by 43kW
- Simple return on investment 10%
- Plus reduced lighting maintenance costs

BUSHLAND MANAGEMENT

Council manages over 1,100 hectares of bushland including a 99 hectare biobanking site comprising 3 reserves. Management of the biodiversity site has been funded by the NSW government's Linking Landscapes program. Council carried out bushland regeneration activities on 18 sites equivalent to 60 hectares of bushland in 2016/17.

Ku-ring-gai's bushland reserves continued to be rated based on (i) the significance of the vegetation community/species within the reserve; (ii) the resilience of the reserve; and (iii) the site impacts (or threats) occurring within the reserve. Those reserves that received the highest ranking (highest value/lowest threats) are prioritised for funding. Our bushland condition rating is then used to measure outcomes of the regeneration program and to demonstrate improved conditions of bush regeneration sites with established targets achieved for 2016/17. See page 77 for details.

Other bushland management activities were focussed on the removal of noxious and environmental weeds, a large scale re-vegetation project on the Warragul Road embankment and the ecological burns program.

► Bush fire management

An update to Ku-ring-gai's Bush Fire Prone Land Map was certified by the Rural Fire Service and adopted by Council during the year. This replaces the previous map which was prepared in 2008. The new map formally identifies areas of land affected by bush fire hazards, acting as a legislative trigger for appropriate planning and development controls. The adopted changes result in the addition of bush fire prone status to a small number of properties. However the net result is the removal of approximately 400 hectares of land previously designated as bush fire prone.

The 2016/17 summer bush fire season passed without incident and significant hazard reduction burns were able to be completed in the cooler months, including the addition of a number of new vegetation burns. Major fire trail resurfacing and stabilisation works were completed in the Fox Valley area with funding assistance from the RFS Bush Fire Risk Mitigation and Resilience Program. The bushland team also took advantage of favourable conditions to carry out a series of pile burns in May.

Bushland regeneration activities were carried out on 60 hectares of bushland.





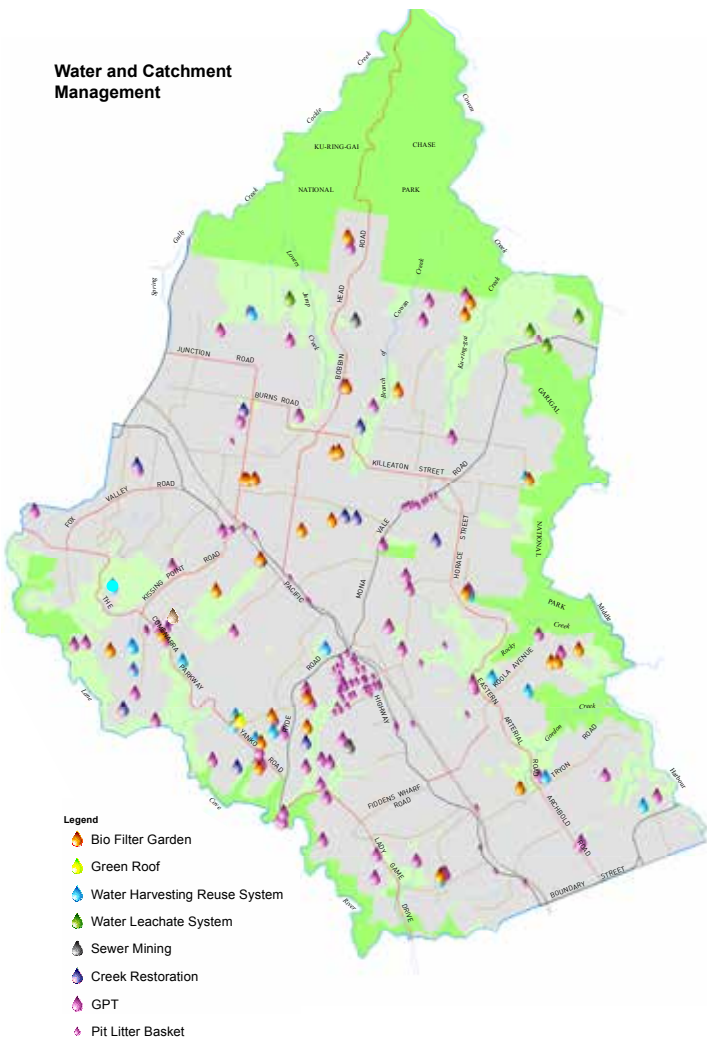
Residents diverted 55.5 tonne of chemical material from landfill and waterways in the 2017 chemical collection.

WATER AND CATCHMENT MANAGEMENT

Council's water and catchment management program includes the installation and maintenance of stormwater harvesting systems, sediment and filter basins, bio filter systems, gross pollutant traps, creek stabilisation works and water quality and macroinvertebrate sampling across the Local Government area. Key activities undertaken in 2016/17 included sampling and analysis of freshwater crayfish numbers streams as well as auditing and servicing of water harvesting devices and irrigation systems to ensure their efficiency.

See map below showing the location of urban water management works completed to date under the Environmental Levy.

Water and Catchment Management



RECYCLING AND WASTE MANAGEMENT

A range of initiatives were implemented during 2016/17 to promote recycling and educate the community. They included:

► Community programs

- A chemical collection over two days in May 2017 with 55.5 tonne of material collected and diverted from waterways and landfill. Almost 1,500 carloads of chemicals were delivered.
- A workshop for residents at Kimbriki Recycling Centre where they learnt about composting and worm farming and why it is important to keep organic waste out of landfill where possible.
- An e-waste collection held over two days in June. The amount of material collected is unknown at this stage as its still being processed. Over 800 cars delivered an assortment of e-waste to the event.
- Waste education to schools and the general community including print information, webpage information, displays and face to face coaching.
- Workshops and education programs with the community and schools to help improve recycling and waste reduction. Staff resourcing shortages in waste education has delayed the delivery of some programs.

► Partnering with recycling collection service for quality household items

Council is partnering with a new household collection service as an alternative way of disposing of household clean-up items and promoting recycling. Environmental charity The Bower Reuse and Repair Centre's new household collection service was launched late last year and is already proving popular in Ku-ring-gai. The Bower charity is based in Marrickville and Parramatta and collects, repairs and sells pre-loved household goods that would otherwise end up in landfill.

Ku-ring-gai residents can access The Bower's collection and rehoming service by contacting them by phone and answering a few questions to check the suitability of their unwanted goods.

FURTHER READING
See www.bower.org.au or on Facebook The Bower.

The year ahead

► Ku-ring-gai ranks number one in Fridge Buyback program

In October Ku-ring-gai was ranked the number one local government area in NSW participating in the innovative Fridge Buyback program. The Fridge Buyback program offers a free professional collection service and a \$25 cash rebate for residents who get rid of their energy guzzling second fridges.

Collected fridges and freezers are then degassed and recycled. On average Ku-ring-gai residents are redeeming 31 unwanted fridges or freezers per month and have recycled a total of 3,104 units since the program first started. That equals an impressive collective saving of \$931,200. Recycling the fridges has also resulted in 24,511 tonnes of greenhouse gases saved and 277 tonnes of metal recycled.

► Addressed illegal dumping of waste

Council engaged two specialist waste investigators during 2016/17 to investigate the dumping of household waste outside houses and unit blocks, and mulch and vegetation left in local parks and reserves. The investigators have been engaged through grant funding from the NSW Government through its Better Waste & Recycling Fund.

The waste investigators will be using a variety of methods including surveillance to track down culprits and will issue fines where cases are proven.

- Implement priority actions from new and revised environmental policies and strategies.
- Deliver outcomes from the Environmental Levy Program
- Deliver environmental programs for the community and visitors at the Ku-ring-gai Wildflower Garden
- Deliver the Climate Wise Communities program
- Support environmental volunteers
- Deliver recycling and waste education programs.



Garbage services.

Summary of our performance 2016/17

NATURAL ENVIRONMENT

The tables in this section reflect the progress of our key work during 2016/17.

1. HOW WE PERFORMED AGAINST QBL TREND INDICATORS

► QBL trend analysis – key performance indicators

Quadruple Bottom Line (QBL) refers to the framework for measuring and reporting on the achievement of key indicators of performance for Delivery Program and Community Strategic Plan objectives against social, economic, environmental and governance parameters.

The following table indicates our performance for key 'environmental, social and economic' indicators for the 2016/17 year, under this theme, compared to the previous four years.

Measure	Unit	2012/13	2013/14	2014/15	2015/16	2016/17	Trend
Bushland regeneration (area)	ha	20.5	58	59	61	60	Stable
Identified Aboriginal heritage sites	Sites	97	101	101	102	106	Stable
Greenhouse emissions	tCO2-e	9,527	10,068	10,645	11,258	10,589	Decreased (1)
Waste Kg/resident	kg	202.84	205.78	206	205.63	208.19	Increased (2)
Recycling Kg/resident	kg	122.9	110.78	107.86	104.36	101.15	Decreased (3)
Green Waste Kg/resident	kg	171.83	152.7	163.57	170.12	157.13	Decreased (4)
Fire trail maintenance	Km	44	44	44	44	44	Stable
Major fire trail upgrades	Km	0.97	1.8	3.69	0.55	0.1	Decreased (5)
Pile burns	No.	116	94	103	86	20	Decreased (6)
Hazard reduction burns	Ha	7.06	33.94	53.36	74	36.5	Decreased (7)
Fire break maintenance	Km	24.5	24.5	24.5	24.5	24.5	Stable
Energy consumption street lighting	kWh	4,721,871	4,663,747	4,516,325	4,392,009	4,242,304	Stable
Energy consumption street lighting	\$	814,357	784,855	676,079	644,750	632,519	Stable

TABLE LEGEND QBL ■ Environment ■ Economic ■ Social ■ Governance

1. Between 2015/16 and 2016/17 our overall emissions have started declining. This is due to renewable energy and improved energy efficiency within Council fixed assets (8% reduction in consumption), improved energy efficiency of Ausgrid street lighting (4% reduction in consumption) and lower fuel consumption by Council's fleet (3% less emissions).

2. Increased clean up service numbers have resulted in an increase in waste tonnages. The number of larger (240L) residential waste bins also continues to increase.

3. Paper continues to decrease due to the down turn in the print media industry. Smaller increases are being seen for mixed recycling.

4. As 2016/17 was a dry summer the amount of green waste was reduced.

5. Less grant funding and no Environmental Levy funding for this activity this financial year.

6. Unfavourable conditions reduced the amount of pile burns able to be undertaken during the financial year.

7. Unfavourable conditions reduced the hazard reduction burns during the financial year.

2. HOW WE PERFORMED AGAINST COUNCIL'S PLAN

► Achievement of Operational Plan Tasks and Performance Indicators

The annual Operational Plan sets out 2016/17 tasks and performance indicators for each theme. The following tables indicate our performance in completing what we said we would do in 2016/17 under this theme.

Summary – 2016/17	Achieved
Completion of 2016/17 Tasks *	88%
Achievement of Performance Indicators **	92%

Notes:

* Of the 25 Tasks, 22 were achieved and 3 were not achieved during this period for varying reasons. All tasks not completed were carried over to the 2017/18 Operational Plan.

** Of the 13 Performance Indicators, 12 were achieved and 1 was not achieved during this period.



FURTHER READING
kmc.nsw.gov.au/deliveryprogram

2016/17 Performance Indicators	Target	Achieved
Residents involved in community environmental programs.	2,479 residents	5,348 ¹
Community activity that benefits the environment.	1,565 residents	2,843
Area of bushland/habitat regenerated.	20.5 hectares	60 ²
Condition of bushland managed by Council (resilience rating).	76% (Previously 13.5%)	76 ³
Condition of bushland managed by Council (weeds rating).	30% (Previously 79.9%)	30 ³
Condition of bushland managed by Council (threats rating). <i>Lesser is better.</i>	39% (Previously 72.5%)	38 ³
Creeks tested that maintain or improve their stream health score.	100%	100
Physical creek remediation projects completed.	1 project	1
Rubbish diverted from our waterways (tonnes).	1,887 tonnes	2,295
Percentage household waste diverted from landfill.	60%	55.32 ⁴
Residents involved in climate change adaptation activities per year.	106 participants	294
Household potable water consumption per capita. <i>Lesser is better.</i>	83.02 kL/ capita	79.38
Household electricity consumption per capita.	3,187 kWh/ capita	2,980

Notes:

1. The 53% increase in community participation over the annual target reflects the ongoing relevance and success of Council's environmental programs.

2. This figure has now been corrected following the June bi-annual report which was reported at 20.5 hectares.

3. The baselines for these indicators were originally compiled for a sample bushland reserve site. During 2014/2015 the next phase of measurement extended the sample bushland reserve site to all of Council's actively managed bushland reserves. As a result, new baselines have been developed and bushland condition ratings compiled in

the year 2015/2016, based on all of Council's actively managed bushland reserves, and compared against the new baseline.

4. Paper tonnages continue to drop due to a downturn in the newspaper industry. This figure does not include e-waste.



FURTHER READING
kmc.nsw.gov.au/deliveryprogram

3. HOW WE PERFORMED AGAINST COMMUNITY SATISFACTION BENCHMARKS

In 2014 and 2017 Council commissioned independent community research to examine the community's satisfaction with a range of Council's services and facilities.

The following table compares our performance for key services and facilities in 2017 against 2014 results for services which contribute to the outcomes under this theme.

The table shows the change in the mean rating of resident satisfaction for services between 2014 and 2017. The mean rating is based on a scale of 1 to 5, with 1 the lowest and 5 the highest level of satisfaction.

Service or facility	2014	2017	Trend
Protection of natural areas and bushland	3.59	3.84	Increased
Condition of waterways and creeks	3.44	3.62	Increased
Initiatives to reduce energy use	2.88	3.10	Increased
Initiatives to reduce water use	3.18	3.26	Increased
Initiatives to reduce waste and improve recycling	3.52	3.70	Increased

The results of the research are being reviewed and will inform future decisions on service priorities and delivery.

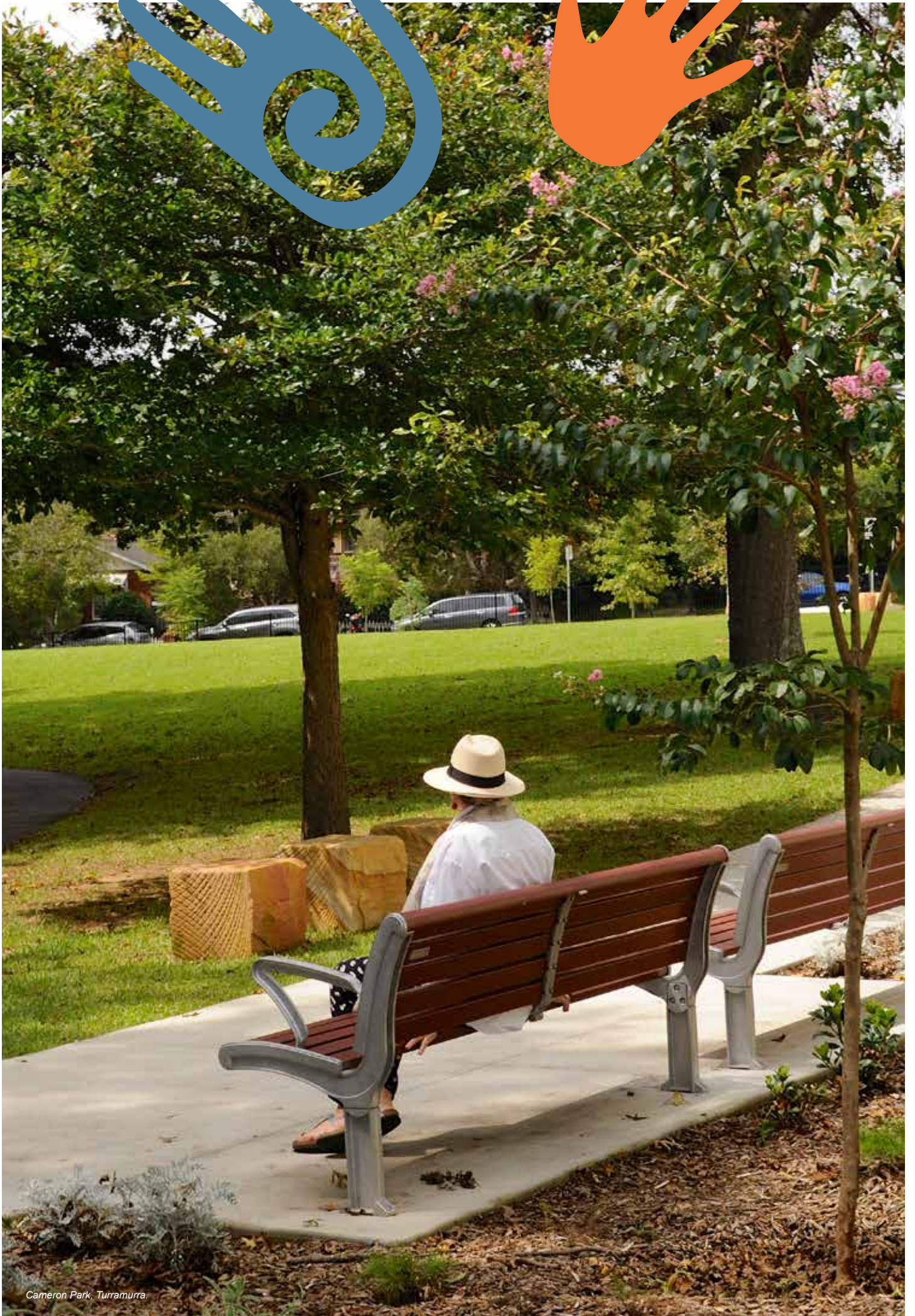


FURTHER READING

For a full copy of the community research report see kmc.nsw.gov.au/communityfeedback

Gang-gang Cockatoo. Photo by: John Whyte.





Cameron Park, Turrumurra.

THEME 3

Places, Spaces and Infrastructure

This theme is about creating a range of well planned, clean and safe neighbourhoods and public spaces designed with a strong sense of identity and place.

Services provided under this theme

- Urban design and planning
- Heritage planning
- Development assessment
- Development compliance
- Regulation and compliance
- Open space projects
- Landscape design
- Engineering design
- Civil works and maintenance
- Drainage works and maintenance
- Strategic asset management
- Building asset works and maintenance
- Parks and sportsfield works and maintenance
- Tree preservation and maintenance

Key achievements in 2016/17

In 2016/17 we continued to progress a diverse range of projects and initiatives designed to expand and improve facilities within Ku-ring-gai for the enjoyment of our community. These included new and upgraded parks and playgrounds at a cost of \$3.4million, new and upgraded sports grounds and facilities at a cost of \$3.7million, \$9.8million spent on road improvements and \$528,000 spent on new and upgraded footpaths.

Master planning also continued on revitalisation projects at Lindfield and Turramurra local centres. These projects are planned to transform Council's own significant land holdings into new community facilities, vibrant town squares and a renewed focus for shopping, eating and community activities.

ACTIVATE KU-RING-GAI PROJECTS

Ku-ring-gai Council is leading the revitalisation of the area's local centres through a series of targeted urban renewal initiatives which form part of the award-winning Activate Ku-ring-gai development program.

Ku-ring-gai's local centres include Turramurra, St Ives, Gordon, Pymble, Lindfield and Roseville. Revitalising these centres has been identified as long-term goals in the Council's Community Strategic Plan. They are also included in the Delivery Program 2013-2017 which sets out Council's budgets and actions for each financial year.

While the Activate Ku-ring-gai program is designed to breathe new life into our public spaces, revitalising our local centres and delivering key community facilities remains an important challenge for Council. How we progress and fund these projects is an ongoing body of work which will be delivered over a number of years.



FURTHER READING

More information on the Activate Ku-ring-gai program can be found on Council's website at kmc.nsw.gov.au/activatekuringgai

► Lindfield Community Hub

Located on the western side of the Lindfield Town Centre at an estimated construction cost of over \$120 million, the Hub site comprises 1.3 hectares. The Hub will be a new mixed use precinct with community buildings, boutique shops, cafes, restaurants, apartments and a below-ground supermarket.

A briefing on the Hub's status was held with Councillors in March and detailed studies have been commissioned through independent consultants on financial and other aspects of the project.

Negotiations continued with Transport for NSW for funding of 140 commuter car parking spaces to be located within the basement level of the proposed community hub building. Discussions were also held with Roads and Maritime Services concerning traffic management issues and solutions in the vicinity of the Hub.

In February, Council was awarded two high commendations through the Greater Sydney Planning Awards. These awards were introduced by the Greater Sydney Commission to 'celebrate best practice and showcase examples that integrate social, economic and environmental considerations with regard to the principles of ecologically sustainable development'. Council received a high commendation in the Great Integrated Planning Project category for its master-planning of the Lindfield Village Hub and also won a high commendation for the overall program of urban renewal known as Activate Ku-ring-gai.

► Lindfield Village Green

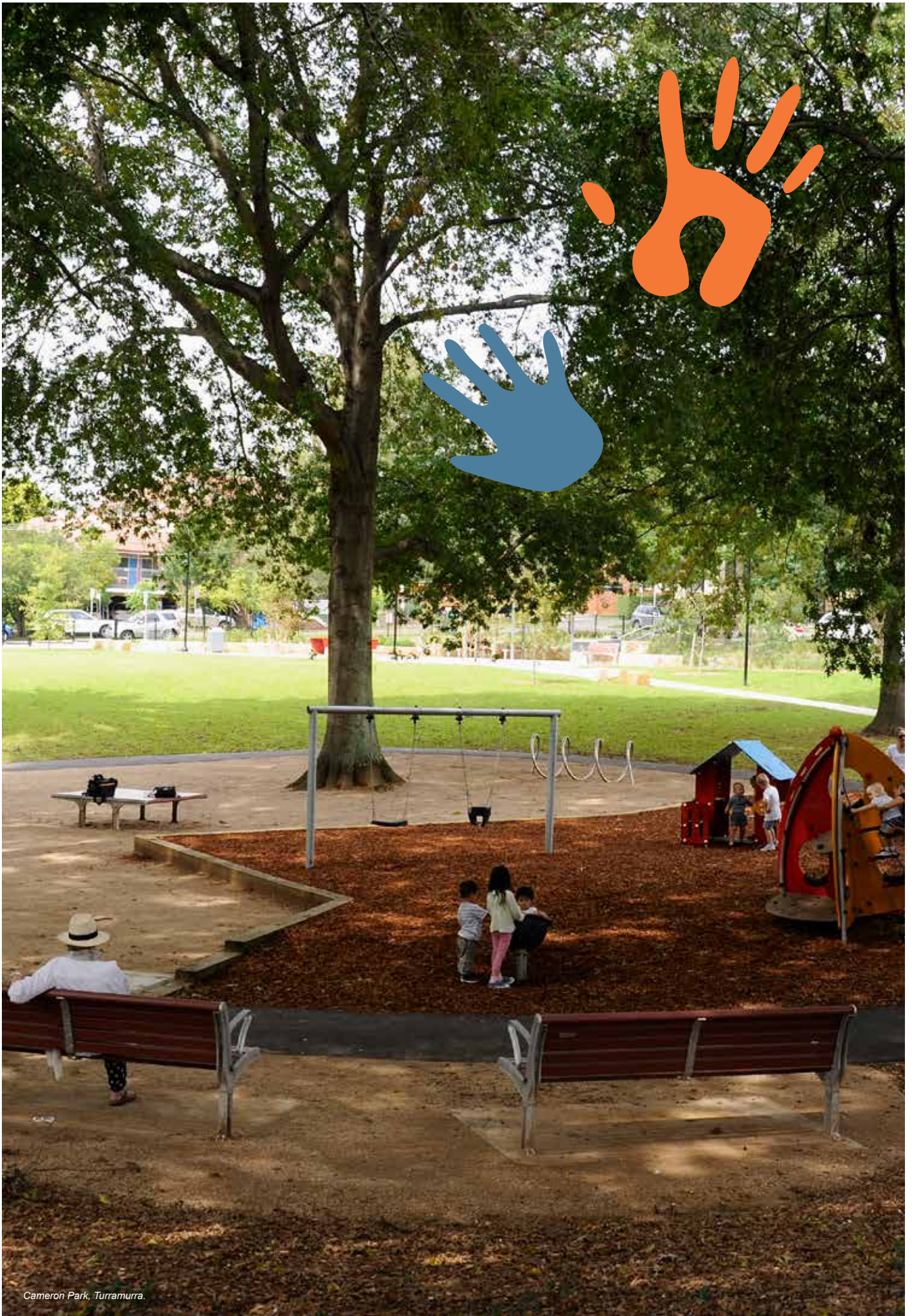
Lindfield Village Green will be an open green space for social and recreational use, located in Council's Tryon Road car park on the eastern side of Lindfield behind the Lindfield Avenue shops. The Village Green will include public open space, underground public car parking, a pavilion for leasing as a café or restaurant with public seating, toilets and a lift to the parking below. The development will be designed to meet the highest standards of design excellence and sustainability.

A development application seeking consent for the Lindfield Village Green project has been lodged by DEM (Aust) Pty Ltd on behalf of Ku-ring-gai Council. The DA was publicly exhibited during January and February and is being assessed.

A community information session was held in February with about 200 people attending to speak to Council staff about the project. Following representations from local residents and business owners, Council has sought a feasibility study on a third level for the underground car park to provide additional parking.



Architect's impression of Lindfield Village Green



Cameron Park, Turramurra.

► **259-271 Pacific Highway Lindfield
(Lindfield Library site)**

Council previously sought comment from the community on a planning proposal to rezone Council land at 259-271 Pacific Highway Lindfield and reclassify the land from Community Land to Operational Land. This is in preparation for the creation of a new library within the Lindfield Community Hub and will enable the redevelopment of the library site in accordance with Council's adopted master plan.

Following public consultation and a public hearing, Council formally resolved to reclassify the land to Operational with a planning proposal to amend the Ku-ring-gai Local Environmental Plan subsequently submitted to the NSW Department of Planning and Environment for gazettal.

► **Turrumurra Community Hub**

The Turrumurra Community Hub Masterplan won the 2016 national award for Urban Design, Policies, Programs and Concepts – Large Scale. Thirty-seven entries from across Australia were shortlisted in the awards, with the overall winners announced on Thursday 13 October. The Australian Urban Design Awards are convened by the Planning Institute of Australia, supported by nine peak bodies including the Australian Institute of Architects, the Australian Institute of Landscape Architects and the Australian Sustainable Built Environment Council.

The Hub, designed by the Council's strategic planning team and Sydney architects CHROFI, aims to revitalise the centre of Turrumurra around the Ray Street area. The design comprises a new local library, multi-purpose community centre, new park, town square, with significant public domain works throughout. The Hub will also incorporate new alfresco dining areas and residential buildings as part of the overall masterplan.

► **Neighbourhood centres revitalisation**

Community consultation continued for the revitalisation program for neighbourhood centres during 2016/17. This included Wellington Road Shops, East Lindfield and the Mall Shops at Warrimoo Avenue, St Ives Chase. Works commenced on The Mall Shops at Warrimoo Avenue, St Ives while the design has been finalised for the Wellington Road Shops, East Lindfield with construction to be undertaken in the 2017/18 financial year.

Ku-ring-gai LGA has 101 identified Aboriginal heritage sites and 991 listed European heritage items.

CONSERVATION AND PROTECTION OF OUR HERITAGE

During the year Council provided over \$18,000 in grants to owners of heritage properties for conservation and maintenance works, with an estimated total works cost of \$42,000 undertaken. Funding of \$6,500 for the grants scheme was obtained through the NSW Office of Environment and Heritage.

Council was also successful in appointing a community representative for the Heritage Committee, who will work with Councillors and Council staff to prioritise issues and work on heritage policies and planning.

In April, Mayor Jennifer Anderson and NSW Supreme Court Justice Geoff Lindsay launched the Library's Heritage Festival exhibition 'Charles Bean: Life and Work' at Gordon Library. The exhibition was well patronised with visitors coming to the Library from around Sydney to view it.



Ku-ring-gai Architecture & Urban Design Awards

Council presented its inaugural biennial awards recognising excellence in architecture and design in the local area.

Nominations for the awards opened in November and 36 entries were received. Entries came from homeowners, architects or other consultants in the categories of heritage design, contemporary design, dwelling house design, sustainable building design and a 'people's choice' award.

The awards, which were presented in early May, recognised new buildings and developments in the local area that 'support and enrich Ku-ring-gai's quality built environment'.



FURTHER READING

Details of the awards and winners can be found at kmc.nsw.gov.au/designawards



DELIVERED INFRASTRUCTURE AND ASSET RENEWAL PROGRAMS

Council is responsible for the maintenance and renewal of local roads, drainage and footpaths in the Ku-ring-gai area. Funding available from our approved infrastructure levy and other operational improvements means that we can expand our asset renewal programs and continue to 'close the gap' on our infrastructure renewal backlog.

During 2016/17 we spent \$9.8million on road upgrades and another \$528,000 on new and upgraded footpaths. Council's total capital works expenditure was \$26million.

The majority of the 2016/17 capital works program for roads, drainage and footpaths was completed with some delays in drainage works and some roads rescheduled to 2017 – 2018.

Main capital drainage works completed included an overland flow path construction at Cassandra Ave, St Ives and pipe extension, bank stability, footpath correction and road patching at Findlay Avenue, Roseville. Other works were about 70% completed at Carnarvon Road, East Lindfield. Progress on a flood mitigation design for Vale Street, Gordon and the Oliver Road, Roseville drainage redesign were deferred due to resourcing limitations.

Council has a complete suite of Asset Management Plans for all infrastructure assets. Funding required to maintain, renew and upgrade our existing infrastructure is revised annually from Council's Asset Registers, Asset Management Plans and Asset Management Strategy as part of continuous improvement and to reflect data accuracy.



Photo by: Chris Houghton.

Over 4000m² of land has now been acquired for new recreation spaces under Council's award winning Open Space Acquisition Strategy.

DELIVERED NEW AND UPGRADED PARKS, PLAYGROUNDS, SPORTSFIELDS AND FACILITIES

During 2016/17 we spent \$3.7million constructing new or upgraded sportsfields and facilities and another \$3.4million on new and upgraded local parks and playgrounds. Highlights for the year included:

► Cameron Park, Turramurra

After the addition of approximately 2,600sqm of land, Cameron Park was opened to the public in early March. Four residential properties adjacent to the original Cameron Park were purchased in 2011 as part of Council's Open Space Acquisition Strategy. Around 2,000 households within a kilometre of the park were surveyed to help create a plan for the upgrades.

The upgraded park includes open grassy areas and shade trees; a multipurpose paved area with outdoor table tennis table and picnic facilities; a self-cleaning, accessible public toilet, plus brand new seating, fencing, pathways and lighting. The park's popular play facilities, bike path, and sculptures have also been renovated to fit in with the updated park.

► Lapwing Reserve (Carcoola Park) St Ives

Lapwing Reserve was opened in January and adds nearly 2,000 square metres of parkland to the existing park in Carcoola Road, St Ives. It was created through the Council's purchase of two properties previously owned by Roads and Maritime Services at 12-14 Carcoola Road.

The purchase was funded by Section 94 contributions, which are funds generated by new development and reserved for the creation of community facilities such as parks and playgrounds. The name for the new park - Lapwing Reserve - was chosen by residents in 2015. The park is named after the masked lapwing plover birds which are native to Australia and inhabit the park.

► New park at Turramurra

Detailed designs were developed for the new park planned at the corner of Allan Avenue, Holmes Street and Duff Street in Turramurra. When built, the new park will be approximately 2,700m². Construction of the park is proposed for the 2017/18 financial year.

► Koola Park, Killara

Construction of the major upgrade at this sporting facility in Koola Avenue in East Killara is almost complete, with just the car parking area outstanding. Completed works include an additional fourth field, field floodlighting, landscaping, improved fencing, a shared pathway around the perimeter of the park for cyclists and pedestrians, as well as outdoor exercise equipment stations.

Construction of the car park and drop-off area is scheduled to begin in the 2017/18 financial year, subject to funding.

► Golden Jubilee Field Wahroonga

A new playground at Golden Jubilee Field Wahroonga, adjacent to the Jubes mountain bike trail, was opened in April. The new playground has proven to be extremely popular since its opening, with a 'Tiny Town' ideal for younger children to explore pretend buildings. It also has a junior cycle track, fourway rocker, swings and a climbing frame with a baseball theme to reflect the Field's historic use by local baseball players.

For parents and carers extra seating has been installed, as well as shade trees. The playground has been designed to be inclusive for all children, including those with special needs or a disability.

► North Turramurra Recreation Area

Work on the North Turramurra Recreation Area was near completed with the carpark scheduled for completion in July 2017. Already the synthetic field has been used for regional soccer games while the turf fields are being used for training until the construction of the car park is completed. Work on the amenities building and cart shed is now complete and public toilets were incorporated into the new amenities building to provide better facilities for golfers.

Work on the car park construction progressed well and in order to save costs of disposal of unsuitable material, earth mounds were created on site to help with noise and light attenuation for residents along Bobbin Head Road. The earth mounds will be planted with native trees once the car park is completed.

The golf course is now well established and attracting higher visitor numbers due to its 18-hole championship layout.

\$18.7 million has been spent on new and upgraded sports fields and facilities (2013 - 2017).

► Other upgrades

Other works included the following:

- The Howson Oval upgrade was completed in December 2016 and the oval opened for use by sports teams in January.
- Lofberg playground at West Pymble was also completed in time for the summer holidays. The former playground was relocated to a more visible position adjacent to the Community Hall, approximately 50 metres away. A substantial benefit of moving the playground will be enabling Council to better manage the recovery and regeneration of the Sydney Turpentine Ironbark Forest Endangered Ecological Community at the current playground location.
- An upgrade to the amenities at Turramurra Memorial Park was delayed by bad weather but this has now commenced. The amenities will be upgraded to respect their heritage character and are expected to be completed by July.

► Gordon golf course

Council assumed responsibility for the management of the golf course in April 2017, under an agreement reached with the Gordon Golf Club. Council will now be responsible for green keeping, maintenance, course management, the pro shop and golf lessons while the Club will be responsible for functions, catering and membership of the golf course.

Work continued during this period on creating a new website for the course and club, along with score cards and signage. Recruitment for new staff including a golf pro, team leader, trainee and casual staff was also undertaken.



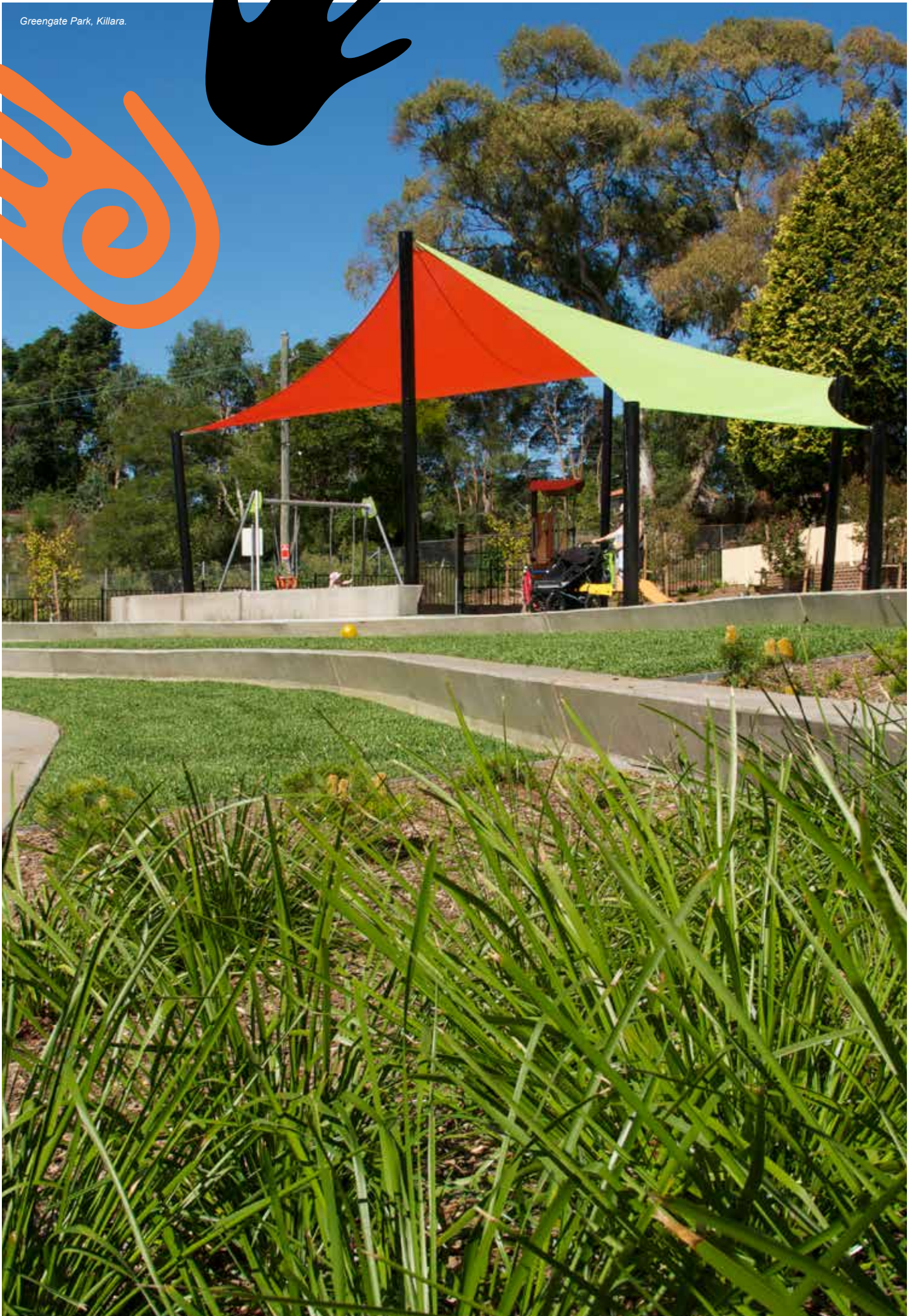
FURTHER READING

Details of Council's current projects and initiatives can be found at kmc.nsw.gov.au/currentprojects



North Turramurra Golf Course.





MAINTAINED OUR OPEN SPACES

Council is responsible for the maintenance of all Council owned parks, reserves and trees and horticultural maintenance on Council properties, within business centres, nature strips, roundabouts and laneways.

This includes 2 regional parks (Bicentennial Park and St Ives Showground), 15 district parks, 191 local parks as well as Council gardens and landscaping within 19 business centres. We also maintain landscaping within 8 railway gardens and traffic roundabouts and other roadway landscaping areas.

During 2016/17 our parks, playgrounds and sportsfields were kept clean, safe and accessible, according to established service levels, ensuring a pleasant environment in which residents can live, work and pursue recreational activities.

We continued to review and adjust maintenance schedules and work teams to enhance efficiencies and improve our capacity to meet the changing needs generated by new and upgraded open space assets.



Reported graffiti incidents dropped from 342 in 2015/16 to 233 in 2016/17 - a reduction of 68%.

ANTI - LITTER PROGRAM

Following the success in keeping Wahroonga, St Ives and Turramurra largely litter-free since 2015, the anti-litter program was extended to Gordon, Roseville and Lindfield during May and June with new bins, planter boxes and seating installed in the centres from funding provided through the NSW EPA Waste Less, Recycle More initiative.

Disposable coffee cups and soft drink containers are the biggest litter problem in Gordon, whereas cigarette butts make up the bulk of littered items in Lindfield and Roseville.

The project was supported by Council on the basis of research that shows improved street furniture communicates that an area is valued. Centre users are therefore less likely to litter in clean spaces.

Success of graffiti removal

Graffiti incidents have been reduced by 68% in Ku-ring-gai from the previous year.

To assist in speedy reporting and removal Council uses the VandalTrak community crime management system for reporting graffiti as well as removal, investigation and analysis. This allows residents to report graffiti in seconds using their mobile phone, no matter where it occurs. VandalTrak uses GPS coordinates to fix the precise location of each tag so Council's asset managers see instantly which of their assets are affected and allocate the job to a clean-up crew.

Treatment of graffiti is becoming easier as we paint and/or place anti-graffiti coatings on our buildings, thus reducing time and effort for staff, along with reducing risks from utilising chemicals.

Council has also recently partnered with Turramurra Rotary to provide a five year package of funding to enable the continuation of the graffiti removal service on private property by volunteers. This follows the success of funding for graffiti removal by Rotary volunteers in other suburbs such as St Ives, Lindfield and Wahroonga.



FURTHER READING

Further details can be found at kmc.nsw.gov.au/graffiti

During 2016/17 determined development applications had a total estimated value of \$464 million.

MANAGING REGULATORY OUTCOMES

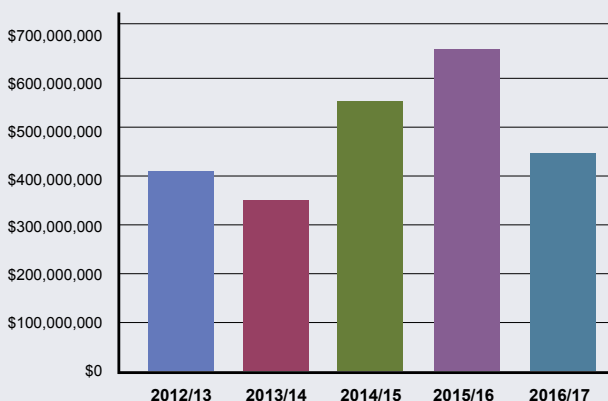
The protection of Ku-ring-gai's character, heritage and natural environment is important to the Ku-ring-gai community.

Council acts on behalf of the community to ensure we preserve these outstanding attributes for future generations.

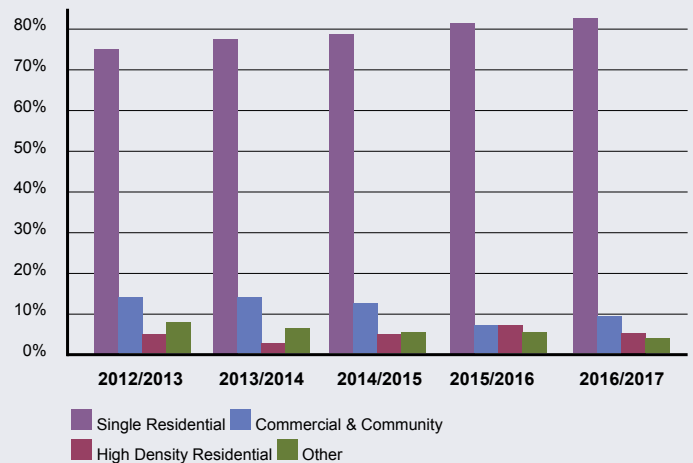
► Determined Development Applications valued at more than \$464 million.

During 2016/17 applications determined had a total estimated value of just over \$464 million which is a 28% decrease from the 2015/16 value of \$650 million. The following graph and table show the breakdown of the number of determinations for 2016/17 in comparison to the previous three years.

Total Value of Development Applications



Total number of Development Applications by type



Total Value of Development Applications

- 2016/17 - \$464 million
- 2015/16 - \$650 million
- 2014/15 - \$560 million
- 2013/14 - \$350 million
- 2012/13 - \$405 million

Total number of Development Applications by type

DA's	2012/13	2013/14	2014/2015	2015/2016	2016/2017
Single residential	75%	78%	79%	81%	82%
Commercial and community	13%	14%	12%	7%	9%
High density residential	5%	2%	4%	7%	5%
Other	7%	6%	5%	5%	4%
Total	100%	100%	100%	100%	100%
Total Value	\$405,242,278	\$348,787,277	\$560,560,994	\$645,098,070	\$464,188,395

The year ahead

While development remains buoyant in Ku-ring-gai, particularly for new residential housing, there were some changes to Council's determination of applications:

- The proportion of high density residential DA's reduced slightly from 7% to 5%. This was offset by an increase in commercial and community DA's.
- An increasing number of DA's in the High Density Residential category now comprise multi-unit terrace and townhouse style developments rather than Residential Apartments.
- Council determined 589 DA's during the financial year. This is the equivalent of 39% of all applications determined in the area. The majority of CDCs is determined by private certifiers and now comprises 46% of all applications. Apart from DAs Council also processed modification applications (S96) and requests for review of determinations (S82a).

Application type	2012/13	2013/14	2014/15	2015/16	2016/17
CDC	514	597	664	757	696
DA	529	514	544	602	589
S96	255	235	221	238	209
S82a	15	1	3	6	5

DA median processing time days

Year	Days
2012/13	47
2013/14	52
2014/15	54
2015/16	74
2016/17	78

Note:

An increase in the median processing time for all Council applications can be attributed partly to the time required to assess more complex applications, with many simpler development works now being approved through private certification. The more complex applications, requiring input from various disciplines with competing objectives are often determined at a Council meeting, the Planning Panel or the Land and Environment Court, which add further to processing times. We are also focusing on assistance to applicants, allowing amendments to applications and resolving concerns through mediation to achieve positive outcomes.

- Focus on urban and landscape design excellence
- Respond to draft Greater Sydney and North District plans
- Review implications of the NSW Biodiversity Conservation Act and Regulations
- Progress planning for revitalisation of Lindfield and Turramurra local centres
- Complete revitalisation works at the Mall Shops, Warrimoo Avenue, St Ives and Wellington Road, East Lindfield
- Progress a regional playground at St Ives Showground
- Review Council's Outdoor Dining and Goods on Footpath Policy
- Complete the Playground Strategy
- Monitor state government changes to legislation and planning policies
- Monitor maintenance requirements for new and upgraded parks and sporting facilities.

Summary of our performance 2016/17

PLACES, SPACES AND INFRASTRUCTURE

The tables in this section reflect the progress of our key work during 2016/17.

1. HOW WE PERFORMED AGAINST QBL TREND INDICATORS

► QBL trend analysis – key performance indicators

Quadruple Bottom Line (QBL) refers to the framework for measuring and reporting on the achievement of key indicators of performance for Delivery Program and Community Strategic Plan objectives against social, economic, environmental and governance parameters.

The following table indicates our performance for key 'social' indicators for the 2016/17 year, under this theme, compared to the previous four years.

Measure	Unit	2012/13	2013/14	2014/15	2015/16	2016/17	Trend
Non-Aboriginal heritage sites	Sites	878	878	968	946	991	Increased (1)
EPA registered contaminated land sites	No.	3	2	3	3	3	Stable
Noise complaints	No.	140	139	157	150	143	Stable
DA median processing time	Days	47	52	54	74	78	Increased (2)
Development related legal costs	\$	827,038	502,525	1,153,612	1,256,887	1,054,747	Decreased (3)
Provision of new local open space	m ²	4,000	3,400	0	0	0	Stable (4)
Water consumption (Council) (KL)	KL	98,281	96,550	101,481	102,555	183,573	Increased (5)
Water consumption (Council)	\$	289,875	275,769	312,437	321,000	438,419	Increased (6)
Electricity consumption (Council) buildings	kWh	3,273,000	3,767,000	4,887,000	5,581,000	5,124,000	Decreased (7)
Electricity consumption (Council) buildings	\$	841,006	999,000	1,038,276	945,781	916,466	Decreased
Fuel cost	\$	587,675	616,999	548,813	472,098	460,770	Stable
Street light maintenance costs	\$	1,919,023	1,996,184	1,759,384	1,678,918	1,571,375	Decreased

Notes:

- The increase is due to gazettal of 42 properties from the 2009 review of HCA's and interim heritage orders placed on individual properties to protect them.
- This increase is due to a number of factors. See page 93.
- Cost reductions are due to Council assessment staff providing expert evidence in Court and more use of mediation to resolve

matters. Section 97B costs awarded to Council in excess of \$220,000 in 2016/17 are not included.

4. Council has acquired the majority of land under the adopted Local Environmental Plan (Local Centres) 2012 with two remaining owners not seeking to sell.

5. Water consumption increased due to a new irrigation system and turf (Koola

Park), new gardens and turf mounds (North Turramurra Golf Course) and a complete field rebuild, establishment of irrigation systems and new turf (Howson Oval).

6. See 5 comments.

7. Improved efficiencies in Council buildings contributed to this decrease.

TABLE LEGEND QBL ■ Environment ■ Economic ■ Social ■ Governance

2. HOW WE PERFORMED AGAINST COUNCIL'S PLAN

► Achievement of Operational Plan Tasks and Performance Indicators

The annual Operational Plan sets out 2016/17 tasks and performance indicators for each theme. The following tables indicate our performance in completing what we said we would do in 2016/17 under this theme.

Summary – 2016/17	Achieved
Completion of 2016/17 Tasks *	
(One Operational Plan Task could not be progressed or completed due to Council's reliance on external organisations or external factors outside Council's control – P4.1.2.1.1: Review a formal planning proposal from the owners of the St Ives Shopping Villages when received)	81%
Achievement of Performance Indicators **	71%

Notes:

* Of the 69 Tasks, 55 were achieved and 13 were not achieved. One task could not be progressed and was placed on hold whilst Council awaits a formal planning proposal

from the St Ives Shopping Village. All tasks not completed were carried over to 2017/18.

** Of the 14 Performance Indicators, 10 were achieved and 4 were not achieved.



FURTHER READING

See details of our end of year performance at kmc.nsw.gov.au/deliveryprogram

2016/17 Performance Indicators	Target	Achieved
Tree Management requests actioned within agreed service delivery standards.	90%	70 ¹
Percentage of development applications assessed largely consistent with relevant policies and legislation.	100%	100
Development application determination times. Lesser is better.	80 days	78
Percentage of Land and Environment Court matters that result in successful outcomes.	90%	95
Open space projects.	90%	95
Satisfaction with the condition and maintenance of Council sporting fields.	75%	75
Playground Safety Audit Program.	100%	100 ²
Condition rating of community buildings.	3 condition rating	3
Potable water consumption (kL) in Council facilities. Lesser is better.	98,282 kL	183,573 ³
Water reuse/recycling (kL) used by Council operations.	22,879 kL	134,562
Electricity consumption (MWh) of Council's fixed assets.	3,273 MWh	5,124 ⁴
Greenhouse gas emissions (tonnes CO ₂ -e) from Council operations.	9,527 tonnes CO ₂ -e	10,589 ⁵
Utilisation of community halls and meeting rooms.	75%	81
Capital works programs for roads, footpaths and drains.	95%	95

Notes:

- Budget constraints affected our ability to achieve service levels for Council tree works.
- The audit includes 3 operational inspections and one independent annual audit report.
- Total potable water consumption has increased since 2012/13 due to recharging the new KFAC pool and irrigation loads from establishing turf at new/upgraded fields.

- Total Council electricity consumption has decreased by 8% between the 2015/16 and 2016/17 reporting periods due to improved energy efficiency within Council buildings.

- Council emissions decreased by 6% between the 2015/16 and 2016/17 due to improved energy efficiency within Council fixed assets (8% reduction in consumption), improved energy efficiency of Ausgrid street

lighting (4% reduction in consumption) and lower fuel consumption by Council's fleet (3% less emissions).



FURTHER READING
kmc.nsw.gov.au/deliveryprogram

3. HOW WE PERFORMED AGAINST COMMUNITY SATISFACTION BENCHMARKS

In 2014 and 2017 Council commissioned independent community research to examine the community's satisfaction with a range of Council's services and facilities.

The following table compares our performance for key services and facilities in 2017 against 2014 results for services which contribute to the outcomes under this theme. The table shows the change in the mean rating of resident satisfaction for services between 2014 and 2017. The mean rating is based on a scale of 1 to 5, with 1 the lowest and 5 the highest level of satisfaction.

Comparison of the mean rating of resident satisfaction for services/facilities

Service or facility	2014	2017	Trend
Management of residential development	2.56	3.01	Increased
Management of commercial development	2.68	3.05	Increased
Development compatible with the local area	2.44	3.00	Increased
Revitalisation/beautification of local centres and neighbourhood shops	2.81	3.12	Increased
Protecting heritage buildings and conservation areas	3.17	3.42	Increased
Street cleaning	3.59	3.70	Increased
Litter control and rubbish dumping	3.69	3.84	Increased
Domestic garbage collection	4.38	4.45	Increased
Public toilets	2.92	3.46	Increased
Street tree maintenance	3.00	2.94	Stable

The results of the research are being reviewed and will inform future decisions on service priorities and delivery.



FURTHER READING
 For a full copy of the community research report see
kmc.nsw.gov.au/communityfeedback



Pacific Highway. Photo by: Karen Boulter.

THEME 4

Access, Traffic and Transport

This theme is about ensuring that access and connection to, from and within Ku-ring-gai provides safe, reliable and affordable public and private travel, transport and infrastructure.

Services provided under this theme

- Traffic and transport strategy and research
- Road safety
- Engineering design
- Civil works and maintenance

Key achievements in 2016/17

Strategic long-term traffic, transport and parking improvements to Ku-ring-gai's centres were pursued as part of the centre's revitalisation program and incorporated into master plans for both Lindfield and Turramurra local centres.

Planning for improved accessibility and transport connections was progressed or works completed at various locations within the local government area with the completion of new and reconstructed footpaths, installation of new and upgraded pedestrian and bicycle facilities and upgraded bus shelters.

TRAFFIC, TRANSPORT AND ROAD IMPROVEMENTS

Council is continuing to liaise with Transport for NSW to secure further additional commuter parking, associated infrastructure and bus interchange upgrades at the key local centres of Gordon, Lindfield and Turramurra, as part of the Activate Ku-ring-gai local centres program.

► Local centres

Key achievements include the submission of the Lindfield Village Green Development Application which will provide additional commuter parking, progression of the Lindfield Village Hub Expression of Interest to secure further additional commuter parking, and associated integrated public transport infrastructure.

Further transport analysis and assessment of the Turramurra Community Hub was completed during this period and the findings presented to Council. This incorporates the traffic and transport improvements identified in the Ku-ring-gai Contributions Plan 2010, as well as other improvements and refinements to increase transport accessibility.

► Road network improvements

Implementation of road network improvements based on Council's 10 year Traffic and Transport Plan progressed during the year noting that some projects rely on funding assistance from RMS and Federal Government and Council is not always successful in receiving funding for these projects. Some of the projects that received RMS/Federal funding and were implemented during 2016/17 included improvements to parts of Eastern Arterial Road, The Comenarra Parkway and Burns Road, Wahroonga.

Council received 100% funding (\$1.364 million) from Roads and Maritime Services (RMS) for improvements to a section of Lady Game Drive between Blackbutt Creek and De Burgh Road. Due to a variation in the scope of the work the project will now be completed in the 2017/18 year.

ACCESSIBILITY

Access to and within our local centres, including the availability of car parking, will become critical as Ku-ring-gai's population grows and our centres develop. During 2016/17 we continued to plan for and improve public transport connections to make them more accessible to a wider range of age groups and community needs and to better match the travel needs of the community.

► Bus stops

While moderate progress was made across programs there were delays in the upgrade of identified bus stops under the Disability Discrimination Act, due to resources being diverted from this multi-year project to other large Council projects or externally funded projects that were given higher priority. This project will continue and a task has been included in the 2017/18 Operational Plan.

As part of improvements to the Roseville Chase Community Centre the bus stop at Babbage Road and surrounding pathway was raised and adjusted in conjunction with an accessible path to the centre. The bus stop on Westbrook at Junction Lane was also returned to its former location and was updated to meet current requirements.

► Disabled parking

Two new disabled parking spaces were created in Council's car park close to Hill Street, Roseville to assist disabled residents parking close to Roseville Station and shops.



Council spent \$35.6 million on roadworks and \$2.7 million on new and upgraded footpaths between 2013-2017 (Annual Report Part 2).

ROAD SAFETY AND EFFICIENCY

There were a number of road safety and efficiency initiatives during the year. They included:

► School crossing upgrades

Four local schools received funding of \$30,000 each for pedestrian crossing conversions to raised Wombat Crossings to improve road safety. The upgraded crossings are at Lindfield Public School (Grosvenor Road), Turramurra North Public School (Bobbin Head Road), Pymble Ladies College (Pymble Avenue) and Roseville College (Victoria Street). The crossings slow traffic and provide greater safety to children and families around the schools.

The funding was provided through the NSW Government's Pedestrian Infrastructure Safety Around Schools Program.

► Learner driver safety

For learner drivers, the Council produced nine separate driving routes graded according to the degree of difficulty and the required level of experience needed to pass the provisional driving test. Routes include the approximate timing, skills to practice such as merging, changing lanes and sharing the road with larger vehicles. The maps also include features for novice drivers to be aware of, such as school zones, pedestrian crossings and roads with high traffic volumes.

All nine routes are downloadable via the Council's website at kmc.nsw.gov.au/learners. A free printed booklet of the maps can also be requested.

► St Ives parking initiatives

Council has worked with Roads and Maritime Services to introduce the following measures to assist local St Ives shopkeepers and residents affected by the new clearway restrictions introduced along Mona Vale Road. They include:

- Extending the Council car park on Mona Vale Road opposite Stanley Street to provide an additional 15 spaces
- Installing signage on Mona Vale Road to help customers find off-street parking

- Implementing two-hour parking restrictions on Porters Lane from 9am to 6pm every day
- Implementing one-hour parking restrictions on Mona Vale Road northbound between Denley Lane and Memorial Avenue from 10am to 3pm on weekdays
- Implementing one-hour parking restrictions on Mona Vale Road southbound between Stanley Street and Rosedale Road from 10am to 3pm on weekdays and from 9am to 2pm on weekends
- Implementing two-hour parking restrictions on Mona Vale Road southbound between Rosedale Road and Porters Lane from 10am to 3pm on weekdays
- Changing 12 spaces in the Old School Council car park on the eastern side of Mona Vale Road, and two spaces on Stanley Street to half-hour parking. RMS is also working with Council to review the layout of parking in the Old School car park

► Roseville parking initiatives

Larkin Lane car park in Roseville Centre was reviewed to better cater for residents and visitors who attend Roseville Cinema, on the Pacific Highway, Roseville. Out of 43 parking spaces in the car park, 12 parking spaces were signposted with three-hour parking restrictions to meet the long term parking demand.

Lord Street car park in Roseville was also reviewed to accommodate elderly persons attending church activities and weekly seniors' event to park for three hours. Out of 58 parking spaces in the car park, 24 spaces were allocated to three-hour parking while the remaining spaces were left as two-hour parking spaces.

► Regulating parking utilisation

Council's regulation of parking continued in accordance with the adopted management plan. During the year 14,571 penalty infringement notices were issued for parking offences, representing a value of \$1,629,393. Monitoring of parking is carried out by both electronic camera surveillance and manual checks. This ensures that parking spaces are being utilised to their optimum capacity for all users consistent with Council's plan.

► **Boat trailer parking policy**

Council adopted a policy that supported new legislation affecting boat trailer parking in Ku-ring-gai. Under the new rules, boat trailers are now permitted to park for a maximum of 28 days on the street before they must be moved or parked on private property.

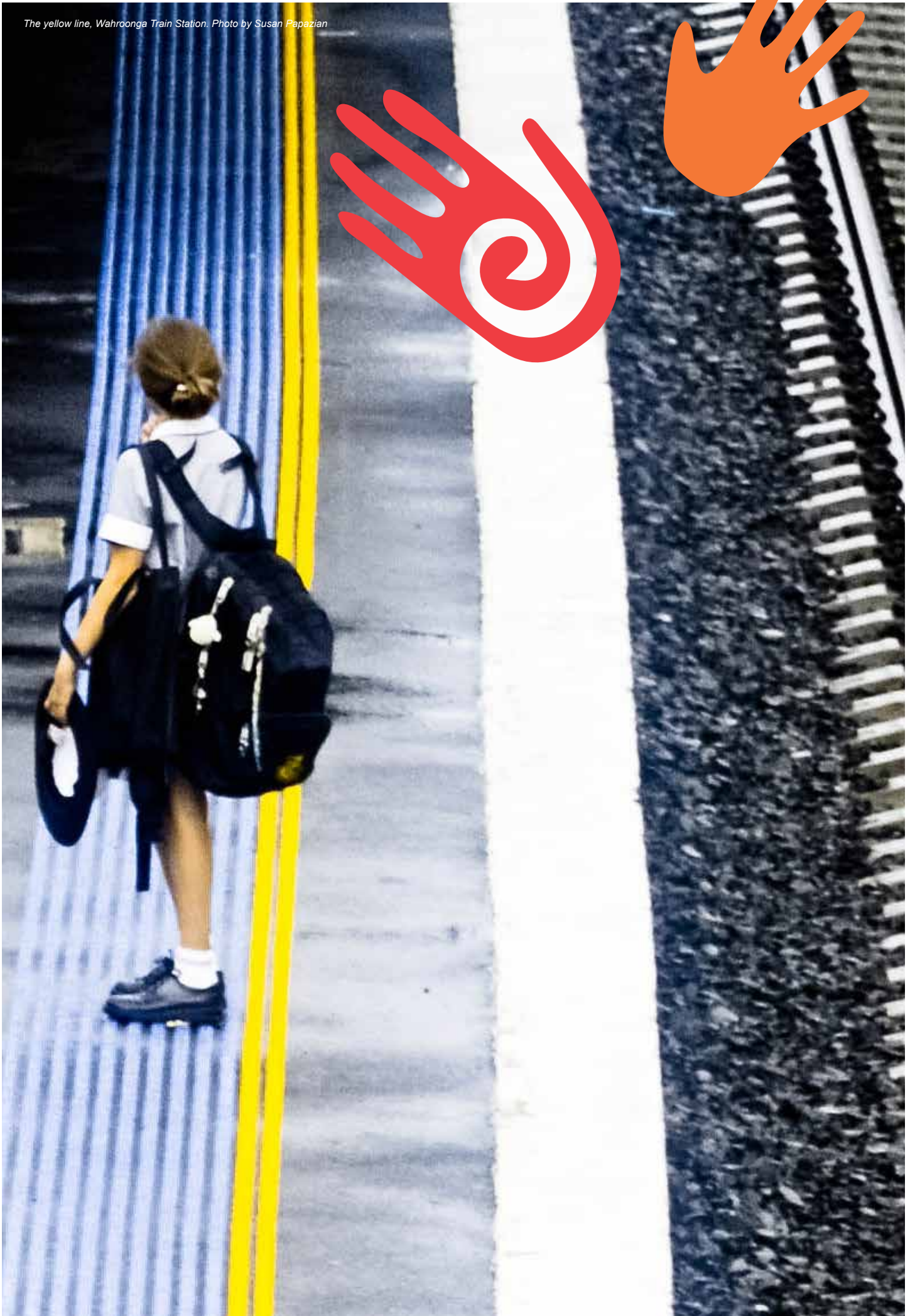
The new policy was implemented in February 2017 and all Ku-ring-gai residents identified as boat owners were advised of its requirements. Council rangers have conducted an audit of boat trailers parked in local streets and identified around 350 that would be subject to the new policy. Rangers are liaising with these boat owners on an ongoing basis to ensure they are aware of the requirements of the policy.



Photo by: Lucinda Donnelly.



The yellow line, Wahroonga Train Station. Photo by Susan Papazian



Ku-ring-gai's cycleway network was extended by 6.9km between 2013-2017 (Annual Report Part 2)

SUSTAINABLE TRANSPORT CHOICES

Projects and initiatives delivering sustainable transport outcomes form part of Council's Environmental Levy Program. Highlights during the year include:

► Proposed car share initiative

Work has continued on the development of a Car Share Vehicle Policy, in collaboration with staff from Environment, Sustainability Traffic Operations and Development and Regulation. As work on the policy progresses, there will be checks to ensure its consistency with the Integrated Transport Strategy.

► Transport access guides

A suite of Transport Access Guides for 47 local schools was developed by the Council's design team to encourage alternative modes of transport. The guides focused primarily on mapping safe walking distances to schools as well as other transport features, such as pedestrian crossing facilities.

► Cycling

New bicycle parking facilities are being incorporated into key Council projects which are in various stages of detailed and concept design. They include St Ives Chase Shops (Warrimoo Avenue), Lindfield Village Green, Lindfield Community Hub and Turramurra Community Hub.

In other Activate Ku-ring-gai major projects, the inclusion of bicycle facilities are in the early stages of planning (eg. Gordon).

The public domain component of the technical brief for the Lindfield Community Hub is being revised to incorporate facilities to allow bicycle access to key parts of the site via the eastern end of Bent Street, Woodford Lane and the southern end of new Drivers Way.

Quotes were received for the implementation of the part of the Roseville1 Route (Roseville - Roseville Chase) adjacent to Babbage Road, which is expected to be constructed in late 2017/18 as part of other works around Roseville Chase Community Centre.



Ride to Work breakfast hosted by Ku-ring-gai Council in 2016.

Annual Ride to Work Day

Council hosted a very successful Ride to Work Day in October 2016 for cycling commuters. This event included a free breakfast, giveaways and free safety checks at Gordon Recreational Reserve for those choosing to ride to work on the day. Council also provided information on how it is working to make Ku-ring-gai more bike-friendly.

REGIONAL ACCESS, TRAFFIC AND TRANSPORT

Council has continued to collaborate and advocate for pro-active measures for access, traffic and transport for the Northern Sydney Region. For example, bus transport, traffic modelling, commuter parking and bike planning, and also at a wider strategic level through the transport component of the upcoming Sydney North District Plan being prepared by the Greater Sydney Commission.

Reviews and submissions advocating planning for regional transport links will continue via Transport for NSW and as part of the Sydney North District Plan exhibition by the Greater Sydney Commission.

► Regional public transport

NSROC's draft submission to the Greater Sydney Commission's release of the Sydney North Draft District Plan contained feedback on transport infrastructure, including the need for further discussion on potential future schemes to serve the region.

This supports Council's submission to the Sydney North Draft District Plan which clearly articulated the need for a Northern Beaches Rapid Transit link, and the need to provide improved east-west connectivity between Ku-ring-gai and the Northern Beaches/Macquarie Park.

A new fleet of double-decker buses and public transport routes were announced by the NSW Government, which includes improvements to Macquarie Park services. This specifically relates to enhanced services on the 197 route (Mona Vale to Macquarie Park via Terrey Hills and Gordon) operated by Forest Coach Lines.

► NorthConnex tunnel project

Since July 2016, NorthConnex Traffic Management Division has been in contact with Council's traffic staff whenever there is a need to seek Council's approval for implementing traffic management within the Ku-ring-gai Council area. The following activities have occurred during 2016/17 in the Ku-ring-gai area:

- Tunnelling for NorthConnex is in progress from the Northern Compound in Wahroonga.
- The northern interchange compound is serving as a temporary construction compound until the opening of NorthConnex in 2019. A temporary acoustic shed has been built on site to minimise impact from noise, light and dust during 24/7 tunnelling work.
- NorthConnex advises that when the tunnel and Northern Interchange are complete, the site compound will be demolished, rehabilitated and landscaped.
- Realignment of Cockle Creek between Burns Road and Lochville Street, Wahroonga required some restricted access and partial closure around these streets and a 'Works Zone' in Lochville Street. Traffic management was in place to ensure the safety of motorists, residents and workers.

It is expected that the construction of NorthConnex – a nine kilometre twin tunnel that will link the M1 Pacific Motorway at Wahroonga to the Hills M2 Motorway at West Pennant Hills, will be completed at the end of 2019.





Afternoon stroll, Timbarra Road, St Ives Chase. Photo by: David Spira

The year ahead

- Continue traffic and transport planning for local centre activation projects
- Continue to advocate for traffic and transport improvements
- Implement traffic measures to assist St Ives shopkeepers and residents affected by clearway restrictions
- Monitor implementation of the boat trailer parking policy
- Complete new link road between Moree and Dumaresq Street, Gordon
- Complete next stage of Ku-ring-gai Bike Plan
- Assess ABS Census data on journey to work modes, when released
- Progress car share policy.

Summary of our performance 2016/17

ACCESS, TRAFFIC AND TRANSPORT

The tables in this section reflect the progress of our key work during 2016/17.

1. HOW WE PERFORMED AGAINST QBL TREND INDICATORS

► QBL trend analysis – key performance indicators

Quadruple Bottom Line (QBL) refers to the framework for measuring and reporting on the achievement of key indicators of performance for Delivery Program and Community Strategic Plan objectives against social, economic, environmental and governance parameters.

The following table indicates our performance for key 'economic' indicators for the 2016/17 year, under this theme, compared to the previous four years.

Measure	Unit	2012/13	2013/14	2014/15	2015/16	2016/17	Trend
Roads upgraded	\$	6,848,018	8,160,787	8,031,854	9,671,674	9,808,948	Increased (1)
Fuel cost	\$	587,675	616,999	548,813	472,098	460,770	Stable
Street light maintenance costs	\$	1,919,023	1,996,184	1,759,384	1,678,918	1,571,375	Decreased

TABLE LEGEND QBL ■ Environment ■ Economic ■ Social ■ Governance

Notes:

1. Additional funding has been allocated to continue to upgrade Council roads.

2. HOW WE PERFORMED AGAINST COUNCIL'S PLAN

► Achievement of Operational Plan Tasks and Performance Indicators

The annual Operational Plan sets out 2016/17 tasks and performance indicators for each theme. The following tables indicate our performance in completing what we said we would do in 2016/17 under this theme.

Summary – 2016/17	Achieved
Completion of 2016/17 Tasks *	94%
Achievement of Performance Indicators **	50%

Notes:

* Of the 16 Tasks, 15 were achieved and 1 task was not achieved during this period. All tasks not completed were carried over to the 2017/18 Operational Plan.

** Of the 6 Performance Indicators, 3 were achieved and 3 were not achieved during this period.



FURTHER READING

See details of our end of year performance at kmc.nsw.gov.au/deliveryprogram

2016/17 Performance Indicators	Target	Achieved
Additional footpath network.	0.9km	0.9
Number of new and upgraded pedestrian facilities (bus stops, crossings, islands).	10	8 ¹
Additional cycleway network.	2.5km	0.06 ²
Number of new and upgraded bicycle facilities.	5	2 ³
Use of alternative modes of transport: Bicycle count data.	5%	50 ⁴
Reduction in the number of recorded collisions per year involving vehicles or pedestrians.	1.5%	28.8 ⁵

Notes:

1. Council is currently further considering a new draft Pedestrian Access and Mobility Plan which has delayed progress. Limited resources also impacted progress in the first six months of 2016/17.
2. A length of 2.25km was targeted for delivery in 2016/17, however updated project estimates resulted in the project scope being scaled back substantially to work within the available budget.
3. Several open space projects that included new or upgraded bicycle facilities were delayed.

4. A substantial increase was achieved, although this increase was recorded on a recreational (mountain bike trail) route, and was off a modest base therefore any minor numerical increase results in a substantial % increase.
5. The data is provided from the RMS for the period 1 July 2015 – 30 June 2016 with a twelve month time lag in statistics. During this period there were 284 accidents on all roads within the Ku-ring-gai local government area, equivalent to a 28.8% reduction from the previous year (399 accidents).



FURTHER READING
See details of our end of year performance at kmc.nsw.gov.au/deliveryprogram

3. HOW WE PERFORMED AGAINST COMMUNITY SATISFACTION BENCHMARKS

In 2014 and 2017 Council commissioned independent community research to examine the community's satisfaction with a range of Council's services and facilities.

The following table compares our performance for key services and facilities in 2017 against 2014 results for services which contribute to the outcomes under this theme.

The table shows the change in the mean rating of resident satisfaction for services between 2014 and 2017. The mean rating is based on a scale of 1 to 5, with 1 the lowest and 5 the highest level of satisfaction.

Comparison of the mean rating of resident satisfaction for services/facilities

Service or facility	2014	2017	Trend
Access to public transport	3.37	3.55	Increased
Access to cycleways, footpaths and walking tracks	3.03	3.18	Increased
Traffic management	2.85	3.04	Increased
Availability of car parking in the local centres	2.49	2.89	Increased

The results of the research are being reviewed and will inform future decisions on service priorities and delivery.



FURTHER READING
For a full copy of the community research report see kmc.nsw.gov.au/communityfeedback



Photo by: Lucinda Donnelly.

THEME 5

Local Economy and Employment

This theme is about creating sustainable economic and employment opportunities through vital, attractive local and neighbourhood centres, business innovation and use of technology.

Services provided under this theme

- Economic and social development
- Marketing
- Events coordination

Key achievements in 2016/17

Economic development is about creating an environment that promotes sustainable business growth, investment, employment generation and making it easier for people to do business with Council.

During 2016/17 Council continued to support local business and develop new partnerships and opportunities to attract business investment and employment to Ku-ring-gai. This work focussed on small business support, long term planning for tourism, marketing and events coordination.

BUSINESS SUPPORT

During 2016/17 Council continued to support business through its comprehensive business engagement program which is designed to provide top-quality learning and networking experiences and access to useful information about other government programs and local business groups. These events provide educational and networking opportunities for local businesses. Events also aim to support micro and small businesses that often lack the time and resources to upskill or meet with groups of business peers. Attendees consistently scored the events highly across a number of measures including event relevance and usefulness, quality of speakers and organisation.



Achievements included the following:

- Over 500 local business people attended business events to facilitate engagement of the business community and local chambers of commerce. Topics covered at the events included business planning, social media, human resources and recruitment, commercialising ideas and business administration
- A discussion forum was held with two guest speakers on the power of collaboration in business with around 50 local business people attending
- An event funded by the NSW Department of Industry as part of its Back to Business Week program was held on the topic of Business Grants with guest speaker Keith Whelan (The Grants Guy) and was attended by 40 people
- A half day event was held on the topic Wealth of Ideas – Turning Concepts into Cash with four keynote speakers. This event, with 134 attendees, was delivered in partnership with CSIRO Lindfield and was funded by the NSW Government's Boosting Business Innovation Program. Post-presentation exhibition exhibitors included Better Business Partnership, CSIRO, Macquarie University/Macquarie Park Innovation District, NSW Department of Industry, NSW Business Chamber, Data 61 and NSW Business Connect (Realise Business).
- Council's Business Connection e-news has increased by 106% to 604 local business people. This newsletter contains information about Council events and support.
- Council actively engaged with local, regional and state level business groups such as business advisors from the NSW Department of Industry's Business Connect Program who were involved in many business events. This has resulted in event attendees being made aware of professional business advisory sessions delivered by Realise Business.
- Council actively participated as a member of the Small Business Friendly Council's program, an initiative of the Office of the NSW Small Business Commissioner and NSW Business Chamber, to assist Councils to work with and support local businesses. Currently 70 metropolitan and rural Councils have joined the program, representing over 360,000 small businesses and more than 50 per cent of all small businesses in the state.

An estimated 14,004
businesses and 37,542
jobs are located in
Ku-ring-gai (NIEIR, 2016)

BUSINESS LIAISON ON CENTRE REVITALISATION PLANS

During 2016/17 Council regularly communicated with the business communities in Lindfield to outline plans for Lindfield Village Green and to hear business feedback on the final concept plans. Council staff also attended a face to face coffee session in Lindfield to meet with local business to discuss the projects, answer questions and capture feedback.

Regular updates were also given to local business chambers and business groups to keep them informed about other local centre revitalisation plans and upgrades.



FURTHER READING

More details of Council's Activation projects can be found on pages 82-85 of this report and on Council's website at kmc.nsw.gov.au/currentprojects



Business Forum on Collaboration, Killara Golf Club.



St Ives
 Medieval Faire
 PROUDLY PRESENTED BY KO-RING-GAI COUNCIL
 23 & 24 SEPTEMBER
 STIVESMEDIEVALFAIRE.COM.AU

45,000 people attended Council events in 2016/17 with a total of 211,000 between 2013-2017 (Annual Report Part 2).

REGIONAL ECONOMIC CO OPERATION

We continued working with neighbouring Councils to determine areas for economic growth. Partnerships are active with the Northern Beaches Council and Ku-ring-gai Council is working closely to complement the Better Business Partnership program in northern Sydney.

Council staff are now on the organising committee of Economic Development Australia NSW. This enables Council to better understand state and local economic development issues and contribute ideas from Ku-ring-gai to the NSW economic development sector.

Council maintains ongoing dialogue with local Chambers of Commerce and business groups to implement economic development priorities and actions. Ideas from these discussions are used to inform our plans for business engagement and other economic development activities.

We also facilitated discussions with the State Government Office of Small Business Commissioner and other regional bodies such as Business North Shore and NSW Business Chamber to develop regional partnerships and strengthen the local economy. The Activate Ku-ring-gai projects are important strategic employment opportunities which were progressed during the financial year.

PLANNING FOR TOURISM OPPORTUNITIES

Council's Destination Management Plan was completed in the period and subsequently adopted by Council in July 2017.

The plan was prepared by tourism expert Dr Meredith Wray, who specialises in preparing plans for managing and marketing sustainable tourism. Over 100 people attended workshops on the plan and 27 submissions were received during the public exhibition.

The plan focuses on five themes for developing tourism opportunities in Ku-ring-gai. These are nature-based tourism, major events, Aboriginal heritage, cultural and recreational experiences and architectural heritage.

The area known as the St Ives tourism precinct, which forms the main focus for the plan, includes the Wildflower Garden, Showground and the visitor centre. Other attractions nominated by Council include Marian Street Theatre and other areas with heritage and cultural interest.

Strategies and actions from the Destination Management Plan will help create new sustainable tourism activities and attractions in the future and will be actioned over the next four years.

Council will now assess specific tourism activities reflecting the plan's themes and reaffirming its commitment to sustainable tourism benefitting the local community and small business.

The plan will also facilitate potential grants for new activities to be investigated as well as support from organisations such as Destination NSW.

PROMOTED LOCAL ACTIVITIES AND EVENTS

Events are an important factor in attracting visitors and feature prominently in the development and marketing plans of most destinations. These events, which have the potential to attract visitors from all over Sydney and beyond, continued to be supported in 2016/17 through innovative marketing campaigns. The events also provided opportunities for local businesses to promote their services, with the aim of strengthening local and neighbourhood business centres.

Council continued to support local events including the St Ives Food and Wine Festival, Wahroonga Food and Wine Festival, Ku-ring-gai Chase Fun Run Event, Bobbin Head Cycle Classic and Carols in the Park. Council also supports local organisations including the Ku-ring-gai Philharmonic Orchestra. In addition, the Small Business Roundtable events have been held in local business' premises resulting in a raised profile within the local business community.

A new round of sponsorship funding was planned and released to the Ku-ring-gai community in early 2017 totalling \$61,000. In particular, this provided opportunities for local businesses and organisations to commemorate the centenary of World War One.

Events continued to be promoted across a range of online avenues, including Facebook, Twitter and Instagram, as well as through the use of Council e-newsletters. All Council e-publications have been redesigned since January 2017, and Youth Services have launched their own monthly e-news. All editions now cross-promote events and initiatives through the use of linked banners. For example the Medieval Faire, Festival on the Green, Wildflower Art & Garden Festival and Guringai Festival.



FURTHER READING

For more information on events held during 2016/17 see pages 28-29 of this report.

Visitors for the Ku-ring-gai Wildflower Garden tripled from 17,900 to 54,880 between 2013-2017 (Annual Report Part 2)

INCREASED VISITORS AND TOURISM OPPORTUNITIES

During 2016/17 Council maintained its reputation for delivering interesting and successful events with regional and national prominence. Visitation numbers increased again at the St Ives Precinct, including the Ku-ring-gai Wildflower Garden, as a result of Council's successful events and promotional activities. A highlight of these events is the successful Medieval Faire, which is a major visitor experience for the area, and was held for the third consecutive year in September 2016.

Council also provided sponsorship and assisted in the promotion and marketing of other events and cultural groups detailed in this report elsewhere. Achievements for the year included:

- The St Ives Medieval Faire, Council's signature event, was held in September 2016 and attracted 11,000 visitors (8,900 visitors in 2015/16). This unique event, heading into its third year, has drawn national and international recognition for the most historically accurate joust and village. Strong bookings for September 2017 are already evident with many people booked in advance. The event has strong interest from social groups, family and previous attendees. It also provides a boost to local tourism and travel with participants travelling from around Australia. Destination NSW assists with marketing of the event through their various website portals.
- Total visitation for 2016/17 to the Wildflower Garden for programs, visitors, and functions was 51,760. An additional 3,120 visitors attended the Wildflower Garden Festival. This represents a 44% increase from 30,764 visits in 2015/16. Highlights included the ranger led school holiday program, bush birthday parties, toddlers and tadpoles playgroups, junior rangers groups and school excursions.
- Securing a Friday night market operation, Aussie Night Markets, which has become a regular feature after a four week trial. The markets attracted 27,000 people over 6 nights.
- The ANZAC Challenge returned for the third year and attracted just short of 1,500 participants.

- The Regional School Cross Country events are now held regularly at the Showground and attract several thousand participants and parents.
- Warringah Dressage held two high level competitions at the Showground with over 60 horses and their riders and crews.
- The popular St Ives Show was held in May 2017.
- The Colour Festival, an Indian based dance party format, was attended by 4,000 people.
- The OXFAM Trail Walker Event which attracted 4,000 people.
- The Orchid Society Festival (5,000 people) and NSW Budgerigar Show (2,000 people).

These events have all been well received and supported by the local community and visitors and have been booked into the 2017/18 calendar.



FURTHER READING

See more details on Council's events at kmc.nsw.gov.au/events



Wuniniri Music & Dance Group performing at the Australia Day 2017 celebrations at Bicentennial Park, West Pymble. Aboriginal heritage is one of the key themes for Council's new Destination Management Plan.



Firs Estate Cottage, Roseville.

The year ahead

- Continue support for local business
- Build local and regional economic partnerships
- Implement actions in the Destination Management Plan
- Continue highly successful event marketing and coordination.

Summary of our performance 2016/17

LOCAL ECONOMY AND EMPLOYMENT

The tables in this section reflect the progress of our key work during 2016/17.

1. HOW WE PERFORMED AGAINST QBL TREND INDICATORS

► QBL trend analysis – key performance indicators

Quadruple Bottom Line (QBL) refers to the framework for measuring and reporting on the achievement of key indicators of performance for Delivery Program and Community Strategic Plan objectives against social, economic, environmental and governance parameters.

The following table indicates our performance for key 'social and economic' indicators for the 2016/17 year, under this theme, compared to the previous four years.

Measure	Unit	2012/13	2013/14	2014/15	2015/16	2016/17	Trend
Ku-ring-gai Wildflower Garden visits	No.	12,384	17,900	20,500	30,764	54,880	Increased (1)
Major Events attendance	No.	38,500	51,121	24,000	35,000	45,000	Increased (2)

TABLE LEGEND QBL ■ Environment ■ Economic ■ Social ■ Governance

Notes:

1. Council's program has provided a range of events for the site which has led to an increase in visits.

2. The success of Council's events program has seen an increase in participants throughout the period.

2. HOW WE PERFORMED AGAINST COUNCIL'S PLAN

► Achievement of Operational Plan Tasks and Performance Indicators

The annual Operational Plan sets out 2016/17 tasks and performance indicators for each theme. The following tables indicate our performance in completing what we said we would do in 2016/17 under this theme.

Summary – 2016/17	Achieved
Completion of 2016/17 Tasks *	100%
Achievement of Performance Indicators **	92%

Notes:

* Of the 12 Tasks all were achieved during this period.

** Of the 13 Performance Indicators, 12 were achieved and 1 was not achieved during this period.



FURTHER READING

See details of our end of year performance at kmc.nsw.gov.au/deliveryprogram

2016/17 Operational Plan Performance Indicator	Target	Achieved
Businesses in Ku-ring-gai Local Government Area (LGA).	13,499 number of businesses	14,004
Economic employment promotion initiatives delivered or facilitated by Council (annual program).	100%	100
Local jobs in Ku-ring-gai Local Government Area (LGA).	34,835 local jobs	37,542
Small business discussion sessions delivered and/or facilitated by Council.	10 sessions	7 ¹
Small business discussion participants who consider the events add value to local businesses.	75%	100
Business sectors represented at small business discussion sessions.	>5 sectors	10+
Participants involved in economic employment forums, workshops and initiatives facilitated by Council.	45 participants	500+
Business forums delivered and/or facilitated by Council.	2 Forums	2
Participant satisfaction with business forums.	80%	93
Business forum participants likely to attend future events.	80%	100
E-newsletters delivered to local business subscribers.	11 Newsletters	11
Visitation promotion initiatives delivered or facilitated by Council.	100% completion of agreed annual program	100
Visits to select Ku-ring-gai attractions (Ku-ring-gai Wildflower Garden).	12,000 visits	54,880 ²

Notes:

1. This was achieved as part of the larger program if all business events are taken into account.

2. Total visitation for 2016/17 is 51,760 for the Wildflower Garden for programs, visitors, and functions. An additional 3,120 attended

the Wildflower Garden Festival. Highlights have included the ranger led school holiday program, bush birthday parties, Toddlers and Tadpoles play groups, Junior Rangers Club and school excursions. This represents a 44% increase from 30,764 visits in 2015/16.

**FURTHER READING**

See details of our end of year performance at kmc.nsw.gov.au/deliveryprogram

3. HOW WE PERFORMED AGAINST COMMUNITY SATISFACTION BENCHMARKS

In 2014 and 2017 Council commissioned independent community research to examine the community's satisfaction with a range of Council's services and facilities.

The following table compares our performance for key services and facilities in 2017 against 2014 results for services which contribute to the outcomes under this theme.

The table shows the change in the mean rating of resident satisfaction for services between 2014 and 2017. The mean rating is based on a scale of 1 to 5, with 1 the lowest and 5 the highest level of satisfaction.

Comparison of the mean rating of resident satisfaction for services/facilities

Service or facility	2014	2017	Trend
Opportunities to work in the local area	2.92	3.05	Increased
Growing the local economy	3.09	3.18	Increased
Availability of venues to eat out and socialise	3.23	3.45	Increased
Variety of local activities and experiences	3.11	3.33	Increased
Tourism in the local area	2.86	3.23	Increased

The results of the research are being reviewed and will inform future decisions on service priorities and delivery.

**FURTHER READING**

For a full copy of the community research report see kmc.nsw.gov.au/communityfeedback



Photo by: J Antil.

THEME 6

Leadership and Governance

This theme is about ensuring that Ku-ring-gai is well led, managed and supported by an ethical organisation which delivers projects and services to the community by listening, advocating and responding to their needs.

Services provided under this theme

- Financial management
- Integrated planning and reporting
- Property and asset management
- Revenue accounting
- Governance
- Procurement
- Risk management
- Customer services
- Communication
- Community engagement
- Human resources
- Information management
- Administration and records
- Civic support

Key achievements in 2016/17

MAINTAINED OUR FINANCIAL POSITION

During 2016/17 Council continued its focus on maintaining a healthy financial position, underpinned by a sound income base and commitment to control and delivery of services, facilities and infrastructure required by the community in an effective and efficient manner.

Council achieved a sound financial result for 2016/17. Our net operating result for the financial year ended 30 June 2017 was a surplus of \$33.14 million including Grants and Contributions for capital purposes. After adjusting for Capital Grants and Contributions, the net operating result was \$18.82 million. See financial statements on pages 135-254.

During 2016/17 we spent around \$117 million on services and operations and \$26 million on capital works to provide a diverse range of services to the community and to ensure the long term sustainability of our assets.

We managed \$1.3 billion worth of assets infrastructure including roads, bridges, halls, land, recreation and leisure facilities, drains, parks and property.

Our income came from rates on property, government grants, interest on investments, user charges and fees. Our expenses were for construction, maintenance, wages, grants to community groups and many other services to the community like libraries, immunisation, bush regeneration and tree removal programs.

Further details of our 2016/17 financial position can be found in the Financial Information – Overview section to the Financial Statements on pages 18-19. Full details of Council's Financial Statements are available in the Financial Section of this Report, on pages 135-254.

EXPENDITURE FROM SPECIAL RATES

In 2016/17 Council had three special rates as follows:

► Infrastructure - Primary Rate

This rate is used to maintain, renew and upgrade Council's infrastructure including roads, footpaths and other infrastructure assets. The Infrastructure – Primary Rate is levied on all rateable land within the Ku-ring-gai local government area.

Funds of \$22.5 million were received from the Infrastructure Primary Rate in 2016/17.

► Infrastructure - Special Rate Variation

The Infrastructure - Special Rate Variation is five per cent (5%) of the notional general income of Council and is levied on all rateable land within the Ku-ring-gai Local Government Area. This rate is used to maintain, renew and upgrade Council's infrastructure (road improvements program).

Background

The Minister for Local Government initially approved a special rate variation for five years from 2001/02 to 2005/06. This was extended to 2012/13 following an application from Council in 2005/06.

Following community consultation and support Council applied to IPART for a continuation of this levy up to 30 June 2018. IPART subsequently granted a further one year extension of the levy until 30 June 2014.

As a result of further extensive community consultation and an 80% endorsement by a community representative group, Council made a further application to IPART in 2014 to continue the levy permanently. IPART approved Council's application with funds from the levy to be utilised for road improvements.

The levy contributes an additional \$2.7 million each year for improvements to local roads.



FURTHER READING

Information on roadworks undertaken in the 2016/17 year can be found in the capital works program of Council's 2016/17 Operational Plan at kmc.nsw.gov.au/operationalplan

In 2016/17 Council's expenditure on capital works totalled \$26 million and \$133 million in the four year period 2013-2017 (Annual Report Part 2).

► Environmental – Special Rate Variation

Council's Environmental Levy is a 5% levy on rates used to fund a range of environmental programs and initiatives. The Environmental Levy commenced in 2005 and, with strong community support, will continue until 2019.

Council's Environmental Levy contributes approximately \$2.7 million annually to environmental programs and initiatives in the following key areas:

- Biodiversity
- Water
- Energy
- Community engagement and environmental education
- Sustainable transport and recreation.

Further information on the expenditure of environmental Levy funds in 2016/17 can be found in the Theme – Natural Environment on page 66.

► Stormwater Management Charge

The Stormwater Management Charge is used to fund new and upgraded drainage works across the local government area and the environmental management of Council's drainage system impacting on watercourses. During 2016/17 this included:

- drainage upgrades at various locations
- water quality analysis and data monitoring.
- regular maintenance of 141 Enviropods and 72 other gross pollutant traps as part of the stormwater pollution control device maintenance contract funded by the Stormwater Charge.

Funds of \$971,000 were received from the rate during 2016/17.

► Other Annual charges

Details of funds received from other annual charges for Waste Management and Section 611 – Gas Mains can be found on page 157 in the Financial Statements.



Ranger led activity at the Wildflower Garden.



SUSTAINING OUR ASSETS

Ku-ring-gai Council delivers a variety of services to the community and in doing so, must ensure that the assets supporting these services are managed sustainably. Managing our asset portfolio, which is valued at \$1.3 billion, is important in meeting the needs and expectations of our community.

Council's adopted Asset Management Strategy integrates with the Community Strategic Plan, Delivery Program, Operational Plan and Long Term Financial Plan.

This ensures that adequate funding for maintenance and renewals is scheduled into annual work programs.

► New assets for growth

With population growth and cultural diversity there will be an increasing demand for new and enhanced assets, programs and services.

Council spends approximately \$19 million per annum to fund new and upgraded assets which are predominantly funded through Development Contributions. These assets will also require maintenance and renewal in the future.

Our challenge is to identify ways to provide adequate funding to improve our assets over their asset life and we are continually reviewing our service levels and processes to find improvements.

► Condition of our assets

Previous community consultation identified roads, footpaths and stormwater drainage as the main service areas in need of additional resource allocation, with community buildings, parks and playgrounds also mentioned as priorities.

In order to better understand asset condition and the amount of funding required to improve our existing assets base, Council staff, with the assistance of an independent consultant reassessed our technical and financial asset information.

This resulted in both our engineers and accountants revisiting existing methodologies, information and assumptions to ensure that asset data was relevant and accurate. This has benefitted the organisation enormously as we are now in a better position to accurately prioritise asset renewal programs, provide additional funding towards maintenance, and reduce our infrastructure backlog.

Specific actions completed in 2016/17 to improve the integrity of data and registers and integration of technical, system and financial asset management information included:

- A review of procedures for new, renewal and upgraded assets
- Benchmarking of road and transport assets
- Implementation of the stormwater drainage asset class
- Completion of the Roads and Transport Asset Management Plan
- Staff capital works training.

► Infrastructure backlog

Funding shortfalls for infrastructure asset renewal is a well-documented problem facing local government. Through the improvement of technical and financial asset information the Council's Special Schedule 7 reported the infrastructure backlog for all assets classes at \$27,565,000 in 2016/2017.

Council staff continue to implement the recommendations from the independent review with newly formulated funding strategies for asset renewal and maintenance programs which will achieve further reductions in the infrastructure backlog. This is being achieved by implementing initiatives that redirect funding into priority assets.

► Infrastructure renewal and maintenance funding

The review of Council's asset information and infrastructure backlog has led to an internal review of capital and operational expenditure. Additional renewal funding has been redirected into improving our assets. Whilst operational expenditure has also been reviewed and allocated towards asset maintenance.



FURTHER READING

Further details on how Council is funding asset renewals can be found in our Asset Management Strategy and Long Term Financial Plan at kmc.nsw.gov.au/integratedplanning

RISK MANAGEMENT

We recognise that all of our employees and Councillors are responsible for managing risk. Assistance and technical support are provided by the organisation's risk team to provide a more coordinated and customer focused response to risk issues. Work undertaken in 2016/17 included:

- Testing of Council's redeveloped Risk Management Program across a number of service areas. Training for responsible officers will be progressively implemented.
- A review of Council's events management processes, with the redevelopment of the Events and Sustainability Risk Management Plan. This document has been successfully tested during the planning of a number of events and will be introduced across the organisation.
- A comprehensive review of Council's management of its volunteer programs. This included consultation with relevant managers, staff and volunteers in relation to the revised Volunteer Management Policy and procedures which will be referred to Council in the coming months.
- A review and update of Council's emergency plans at Council sites and with fire wardens and first aiders, as well as Council's consultation arrangements with staff on work health and safety matters.

► Audit and Risk Committee

Our Audit and Risk Committee includes two external independent members (one of whom is the chair), and two Councillor Representatives. It provides independent assurance and assistance to our internal audit function in relation to risk management, internal control, governance, external accountability responsibilities, financial reporting, and compliance with laws and regulations. Additionally, the Committee also provides a level of oversight on the follow-up and completion of any issues or actions identified by internal and external audits, customer and Code of Conduct complaints as well as independent oversight of, and strategic input into our Risk Management Framework.

The Audit and Risk Committee's work in 2016/17 included financial statements, compliance with legislative updates and procurement, and an ongoing review of key controls and statutory audits.

PROFESSIONAL DEVELOPMENT FOR STAFF

Council has now implemented an online learning management system, which provides capability to roll out e-learning across the organisation. Staff are now able to access over 40 e-learning modules in ethics, leadership, EEO, communication and personal development with more than 40 additional modules in development. Leadership, management and personal development programs are also in development that will align to Council's values and complement and support the performance culture at Council.

Information regarding Council's Code of Conduct, ethics and corporate values continued to be delivered as part of the staff induction program.



Lindfield Library staff member.

During 2016/17 there were 442,446 unique visitors to Council's website, 11,500 social media users and 39,328 e-news subscribers.

New innovative online mapping system.



ONLINE SERVICES

We continue to expand our options to residents and applicants for easy to access online services. These included driveway levels, minor heritage works, pre-complying developments, pre-DA applications and applications for hoardings and barricades. Bookings for vacation care services were moved online in April in time for the July school holiday booking period.

Improvements were also made to automatic responses for service requests logged online. Increased use of mobile devices in the field has also improved processing times for applications that are received electronically.

Council's innovative mapping system is now being used by property consultants, the development industry, builders and local residents. Developed through the Geocortex system, the mapping tool provides a wealth of information about properties in Ku-ring-gai, including zoning, historical records and other property-based information. At present, the system can be accessed via a web browser but work is well underway to develop a smart device version. The mapping system can be accessed via kmc.nsw.gov.au/onlineMapping

Council's website remained well maintained and utilised during the year and unique page views achieved the goal of 1.9 million for this financial year.

COMMUNICATION TO STAKEHOLDERS

A comprehensive communications strategy ensures that the Ku-ring-gai community and other stakeholders remain informed of the many activities, services, major projects, consultations and achievements of Council throughout the year.

Methods of community engagement include Council's website, e-newsletters and social media such as Facebook, Instagram, LinkedIn and Twitter. Council also uses hashtags to promote events. Council's Community Engagement Policy has been promoted across the organisation achieving best practice community consultation with our residents. Staff pro-actively publicise Council's vast range of services and achievements through a range of media ensuring a high standard of visual design and quality content across all communications.

A central focus of communications during 2016/17 was on communicating Council's response to the State Government's proposed merger of Ku-ring-gai with Hornsby Council and the impacts of the Supreme Court decision regarding the Council's appeal against the forced merger. Regular updates on the progress and outcomes of the legal action were undertaken through the Mayor's column, media releases, letters to the editor, web-based information pages, the Mayoral E-news and social media.

Other important information campaigns were commenced on the Council elections due in September 2017, the postponement of the proposed fire services levy and the Council's proposed budget and Delivery Program and Operational Plan for the 2017-2018 financial year.

Council is committed to engaging with its residents on new initiatives, public exhibitions, policies and plans to ensure the right decisions are being made for the whole community.

During 2016/17 the public exhibitions section of the Council's website now featured more prominently on our home page, making it even easier for Ku-ring-gai residents to have their say about issues, documents or policies on public exhibition and open for comment.

IMPLEMENTED CORPORATE SUSTAINABILITY INITIATIVES

Ku-ring-gai Council is recognised as a leader in sustainability. During 2016/17 Council's Corporate Sustainability Action Plan continued to drive corporate sustainability initiatives across Council. Achievements included:

- Installation of new recycling stations that include organic waste and soft plastic recycling. Processing of the organic waste through composting and worm farming has resulted in an estimated 1.5 tonnes of organic waste being diverted from landfill since the start of source separation of organic waste in August 2016.

The year ahead

- Replacement of Council's old printers and copiers with new devices that have 'Follow Me Printing' resulting in paper and energy savings for Council.
- The transfer of performance management and payroll processes online, also resulting in paper savings.
- Ongoing monitoring using the Envizi platform to identify energy consumption anomalies at key Council facilities and to determine and review energy and water performance indicators for the Ku-ring-gai Fitness and Aquatic Centre. The Envizi platform also enables Council to monitor its performance against its 2020 Greenhouse Gas (GHG) emissions reduction target and to report on progress, and to adjust abatement activities and funding priorities accordingly.

STRENGTHENED OUR PARTNERSHIPS

Ku-ring-gai's Community Strategic Plan 2030 identifies stakeholders, other than Council, who can play a role in delivering the community's desired outcomes stated in the Plan. Council continued to actively pursue and support numerous partnerships with business, community and not for profit groups as well as government agencies and NSROC to deliver those community outcomes.

Partnership arrangements continued during the year for priority areas with significant benefits for the Ku-ring-gai community. These included a partnership with Rotary Clubs in Ku-ring-gai to reduce the incidence of illegal graffiti on private property, and partnerships with Turramurra and Lindfield stakeholder groups established as part of the Activate Ku-ring-gai program. Council's membership of the Small Business Friendly Councils program, established by the Office of the NSW Small Business Commissioner and NSW Business Chamber, assisted our business support program. Work with other regional bodies such as Business North Shore and NSW Business Chamber continued to develop regional partnerships and strengthen the local economy.



- Continue to respond to state government legislative and policy changes
- Continue to maintain our long term financial sustainability and achieve annual operating surpluses
- Investigate alternative revenue opportunities to fund environmental and infrastructure renewal programs
- Meet statutory requirements for good governance and management.

Summary of our performance 2016/17

LEADERSHIP AND GOVERNANCE

The tables in this section reflect the progress of our key work during 2016/17.

1. HOW WE PERFORMED AGAINST QBL TREND INDICATORS

► QBL trend analysis – key performance indicators

Quadruple Bottom Line (QBL) refers to the framework for measuring and reporting on the achievement of key indicators of performance for Delivery Program and Community Strategic Plan objectives against social, economic, environmental and governance parameters.

The following table indicates our performance for key 'social, economic and governance' indicators for the 2016/17 year, under this theme, compared to the previous four years.

Measure	Unit	2012/13	2013/14	2014/15	2015/16	2016/17	Trend
Customer service requests received	No.	23,679	22,375	25,769	28,551	27,122	Stable
Customer requests completed	%	96	98	87	91.29	89	Stable
Consultation surveys conducted	No.	42	38	60	49	54	Stable
Leadership Training Program	No.	0	27	27	49	0	Decreased (1)
Induction Program	No.	5	4	4	4	4	Stable
Fulltime employee turnover rate	%	9	9.3	12	15.8	11.34	Stable (2)
Number of policies reviewed	No.	10	11	4	7	5	Stable
Unrestricted Current Ratio	Ratio	2.04	2.88	2.50	2.58	3.21	Increased (3)
Restricted cash - internal	\$M	14,746	22,992	20,701	23,256	27,699	Increased (4)
Restricted cash - external	\$M	70,764	65,599	73,554	98,769	112,733	Increased (5)
Operating result before capital grants and contributions	\$M	4,815	3,117	13,460	6,819	18,823	Increased (6)
Building & Infrastructure renewal expenditure	Ratio	0.95	1.04	1.00	0.82	0.76	Decreased (7)
Debt servicing	%	2.08	4.4	16.42	2.7	1.79	Decreased (8)
Loans/borrowings per year	\$M	28.3	12.8	1.03	0.66	0.58	Stable
Collection Performance (Rates, Annual, Interest and Extra Charges only)	%	3.36	3.25	3.18	3.16	3.27	Stable
Re-votes expenditure	%	8.00	12.15	7.61	12	11.00	Stable
Return on investment	%	5.38	4.27	3.87	3.25	3.05	Decreased (9)
Number of ratepayers	No.	40,914	41,418	41,975	42,336	42,906	Stable
IPART rate increase approved (including special variations)	%	8.6	7.3	2.3	2.4	1.80	Decreased (10)
Untied grants revenue	\$	3,338,000	2,046,000	3,833,000	3,801,000	5,616,000	Increased (11)
Specific purpose grants revenue	\$	5,938,000	3,855,000	4,237,000	4,500,000	4,364,000	Decreased (12)
Source of revenue from rates and annual charges	%	61.69	62.4	57.0	50	53.00	Increased
Available funds balance (Working Capital)	\$M	5.90	4.7	4.67	4.7	6.5	Increased (13)

TABLE LEGEND QBL ■ Environment ■ Economic ■ Social ■ Governance

Notes:

1. Council's Leadership Training Program was paused during 2016/17 during the local government reform program. It will re-start in 2017/18.
2. This stabilised following an increase in previous years due to the local government reform process and the uncertainty within the sector.
3. This increase is above the benchmark of 1.5 and has been outperforming the benchmark for the last four years.
4. This increase was due to increased unrestricted income and incomplete work at EOFY carried forward to the future years.

5. This increase was due to additional s94 contributions received.
6. This increase is largely due to Investment Property revaluation.
7. The decrease was due to delays in obtaining funding for planned asset renewal that will be caught up in future years, as well as recent changes in the ratio calculation (to exclude renewals on work in progress projects).
8. Decreased due to decreased principal repayment during the year.
9. Decreasing due to lower interest rates and lower than anticipated return

- on investment portfolio. Nevertheless it exceeded the bank bill benchmark by 1.22% (1.83% Aus Bond Bank Bill Index).
10. The approved rate peg increase was 1.8% in 2016/17.
 11. Increased due to two instalments of the Financial Assistance Grant for 2017/18 received in advance.
 12. Special purpose grants decreased mainly due to a reduction in transport grants.
 13. Increased due to the first instalment of the 2017/18 Financial Assistance Grant (FAG) which was received in advance and valued at approximately \$1.9M.

2. HOW WE PERFORMED AGAINST COUNCIL'S PLAN

► Achievement of Operational Plan Tasks and Performance Indicators

The annual Operational Plan sets out 2016/17 tasks and performance indicators for each theme. The following tables indicate our performance in completing what we said we would do in 2016/17 under this theme.

Summary – 2016/17	Achieved
Completion of 2016/17 Tasks *	92%
Achievement of Performance Indicators **	91%

Notes:

* Of the 75 Tasks, 69 were achieved, 6 were not achieved during this period. All tasks which were not completed were carried over to the 2017/18 Operational Plan.

** Of the 22 Performance Indicators, 20 were achieved and 2 were not achieved during this period.



2016/17 Operational Plan Performance Indicator	Target	Achieved
Occupancy rate of Council property portfolio.	90%	100 (retail and residential portfolio) 57 828 Pacific Highway, Gordon (based on tenants per floor)
Debt Service Percentage. Lesser is better.	4.0%	1.19 ***
Working Capital.	\$4M (greater than or equal to)	7.2 ¹ ***
Unrestricted Current Ratio.	2.0 ratio	3.12 ***
Rates and Annual Charges Coverage Percentage. Lesser is better.	60%	52.84
Rates Outstanding Percentage. Lesser is better.	4.0%	3.27
Statutory financial reports are prepared and reported to Council in compliance with legislative requirements.	100% requirements met in period	100
Invoices paid to small businesses within 30 days from invoice date.	90%	93
Building and Infrastructure Renewals Funding Ratio.	100%	74 ²
Statutory governance and integrated planning reports are prepared and reported to Council in compliance with legislative requirements.	100% requirements met in period 100% reports	100
Risk management performance against Council's Enterprise Risk Management Framework.	presented to Audit Committee in period	100
Council's Business Papers are accessible via Council's website in a timely manner.	100%	100
Request for information applications completed within statutory timeframes.	90%	100
Council's policies are accessible via Council's website in a timely manner.	98%	98
Staff Turnover Rate. Lesser is better.	10%	11.34 ³
Reduction in Lost Time Injuries (LTI).	5% reduction from same period in 2012	22
Staff participation in learning and development.	40%	50 ⁴
Computer network availability.	98% consistently maintained	99
Customer service enquiries responded to within agreed service delivery standard.	85%	85
Customer requests actioned within agreed service delivery standard.	85%	85
Community engagement activities facilitated by Council.	100% completion of agreed annual program	100
Increase in community access of information about local activities and services.	5% increase in access	5 ⁵

*** Data for the marked indicators vary from Council's 2016/17 June bi-annual report due to Council's Audited Financial Statements being completed after the June bi-annual report. These indicators were achieved in both reports.

Notes:

1. Working Capital increased due to the first instalment of the 2017/18 Financial Assistance Grant (FAG) which was received in advance and was approximately \$1.9m.

2. A ratio of 74.23% indicates that the amount spent on renewing infrastructure assets is lower than the amount of depreciation. The renewal ratio did not achieve benchmark due to delays in obtaining funding for planned asset renewal that will be caught up in future years, as well as recent changes in the ratio calculation (to exclude renewals on work in progress projects). Council will continue to focus on appropriate asset standards for renewal and maintenance of its assets and prioritise renewal capital works program.

3. The slight increase in turnover seen during this period is likely attributed to Local Government reform and the uncertainty created by the merger proposal for Ku-ring-gai and Hornsby Councils.

4. In 2016/2017, 50% of staff attended approved learning and development sessions (222 staff recorded 473 attendances at approved courses).

5. In 2016/2017, there were 442,446 unique visitors to the website, 11,500 social media users and 39,328 E-news subscribers (total 493,274).



FURTHER READING
kmc.nsw.gov.au/deliveryprogram

3. HOW WE PERFORMED AGAINST COMMUNITY SATISFACTION BENCHMARKS

In 2014 and 2017 Council commissioned independent community research to examine the community's satisfaction with a range of Council's services and facilities.

The following table compares our performance for key services and facilities in 2017 against 2014 results for services which contribute to the outcomes under this theme.

The table shows the change in the mean rating of resident satisfaction for services between 2014 and 2017. The mean rating is based on a scale of 1 to 5, with 1 the lowest and 5 the highest level of satisfaction.

Comparison of the mean rating of resident satisfaction for services/facilities

Service or facility	2014	2017	Trend
Opportunities to participate in Council decision-making	2.57	2.94	Increased
Council provision of information to residents	3.07	3.35	Increased
Long term planning for the Ku-ring-gai area	2.61	2.99	Increased
Council advocacy on matters impacting on Ku-ring-gai	2.68	3.11	Increased

The results of the research are being reviewed and will inform future decisions on service priorities and delivery.



FURTHER READING

For a full copy of the community research report see kmc.nsw.gov.au/communityfeedback



Financial information

INTRODUCTION

The Financial Statements show that Council has achieved a sound financial result for 2016/17. Council's net operating result for the financial year ended 30 June 2017 was a surplus of \$33.14m including Grants and Contributions for capital purposes. After adjusting for Capital Grants and Contributions, the net operating result was \$18.82m.

The Financial Statements for the year ended 30 June 2017 have been prepared in accordance with the *Local Government Act, 1993* (as amended) and Regulations,

the Australian Accounting Standards and professional pronouncements and the Local Government Code of Accounting Practice and Financial Reporting (Update No 25). The Statements are made up of the following:

- General Purpose Financial Statements (independently audited)
- Special Purpose Financial Statements (independently audited)
- Special Schedules

SUMMARY - FINANCIAL POSITION OF COUNCIL AS AT 30 JUNE 2017

The following table provides a summary of the financial results from the Financial Statements 2016/17:

Income Statement '000	Actual 2017	Actual 2016
Income from Continuing Operations	150,811	156,027
Expenses from Continuing Operations	117,672	114,057
Net Operating Result for the Year	33,139	41,970
Net Operating Result for the year before Grants and Contributions for Capital purposes	18,823	6,820
Statement of Financial Position '000	Actual 2017	Actual 2016
Current Assets	81,497	68,108
Non-Current Assets	1,282,398	1,262,158
Total Assets	1,363,895	1,330,266
Current Liabilities	25,656	24,608
Non-Current Liabilities	22,071	22,629
Total Liabilities	47,727	47,237
Net Assets	1,316,168	1,283,029
Total Equity	1,316,168	1,283,029
Statement of Cash Flows '000	Actual 2017	Actual 2016
Net Cash Flow from Operating Activities	46,021	62,643
Net Cash Flow from Investing Activities	(40,229)	(59,285)
Net Cash Flow from Financing Activities	(1,584)	(3,251)
Net Decrease in Cash	4,208	107
Plus: Cash at beginning of year	11,095	10,988
Cash at end of Year	15,303	11,095
Plus: Investments on hand at end of year	128,753	114,763
Total Cash & Investments	144,056	125,858

For further details regarding the above financial results see the Financial Statements on page 135.

PERFORMANCE MEASUREMENT INDICATORS

The Statement of Performance Measurement (See Note 13 of the Financial Statements on page 174 to 176 and Special Schedule 7 on pages 248-251) provide ratios used to assess various aspects of Council's financial performance. These ratios have been prescribed by the Code of Accounting Practice for 2016/17, which are mainly the financial ratios identified in T-Corp's Financial Assessment and Benchmarking Report. The Infrastructure assets ratios listed in 'Special Schedule 7 - Report on Infrastructure Assets' are Building, Infrastructure & Other Structures Renewal Ratio, Infrastructure Backlog Ratio and Asset Maintenance Ratio. These can be found on page 251 in the Special Schedule section of the Financial Statements.

The results of all financial indicators, including asset ratios, providing previous four years comparisons and commentary, are detailed in the charts below.

► Operating Performance Ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue. It is important to distinguish that this ratio is focussing on operating performance and hence capital grants and contributions, fair value adjustments and reversal of revaluation decrements are excluded. The benchmark is greater than (0%).

Council performance ratio is above the benchmark which means that Council can easily contain operating expenditure (excluding capital grants and contributions) within its operating revenue. The ratio has been above benchmark for the last four years. The increase from the previous year is largely due to higher operating revenue from user fees and charges.



► Own Source Operating Revenue

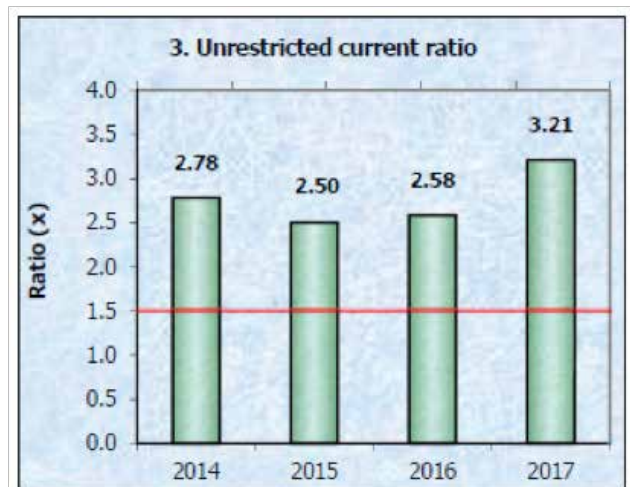
This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. Council's financial flexibility improves the higher the level of its own source revenue. The benchmark is greater than 60%.

Council's Own Source Operating Revenue Ratio (82%) has remained above the benchmark of (>60%) in the last four years. Council has sufficient level of fiscal flexibility, in the event of being faced with unforeseen events.



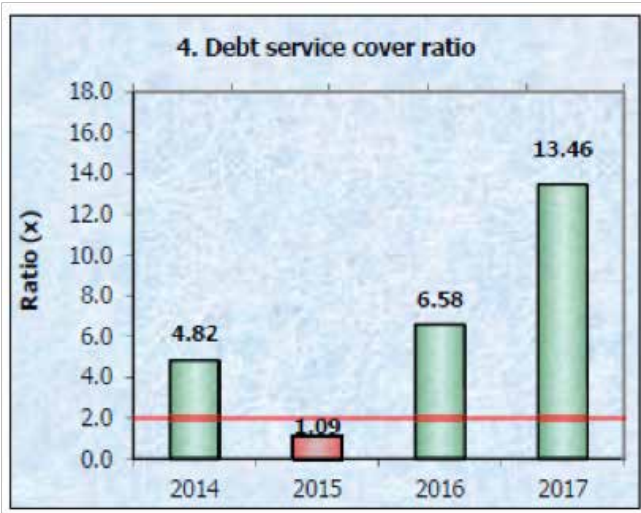
► Unrestricted Current Ratio

The Unrestricted Current Ratio is designed to represent Council's ability to meet short term obligations as they fall due. The benchmark is greater than 1.5x. Council's Unrestricted Current Ratio at 3.21x is above benchmark of >1.5x and has been outperforming the benchmark for the last four years. Council's liquidity is good and it can readily pay its debts as they fall due.



► **Debt Service Cover Ratio**

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments. The benchmark is greater than 2x. The Debt Service Cover Ratio has increased from the previous year and is above the benchmark of 2x, mainly due to decreased principal and interest repayments during the financial year compared to the year before.



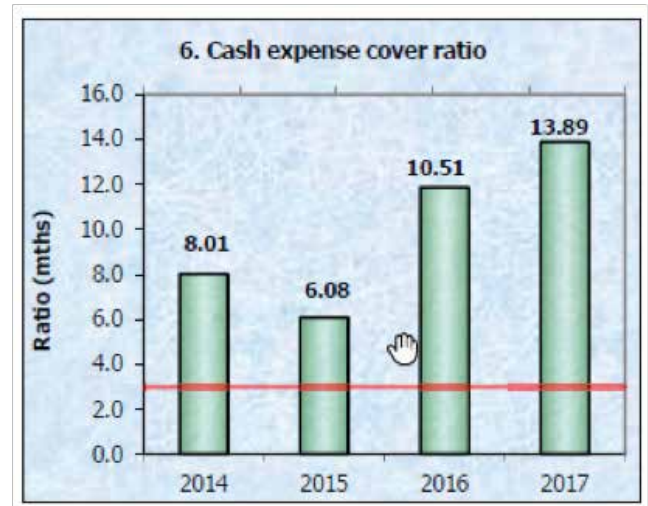
► **Rates, Annual Charges, Interest & Extra Outstanding Percentage**

The purpose of this ratio is to assess the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts. The percentage of rates and annual charges that are unpaid at the end of the financial year is a measure of how well Council is managing debt recovery. Council's ratio of 3.27% is satisfactory and is better than benchmark of "less than 5%".



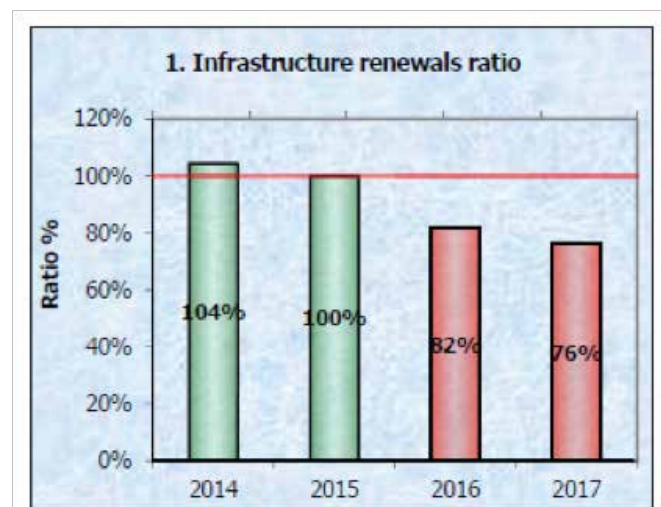
► **Cash Expense Cover Ratio**

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow. Council's Cash Expense Cover Ratio is satisfactory and above benchmark of "greater than 3 months".



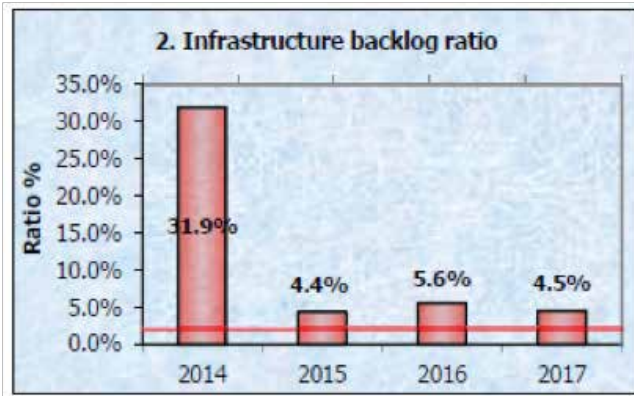
► **Building and Infrastructure Renewal Expenditure**

This indicator assesses Council's rate at which buildings and infrastructure assets are being renewed against the rate at which they are depreciating. A ratio of 76% indicates that the amount spent on renewing infrastructure assets is lower than the amount of depreciation on those assets. While Council's long term financial plan provides for infrastructure renewal to meet the benchmark of 100% in all years, in 2016/17 there were delays in obtaining funding for planned asset renewal that will be caught up in future years. Council will continue to focus on appropriate asset standards for renewal and maintenance of its assets and prioritise renewal capital works programs.



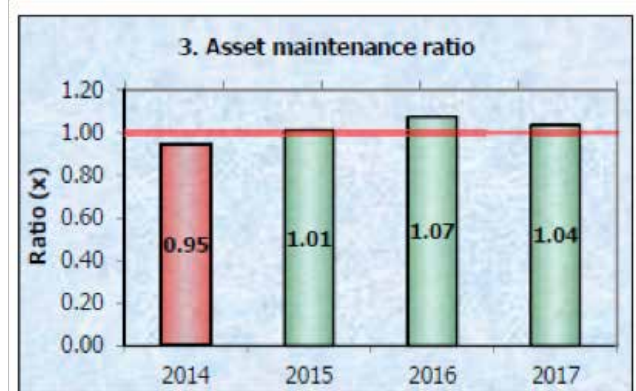
► **Infrastructure Backlog Ratio**

This ratio shows what proportion of the backlog is against the total value of Council's infrastructure. Council achieved a backlog ratio of 4.5% at the end of 2016/17, which is an increase from the previous year largely due to less expenditure on asset renewals. The ratio indicates that Council still has an infrastructure backlog. Council is continuing to focus on appropriate asset standards for renewal and decreasing the infrastructure backlog in future.



► **Asset Maintenance Ratio**

This ratio compares actual versus required annual asset maintenance. A ratio of above 1.0 indicates that Council is investing enough funds within the year to ensure assets reach their useful lives. The benchmark is greater than 1.0. Council is committed to increase expenditure on asset maintenance in future to maintain its infrastructure assets in satisfactory condition in the long term.



Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

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Overview

- (i) These financial statements are General Purpose Financial Statements and cover the operations for Ku-ring-gai Council.
- (ii) Ku-ring-gai Council is a body politic of NSW, Australia – being constituted as a local government area by proclamation and is duly empowered by the *Local Government Act 1993* (LGA).

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

- (iii) All figures presented in these financial statements are presented in Australian currency.
- (iv) These financial statements were authorised for issue by the Council on 10 October 2017. Council has the power to amend and reissue these financial statements.

Understanding Council's Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Introduction

Each year, individual local governments across New South Wales are required to present a set of audited financial statements to their council and community.

What you will find in the statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2017.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the primary financial statements

The financial statements incorporate five 'primary' financial statements:

1. The Income Statement

This statement summarises Council's financial performance for the year, listing all income and expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

This statement primarily records changes in the fair value of Council's Infrastructure, Property, Plant and Equipment.

3. The Statement of Financial Position

An end of year snapshot of Council's financial position indicating its assets, liabilities and equity ("net wealth").

4. The Statement of Changes in Equity

The overall change for the year of Council's "net wealth".

5. The Statement of Cash Flows

This statement indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the NSW Audit Office. In NSW the auditor provides 2 audit reports:

1. An opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. Their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the financial statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the Audit Report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Statement by Councillors and Management

MADE PURSUANT TO SECTION 413(2)(C) OF THE LOCAL GOVERNMENT ACT 1993 (AS AMENDED)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

The attached General Purpose Financial Statements have been prepared in accordance with:


- the *Local Government Act 1993 (NSW)* (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and professional pronouncements, and
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these financial statements:

- present fairly the Council's operating result and financial position for the year, and
- accord with Council's accounting and other records.


We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 10 October 2017.


Jennifer Anderson
Mayor


Callum Clarke
Deputy Mayor


John McKee
General manager


Angela Apostol
Responsible accounting officer

Income Statement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Budget ¹ 2017	\$ '000	Notes	Actual 2017	Actual 2016
Income from continuing operations				
Revenue:				
80,443	Rates and annual charges	3a	80,439	78,537
17,547	User charges and fees	3b	19,151	18,003
3,846	Interest and investment revenue	3c	4,624	4,218
12,772	Other revenues	3d	21,773	11,823
8,405	Grants and contributions provided for operating purposes	3e,f	10,508	8,295
19,038	Grants and contributions provided for capital purposes	3e,f	14,316	35,151
Other income:				
7,957	Net gains from the disposal of assets	5	–	–
150,008	Total income from continuing operations		150,811	156,027
Expenses from continuing operations				
40,428	Employee benefits and on-costs	4a	38,272	37,447
763	Borrowing costs	4b	781	948
40,571	Materials and contracts	4c	40,112	39,539
21,197	Depreciation and amortisation	4d	19,672	19,476
15,977	Other expenses	4e	16,657	16,242
–	Net losses from the disposal of assets	5	2,178	405
118,936	Total expenses from continuing operations		117,672	114,057
31,072	Operating result from continuing operations		33,139	41,970
31,072	Net operating result for the year		33,139	41,970
12,034	Net operating result for the year before grants and contributions provided for capital purposes		18,823	6,819

¹ Original budget as approved by Council – refer Note 16

Statement of Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
Net operating result for the year (as per Income Statement)		33,139	41,970
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	–	95,633
Total other comprehensive income for the year		–	95,633
Total comprehensive income for the year		33,139	137,604

This Statement should be read in conjunction with the accompanying Notes.

Statement of Financial Position

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
ASSETS			
Current assets			
Cash and cash equivalents	6a	15,303	11,095
Investments	6b	52,500	46,509
Receivables	7	9,843	8,042
Inventories	8	191	231
Other	8	2,423	2,231
Non-current assets classified as 'held for sale'	22	1,237	–
Total current assets		81,497	68,108
Non-current assets			
Investments	6b	76,253	68,254
Receivables	7	112	133
Infrastructure, property, plant and equipment	9	1,169,102	1,166,318
Investment property	14	36,720	27,056
Intangible assets	25	211	397
Total non-current assets		1,282,398	1,262,158
TOTAL ASSETS		1,363,895	1,330,266
LIABILITIES			
Current liabilities			
Payables	10	11,923	10,266
Income received in advance	10	1,808	1,945
Borrowings	10	1,180	1,584
Provisions	10	10,745	10,813
Total current liabilities		25,656	24,608
Non-current liabilities			
Borrowings	10	21,751	22,344
Provisions	10	320	285
Total non-current liabilities		22,071	22,629
TOTAL LIABILITIES		47,727	47,237
Net assets		1,316,168	1,283,029
EQUITY			
Retained earnings	20	809,454	776,315
Revaluation reserves	20	506,714	506,714
Council equity interest		1,316,168	1,283,029
Total equity		1,316,168	1,283,029

This Statement should be read in conjunction with the accompanying Notes.

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Financial Statements 2017

Ku-ring-gai Council

Statement of Changes in Equity for the year ended 30 June 2017

	Notes	2017					2016				
		Retained earnings	Reserves (Refer 20b)	Council interest	Non-controlling interest	Total equity	Retained earnings	Reserves (Refer 20b)	Council interest	Non-controlling interest	Total equity
\$ '000											
Opening balance (as per last year's audited accounts)		776,315	506,714	1,283,029	-	1,283,029	411,081	1,145,425	-	1,145,425	
Revised opening balance		776,315	506,714	1,283,029	-	1,283,029	411,081	1,145,425	-	1,145,425	
c. Net operating result for the year		33,139	-	33,139	-	33,139	-	41,970	-	41,970	
d. Other comprehensive income		-	-	-	-	-	95,633	95,633	-	95,633	
- Revaluations: IPP&E asset revaluation reserve 20b (ii)		-	-	-	-	-	95,633	95,633	-	95,633	
Total comprehensive income (c&d)		33,139	-	33,139	-	33,139	95,633	137,604	-	137,604	
Equity – balance at end of the reporting period		809,454	506,714	1,316,168	-	1,316,168	506,714	1,283,029	-	1,283,029	

This Statement should be read in conjunction with the accompanying Notes.

Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Budget 2017	\$ '000	Notes	Actual 2017	Actual 2016
Cash flows from operating activities				
Receipts:				
81,288			80,276	78,500
17,547			21,319	19,052
3,846			4,612	4,238
27,441			24,512	44,340
–			1,743	25
12,772			15,470	12,856
Payments:				
(38,784)			(38,351)	(36,992)
(36,429)			(43,713)	(42,885)
(217)			(194)	(292)
–			(102)	(305)
(20,818)			(19,551)	(15,894)
46,646	Net cash provided from operating activities	11b	46,021	62,643
Cash flows from investing activities				
Receipts:				
–	Sale of investment securities		48,938	35,546
–	Sale of assets held for sale		–	1,146
15,457	Sale of infrastructure, property, plant and equipment		775	773
Payments:				
–	Purchase of investment securities		(62,938)	(64,052)
–	Purchase of investment property		(37)	(256)
(54,003)	Purchase of infrastructure, property, plant and equipment		(26,967)	(32,328)
–	Purchase of other investments		–	(114)
(38,546)	Net cash used in investing activities		(40,229)	(59,285)
Cash flows from financing activities				
Receipts:				
14,533	Proceeds from borrowings and advances		–	–
Payments:				
(15,326)	Repayment of borrowings and advances		(1,584)	(3,251)
(793)	Net cash flow used in financing activities		(1,584)	(3,251)
7,307	Net increase in cash and cash equivalents		4,208	107
9,464	Plus: cash and cash equivalents – beginning of year	11a	11,095	10,988
16,771	Cash and cash equivalents – end of the year	11a	15,303	11,095
	plus: Investments on hand – end of year		128,753	114,763
	Total cash, cash equivalents and investments		144,056	125,858

Please refer to Note 11 for additional cash flow information.

This Statement should be read in conjunction with the accompanying Notes.

Contents of the Notes accompanying the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

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Note 1. Summary of Significant Accounting Policies

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Ku-ring-gai Council has its principal business office at 818 Pacific Highway Gordon NSW 2072. Council is empowered by the New South Wales Local Government Act (LGA) 1993 and its Charter as specified in Section 8 of the Act.

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards Board (AASBs), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

(a) Basis of preparation

(i) Background

These financial statements are general purpose financial statements, which have been prepared in accordance with:

- Australian Accounting Standards and Australian Accounting Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act 1993 (NSW) and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

(ii) Compliance with International Financial Reporting Standards (IFRSs)

Because AASBs are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the not-for-profit sector (including local government) which are not in compliance with IFRSs, or
- (b) specifically exclude application by not-for-profit entities.

Accordingly, in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the *Local Government Act* (LGA), Regulation and Local Government Code of Accounting Practice and Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with AASBs.

(iii) New and amended standards adopted by Council

AASB 124 Related Party Disclosures was adopted during the year. The impact of this standard is on disclosures only - there is no impact on Council's reporting financial position or performance. Note 28 – Related Party Disclosures has been included for the required disclosures associated with AASB 124.

AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 and AASB 11] – were introduced during the year which has no impact for Council.

(iv) Early adoption of standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2016.

(v) Basis of accounting

These financial statements have been prepared under the **historical cost convention** except for:

- assets held for sale – measured at fair value less cost of disposal
- the write down of any asset on the basis of impairment (if warranted), and
- certain classes of non-current assets (e.g. infrastructure, property, plant and equipment and investment property) that are accounted for at fair value.

The accrual basis of accounting has also been applied in their preparation.

Note 1. Summary of Significant Accounting Policies (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

(vi) Changes in accounting policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

There has also been no changes in accounting policies when compared with previous financial statements unless otherwise stated.

(vii) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASBs).

Accordingly, this requires management to exercise its judgement in the process of applying the Council's accounting policies.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year are set out below:

- (i) Estimated fair values of infrastructure, property, plant and equipment.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council's activities as described below.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenue when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is sold next.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Revenue from contributions is recognised when the Council either obtains control of the contribution or the right to receive it, (i) it is probable that the economic benefits comprising the contribution will flow to the Council and (ii) the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were un-discharged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of s94 of the EPA Act 1979.

Whilst Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and accordingly would not be payable to Council.

Note 1. Summary of Significant Accounting Policies (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

A detailed note relating to developer contributions can be found at Note 17.

User charges and fees

User charges and fees and other income are recognised as revenue when the service has been provided or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

Sale of infrastructure, property, plant and equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and rents

Rental income is accounted for on a straight-line basis over the lease term.

Interest income from cash and investments is accounted for using the effective interest rate at the date that interest is earned.

Other income

Other income is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

(c) Principles of consolidation

These financial statements incorporate (i) the assets and liabilities of Council and any entities (or operations) that it controls (as at 30 June 2017) and (ii) all the related operating results (for the financial year ended the 30 June 2017).

(i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993, all money and property received by Council is held in the Council's Consolidated Fund. Council's General Purpose Operations have been included as part of the consolidated fund. Council does not hold money or property in a Trust Fund.

(ii) Joint Arrangements

Joint operations

Council has no interest in any joint operation.

Joint Ventures

Council has no interest in any joint venture.

Associates

Council has no interest in any associates.

(d) Leases

All leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

(e) Cash and cash equivalents

For Statement of Cash Flows (and Statement of Financial Position) presentation purposes, cash and cash equivalents includes

- cash on hand;

Note 1. Summary of Significant Accounting Policies (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

- deposits held at call with financial institutions;
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are incorporated into cash and cash equivalents for presentation of the Cash Flow Statements.

(f) Investments and other financial assets

Classification

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- financial assets at fair value through profit or loss;
- loans and receivables;
- held-to-maturity investments,

Each classification depends on the purpose or intention for which the investment was acquired.

Management determines each investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are “held for trading”.

A financial asset is classified in the “held for trading” category if it is acquired principally for the purpose of selling in the short-term.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

They are included in current assets, except for those with maturities greater than 12 months after

the balance sheet date, which are classified as non-current assets.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council’s management has the positive intention and ability to hold to maturity.

In contrast to the ‘loans and receivables’ classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

General accounting and measurement of financial instruments:

(i) Initial recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at ‘fair value through profit or loss’, directly attributable transactions costs.

Purchases and sales of investments are recognised on trade-date – the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

(ii) Subsequent measurement

Financial assets at fair value through profit and loss are subsequently carried at fair value.

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as ‘fair value through profit or loss’ category are included in the income statement in the period in which they arise.

Note 1. Summary of Significant Accounting Policies (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is evidence of impairment for any of Council's financial assets carried at amortised cost (eg. loans and receivables), the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

(iii) Types of investments

Council has an approved Investment Policy in order to invest in accordance with (and to comply with) section 625 of the *Local Government Act* and s212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its Investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (eg. managed funds, CDOs, and equity linked notes), and Council does not hold any such investments.

(g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

(h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding rates and annual charges) are generally due for settlement no more than 30 days from the date of recognition.

A provision for impairment (i.e. an allowance account) relating to receivables is established when objective evidence shows that Council will not be able to collect all amounts due according to the original terms of each receivable.

(i) Inventories

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Costs are assigned to individual items of inventory on basis of weighted average costs.

(j) Infrastructure, property, plant and equipment (I,PP&E)

Acquisition of assets

Council's non-current assets are continually revalued (over a five year period) in accordance with the Fair

Note 1. Summary of Significant Accounting Policies (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Valuation Policy as mandated by the Office of Local Government.

At balance date, the following classes of I,PP&E were stated at their fair value:

- **Plant and equipment**
(as approximated by depreciated historic cost)
- **Operational land** (external valuation)
- **Community land** (VG valuation)
- **Land improvements**
(as approximated by depreciated historic cost)
- **Buildings – specialised/non-specialised**
(external valuation)
- **Other structures**
(as approximated by depreciated historic cost)
- **Roads assets including roads, bridges and footpaths** (internal valuation)
- **Bulk earthworks** (internal valuation)
- **Stormwater drainage** (internal valuation)
- **Swimming pools** (as approximated by depreciated historic cost)
- **Recreation Facility Assets**
(as approximated by depreciated historic cost)
- **Other infrastructure**
(as approximated by depreciated historic cost)
- **Other assets**
(as approximated by depreciated historic cost)

Initial recognition

On initial recognition, an asset's cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date, being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Asset revaluations (including indexation)

In accounting for asset revaluations relating to infrastructure, property, plant and equipment:

- increases in the combined carrying amounts of asset classes arising on revaluation are credited to the asset revaluation reserve,
- to the extent that a net asset class increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss,
- net decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income Statement.

Full revaluations are undertaken for all assets on a 5-year cycle.

Capitalisation thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following:

Asset capitalisation thresholds:

- Road Assets	\$10,000
- Bridge Assets	\$10,000
- Road & Reserve Furniture	\$2,000
- Car Park Assets	\$10,000
- Footpath Assets	\$5,000
- Kerb & Gutter Assets	\$5,000
- Stormwater Drainage Assets	\$10,000
- Buildings	\$5,000
- Parks & Recreation Assets	\$5,000

Note 1. Summary of Significant Accounting Policies (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

- Fleet & Plant	\$2,000
- Information Technology Hardware/ Software	\$2,000

In determining (and annually reviewing) such thresholds, regard is given to the nature of the asset and its estimated service life.

Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight-line method in order to allocate an asset's cost (net of residual values) over its estimated useful life.

Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

- Roads: Surface	20 - 30 years
- Roads: Pavement	50 - 100 years
- Roads: Formation (Non- Dep)	120 years
- Recreational Facilities	30 -100 years
- Drain Structures	10 - 50 years
- Drain grates, inlets and pipes	100 -150 years
- Buildings	60 - 95 years
- Motor vehicles	10 years
- Plant & Equipment	10 years
- Office Equipment	10 years
- Software	5 years
- Land Improvement	20 years
- Car Park	20 - 100 years
- Bridges	10 - 100 years
- Footpaths	40 - 80 years
- Kerb & Gutter	60 - 100 years

All asset residual values and useful lives are reviewed and adjusted (if appropriate) at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Disposal and de-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

(k) Land

Land (other than land under roads) is in accordance with Part 2 of Chapter 6 of the *Local Government Act (1993)* classified as either operational or community.

This classification of land is disclosed in Note 9 (a).

(l) Land under roads

Land under roads is land under roadways and road reserves, including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment.

(m) Intangible assets

IT development and software

Systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include software licenses.

Amortisation is calculated on a straight line bases over periods generally ranging from 3 to 5 years.

(n) Investment property

Investment property comprises buildings that are principally held for long-term rental yields, capital gains or both, that is not occupied by Council. Investment property is carried at fair value. Annual changes in the fair value of investment properties are recorded in the Income Statement as part of 'other income'.

Note 1. Summary of Significant Accounting Policies (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

(o) Non-current assets 'held for sale'

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles, which are turned over on a regular basis. Plant and motor vehicles are retained in non-current assets under the classification of infrastructure, property, plant and equipment – unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as non-current assets 'held for sale', an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets 'held for sale' are not depreciated or amortised while they are classified as 'held for sale'.

Non-current assets classified as 'held for sale' are presented separately from the other assets in the balance sheet.

(p) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(q) Payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of financial year that are unpaid.

The amounts are unsecured and are usually paid within 30 days of recognition.

(r) Borrowing costs

Borrowing costs are expensed, except to the extent that they are incurred during the construction of qualifying assets.

(s) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events,
- it is more likely than not that an outflow of resources will be required to settle the obligation, and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

(t) Employee benefits

(i) Short-term obligations

Short-term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave expected to be wholly settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

All other short-term employee benefit obligations are presented as payables.

Liabilities for non-vesting sick leave are recognised at the time when the leave is taken and measured at

Note 1. Summary of Significant Accounting Policies (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

the rates paid or payable, and accordingly no liability has been recognised in these reports.

Wages and salaries, annual leave and vesting sick leave are all classified as current liabilities.

(ii) Other long-term obligations

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be wholly settled within the 12 months after the reporting period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how long service leave can be taken, all long service leave for employees with 5 or more years of service has been classified as current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 5 years' service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death.

Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present

value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the 'Local Government Superannuation Scheme – Pool B'.

This scheme has been deemed to be a 'multi-employer fund' for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

The last valuation of the Scheme was performed by Mr Richard Boyfield, FIAA on 2nd December 2016, relating to the period ending 30 June 2016.

The position is monitored annually and the actuary has estimated that as at 30 June 2017 the prior period deficit still exists.

As a result the Scheme has asked for a continuation of increased future contributions to recover that deficiency.

Council's share of that deficiency cannot be accurately calculated as the scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Note 1. Summary of Significant Accounting Policies (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the scheme require immediate payment to correct the deficiency.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(u) Allocation between current and non-current assets and liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if it is not expected to be settled within the next 12 months.

(v) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does, however, have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

Goods and Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

(w) New accounting standards and interpretations issued not yet effective

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2017

Council has not adopted any of these standards early.

As at the date of authorisation of the financial statements, the standards and interpretations listed below were in issue but not yet effective.

Effective for annual reporting periods beginning on or after 1 January 2017

AASB 2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112] – Income Taxes

AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107- Statement of Cash Flows

AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities

The full impact of the above standards has yet to be ascertained or quantified but will range from additional and/or revised disclosures to changes in how certain transactions and balances are accounted for.

(x) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

Note 1. Summary of Significant Accounting Policies (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

(y) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(z) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Note 2(a) Council Functions/Activities - Financial Information

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Functions/activities	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(b).												
	Income from continuing operations			Expenses from continuing operations			Operating result from continuing operations			Grants included in income from continuing operations		Total assets held (current & non-current)	
	Original budget 2017	Actual 2017	Actual 2016	Original budget 2017	Actual 2017	Actual 2016	Original budget 2017	Actual 2017	Actual 2016	Actual 2017	Actual 2016	Actual 2017	Actual 2016
Governance	3	6	7	962	264	265	(959)	(258)	(258)	—	52	98,124	96,878
Administration	64,336	61,642	71,679	24,104	27,977	22,444	40,232	33,665	49,235	48	—	189,796	184,940
Public order and safety	497	470	820	4,477	4,542	4,430	(3,980)	(4,072)	(3,610)	80	388	7,472	7,281
Health	206	172	289	472	419	509	(266)	(247)	(220)	7	—	8,550	8,332
Environment	22,622	23,073	23,196	28,521	25,254	26,414	(5,899)	(2,181)	(3,218)	563	211	5,697	5,551
Community services and education	7,769	8,742	7,587	7,199	7,267	7,228	570	1,475	359	1,390	1,233	12,047	11,739
Housing and community amenities	902	1,157	1,199	4,313	4,074	4,134	(3,411)	(2,917)	(2,935)	309	473	64,704	63,049
Recreation and culture	6,869	7,859	7,078	27,306	26,513	26,816	(20,437)	(18,654)	(19,738)	228	332	386,240	376,358
Mining, manufacturing and construction	2,310	2,946	2,463	5,983	6,185	6,898	(3,673)	(3,239)	(4,435)	—	—	2,002	1,951
Transport and communication	6,894	5,585	4,792	15,361	14,997	14,572	(8,467)	(9,412)	(9,780)	1,734	1,811	589,263	574,187
Economic affairs	64	211	655	238	180	347	(174)	31	308	5	—	—	—
Total functions and activities	112,472	111,863	119,765	118,936	117,672	114,057	(6,464)	(5,809)	5,708	4,364	4,500	1,363,895	1,330,266
General purpose income ¹	37,536	38,948	36,262	—	—	—	37,536	38,948	36,262	5,616	3,801	—	—
Operating result from continuing operations	150,008	150,811	156,027	118,936	117,672	114,057	31,072	33,139	41,970	9,980	8,301	1,363,895	1,330,266

Note 2(b) Council Functions/Activities - Component Descriptions

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

GOVERNANCE

Costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policy-making committees, area representation, public disclosure (e.g. GIPA), and legislative compliance.

ADMINISTRATION

Corporate support and other support services, engineering works, and any Council policy compliance.

PUBLIC ORDER AND SAFETY

Fire protection, emergency services, enforcement of regulations and animal control.

HEALTH

Immunisation, food control, health centres, other, administration.

ENVIRONMENT

Noxious plants and insect/vermin control, other environmental protection, solid waste management, including domestic waste, other waste management, other sanitation, and garbage, street cleaning, drainage and stormwater management.

COMMUNITY SERVICES AND EDUCATION

Administration, family day care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

HOUSING AND COMMUNITY AMENITIES

Housing, town planning, street lighting, other sanitation and garbage, public conveniences, other community amenities.

RECREATION AND CULTURE

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

MINING, MANUFACTURING AND CONSTRUCTION

Building control, quarries, pits and abattoirs.

TRANSPORT AND COMMUNICATION

Urban road, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RMS works, other.

ECONOMIC AFFAIRS

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, sale yards and markets, real estate development, commercial nurseries, and other business undertakings.

Note 3 Income from Continuing Operations

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(a) Rates and annual charges			
Ordinary rates			
Residential		27,648	26,969
Business		4,123	4,035
Total ordinary rates		31,771	31,004
Special rates			
Environmental levy		2,682	2,638
Infrastructure levy		25,200	24,604
Total special rates		27,882	27,242
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic waste management services		19,668	19,253
Stormwater management services		971	964
Section 611 charges		147	74
Total annual charges		20,786	20,291
TOTAL RATES AND ANNUAL CHARGES		80,439	78,537

Council has used 2016 year valuations provided by the NSW Valuer General in calculating its rates.

Note 3 Income from Continuing Operations (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(b) User charges and fees			
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Building regulation		2,450	2,230
Certificates		691	696
DA advertising fees		79	83
Driveway application fees		424	302
Outstanding notices		221	212
Regulatory application fees		436	243
Tree preservation charges		98	90
Total fees and charges – statutory/regulatory		4,399	3,856
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Art centre		486	508
Bus shelters		337	330
Thomas Carlyle Children Centre and Family day care		1,307	1,287
Golf courses (Gordon and Turramurra)		1,158	1,139
Halls		364	382
Holiday activities		455	447
Leaseback fees – Council vehicles		362	353
Library		90	101
Nursery and Wildflower Garden		54	62
Parks		1,121	806
Restoration charges		1,435	1,781
Swimming centres		4,750	4,197
Sale of documents		4	6
Showground		134	73
Tennis courts		307	322
Trade waste charges		1,774	1,779
Other		614	574
Total fees and charges – other		14,752	14,147
TOTAL USER CHARGES AND FEES		19,151	18,003

Note 3 Income from Continuing Operations (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(c) Interest and investment revenue (including losses)			
Interest			
– Interest on overdue rates and annual charges (incl. special purpose rates)		119	127
– Interest earned on investments (interest and coupon payment income)		4,515	4,130
Amortisation of premiums and discounts			
– ‘Held to maturity’ investments		(10)	(39)
TOTAL INTEREST AND INVESTMENT REVENUE		4,624	4,218
Interest revenue is attributable to:			
Unrestricted investments/financial assets:			
Overdue rates and annual charges (general fund)		119	127
General Council cash and investments		968	867
Restricted investments/funds – external:			
Development contributions			
– Section 94		3,063	2,761
Restricted investments/funds – internal:			
Internally restricted assets		474	463
Total interest and investment revenue recognised		4,624	4,218
(d) Other revenues			
Fair value increments – investment properties	14	9,627	–
Rental income – investment properties	14	1,454	1,106
Rental income – other council properties		4,526	4,232
Fines – parking		2,019	1,833
Fines – other		449	632
Legal fees recovery – rates and charges (extra charges)		65	62
Legal fees recovery – other		458	316
Commissions and agency fees		15	26
Credit card surcharge		117	119
Dog registration fees		50	93
Filming fees		5	6
Insurance claim recoveries		2	4
Licence income		404	454
Program fees		223	227
Recycling income (non-domestic)		843	1,025
Trade discount		20	26
Domestic waste other income		167	497
Other		1,329	1,164
TOTAL OTHER REVENUE		21,773	11,823

Note 3 Income from Continuing Operations (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	2017 Operating	2016 Operating	2017 Capital	2016 Capital
(e) Grants				
General purpose (untied)				
Financial assistance	5,347	3,527	–	–
Pensioners' rates subsidies – general component	269	274	–	–
Total general purpose	5,616	3,801	–	–
Specific purpose				
Pensioners' rates subsidies:				
– Domestic waste management	196	203	–	–
Community care	36	21	–	–
Community centres	1,284	1,212	–	–
Economic development	5	–	–	–
Environmental protection	102	70	–	–
Fire management	–	–	–	141
Library	227	298	85	–
LIRS subsidy	41	51	–	–
NSW rural fire services	79	60	–	–
Recreation and culture	–	–	–	34
Street lighting	287	286	–	–
Road safety	92	42	–	–
Transport	1,180	1,811	463	–
Better waste and recycling fund	272	271	–	–
Other	15	–	–	–
Total specific purpose	3,816	4,326	548	174
Total grants	9,432	8,127	548	174
Grant revenue is attributable to:				
– Commonwealth funding	2,390	2,518	–	–
– State funding	7,042	5,609	548	174
	9,432	8,127	548	174

Note 3 Income from Continuing Operations (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	2017 Operating	2016 Operating	2017 Capital	2016 Capital
(f) Contributions				
Developer contributions:				
S 94 – contributions towards amenities/services	–	2	13,447	33,401
Total developer contributions	17	2	13,447	33,401
Other contributions:				
Contribution to works	1,076	166	321	876
Other	–	–	–	700
Total other contributions	1,076	166	321	1,576
Total contributions	1,076	168	13,768	34,977
TOTAL GRANTS AND CONTRIBUTIONS	10,508	8,295	14,316	35,151

\$ '000	Actual 2017	Actual 2016
(g) Unspent grants and contributions		
Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:		
Unexpended at the close of the previous reporting period	89,481	65,970
Add: grants and contributions recognised in the current period but not yet spent:	19,296	38,600
Less: grants and contributions recognised in a previous reporting period now spent:	(8,302)	(15,089)
Net increase in restricted assets during the period	10,994	23,511
Unexpended and held as restricted assets	100,475	89,481
Comprising:		
– Specific purpose unexpended grants	456	972
– Developer contributions	100,019	88,509
	100,475	89,481

Note 4 Expenses from Continuing Operations

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(a) Employee benefits and on-costs			
Salaries and wages		30,436	30,003
Employee leave entitlements (ELE)		4,903	4,972
Superannuation		3,682	3,555
Workers' compensation insurance		466	362
Fringe benefit tax (FBT)		331	356
Training costs (other than salaries and wages)		179	249
Other		123	78
Total employee costs		40,120	39,575
Less: capitalised costs		(1,848)	(2,128)
TOTAL EMPLOYEE COSTS EXPENSED		38,272	37,447
(b) Borrowing costs			
(i) Interest bearing liability costs			
Interest on loans		781	948
Total interest bearing liability costs expensed		781	948
TOTAL BORROWING COSTS EXPENSED		781	948
(c) Materials and contracts			
Raw materials and consumables		3,563	3,552
Contractor and consultancy costs		32,866	32,978
Auditors remuneration ⁽¹⁾		58	57
Lease expense		434	424
Legal expenses:			
– Legal expenses: planning and development		2,332	1,805
– Legal expenses: other		131	252
Operating leases:			
– Operating lease rentals: minimum lease payments		343	270
Other		385	201
TOTAL MATERIALS AND CONTRACTS		40,112	39,539

Note 4 Expenses from Continuing Operations (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(c) Materials and contracts (continued)			
1. Auditor remuneration			
During the year, the following fees were incurred for services provided by the Auditor-General:			
Audit and other assurance services			
– Audit and review of financial statements: Auditor-General		58	57
Remuneration for audit and other assurance services		58	57
Total Auditor-General remuneration		58	57
2. Operating lease payments are attributable to:			
Computers		343	270
		343	270
(d) Depreciation, amortisation and impairment			
Plant and equipment		891	895
Office equipment		157	191
Furniture and fittings		27	27
Land improvements (depreciable)		141	334
Infrastructure:			
– Buildings – non-specialised		1,517	1,899
– Buildings – specialised		508	402
– Other structures		274	272
– Roads		8,981	8,810
– Bridges		162	163
– Footpaths		768	750
– Stormwater drainage		1,660	1,653
– Swimming pools		372	353
– Other open space/recreational assets		3,400	2,853
Other assets			
– Library books		540	530
– Other		54	54
Intangible assets	25	220	290
TOTAL DEPRECIATION AND IMPAIRMENT COSTS EXPENSED		19,672	19,476

Note 4 Expenses from Continuing Operations (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(e) Other expenses			
Advertising		471	497
Bad and doubtful debts		450	207
Bank charges		242	244
Commissions		543	305
Computer software charges		1,094	1,029
Conferences		146	278
Contributions/levies to other levels of government		—	
– Department of planning levy		403	374
– Emergency services levy (includes FRNSW, SES, and RFS levies)		2,032	2,212
Corporate events		49	44
Councillor expenses – mayoral fee		41	40
Councillor expenses – councillors' fees		188	184
Councillors' expenses (incl. mayor) – other (excluding fees above)		37	44
Donations, contributions and assistance to other organisations (Section 356)		253	174
Electricity and heating		1,059	1,069
External plant hire		24	32
Family day care (child care assistance)		550	511
Insurance		1,187	1,450
Insurance excess		59	47
Postage		329	275
Rate issue costs		42	17
Rental rebates		2,417	2,306
Street lighting		2,071	2,085
Subscriptions and publications		245	255
Sydney water		504	356
Telephone and communications		480	604
Valuation fees		230	212
Vehicle registration		162	149
Other		1,349	1,242
TOTAL OTHER EXPENSES		16,657	16,242

Note 5 Gains or Losses from the Disposal of Assets

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
Property (excl. investment property)			
Proceeds from disposal – property		–	–
Less: carrying amount of property assets written off ¹		(2,148)	–
Net gain/(loss) on disposal		(2,148)	–
Plant and equipment			
Proceeds from disposal – plant and equipment		775	774
Less: carrying amount of plant and equipment assets sold/written off		(805)	(908)
Net gain/(loss) on disposal		(30)	(135)
Infrastructure			
Less: carrying amount of infrastructure assets sold/written off		–	(331)
Net gain/(loss) on disposal		–	(331)
Financial assets			
Proceeds from disposal/redemptions/maturities – financial assets		48,938	35,546
Less: carrying amount of financial assets sold/redeemed/matured		(48,938)	(35,546)
Net gain/(loss) on disposal		–	–
Non-current assets classified as 'held for sale'			
Proceeds from disposal – non-current assets 'held for sale'		–	1,146
Less: carrying amount of 'held for sale' assets sold/written off		–	(1,040)
Net gain/(loss) on disposal		–	106
Other			
Less: carrying amount of Other assets sold/written off		–	(45)
Net gain/(loss) on disposal		–	(45)
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		(2,178)	(405)

¹ Assets have been written off due to demolition for future open space and other works.

Note 6a Cash Assets and Note 6b Investments

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	2017 Actual Current	2017 Actual Non-current	2016 Actual Current	2016 Actual Non-current
Cash and cash equivalents (Note 6a)					
Cash on hand and at bank		15,303	–	11,095	–
Total cash and cash equivalents		15,303	–	11,095	–
Investments (Note 6b)					
– Term deposits		51,500	53,000	43,500	44,000
– FRN's (with maturities > 3 months)		1,000	23,253	3,009	24,254
Total investments		52,500	76,253	46,509	68,254
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS		67,803	76,253	57,604	68,254

Cash, cash equivalents and investments were classified at year end in accordance with AASB 139 as follows:

Cash and cash equivalents

a. 'At fair value through the profit and loss'	15,303	–	11,095	–
Investments				
b. 'Held to maturity'	52,500	76,253	46,509	68,254
Investments	52,500	76,253	46,509	68,254

Note 6c Restricted Cash, Cash Equivalents & Investments - Details

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	2017	2017	2016	2016
	Actual Current	Actual Non-current	Actual Current	Actual Non-current
Total cash, cash equivalents and investment	67,803	76,253	57,604	68,254
Attributable to:				
External restrictions (refer below)	36,480	76,253	30,515	68,254
Internal restrictions (refer below)	27,699	–	23,256	–
Unrestricted	3,624	–	3,833	–
	67,803	76,253	57,604	68,254

2017 \$ '000	Opening balance	Transfers to restrictions	Transfers from restrictions	Closing balance
-----------------	--------------------	------------------------------	--------------------------------	--------------------

Details of restrictions

External restrictions

Developer contributions – general (A)	88,509	16,510	(5,000)	100,019
Specific purpose unexpended grants (B)	972	2,786	(3,302)	456
Domestic waste management (C)	5,413	20,900	(16,669)	9,644
Environmental levy	2,269	2,681	(2,447)	2,503
New facility rate	1,338	–	(1,338)	–
Specific purpose unexpended loan – LIRS	268	–	(157)	111
Total external restrictions	98,769	42,877	(28,913)	112,733

Internal restrictions

Employees leave entitlement	2,226	68	–	2,294
Carry over works	1,007	933	(498)	1,442
Deposits, retentions and bonds	1,199	–	–	1,199
Infrastructure and facilities	12,467	13,503	(9,536)	16,434
Other	6,357	990	(1,017)	6,330
Total internal restrictions	23,256	15,494	(11,051)	27,699
TOTAL RESTRICTIONS	122,025	58,371	(39,964)	140,432

A Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

B Grants which are not yet expended for the purposes for which the grants were obtained (refer Note 1 (b)).

C Domestic waste management (DWM) and other special rates/levies/charges are externally restricted assets and must be applied for the purposes for which they were raised.

Note 7 Receivables

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
Purpose					
Rates and annual charges		2,400	72	2,222	87
Interest and extra charges		212	40	211	46
User charges and fees		2,350	–	2,296	–
Accrued revenues					
– Interest on investments		1,631	–	1,604	–
– Other income accruals		2,471	–	935	–
Government grants and subsidies		343	–	–	–
Net GST receivable		1,059	–	934	–
Other debtors		24	–	43	–
Total		10,490	112	8,245	133
Less: provision for impairment					
User charges and fees		(647)	–	(203)	–
Total provision for impairment – receivables		(647)	–	(203)	–
TOTAL NET RECEIVABLES		9,843	112	8,042	133

There are no restrictions applicable to the above assets.

Notes on debtors above:

- (i) Rates and annual charges outstanding are secured against the property.
- (ii) Interest was charged on overdue rates and charges at 8% (2016 8.50%).
Generally all other receivables are non-interest bearing.
- (iii) Please refer to Note 15 for issues concerning credit risk and fair value disclosures.

Note 8 Inventories & Other Assets

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
(a) Inventories					
Inventories at cost					
Stores and materials		171	–	139	–
Trading stock		20	–	92	–
TOTAL INVENTORIES		191	–	231	–
(b) Other assets					
Prepayments		2,423	–	2,231	–
TOTAL OTHER ASSETS		2,423	–	2,231	–
TOTAL INVENTORIES AND OTHER ASSETS		2,614	–	2,462	–

There are no restrictions applicable to the above assets.

Note 9a Infrastructure, property, plant and equipment

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Asset class	as at 30/6/2016				Asset movements during the reporting period								as at 30/6/2017				
	At cost	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Other transfers	TfIs to 'held for sale' category	At cost	Gross carrying amount	Accumulated depreciation	Net carrying amount	
\$ '000																	
Capital work in progress	–	10,476	–	10,476	825	4,722	–	–	(6,759)	(71)	40	–	9,233	–	–	9,233	
Plant and equipment	–	12,284	6,232	6,052	1,896	–	(758)	–	–	–	–	–	–	12,438	6,139	6,299	
Office equipment	–	1,743	770	973	153	3	(46)	(157)	–	–	–	–	–	1,838	912	926	
Furniture and fittings	–	451	258	193	–	–	–	(27)	–	–	–	–	–	451	285	166	
Land:																	
– Operational land	–	48,292	–	48,292	–	–	–	–	–	–	–	–	–	48,292	–	48,292	
– Community land	–	428,406	–	428,406	–	–	–	–	–	–	–	(979)	–	427,427	–	427,427	
– Land under roads (post 30/6/08)	–	66	–	66	–	–	–	–	–	–	–	–	–	66	–	66	
Land improvements – depreciable	–	2,834	639	2,195	237	623	–	(141)	100	–	–	(258)	–	3,536	780	2,756	
Infrastructure:																	
– Buildings – non-specialised	–	109,805	61,663	48,142	622	2,040	(2,149)	(1,517)	547	–	–	–	–	109,171	61,486	47,685	
– Buildings – specialised	–	15,016	1,833	13,183	61	92	–	(508)	–	–	–	–	–	15,169	2,341	12,828	
– Other structures	–	12,988	5,326	7,662	439	136	–	(274)	2	–	–	–	–	13,572	5,607	7,965	
– Roads	–	464,943	214,555	250,388	10,043	558	–	(8,981)	2,457	–	–	–	–	477,991	223,526	254,465	
– Bridges	–	11,418	5,032	6,386	–	–	–	(162)	–	–	–	–	–	11,419	5,195	6,224	
– Footpaths	–	45,882	14,816	31,066	58	470	–	(768)	539	–	–	–	–	46,951	15,586	31,365	
– Bulk earthworks (non-depreciable)	–	59,726	–	59,726	–	–	–	–	–	–	–	–	–	59,726	–	59,726	
– Stormwater drainage	–	236,520	74,770	161,750	34	266	–	(1,660)	292	–	–	–	–	237,113	76,431	160,682	
– Swimming pools	–	25,095	4,444	20,651	–	–	–	(372)	–	–	–	–	–	25,094	4,815	20,279	
– Other open space/recreational assets	–	110,087	43,562	66,525	2,231	138	–	(3,400)	2,822	–	–	–	–	115,279	46,963	68,316	
Other assets:																	
– Library books	–	13,528	10,721	2,807	574	–	–	(540)	–	–	–	–	–	14,102	11,261	2,841	
– Other	–	5,671	4,292	1,379	236	–	–	(54)	–	–	–	–	–	5,907	4,346	1,561	
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT	–	1,615,231	448,913	1,166,318	17,409	9,048	(2,953)	(19,452)	–	(71)	40	(1,237)	9,233	1,625,542	465,673	1,169,102	

Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27. Fair value measurement for information regarding the fair value of infrastructure, property, plant and equipment.

Note 9b Externally restricted infrastructure, property, plant and equipment

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Council has no externally restricted infrastructure, property, plant and equipment.

Note 9c Infrastructure, property, plant and equipment - current year impairments

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

Note 10a Payables, borrowings and provisions

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
Payables					
Goods and services – operating expenditure		4,958	–	4,588	–
Goods and services – capital expenditure		1,928	–	2,435	–
Security bonds, deposits and retentions		4,211	–	2,570	–
Other		826	–	673	–
Total payables		11,923	–	10,266	–
Income received in advance					
Payments received in advance		1,808	–	1,945	–
Total income received in advance		1,808	–	1,945	–
Borrowings					
Loans – secured ¹		1,180	21,751	1,584	22,344
Total borrowings		1,180	21,751	1,584	22,344
Provisions					
Employee benefits:					
Annual leave		3,085	–	3,058	–
Sick leave		309	–	323	–
Long service leave		6,870	320	6,714	285
Gratuities		481	–	718	–
Total provisions		10,745	320	10,813	285
TOTAL PAYABLES, BORROWINGS AND PROVISIONS		25,656	22,071	24,608	22,629

(i) Liabilities relating to restricted assets

There are no restricted assets (external or internal) applicable to the above liabilities except for certain employee entitlements.

¹ Loans are secured over the general rating income of Council

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 15.

Note 10a Payables, borrowings and provisions (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Actual 2017	Actual 2016
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(ii) Current liabilities not anticipated to be settled within the next twelve months

The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.

Provisions – employees benefits	7,522	7,569
Payables – security bonds, deposits and retentions	4,111	2,470
	11,633	10,039

Note 10b Description of movements in provisions

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Class of provision	2016		2017			Closing balance as at 30/6/17
	Opening balance as at 1/7/16	Additional provisions	Decrease due to payments	Remeasurement effects due to discounting	Unused amounts reversed	
Annual leave	3,058	2,563	(2,536)	–	–	3,085
Sick leave	323	–	(14)	–	–	309
Long service leave	6,999	1,078	(887)	–	–	7,190
Gratuities	718	–	(237)	–	–	481
TOTAL	11,098	3,641	(3,674)	–	–	11,065

- a. Employees leave entitlements and on-costs represent those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

Note 11 Statement of cash flows - additional information

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6a	15,303	11,095
Balance as per the Statement of Cash Flows		15,303	11,095
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		33,139	41,970
Adjust for non-cash items:			
Depreciation and amortisation		19,672	19,476
Net losses/(gains) on disposal of assets		2,178	405
Losses/(gains) recognised on fair value re-measurements through the P&L:			
– Investment properties		(9,627)	–
Amortisation of premiums, discounts and prior period fair valuations			
– ‘Held to maturity’ financial assets		10	39
+/- Movement in operating assets and liabilities and other cash items:			
Decrease in receivables		(2,224)	(149)
Increase in provision for doubtful debts		444	99
Increase in inventories		40	20
Decrease in other assets		(192)	(927)
Increase in payables		370	241
Increase in other liabilities		2,244	964
Decrease in employee leave entitlements		(33)	505
Net cash provided from operating activities from the Statement of Cash Flows		46,021	62,643
(c) Non-cash investing and financing activities			
Nil			
(d) Financing arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank overdraft facilities ⁽¹⁾		2,520	2,520
Credit cards		100	100
Total financing arrangements		2,620	2,620

1. The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Interest rates on overdrafts are interest rates on loans and other payables and are disclosed in Note 15.

Note 12 Commitments for expenditure

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(a) Capital commitments (exclusive of GST)			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Property, plant and equipment			
Buildings		2,029	1,020
Other		5,207	1,597
Total commitments		7,236	2,617
These expenditures are payable as follows:			
Within the next year		7,236	2,617
Total payable		7,236	2,617
Sources for funding of capital commitments:			
Unrestricted general funds		7,236	2,617
Total sources of funding		7,236	2,617
(b) Finance lease commitments			
Nil			
(c) Operating lease commitments (non-cancellable)			
a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:			
Within the next year		335	369
Later than one year and not later than 5 years		488	490
Total non-cancellable operating lease commitments		823	859

b. Non-cancellable operating leases include the following assets:

Council's current operating leases are for IT Equipment including desktop computers, laptops, printers and multi-function devices and are for a term of four years.

Conditions relating to operating leases:

- All operating lease agreements are secured only against the leased asset.
- No lease agreements impose any financial restrictions on Council regarding future debt.

(d) Investment property commitments

Nil

Note 13a(i). Statement of performance measurement - indicators (consolidated)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Amounts	Indicator	Prior periods		Benchmark
	2017	2017	2016	2015	
Local government industry indicators – consolidated					
1. Operating performance ratio					
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions less operating expenses	11,374	8.97%	5.98%	0.55%	>0%
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions	126,868				
2. Own source operating revenue ratio					
Total continuing operating revenue ⁽¹⁾ excluding all grants and contributions	116,360	82.42%	72.15%	86.01%	>60.00%
Total continuing operating revenue ⁽¹⁾	141,184				
3. Unrestricted current ratio					
Current assets less all external restrictions ⁽²⁾	45,017	3.21x	2.58x	2.50x	>1.5x
Current liabilities less specific purpose liabilities ^(3, 4)	14,024				
4. Debt service cover ratio					
Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation	31,827	13.46x	6.58x	1.09x	>2x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	2,365				
5. Rates, annual charges, interest and extra charges outstanding percentage					
Rates, annual and extra charges outstanding	2,724	3.27%	3.16%	3.18%	< 5% Metro <10% Rural
Rates, annual and extra charges collectible	83,189				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	119,803	13.89 mths	11.9 mths	6.1 mths	> 3 mths
Payments from cash flow of operating and financing activities	8,625				

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

⁽²⁾ Refer Notes 6-8 inclusive.

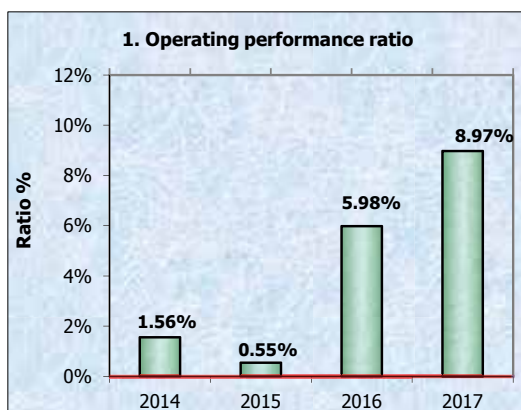
Also excludes any real estate and land for resale not expected to be sold in the next 12 months.

⁽³⁾ Refer to Note 10(a).

⁽⁴⁾ Refer to Note 10(a)(ii) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

Note 13a(ii). Local government industry indicators – graphs (consolidated)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017



Benchmark: — Minimum $\geq 0.00\%$

Source for benchmark: Code of Accounting Practice and Financial Reporting #25



Purpose of operating performance ratio

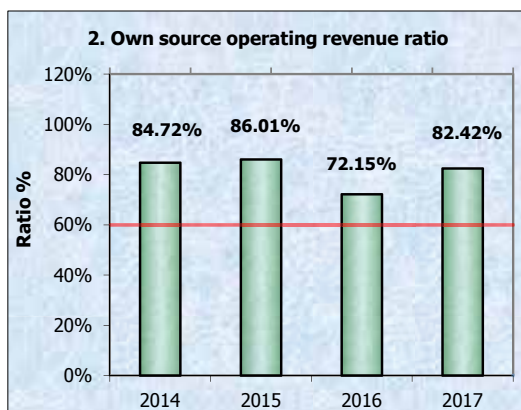
This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2016/17 result

2016/17 ratio 8.97%

Council's performance ratio is above the benchmark of (0%), which means that Council can easily contain operating expenditure (excluding capital grants and contributions) within its operating revenue. The ratio has been above benchmark for the last four years. The increase from previous year is mainly due to higher operating revenue from revaluation of Council's investment property.

 Ratio achieves benchmark
 Ratio is outside benchmark



Benchmark: — Minimum $\geq 60.00\%$

Source for benchmark: Code of Accounting Practice and Financial Reporting #25



Purpose of own source operating revenue ratio

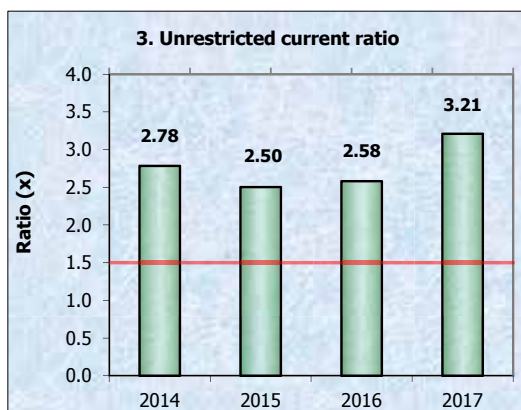
This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2016/17 result

2016/17 ratio 82.42%

Council's Own Source Operating Revenue Ratio has remained above the benchmark of ($>60\%$) in the last four years. Council has sufficient level of fiscal flexibility, in the event of being faced with unforeseen events.

 Ratio achieves benchmark
 Ratio is outside benchmark



Benchmark: — Minimum ≥ 1.50

Source for benchmark: Code of Accounting Practice and Financial Reporting #25



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2016/17 result

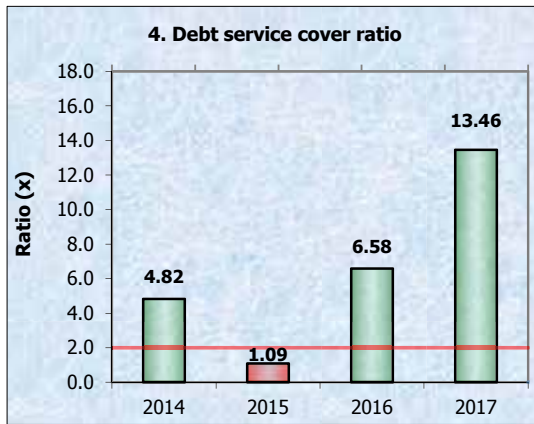
2016/17 ratio 3.21x

Council's Unrestricted Current Ratio is above the benchmark of $>1.5x$ and has been outperforming benchmark for the last four years. Council's liquidity is good and it can readily pay its debts as they fall due. The increase from previous year is mainly due to the first two instalments of the FAG grant received in advance

 Ratio achieves benchmark
 Ratio is outside benchmark

Note 13a(ii). Local government industry indicators – graphs (consolidated)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017



Benchmark: — Minimum ≥ 2.00

Source for benchmark: Code of Accounting Practice and Financial Reporting #25

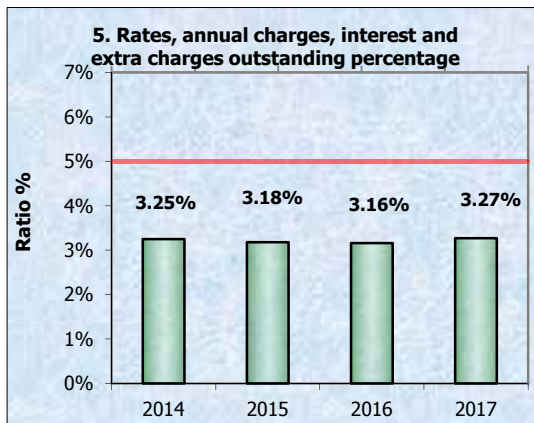
Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2016/17 result	
2016/17 ratio	13.46x
<p>The Debt Service Cover Ratio has increased from previous year and is above the benchmark of 2x, mainly due to decreased principal and interest repayments and increased revenue during the financial year compared to the year before.</p>	



Ratio achieves benchmark
Ratio is outside benchmark



Benchmark: — Maximum $< 5.00\%$

Source for Benchmark: Code of Accounting Practice and Financial Reporting #25

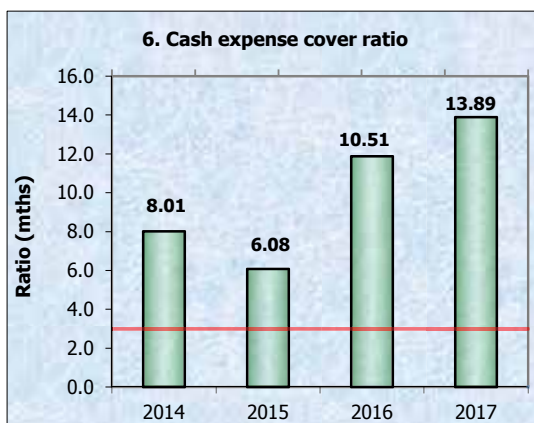
Purpose of rates and annual charges outstanding ratio

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2016/17 result	
2016/17 ratio	3.27%
<p>The percentage of rates and annual charges that are unpaid at the end of the financial year is a measure of how well Council is managing debt recovery. Council's ratio of 3.27% is satisfactory and is better than the benchmark of "less than 5%".</p>	



Ratio is within Benchmark
Ratio is outside Benchmark



Benchmark: — Minimum ≥ 3.00

Source for benchmark: Code of Accounting Practice and Financial Reporting #25

Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2016/17 result	
2016/17 ratio	13.89 mths
<p>Council's Cash Expense Cover Ratio is satisfactory and above benchmark of "greater than 3 months". The ratio has increased compared to the year before largely due to a higher proportion of the investment portfolio invested in shorter term deposits.</p>	



Ratio achieves benchmark
Ratio is outside benchmark

Note 14 Investment property

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(a) Investment properties at fair value			
Investment property on hand		36,720	27,056
Reconciliation of annual movement:			
Opening balance		27,056	–
– Acquisitions		37	–
– Net gain/(loss) from fair value adjustments		9,627	–
– Transfers from owner occupied		–	27,056
CLOSING BALANCE – INVESTMENT PROPERTIES		36,720	27,056
(b) Valuation basis			
The basis of valuation of investment properties is fair value, being the amount for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties, in the same location and condition and subject to similar leases.			
The 2017 revaluations were based on independent assessments made by Scott Fullarton Valuations Pty Ltd, Director Scott Fullarton, FAPI, Certified Practising Valuer, Registered Valuer No.2144.			
(c) Contractual obligations at reporting date			
Refer to Note 12 for disclosures relating to any capital and service obligations that have been contracted.			
(d) Leasing arrangements			
Details of leased investment properties are as follows;			
Future minimum lease payments receivable under non-cancellable investment property operating leases not recognised in the financial statements are receivable as follows:			
Within 1 year		963	315
Later than 1 year but less than 5 years		2,536	1,903
Later than 5 years		–	–
Total minimum lease payments receivable		3,499	2,218
(e) Investment property income and expenditure – summary			
Rental income from investment properties:			
– Other income		1,454	1,106
Direct operating expenses on investment properties:			
– that generated rental income		(769)	(763)
Net revenue contribution from investment properties		685	343
plus:			
Fair value movement for year		9,627	–
Total income attributable to investment properties		10,312	343

Refer to Note 27. Fair value measurement for information regarding the fair value of investment properties held.

Note 15 Financial Risk Management

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

Risk management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

	Carrying value		Fair value	
	2017	2016	2017	2016
Financial assets				
Cash and cash equivalents	15,303	11,095	15,303	11,095
Investments				
– 'Held to maturity'	128,753	114,763	129,010	114,763
Receivables	9,955	8,175	9,955	8,374
Total financial assets	154,011	134,033	154,268	134,232
Financial liabilities				
Payables	11,923	10,266	11,923	10,266
Loans/advances	22,931	23,928	22,931	23,928
Total financial liabilities	34,854	34,194	34,854	34,194

Fair value is determined as follows:

- **Cash** and **cash equivalents**, **receivables**, **payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings** and **held-to-maturity** investments – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- **Payables** - exclude payments received in advance

Note 15 Financial Risk Management (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and Minister's investment order. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

(a) Market risk – price risk and interest rate risk

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2017				
Possible impact of a 10% movement in market values	2,425	2,425	(2,425)	(2,425)
Possible impact of a 1% movement in interest rates	243	243	(243)	(243)
2016				
Possible impact of a 10% movement in market values	2,726	2,726	(2,726)	(2,726)
Possible impact of a 1% movement in interest rates	273	2,726	(2,726)	(2,726)

Note 15 Financial Risk Management (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

A profile of Council's receivables credit risk at balance date follows:

	2017 Rates and annual charges	2017 Other receivables	2016 Rates and annual charges	2016 Other receivables
(i) Ageing of receivables – %				
Current (not yet overdue)	97%	77%	100%	74%
Overdue	3%	23%	0%	26%
	100%	100%	100%	100%

(ii) Ageing of receivables – value

Rates and annual charges	Other receivables	2017 Rates and annual charges	2017 Other receivables	2016 Rates and annual charges	2016 Other receivables
Current	Current	2,400	6,288	2,309	4,469
< 1 year overdue	0 – 30 days overdue	5	290	–	329
1 – 2 years overdue	31 – 60 days overdue	6	129	–	124
2 – 5 years overdue	61 – 90 days overdue	61	1,423	–	1,147
		2,472	8,130	2,309	6,069

(iii) Movement in provision for impairment of receivables

	2017	2016
Balance at the beginning of the year	203	104
+ new provisions recognised during the year	444	203
– amounts already provided for and written off this year	–	(104)
Balance at the end of the year	647	203

Note 15 Financial Risk Management (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Subject to no maturity	payable in:						Total cash outflows	Actual carrying values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2017									
Trade/other payables	4,211	7,712	–	–	–	–	–	11,923	11,923
Loans and advances	–	1,852	20,608	858	398	385	373	24,474	22,931
Total financial liabilities	4,211	9,564	20,608	858	398	385	373	36,397	34,854
2016									
Trade/other payables	2,570	7,696	–	–	–	–	–	10,266	10,266
Loans and advances	–	1,802	19,686	1,177	741	404	764	24,574	23,928
Total financial liabilities	2,570	9,498	19,686	1,177	741	404	764	34,840	34,194

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities and interest rate structures.

The following interest rates were applicable to Council's borrowings at balance date:

	2017		2016	
	Carrying value	Average interest rate	Carrying value	Average interest rate
Trade/other payables	11,923	0.00%	10,266	0.00%
Loans and advances – fixed interest rate	889	5.13%	1,153	5.13%
Loans and advances – variable interest rate	22,042	3.15%	22,775	3.60%
	34,854		34,194	

Note 16 Material Budget Variations

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

Council's original financial budget for 2016/17 was adopted by the Council on 14 June 2016.

While the Income Statement included in this General Purpose Financial Report must disclose the original budget adopted by Council, the *Local Government Act 1993* requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of material variations between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Note that for variations* of budget to actual :

Material variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable budget variation, **U** = Unfavourable budget variation

\$ '000	2017 Budget	2017 Actual	2017 Variance*	
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REVENUES

Interest and investment revenue	3,846	4,624	778	20%	F
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Council's investment portfolio performed strongly due to an increased investment portfolio size during the financial year and better than expected returns.

Other revenues	12,772	21,773	9,001	70%	F
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Council performed a revaluation of its investment property at the end of the reporting period. As a result, a fair value increment of \$9.6m was recognised in Other revenues largely contributing to the variation in this category.

Operating grants and contributions	8,405	10,508	2,103	25%	F
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The favourable variance in Operating Grants & Contributions is mainly attributed to the first two instalments of the 2017-18 Financial Assistance Grant (FAG) received in advance.

Capital grants and contributions	19,038	14,316	(4,722)	(25%)	U
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Council received lower than anticipated Section 94 income during the financial year mainly contributing to the variance in this category.

Net gains from disposal of assets	7,957	-	(7,957)	(100%)	U
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Council budgeted for net gains from divestment of assets during the 2016-17 financial year. There were delays in achieving the asset sales in the most part due to delays by the NSW Government to reclassify Council's assets to allow divestment of the planned assets.

Note 16 Material Budget Variations (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	2017 Budget	2017 Actual	2017 ----- Variance* -----	
EXPENSES				
Net losses from disposal of assets	-	2,178	(2,178)	0% U
Net losses were recognised as a result of demolition of a number of assets for open space.				

Note 17 Statement of developer contributions

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

Council recovers contributions, raises levies and enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions and levies and the value of all remaining funds which are 'restricted' in their future use.

SUMMARY OF CONTRIBUTIONS AND LEVIES

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Roads	(5,750)	1,113	-	-	(124)	-	(4,761)	-
Traffic facilities	20,822	3,237	-	703	(169)	-	24,593	-
Parking	864	-	-	29	(1)	-	892	-
Open space	64,928	6,541	-	2,091	(3,422)	-	70,138	-
Community facilities	7,570	848	-	239	(1,248)	-	7,409	-
Other	41	-	-	1	(36)	-	6	-
S94 contributions – under a plan	88,475	11,739	-	3,063	(5,000)	-	98,277	-
S94A levies – under a plan	34	1,708	-	-	-	-	1,742	-
Total S94 revenue under plans	88,509	13,447	-	3,063	(5,000)	-	100,019	-
Total contributions	88,509	13,447	-	3,063	(5,000)	-	100,019	-

Note 17 Statement of developer contributions (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

S94 CONTRIBUTIONS – UNDER A PLAN

CONTRIBUTION PLAN - 1993 Plan

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Parking	864	-	-	29	(1)	-	892	-
Community facilities	226	-	-	6	(103)	-	129	-
Total	1,090	-	-	35	(104)	-	1,021	-

CONTRIBUTION PLAN - 2000 to 2003 Residential Plan

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Open space	1,443	-	-	48	(15)	-	1,476	-
Community facilities	664	-	-	22	-	-	686	-
Total	2,107	-	-	70	(15)	-	2,162	-

Note 17 Statement of developer contributions (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

S94 CONTRIBUTIONS – UNDER A PLAN

CONTRIBUTION PLAN - 2004/2009 Residential Plan

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Open space	2,493	4	-	70	(780)	-	1,787	-
Community facilities	3,262	1	-	107	(68)	-	3,302	-
Other	50	-	-	1	(34)	-	17	-
Total	5,805	5	-	178	(882)	-	5,106	-

CONTRIBUTION PLAN - 2010 Plan

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Roads	(5,750)	1,113	-	-	(124)	-	(4,761)	-
Traffic facilities	20,822	3,237	-	703	(169)	-	24,593	-
Open space	60,640	6,537	-	1,962	(2,588)	-	66,551	-
Community facilities	3,418	847	-	104	(1,077)	-	3,292	-
Other	(9)	-	-	-	(2)	-	(11)	-
Total	79,121	11,734	-	2,769	(3,960)	-	89,664	-

Note 17 Statement of developer contributions (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	
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S94 CONTRIBUTIONS – UNDER A PLAN

CONTRIBUTION PLAN - Ku-ring-gai SEPP 5 Plan

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Open space	352	-	-	11	(39)	-	324	-
Total	352	-	-	11	(39)	-	324	-

S94A LEVIES – UNDER A PLAN

CONTRIBUTION PLAN NUMBER - Section 94 A levies

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Open space	34	1,708	-	-	-	-	1,742	-
Total	34	1,708	-	-	-	-	1,742	-

Note 18 Contingencies and other assets/liabilities not recognised

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The scheme's most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member councils required to make higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its defined benefit scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable - similar to the accounting for defined contributions plan.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

Note 18 Contingencies and other assets/liabilities not recognised (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

LIABILITIES NOT RECOGNISED (continued):

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) S94 plans

Council levies section 94/94A contributions upon various development across the Council area through the required contributions plans.

As part of these plans, Council has received funds for which it will be required to expend the monies in accordance with those plans.

As well, these plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's general funds.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent Council's intention to spend funds in the manner and timing set out in those plans.

(iii) Potential land acquisitions due to planning restrictions imposed by Council

Council has zoned a number of privately owned land parcels as RE1Local Open Space or SP2 Local Road.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED:

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

Note 19 Interests in other entities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Council has no interest in any controlled entities, joint arrangements or associates.

Note 20 Retained Earnings, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(a) Retained earnings			
Movements in retained earnings were as follows:			
Balance at beginning of year (from previous years audited accounts)		776,315	734,344
a. Net operating result for the year		33,139	41,970
Balance at end of the reporting period		809,454	776,315
(b) Revaluation reserves			
(i) Reserves are represented by:			
– Infrastructure, property, plant and equipment revaluation reserve		506,714	506,714
Total		506,714	506,714
(ii) Reconciliation of movements in reserves:			
Infrastructure, property, plant and equipment revaluation reserve			
– Opening balance		506,714	411,081
– Revaluations for the year (Community Land & Artworks)	9(a)	–	95,633
Balance at end of year		506,714	506,714
TOTAL VALUE OF RESERVES		506,714	506,714

(iii) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

The infrastructure, property, plant and equipment revaluation reserve is used to record increments/decrements of non-current asset values due to their revaluation.

Note 20 Retained Earnings, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Notes	Actual 2017	Actual 2016
(c) Correction of error/s relating to a previous reporting period			
Cash & Cash Equivalents			
During 2015/16 deposits held in "at call" account were disclosed under "Investments - Deposits (Short Term)" rather than "Cash & Cash Equivalents". These balances were retrospectively transferred to Cash & Cash Equivalents in the current financial year, as follows:			
		10,804	
		(10,804)	
Transfer of Operational Land to Investment Property			
In 2015/16 Council recognised an Investment Property and subsequently transferred the value of the building from the total fixed assets portfolio (Note 9 \$19M) to the Investment Property portfolio (Note 14). The value of the land included in the investment property has been corrected retrospectively in the current financial year, as follows:			
		(8,000)	
		8,000	

(d) Voluntary changes in accounting policies

Council made no voluntary changes in any accounting policies during the year.

Note 21 Financial Result & Financial Position by Fund

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Council utilises only a general fund for its operations.

Note 22 'Held for sale' non-current assets and disposal groups

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	2017		2016	
	Current	Non-current	Current	Non-current

(i) Non-current assets and disposal group assets

Non-current assets 'held for sale'

Land	980	–	–	–
Other assets	257	–	–	–
Total non-current assets 'held for sale'	1,237	–	–	–

\$ '000	Assets 'held for sale'	
	2017	2016

(ii) Reconciliation of non-current assets 'held for sale' and disposal groups – i.e. discontinued operations

Opening balance	–	1,040
Less: carrying value of assets/operations sold	–	(1,040)
Plus new transfers in:		
– Assets 'held for sale'	1,237	–
Closing balance of 'held for sale' non-current assets and operations	1,237	–

Refer to Note 27. Fair value measurement for fair value measurement information.

Note 23 Events occurring after the reporting date

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

Events that occur between the end of the reporting period (30 June 2017) and the date when the financial statements are 'authorised for issue' have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable 'authorised for issue' date relating to these General Purpose Financial Statements.

Accordingly, the 'authorised for issue' date is 10/10/17.

Events that occur after the reporting period represent one of two types:

(i) Events that provide evidence of conditions that existed at the reporting period

These financial statements (and the figures therein) incorporate all 'adjusting events' that provided evidence of conditions that existed at 30 June 2017.

(ii) Events that provide evidence of conditions that arose after the reporting period

These financial statements (and figures therein) do not incorporate any 'non-adjusting events' that have occurred after 30 June 2017 and which are only indicative of conditions that arose after 30 June 2017.

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

The Minister for Local Government considered a proposal to merge Ku-ring-gai Council with part of Hornsby Shire Council. This merger was opposed by Ku-ring-gai Council and supported by Hornsby Shire Council.

Ku-ring-gai Council took legal action to challenge the process undertaken by the State Government to assess the merger proposal and was successful in the Court of Appeal. Subsequently in July 2017 the NSW Government announced that the ongoing merger policy has been abandoned.

Note 24 Discontinued operations

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Council has not classified any of its operations as 'discontinued'.

Note 25 Intangible assets

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Actual 2017	Actual 2016
Intangible assets represent identifiable non-monetary assets without physical substance.		
Intangible assets are as follows:		
Opening values:		
Gross book value (1/7)	1,387	1,339
Accumulated amortisation (1/7)	(990)	(721)
Net book value – opening balance	397	618
Movements for the year		
– Purchases	34	64
– Transfers	–	50
– Amortisation charges	(220)	(290)
– Gross book value written off	–	(66)
– Accumulated amortisation charges written off	–	21
Closing values:		
Gross book value (30/6)	1,421	1,387
Accumulated amortisation (30/6)	(1,210)	(990)
TOTAL INTANGIBLE ASSETS – NET BOOK VALUE	211	397
1. The net book value of intangible assets represent:		
Software	211	397
	211	397

Note 26 Reinstatement, rehabilitation and restoration liabilities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Council has no outstanding obligations to make, restore, rehabilitate or reinstate any of its assets/operations.

Note 27 Fair Value Measurement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Investment property
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

2017	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements					
Investment properties					
Investment properties	30/06/17	–	36,720	–	36,720
Total investment properties		–	36,720	–	36,720
Infrastructure, property, plant and equipment					
Operational Land	30/06/13	–	–	48,292	48,292
Community Land	30/06/16	–	–	427,427	427,427
Land Under Roads	30/06/14	–	–	66	66
Land Improvements Depreciable	30/06/16	–	–	2,756	2,756
Stormwater Drainage	30/06/15	–	–	160,682	160,682
Structure (Car Parks)	30/06/15	–	–	7,965	7,965
Buildings - Non Specialised	30/06/13	–	–	47,685	47,685
Buildings - Specialised	30/06/13	–	–	12,828	12,828
Furniture & Fittings	30/06/15	–	–	166	166
Library Books	30/06/15	–	–	2,841	2,841
Office Equipment	30/06/15	–	–	926	926
Plant & Equipment (e.g. Fleet & Small Plant)	30/06/15	–	–	6,299	6,299
Other (Artworks, Sculptures)	30/06/16	–	–	1,560	1,560
Roads	30/06/15	–	–	313,139	313,139
Bridges	30/06/15	–	–	6,224	6,224
Footpaths	30/06/15	–	–	31,365	31,365
Kerb & Gutter	30/06/15	–	–	772	772
Road Structure & Street Furniture	30/06/15	–	–	283	283
Recreational Facilities	30/06/13	–	–	68,316	68,316
Swimming Pools	30/06/13	–	–	20,279	20,279
Total infrastructure, property, plant and equipment		–	–	1,159,871	1,159,871
Non-current assets classified as 'held for sale'					
Land Asset	30/06/16	–	–	980	980
Other Asset	30/06/16	–	–	257	257
Total NCA's classified as 'held for sale'		–	–	1,237	1,237

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values: (continued)

2016	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements					
Investment properties					
Investment properties	30/06/13	–	–	27,056	27,056
Total investment properties		–	–	27,056	27,056
Infrastructure, property, plant and equipment					
Operational Land	30/06/13	–	–	56,292	56,292
Community Land	30/06/16	–	–	428,406	428,406
Land Under Roads	30/06/14	–	–	66	66
Land Improvements Depreciable	30/06/16	–	–	2,195	2,195
Stormwater Drainage	30/06/15	–	–	161,750	161,750
Structure (Car Parks)	30/06/15	–	–	7,662	7,662
Buildings - Non Specialised	30/06/13	–	–	48,142	48,142
Buildings - Specialised	30/06/13	–	–	13,183	13,183
Furniture & Fittings	30/06/15	–	–	193	193
Library Books	30/06/15	–	–	2,807	2,807
Office Equipment	30/06/15	–	–	973	973
Plant & Equipment (e.g. Fleet & Small Plant)	30/06/15	–	–	6,052	6,052
Other (Artworks, Sculptures)	30/06/16	–	–	1,379	1,379
Roads	30/06/15	–	–	238,552	238,552
Bridges	30/06/15	–	–	6,386	6,386
Footpaths	30/06/15	–	–	31,066	31,066
Kerb & Gutter	30/06/15	–	–	67,979	67,979
Road Structure & Street Furniture	30/06/15	–	–	3,583	3,583
Recreational Facilities	30/06/13	–	–	66,525	66,525
Swimming Pools	30/06/13	–	–	20,651	20,651
Total infrastructure, property, plant and equipment		–	–	1,163,842	1,163,842

(2) Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Investment properties

Council obtains an independent valuation of its investment property on an annual basis and at the end of each reporting period the financial statements reflect the most up to date valuation.

The best evidence of fair value is the current price in an active market for similar assets. The following information is used where necessary;

- Current prices in an active market for different types of properties or similar properties in a less active market.
- Income that may arise out of renting the property based on direct capitalisation method.

The investment property held by Council has been valued by the valuer using valuation techniques that are appropriate and for which sufficient data was available to measure fair value, maximising the use of observable inputs and minimising unobservable inputs namely Level 2 inputs (based on the per square metres).

The market approach was used to value the investment property. It was valued on 30 June 2017 by Scott Fullerton FAPI, Certified Practising Valuer, and Registered Valuer No 2144.

Infrastructure, property, plant and equipment (IPP&E)

Community Land

Assets within the "Community Land" class are Council owned Community Land. Council's community land is valued on the Unimproved Capital Value (UCV), provided by the Valuer General.

Currently all Council assets in this asset class are based on UCV, however, should Council have an asset in future for which an UCV is not provided, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

The last revaluation of Community Land was performed in June 2016.

Operational Land

Council's operational land includes all of Council's land classified as operational land under Local Government Act 1993. The total area of land at the time of the last valuation was 42,713m². Council's operational land is valued regularly with a comprehensive valuation completed and revalued every five years. Liquid Pacific Holdings Pty Ltd completed the last valuation in June 2013. Council's operational land was valued at market value (highest and best use) after identifying all elements that would be taken into account by buyers and sellers in setting the price, including but not limited to zoning, topography, location, size, shape, access, exposure to traffic and businesses. Remaining useful life, condition of asset, future cash flow from the use of asset are also considered when determining the fair value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Land Under Roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips. Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051. Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment and Council recognised this asset for the first time in financial year 2010/11. One location was included in the valuation. The Land under Roads was valued in accordance with the Australian Accounting Standard AASB 116 Property, Plant and Equipment, the Code of Accounting Practice and Financial Reporting June 2014, and completed by Council's Strategic Asset Coordinator. Values were determined using the Englobio methodology derived from the Code of Accounting Practice and Financial Reporting. This asset class is classified as Level 3 asset as significant inputs used in the Englobio valuation methodology are unobservable.

Land Improvements Depreciable

The land improvements asset class consists of bus shelters, North Turramurra Recreation Area assets and land improvement assets surrounding Council buildings. Council values these land improvements internally using cost approach. Replacement costs (unit rates) and useful lives of Council's land improvement assets were determined using technical knowledge from council staff (engineers and asset management) and contractor information. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, pattern of consumption, dimensions and residual value. The condition of each asset was determined by completing field inspections using the ratings 1 (Excellent) to 5 (Very Poor). This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Stormwater Drainage

The Stormwater Drainage asset class consists of Council's pits and pipes. Council staff completed the valuation of these assets internally using replacement cost approach and the last valuation was completed in June 2015.

Replacement costs (unit rates) and useful lives for Stormwater Drainage assets were determined through a combination of historic subdivision data and technical knowledge of Council staff, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on asset location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, pattern of consumption, and residual value. The asset condition of 1 (Excellent) to 5 (Very Poor) was determined by assumptions based on age and CCTV investigations undertaken across a representative selection of Council's drainage network. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Other Structure

Council's car park assets are separated into two registers: the car park surface and pavement register and the car park structures register which consists of all road structures and furniture within the car park location. Replacement costs (unit rate) were determined using technical knowledge from council staff (engineers and asset management) and contractor information. The useful lives were determined using SSROC useful life as a guide. Other significant inputs considered in the valuation of these assets are condition rating, remaining useful life, pattern of consumption, dimensions, components and residual value.

The condition of each asset was determined by completing field inspections using the 1 (Excellent) to 5 (Very Poor).

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Buildings - Non specialised and Specialised

Council engaged Liquid Pacific Holdings Pty Ltd to value all buildings and shelters in 2013. The valuation methodology adopted was dependent on whether a market exists to substantiate the value of the asset. Council's buildings are separated into commercial, community and operational assets.

Non Specialised Buildings

The market sale approach to the valuation of assets comprises reference to market evidence of the sale of the identical and or similar assets. The valuation aspects are generally, but not limited to the location, size, condition, style and utility of the asset. Replacement cost, asset condition, remaining useful life and building components are some of the inputs used in fair value determination. Since most of these inputs require judgement and are unobservable, the asset class has been classified as Level 3.

Specialised Buildings

The market buying approach is estimated by the sum of the current market prices for one or more purchase transactions required to reproduce or replace the asset, less accumulated depreciation. In determining the current cost of a specialised asset, reference is made to the cost of replacing the assets service potential and in doing so the Modern Equivalent Replacement Cost (MERC) is adopted. The other significant inputs considered in the valuation are remaining useful life of the asset, condition, pattern of consumption and residual value.

In 2012/13 financial year Council completed construction of Council's Depot at Suakin Street, Pymble which was classified as a specialised building.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Roads

Council's roads are componentised into the pavement, surface and formation and further separated into segments for inspection and valuation. The full revaluation of road assets is undertaken on a 5 year cycle.

The valuation, which is completed by Council's asset and pavement engineers in consultation with consultant Morrison Low, was completed in June 2015. The Cost approach was adopted to value Council roads. The replacement costs (based on unit rates), useful lives and conditions were determined by extracting technical information contained in Council's pavement management system (SMEC) and the updated road condition spread sheet provided by the asset and pavement engineer (based on invoices and contracts). Useful lives were reviewed based on SSROC guide. In 2015 all the road assets data stored in the Pavement Management System (SMEC) was imported into the new corporate system. Roads due for renewal are assessed by pavement engineers and the entire road network is assessed by an independent consultant (every 2-3 years). The last independent assessment was completed in 2013. An updated assessment of Council road conditions was carried out in the 2015/2016 financial year. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, inspections and pattern of consumption, dimensions, components, residual value and type of road. A pavement condition index (PCI) is used in SMEC and determined by field. This PCI is converted into road technical ratings condition 1 (Excellent) to 5 (Very Poor). This asset class is categorised as Level 3 as some of the above mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Bridges

Council's bridges register consists of all pedestrian and vehicle access bridges. The bridges were inspected and valued by an independent consultant (Asset Val) in June 2015. In order to apply fair valuation and condition based depreciation, the following information was determined by the consultant for each component:

- The replacement cost was based on the cost to replace a component to a current day equivalent. Published available market data for recent projects and published cost guides are utilised to determine the estimated replacement cost.
- The useful life and remaining useful life - Where the site inspections were done, a condition assessment was allocated to all the assets and that was used to estimate useful and remaining useful life of an asset.
- Condition assessment - is based on factors such as age of the asset, overall condition, economic & functional obsolescence.
- Residual value – The estimated amount that an entity would currently obtain from disposal of the asset
- Pattern of Consumption – straight line pattern of consumption

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Footpaths

Council's footpath register consists of all pedestrian walkways and cycleways within the Council area. Council staff completed the valuation of the Footpath assets internally and the valuation was completed in June 2015.

Replacement costs (unit rates) and useful lives of Council's footpaths were determined using technical knowledge and Contractor information. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components and residual value.

The condition of each asset was determined using the ratings 1 (Excellent) to 5 (Very Poor).

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Kerb & Gutter

Council's kerb and gutter register consists of all kerb and gutter within Council's road network. Council staff performed the valuation of the assets internally and the valuation was completed in June 2015.

Replacement costs (unit rates) and useful lives of Council's kerb and gutter were determined using technical knowledge, Contractor information and SSROC Guide. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components and residual value.

The condition of each asset was determined using the ratings 1 (Excellent) to 5 (Very Poor).

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Road Structure and Street Furniture

The Road Structures and Street Furniture register comprises of all structures (traffic islands, guardrails) and furniture (bollards, signs) within Council's road network. Council staff completed the valuation of the assets internally and the valuation was completed in June 2015. Replacement costs (unit rates) and useful lives of Council's road structures and street furniture were determined using technical knowledge from Council staff (engineers and asset management), Contractor information, current invoices and SSROC guide. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components and residual value.

The condition of each asset was determined using the ratings 1 (Excellent) to 5 (Very Poor).

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Open Space / Recreational Assets

Council's recreational facilities register includes all assets within our sports fields, bushland and park locations. This includes but is not limited to ovals, playing courts, playgrounds, fences and fire trails. Council staff completes the valuation of these assets internally. Replacement costs (unit rates) and useful lives of Council's recreational facilities were determined using technical knowledge from Council staff (engineers and asset management) and Contractor information. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components and residual value.

The condition of these assets was determined by field inspections using the ratings 1 (Excellent) to 5 (Very Poor).

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Swimming Pool

The swimming pool includes all assets located within the facility.

Liquid Pacific Pty Ltd valued the building components of the swimming pool in June 2013 as part of the building revaluation and other substantial components of the pool are valued using replacement cost method. Replacement costs were determined using square metre rates and other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, components, dimensions and residual value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Plant & Equipment, Office Equipment, and Furniture & Fittings

This asset category includes:

- Plant & Equipment – Motor vehicles, trucks, mowers, buses, earthmoving equipment
- Office Equipment – Computer equipment
- Furniture & Fittings – Chairs, desks, cabinets, display systems

These assets are valued at cost in Council's books and reported at Fair value in the notes due to the nature of the items. The cost of these assets are based on current invoices and contracts, which are based on observable inputs, however the remaining useful life and residual value is based on internal factors which are unobservable in the market therefore placing these assets in Level 3. Valuation techniques remained the same for this reporting period.

Library Books

This asset category comprises of assets such as library books, journals, magazines, CDs and DVDs.

The library books are reported at Fair value in the notes however, due to the nature of these items they are valued at cost. There are no major variances between the fair value and carrying amount of these assets. The cost of these assets are based on current invoices and contracts, which are based on observable inputs, however the remaining useful life and residual value is based on internal factors which are unobservable in the market making it a Level 3 asset. Valuation techniques remain the same for this reporting period.

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(3) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Others (Artwork, Sculptures)

Council engaged McWilliam and Associates Pty Ltd to value all artwork, memorabilia and monuments in June 2016. This information was updated into Council's public art register.

The valuation was completed using the replacement cost approach and market value in accordance with AASB 116.

The replacement value for artworks and memorabilia was determined by the price at which the items could be purchased from a reputable dealer, gallery or retail outlet.

The replacement value for monuments was determined as the cost of replacing an asset with a similar object in a condition equal to, but not better than its condition when new. An estimate of associated costs including consultancy and site management is included in the determination of the replacement value.

Where the fair value of an asset could not be determined by sale on the open market, a depreciable replacement cost has been adopted. Other significant inputs considered in the valuation are the condition of the asset, pattern of consumption and remaining useful life. This asset class is categorised as Level 3 as some of the above mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable.

(4). Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

	Community Land	Land Under Roads	Land Improvements Depreciable	Stormwater Drainage	Total
Opening balance – 1/7/15	334,736	66	17,607	163,119	515,528
Transfers from/(to) another asset class	(1,145)	–	(18,600)	–	(19,745)
Purchases (GBV)	1,700	–	3,522	284	5,506
Depreciation and impairment	–	–	(334)	(1,653)	(1,987)
Reval Incl Dec to Equity (ARR)	93,114	–	–	–	93,114
Closing balance – 30/6/16	428,406	66	2,195	161,750	592,417
Transfers from/(to) another asset class	(979)	–	(157)	292	(844)
Purchases (GBV)	–	–	859	300	1,159
Depreciation and impairment	–	–	(141)	(1,660)	(1,801)
Closing balance – 30/6/17	427,427	66	2,756	160,682	590,931

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Structures (Car Parks)	Buildings Specialised	Other	Roads	Total
Opening balance – 1/7/15	7,901	10,469	994	235,300	254,664
Transfers from/(to) another asset class	–	3,100	–	603	3,703
Purchases (GBV)	33	17	–	8,637	8,687
Depreciation and impairment	(272)	(402)	(54)	(7,264)	(7,992)
Reval Inc / Dec to Equity (ARR)	–	–	439	–	439
Transfer from WIP	–	–	–	1,276	1,276
Closing balance – 30/6/16	7,662	13,184	1,379	238,552	260,777
Transfers from/(to) another asset class	2	–	235	2,417	2,654
Purchases (GBV)	575	153	–	9,589	10,317
Depreciation and impairment	(274)	(508)	(54)	(7,423)	(8,259)
Closing balance – 30/6/17	7,965	12,828	1,560	243,135	265,489

	Bridges	Footpaths	Kerb and Gutter	Road Structure and Street Furniture	Total
Opening balance – 1/7/15	6,549	31,347	69,303	3,789	110,988
Purchases (GBV)	–	469	7	9	485
Depreciation and impairment	(163)	(750)	(1,331)	(215)	(2,459)
Closing balance – 30/6/16	6,386	31,066	67,979	3,583	109,015
Transfers from/(to) another asset class	–	539	9	31	579
Purchases (GBV)	–	528	763	252	1,543
Depreciation and impairment	(162)	(768)	(1,331)	(224)	(2,485)
Closing balance – 30/6/17	6,224	31,365	67,420	3,642	108,652

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Recreational Facilities	Swimming Pools	Held for Sale (Comm Land & LIMP)	Land Improvements	Total
Opening balance – 1/7/15	45,806	19,888	1,040	–	66,734
Transfers from/(to) another asset class	14,897	–	–	–	14,897
Purchases (GBV)	3,034	1,116	–	–	4,150
Disposals (WDV)	(331)	–	(1,040)	–	(1,371)
Depreciation and impairment	(2,853)	(353)	–	–	(3,206)
Transfers from WIP	3,892	–	–	–	3,892
Reval Inc / Dec to Equity (ARR)	2,080	–	–	–	2,080
Closing balance – 30/6/16	66,525	20,651	–	–	87,176
Transfers from/(to) another asset class	2,822	–	979	–	3,801
Purchases (GBV)	2,369	–	258	–	2,627
Depreciation and impairment	(3,400)	(372)	–	–	(3,772)
Closing balance – 30/6/17	68,316	20,279	1,237	–	89,832

	Buildings Non Specialised	Furniture and Fittings	Office Equipment	Plant and Equipment	Total
Opening balance – 1/7/15	66,280	214	1,192	6,029	73,715
Transfers from/(to) another asset class	(19,056)	–	(50)	–	(19,106)
Purchases (GBV)	2,677	6	65	1,780	4,528
Disposals (WDV)	–	–	(43)	(865)	(908)
Depreciation and impairment	(1,899)	(27)	(191)	(895)	(3,012)
Transfers from WIP	140	–	–	–	140
Closing balance – 30/6/16	48,142	193	973	6,049	55,357
Transfers from/(to) another asset class	547	–	–	–	547
Purchases (GBV)	2,662	–	156	1,896	4,714
Disposals (WDV)	(2,149)	–	(46)	(758)	(2,953)
Depreciation and impairment	(1,517)	(27)	(157)	(891)	(2,592)
Closing balance – 30/6/17	47,685	166	926	6,296	55,073

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Operational Land	Library Books	Total
Opening balance – 1/7/15	44,631	2,739	47,370
Transfers from/(to) another asset class	1,145	–	1,145
Purchases (GBV)	2,515	582	3,097
Depreciation and impairment	–	(530)	(530)
Transfers from WIP	–	16	16
Closing balance – 30/6/16	48,291	2,807	51,098
Purchases (GBV)	–	574	574
Depreciation and impairment	–	(540)	(540)
Closing balance – 30/6/17	48,291	2,841	51,132

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

b. Information relating to the transfers into and out of the level 3 fair valuation hierarchy (as disclosed in the table above) includes:

During the year, Investment Property was transferred out of Level 3 category to Level 2 category.

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

Class	Fair value (30/6/17) \$'000	Valuation technique/s	Unobservable inputs	Range of Inputs (incl. probable)	Relationship of unobservable inputs to Fair Value
I,PP&E					
Community Land	427,427	Cost Approach	Unimproved Capital Value provided by Valuer General Total area (6,986,004 m2)	Unit Rates: (per square metre)	Increase/decrease in the price per square metre based on the unimproved capital value will result in changes in fair value
Land Under Roads	66	Cost Approach	Total area (85,374,620m2) Total Value of land (\$24,944,545,350) Total area LUR (2245m2) Englobo valuation basis (AASB116)	\$29.22 (per square metre)	Increase/decrease in the price per square metre will result in changes in fair value
Land Improvements Depreciable	2,756	Cost Approach	Replacement Cost	Unit Rates - vary from asset to asset	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition 1 - 5 representing Excellent to Very poor	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life 20 yrs	

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

Class	Fair value (30/6/17) \$'000	Valuation technique/s	Unobservable inputs	Range of Inputs (incl. probable)	Relationship of unobservable inputs to Fair Value
I, PP&E (continued)					
Stormwater Drainage	160,682	Cost Approach	Replacement Cost	Unit Rates: \$92 - \$5,567 vary from asset to asset	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life: 15 - 135 yrs	
			Residual Value	Residual Value: 0% to 10%	
Buildings - Specialised	12,828	Cost Approach	Modern Equivalent Replacement Cost (MERC)	Unit Rates: vary from asset to asset	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life: 4 - 95yrs	
			Components	Components: Superstructure Roof Floor Mechanical Fire	

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

Class	Fair value (30/6/17) \$'000	Valuation technique/s	Unobservable inputs	Range of Inputs (incl. probable)	Relationship of unobservable inputs to Fair Value
I,PP&E (continued)					
Other Structures	7,965	Cost Approach	Replacement Cost	Unit Rates: Surface: \$25 Pavement: \$50 Formation \$15	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life: 2.5yrs to 100 yrs	
			Residual Value	Residual Value: Pavement: 0% to 10%	
Other (Artworks, Sculptures)	1,560	Cost Approach	Replacement costs In the absence of replacement cost, depreciable replacement (DRC) cost is adopted	Replacement cost vary from asset to asset	Increases (decreases) in replacement cost or condition of the asset would result in a higher (lower) fair value measurement

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

Class	Fair value (30/6/17) \$'000	Valuation technique/s	Unobservable inputs	Range of Inputs (incl. probable)	Relationship of unobservable inputs to Fair Value
I,PP&E (continued)					
Roads	243,135	Cost Approach	Replacement Cost	Unit Rates - Surface: \$25-\$32 - Pavement: \$50-\$100 (Unit rates vary from asset to asset)	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition - Surface - Pavement - Formation Assessed as 1 - 5: Excellent to Very poor	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life - Surface: 30yrs - Pavement: 80 yrs	
			Residual Value	Residual Value: 0%	
Bridges	6,224	Cost Approach	Replacement Cost	Unit Rates - vary from asset to asset	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to Fair value.
			Remaining Useful life	Remaining Useful Life: 3 - 85 yrs	

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

Class	Fair value (30/6/17) \$'000	Valuation technique/s	Unobservable inputs	Range of Inputs (incl. probable)	Relationship of unobservable inputs to Fair Value
I,PP&E (continued)					
Footpaths	31,365	Cost Approach	Replacement Cost	Unit Rates: \$85 - \$120 vary from asset to asset	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life: 3 - 80 yrs	
Kerb and Gutter	67,420	Cost Approach	Replacement Cost	Unit Rates: \$100 - \$900 vary from asset to asset	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life: 0 - 90 yrs	

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

Class	Fair value (30/6/17) \$'000	Valuation technique/s	Unobservable inputs	Range of Inputs (incl. probable)	Relationship of unobservable inputs to Fair Value
I,PP&E (continued)					
Road Structure and Street Furniture	3,642	Cost Approach	Replacement Cost	Unit Rates: vary from asset to asset	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life: 18 - 90 yrs	
Recreational Facilities	68,316	Cost Approach	Replacement Cost	Unit Rates: vary from asset to asset	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life: 0 - 100 yrs	
Swimming Pools	20,279	Cost Approach	Replacement Cost	Unit Rates: vary from asset to asset	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life: 60 yrs	

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

Class	Fair value (30/6/17) \$'000	Valuation technique/s	Unobservable inputs	Range of Inputs (incl. probable)	Relationship of unobservable inputs to Fair Value
I,PP&E (continued)					
Buildings Non Specialised	47,685	Cost Approach	Replacement Cost	Unit Rates: vary from asset to asset	Increase/decrease in the unit rates by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life: 2 - 60yrs	
			Components	Components Superstructure Roof Floor Mechanical Fire	
Furniture and Fittings, Office Equipment and Plant and Equipment (e.g. Fleet and Small Plant)	7,388	Cost Approach	Replacement Cost	Cost vary from asset to asset	Increase/decrease in the cost of the asset by 10% will result in 10% increase/decrease in fair value
			Remaining Useful life	Remaining Useful Life: 0 - 10yrs	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Residual Value	Residual Value: 0-5%	
Operational Land	48,291	Market Value / Cost Approach	Total area (38,531m2) Total Value of land (\$48,292,000)	Unit Rates: (per square metre)	Increase/decrease in the price per square metre will result in changes in fair value

Note 27 Fair Value Measurement (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

Class	Fair value (30/6/17) \$'000	Valuation technique/s	Unobservable inputs	Range of Inputs (incl. probable)	Relationship of unobservable inputs to Fair Value
I,PP&E (continued)					
Library Books	2,841	Cost Approach	Replacement Cost	vary from asset to asset	Increase/decrease in the cost of the asset by 10% will result in 10% increase/decrease in fair value
			Asset Condition rating	Asset Condition: 1-5 (Excellent to Very poor)	Asset condition rating and pattern of consumption that impact the remaining useful life or residual value of the asset will also result in significant changes to fair value.
			Remaining Useful life	Remaining Useful Life: 0 - 10 yrs	
			Residual Value	Residual Value: 0% to 10%	

(5). Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

Note 28 Related party disclosures

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000

a. Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly. KMP defined for this disclosure are elected members, general manager, directors and some managers (based on their responsibility and financial delegations).

The aggregate amount of KMP compensation included in the Income Statement is:

	2017
Compensation:	
Short-term benefits	3,080
Other long-term benefits	39
Total	3,119

b. Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed. There are no other disclosures to be made by KMP.



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Ku-ring-gai Council

To the Councillors of the Ku-ring-gai Council

Opinion

I have audited the accompanying financial statements of Ku-ring-gai Council (the Council), which comprise the statement of financial position as at 30 June 2017, the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Councillors and Management.

In my opinion,

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been presented, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services. I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Other Matter

The financial statements of the Council for the year ended 30 June 2016 were audited by another auditor who expressed an unmodified opinion on that financial statement on 20 September 2016.

The Councillors' Responsibility for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf.

The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, Note 2(a) and Note 16 budget variation explanations
- on the attached Special Schedules
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in blue ink, appearing to read 'W. Liao', with a vertical line extending downwards from the end of the signature.

Weini Liao
Director, Financial Audit Services

12 October 2017
SYDNEY

Jennifer Anderson
Mayor
Ku-ring-gai Municipal Council
818 Pacific Highway
Gordon NSW 2072

Contact: Weini Liao
Phone no: 02 9275 7432
Our ref: D1725831/1748

12 October 2017

Dear Mayor

Report on the Conduct of the Audit for the year ended 30 June 2017 Ku-ring-gai Municipal Council

I have audited the general purpose financial statements of the Ku-ring-gai Municipal Council (the Council) for the year ended 30 June 2017 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's general purpose financial statements.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2017 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the general purpose financial statements issued under section 417(2) of the Act.

INCOME STATEMENT

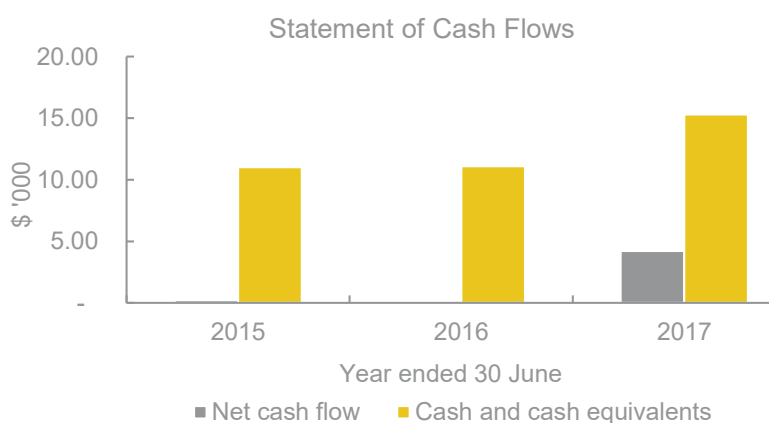
Operating result

	2017	2016	Variance
	\$m	\$m	%
Rates and annual charges revenue	80.4	78.5	2.4 ↑
Grants and contributions revenue	24.8	43.4	42.9 ↓
Operating result for the year	33.1	42.0	21.2 ↓
Net operating result before capital amounts	18.8	6.8	176.5 ↑

- The operating result from continuing activities declined by \$8.9 million or 21.2%. This was driven by a substantial reduction in s94 developer contributions for capital purposes which was down by \$20 million. This was offset by a one-off fair value increment adjustment of \$9.6 million relating to Council’s investment property.
- The net operating result before capital amounts increased by \$12 million or 1.76 times. This was primarily driven by the fair value adjustment noted above.
- Grants and contributions revenue declined by \$18.6 million or 42.9%. This was primarily driven by a reduction in s94 developer contributions as noted above. Revenue from grants alone increased by \$1.7 million i.e. from \$8.3 million in 2016 to \$10 million in 2017.
- Rates and annual charges revenue increased by \$1.9 million or 2.4%. The increase is attributable to an increase in rateable properties and the approved rate pegging increase of 1.8 per cent and increased domestic waste management charges.

STATEMENT OF CASH FLOWS

Net cash flows were significantly impacted by a reduction in s94 contributions (from \$33.4 million in FY15-16 to \$13.4 million in FY16-17) offset by lower outlays on infrastructure, property, plant & equipment (from \$32.3 million in FY15-16 to \$27 million in FY16-17) and a lower level of net investment in fixed income securities.



FINANCIAL POSITION

Cash and Investments

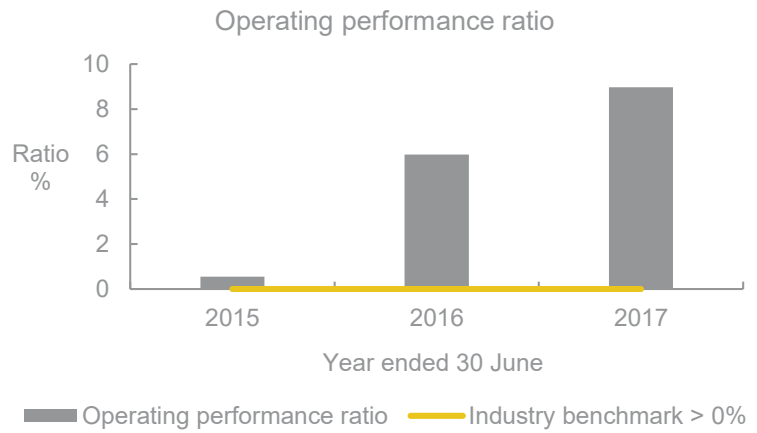
Restricted Cash and Investments	2017	2016	Commentary
	\$m	\$m	
External restrictions	112.7	98.8	Cash and investments have increased as a result of the Council’s operating surplus recorded in the financial year.
Internal restrictions	27.7	23.3	
Unrestricted	3.6	3.8	The increase in external restrictions largely reflects the receipt of S94 developer contributions exceeding the spending allocated to those contributions (representing a net increase of \$11.5 million in restrictions from 2016)
Cash and investments	144.1	125.9	

PERFORMANCE RATIOS

The definition of each ratio analysed below (except for the ‘building and infrastructure renewals ratio’) is included in Note 13 of the Council’s audited general purpose financial statements. The ‘building and infrastructure renewals ratio’ is defined in Council’s Special Schedule 7.

Operating performance ratio

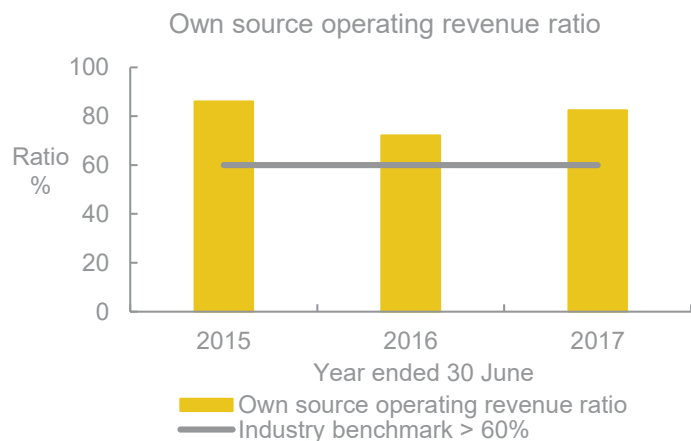
- Council's operating performance ratio of 8.97 per cent reflects a surplus in operating revenues over operating expenses and exceeds the OLG benchmark of greater than zero per cent.
- This was driven by increases in rates, operating grants and user charges in conjunction with relatively stable operating expenses.
- Council's operating performance ratio has increased over the last three years as increases in revenue outstrip costs.



The 'operating performances ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by the Office of Local Government (OLG) is greater than zero per cent.

Own source operating revenue ratio

- Council's own source operating revenue ratio of 82.42 per cent reflects a low level of reliance on externally sourced grant revenue and exceeds the OLG benchmark of greater than 60 per cent.
- The ratio has remained relatively stable above the benchmark of 60 per cent over the last 3 years.

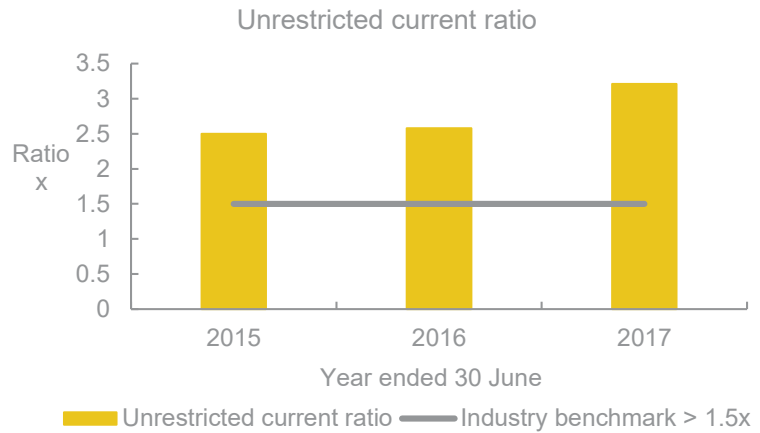


The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.

Unrestricted current ratio

- This ratio indicates that Council currently has \$3.21 of unrestricted assets available to service every \$1.00 of its unrestricted current liabilities, This reflects a sizable operating buffer for use in Council's operations and exceeds the OLG benchmark of greater than 1.5 times.
- This ratio reflects Council's historical operating surpluses and a build up of cash & other investment securities.
- The ratio has remained relatively stable above the benchmark of 1.5 times over the last three years.
- The unrestricted current ratio includes adjustments for assets held by Council, but restricted in use to a specific purpose.

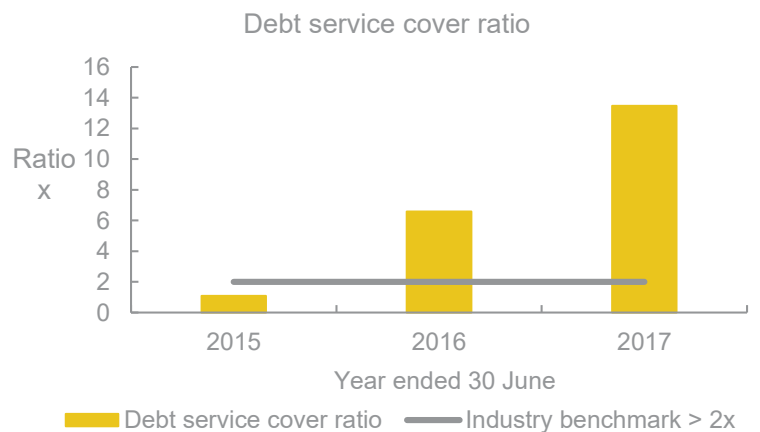
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

- Council's debt service cover ratio of 13.46 times reflects the continued repayments made on Council's existing debt facilities and exceeds the OLG benchmark of greater than two times.
- Council's debt service cover ratio has increased dramatically over the past three years as Council has made significant debt repayments and withheld from significant new borrowings.

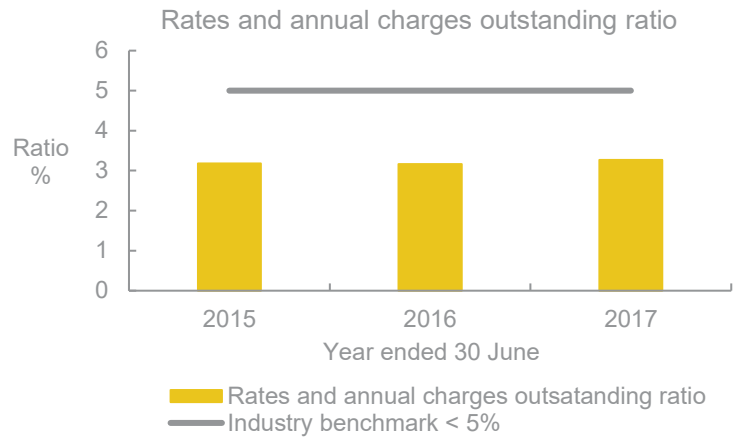
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding ratio

- Council's rates and annual charges outstanding ratio of 3.27 per cent exceeded the OLG benchmark of less than 5 per cent.
- This was driven by the strong economic environment in the local government area.
- The ratio has remained fairly consistent over the past three years.

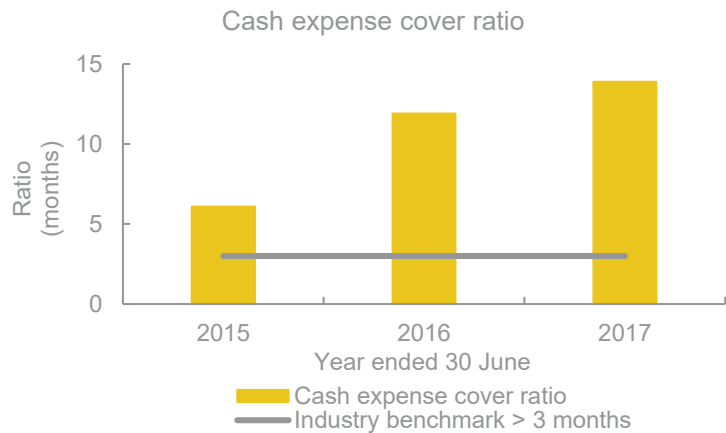
The 'rates and annual charges outstanding ratio' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 5 per cent for metro councils.



Cash expense cover ratio

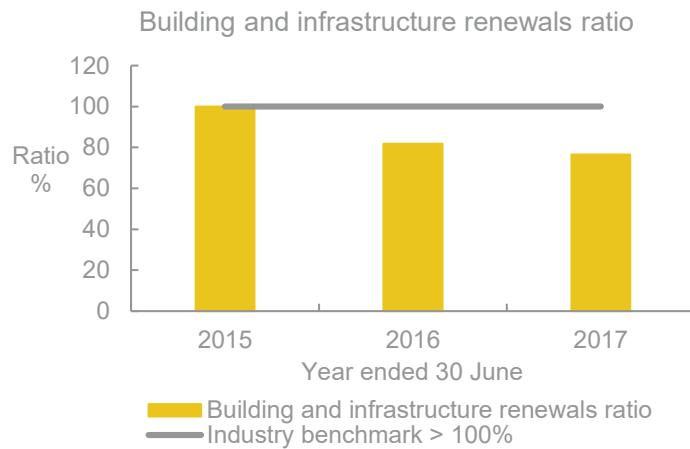
- Council's cash expense cover ratio of 13.8 months exceeded the OLG benchmark of greater than three months.
- This reflects the substantial building up of cash and investment securities made over a number of years.
- Council's cash expense cover ratio has increased over the past three years, reflecting ongoing operating surpluses.

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.



Building and infrastructure renewals ratio

- Council's building and infrastructure renewals ratio of 76.47 per cent failed to meet the OLG benchmark of greater than 100 per cent.
- This reflected a lack of capital investment in asset renewals in respect of stormwater drainage and recreational facilities assets.
- Council's building and infrastructure renewals ratio has declined since 2015 as a result of lower capital outlays.



The 'building and infrastructure renewals ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating. The benchmark set by OLG is greater than 100 per cent.

This ratio is sourced from information contained in council's Special Schedule 7 which has not been audited.

OTHER MATTERS

New accounting standards implemented

AASB 124 'Related Party Disclosures'

Effective for annual reporting periods beginning on or 1 July 2016

AASB 2015-6 extended the scope of AASB 124 to include not-for-profit public sector entities. As a result, Council's financial statements disclosed the:

- compensation paid to their key management personnel
- nature of their related party relationships
- amount and nature of their related party transactions, outstanding balances and commitments and outstanding balances (including commitments).

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial reports. The Council's:

- accounting records were maintained in a manner and form to allow the general purpose financial statements to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Weini Liao
Director, Financial Audit Services

12 October 2017
SYDNEY

cc: John Mckee, General Manager
John Gordon, Chair of Audit and Risk Committee
Tim Hurst, Acting Chief Executive of the Office of Local Government

Special purpose financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

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Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- (ii) The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- (iii) For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities). and **(c)** those activities with a turnover of less than \$2 million that Council has formally declared as a Business Activity (defined as Category 2 activities).

- (iv) In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Statement by Councillors and Management

MADE PURSUANT TO THE LOCAL GOVERNMENT CODE OF ACCOUNTING PRACTICE AND FINANCIAL REPORTING
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

The attached Special Purpose Financial Statements have been prepared in accordance with:

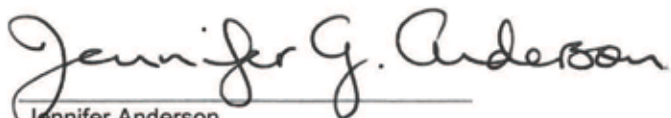
- the NSW Government Policy Statement 'Application of National Competition Policy to Local Government',
- the Division of Local Government Guidelines 'Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

To the best of our knowledge and belief, these financial statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

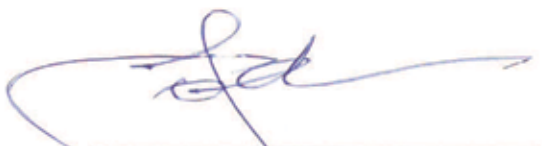
Signed in accordance with a resolution of Council made on 10 October 2017.



Jennifer Anderson
Mayor



Callum Clarke
Deputy Mayor



John McKee
General manager



Angela Apostol
Responsible accounting officer

Income Statement of Council's Other Business Activities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Thomas Carlyle Children Centre		Art Centre	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
Income from continuing operations				
User charges	1,141	1,111	496	516
Grants and contributions provided for non-capital purposes	373	385	–	–
Total income from continuing operations	1,514	1,496	496	516
Expenses from continuing operations				
Employee benefits and on-costs	952	1,047	587	554
Materials and contracts	235	127	65	81
Depreciation, amortisation and impairment	18	18	25	25
Other expenses	78	84	36	46
Total expenses from continuing operations	1,283	1,276	713	706
Surplus (deficit) from continuing operations before capital amounts	231	220	(217)	(190)
Grants and contributions provided for capital purposes	–	–	–	–
Surplus (deficit) from continuing operations after capital amounts	231	220	(217)	(190)
Less: corporate taxation equivalent (30%) [based on result before capital]	(69)	(66)	–	–
SURPLUS (DEFICIT) AFTER TAX	162	154	(217)	(190)
Plus opening retained profits	968	820	4,006	4,196
Plus adjustments for amounts unpaid:				
– Corporate taxation equivalent	69	66	–	–
Add:				
– Subsidy paid/contribution to operations	–	–	543	–
Less:				
– Dividend paid	(266)	(72)	–	–
Closing retained profits	933	968	4,332	4,006
Return on capital %	22.3%	22.5%	-4.8%	-4.6%
Subsidy from Council	–	–	324	279

Income Statement of Council's Other Business Activities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Trade Waste		Gordon Golf Course	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
Income from continuing operations				
User charges	1,774	1,779	377	451
Other income	92	87	128	107
Total income from continuing operations	1,866	1,866	505	558
Expenses from continuing operations				
Employee benefits and on-costs	81	43	492	375
Materials and contracts	1,225	1,203	249	286
Depreciation, amortisation and impairment	–	–	118	118
Other expenses	6	3	327	371
Total expenses from continuing operations	1,312	1,249	1,186	1,150
Surplus (deficit) from continuing operations before capital amounts	554	617	(681)	(592)
Less: corporate taxation equivalent (30%) [based on result before capital]	(166)	(185)	–	–
SURPLUS (DEFICIT) AFTER TAX	388	432	(681)	(592)
Plus opening retained profits	(230)	(335)	8,225	6,073
Plus adjustments for amounts unpaid:				
– Corporate taxation equivalent	166	185	–	–
Add:				
– Subsidy paid/contribution to operations	–	–	698	2,744
Less:				
– Dividend paid	(477)	(512)	–	–
Closing retained profits	(153)	(230)	8,242	8,225
Return on capital %	n/a	n/a	-9.0%	-7.7%
Subsidy from Council	–	–	861	758

Income Statement of Council's Other Business Activities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Turramurra Golf Course		Tennis Courts	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
\$ '000				
Income from continuing operations				
User charges	781	688	307	322
Other income	29	20	–	–
Total income from continuing operations	810	708	307	322
Expenses from continuing operations				
Employee benefits and on-costs	451	344	3	2
Materials and contracts	266	418	19	18
Depreciation, amortisation and impairment	380	233	580	612
Other expenses	237	223	29	26
Total expenses from continuing operations	1,334	1,218	631	658
Surplus (deficit) from continuing operations before capital amounts	(524)	(510)	(324)	(336)
SURPLUS (DEFICIT) AFTER TAX	(524)	(510)	(324)	(336)
Plus opening retained profits	18,013	17,668	4,404	5,381
Add:				
– Subsidy paid/contribution to operations	258	855	45	–
Less:				
– Dividend paid	–	–	–	(641)
Closing retained profits	17,747	18,013	4,125	4,404
Return on capital %	-2.9%	-2.8%	-7.8%	-7.6%
Subsidy from Council	950	903	422	432

Income Statement of Council's Other Business Activities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Swimming Pool		Nursery	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
Income from continuing operations				
User charges	4,750	4,197	20	41
Other income	–	–	14	4
Total income from continuing operations	4,750	4,197	34	45
Expenses from continuing operations				
Employee benefits and on-costs	–	–	83	142
Materials and contracts	3,734	3,700	20	12
Depreciation, amortisation and impairment	392	374	10	11
Other expenses	612	395	49	42
Total expenses from continuing operations	4,738	4,469	162	207
Surplus (deficit) from continuing operations before capital amounts	12	(272)	(128)	(162)
Less: corporate taxation equivalent (30%) [based on result before capital]	(4)	–	–	–
SURPLUS (DEFICIT) AFTER TAX	8	(272)	(128)	(162)
Plus opening retained profits	20,635	19,755	32	69
Add:				
– Subsidy paid/contribution to operations	–	1,152	95	125
Less:				
– Dividend paid	(497)	–	–	–
Closing retained profits	20,150	20,635	(1)	32
Return on capital %	0.1%	-1.3%	-474.1%	-522.6%
Subsidy from Council	471	720	129	163

Income Statement of Council's Other Business Activities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

Commercial
Leasing

\$ '000	Actual 2017	Actual 2016
Income from continuing operations		
User charges	2,062	1,855
Other income	323	208
Total income from continuing operations	2,385	2,063
Expenses from continuing operations		
Employee benefits and on-costs	222	198
Materials and contracts	615	636
Depreciation, amortisation and impairment	28	456
Other expenses	315	323
Total expenses from continuing operations	1,180	1,613
Surplus (deficit) from continuing operations before capital amounts	1,205	450
Less: corporate taxation equivalent (30%) [based on result before capital]	(362)	(135)
SURPLUS (DEFICIT) AFTER TAX	844	315
Plus opening retained profits	22,081	21,392
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	362	135
Add:		
– Subsidy paid/contribution to operations	14,854	239
Closing retained profits	38,140	22,081
Return on capital %	3.2%	2.0%
Subsidy from Council	–	28

Statement of Financial Position - Council's Other Business Activities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Thomas Carlyle Children Centre		Art Centre	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
ASSETS				
Current assets				
Cash and cash equivalents	–	–	–	–
Investments	–	–	–	–
Receivables	5	25	–	–
Inventories	–	–	–	–
Other	–	–	–	–
Non-current assets classified as held for sale	–	–	–	–
Total Current Assets	5	25	–	–
Non-current assets				
Investments	–	–	–	–
Receivables	–	–	–	–
Inventories	–	–	–	–
Infrastructure, property, plant and equipment	1,038	977	4,504	4,122
Investments accounted for using equity method	–	–	–	–
Investment property	–	–	–	–
Intangible assets	–	–	–	–
Total non-current assets	1,038	977	4,504	4,122
TOTAL ASSETS	1,043	1,002	4,504	4,122
LIABILITIES				
Current liabilities				
Bank overdraft	–	–	–	–
Payables	38	34	132	116
Income received in advance	–	–	–	–
Borrowings	–	–	–	–
Provisions	72	–	40	–
Total current liabilities	110	34	172	116
Non-current liabilities				
Payables	–	–	–	–
Borrowings	–	–	–	–
Provisions	–	–	–	–
Other Liabilities	–	–	–	–
Total non-current liabilities	–	–	–	–
TOTAL LIABILITIES	110	34	172	116
NET ASSETS	933	968	4,332	4,006
EQUITY				
Retained earnings	933	968	4,332	4,006
Revaluation reserves	–	–	–	–
TOTAL EQUITY	933	968	4,332	4,006

Statement of Financial Position - Council's Other Business Activities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Trade Waste		Gordon Golf Course	
\$ '000	Actual 2017	Actual 2016	Actual 2017	Actual 2016
ASSETS				
Current assets				
Cash and cash equivalents	–	–	–	–
Investments	–	–	–	–
Receivables	–	–	745	557
Inventories	–	–	–	–
Other	–	–	–	–
Non-current assets classified as held for sale	–	–	–	–
Total Current Assets	–	–	745	557
Non-current assets				
Investments	–	–	–	–
Receivables	–	–	–	–
Inventories	–	–	–	–
Infrastructure, property, plant and equipment	–	–	7,570	7,670
Investments accounted for using equity method	–	–	–	–
Investment property	–	–	–	–
Intangible assets	–	–	–	–
Total non-current assets	–	–	7,570	7,670
TOTAL ASSETS	–	–	8,315	8,227
LIABILITIES				
Current liabilities				
Bank overdraft	–	–	–	–
Payables	121	120	3	2
Income received in advance	–	–	–	–
Borrowings	–	–	–	–
Provisions	32	110	70	–
Total current liabilities	153	230	73	2
Non-current liabilities				
Payables	–	–	–	–
Borrowings	–	–	–	–
Provisions	–	–	–	–
Other Liabilities	–	–	–	–
Total non-current liabilities	–	–	–	–
TOTAL LIABILITIES	153	230	73	2
NET ASSETS	(153)	(230)	8,242	8,225
EQUITY				
Retained earnings	(153)	(230)	8,242	8,225
Revaluation reserves	–	–	–	–
TOTAL EQUITY	(153)	(230)	8,242	8,225

Statement of Financial Position - Council's Other Business Activities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Turramurra Golf Course		Tennis Courts	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
ASSETS				
Current assets				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	-	-	-	-
Non-current assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	17,880	18,113	4,138	4,407
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Intangible assets	-	-	-	-
Total non-current assets	17,880	18,113	4,138	4,407
TOTAL ASSETS	17,880	18,113	4,138	4,407
LIABILITIES				
Current liabilities				
Bank overdraft	-	-	-	-
Payables	9	-	13	3
Income received in advance	-	-	-	-
Borrowings	-	-	-	-
Provisions	124	100	-	-
Total current liabilities	133	100	13	3
Non-current liabilities				
Payables	-	-	-	-
Borrowings	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
Total non-current liabilities	-	-	-	-
TOTAL LIABILITIES	133	100	13	3
NET ASSETS	17,747	18,013	4,125	4,404
EQUITY				
Retained earnings	17,747	18,013	4,125	4,404
Revaluation reserves	-	-	-	-
TOTAL EQUITY	17,747	18,013	4,125	4,404

Statement of Financial Position - Council's Other Business Activities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Swimming Pool		Nursery	
	Actual 2017	Actual 2016	Actual 2017	Actual 2016
ASSETS				
Current assets				
Cash and cash equivalents	–	–	–	–
Investments	–	–	–	–
Receivables	398	–	–	1
Inventories	–	–	–	–
Other	–	–	–	–
Non-current assets classified as held for sale	–	–	–	–
Total Current Assets	398	–	–	1
Non-current assets				
Investments	–	–	–	–
Receivables	–	–	–	–
Inventories	–	–	–	–
Infrastructure, property, plant and equipment	20,311	20,651	27	31
Investments accounted for using equity method	–	–	–	–
Investment property	–	–	–	–
Intangible assets	–	–	–	–
Total non-current assets	20,311	20,651	27	31
TOTAL ASSETS	20,709	20,651	27	32
LIABILITIES				
Current liabilities				
Bank overdraft	–	–	–	–
Payables	559	16	–	–
Income received in advance	–	–	–	–
Borrowings	–	–	–	–
Provisions	–	–	28	–
Total current liabilities	559	16	28	–
Non-current liabilities				
Payables	–	–	–	–
Borrowings	–	–	–	–
Provisions	–	–	–	–
Other Liabilities	–	–	–	–
Total non-current liabilities	–	–	–	–
TOTAL LIABILITIES	559	16	28	–
NET ASSETS	20,150	20,635	(1)	32
EQUITY				
Retained earnings	20,150	20,635	(1)	32
Revaluation reserves	–	–	–	–
TOTAL EQUITY	20,150	20,635	(1)	32

Statement of Financial Position - Council's Other Business Activities

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Commercial Leasing	
	Actual 2017	Actual 2016
ASSETS		
Current assets		
Cash and cash equivalents	–	–
Investments	–	–
Receivables	–	37
Inventories	–	–
Other	–	–
Non-current assets classified as held for sale	–	–
Total Current Assets	–	37
Non-current assets		
Investments	–	–
Receivables	–	–
Inventories	–	–
Infrastructure, property, plant and equipment	1,470	22,046
Investments accounted for using equity method	–	–
Investment property	36,720	–
Intangible assets	–	–
Total non-current assets	38,190	22,046
TOTAL ASSETS	38,190	22,083
LIABILITIES		
Current liabilities		
Bank overdraft	–	–
Payables	3	2
Income received in advance	–	–
Borrowings	–	–
Provisions	47	–
Total current liabilities	50	2
Non-current liabilities		
Payables	–	–
Borrowings	–	–
Provisions	–	–
Other Liabilities	–	–
Total non-current liabilities	–	–
TOTAL LIABILITIES	50	2
NET ASSETS	38,140	22,081
EQUITY		
Retained earnings	38,140	22,081
Revaluation reserves	–	–
TOTAL EQUITY	38,140	22,081

Special purpose financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

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Note 1 Significant Accounting Policies

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Office of Local Government.

For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements, unless otherwise stated have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and
- Australian Accounting Interpretations.

The disclosures in the Special Purpose Financial Statements have been prepared in accordance with:

- the Local Government Act 1993 (NSW),
- the Local Government (General) Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purpose of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 government policy statement, "Application of National Competition Policy to Local Government".

The "Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality", issued by the Office of Local Government in July 1997, has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Swimming Pool

Comprising the whole of the operations and assets of Councils Swimming Pool

b. Commercial Leasing

Comprising the whole of the operations and assets of Commercial Leasing.

Category 2

(where gross operating turnover is less than \$2 million)

a. Thomas Carlyle Children Centre

Comprising the whole of the operations and assets of Thomas Carlyle Children Centre.

b. Art Centre

Comprising the whole of the operations and assets of the Art Centre.

c. Trade Waste

Comprising the whole of the operations and assets of Trade Waste.

d. Gordon Golf Course

Comprising the whole of the operations and assets of the Gordon Golf Course.

e. Turrumurra Golf Course

Comprising the whole of the operations and assets of Turrumurra Golf Course.

Note 1 (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

f. Tennis Courts

Comprising the whole of the operations and assets of Council's Tennis Courts.

g. Plant Nursery

Comprising the whole of the operations and assets of Council's Plant Nursery.

Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars.

(i) Taxation-equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain or loss from ordinary activities before capital amounts), as would be applied by a private sector competitor - that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since this taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations, it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The 30% rate applied is the equivalent company tax rate prevalent as at balance date.

Loan and debt guarantee fees

There are no loan applicable to the business activities in the operating statement.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(iii) Return on investments (rate of return)

The policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The rate of return on capital is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 2.38% at 30/6/17.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.



INDEPENDENT AUDITOR'S REPORT
Report on the special purpose financial statement
Ku-ring-gai Council

To the Councillors of the Ku-ring-gai Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Ku-ring-gai Council's (the Council) Declared Business Activities, which comprise the statement of financial position of each Declared Business Activity as at 30 June 2017, the income statement of each Declared Business Activity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information for the Business Activities declared by Council, and the Statement by Councillors and Management.

The Declared Business Activities of the Council are:

- Thomas Carlyle Children Centre
- Art Centre
- Trade Waste
- Gordon Golf Course
- Turramurra Golf Course
- Tennis Courts
- Swimming Pool
- Nursery
- Commercial Leasing

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2017, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting (LG Code).

My opinion should be read in conjunction with the rest of this report and in particular, the Emphasis of Matter referring to the basis of accounting.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report. I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Matter

The financial statements of the Council for the year ended 30 June 2017 were audited by another auditor who expressed an unmodified opinion on that financial statement on 20 September 2016.

The Councillors' Responsibility for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in Note 1 to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting, as it affects the Council's Declared Business Activities.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the best practice management disclosures in Notes 2 and 3 of the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Weini Liao
Director, Financial Audit Services

12 October 2017
SYDNEY

Special Schedules¹

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

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¹ Special Schedules are not audited (with the exception of Special Schedule 8).

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Special Schedule No. 1 - Net Cost of Services

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	264	6	-	(258)
Administration	27,977	47,538	14,104	33,665
Public order and safety				
Fire service levy, fire protection, emergency services	2,914	79	-	(2,835)
Enforcement of local government regulations	1,402	302	-	(1,100)
Animal control	226	89	-	(137)
Total public order and safety	4,542	470	-	(4,072)
Health	419	172	-	(247)
Environment				
Other environmental protection	1,312	1,774	-	462
Solid waste management	16,250	21,141	-	4,891
Street cleaning	1,566	-	-	(1,566)
Drainage	2,674	28	-	(2,646)
Stormwater management	3,452	130	-	(3,322)
Total environment	25,254	23,073	-	(2,181)
Community services and education				
Administration and education	3,366	4,600	-	1,234
Aged persons and disabled	336	224	-	(112)
Children's services	3,565	3,898	20	353
Total community services and education	7,267	8,722	20	1,475
Housing and community amenities				
Street lighting	2,074	287	-	(1,787)
Town planning	1,814	476	-	(1,338)
Other community amenities	186	394	-	208
Total housing and community amenities	4,074	1,157	-	(2,917)

Special Schedule No. 1 - Net Cost of Services (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	4,268	345	77	(3,846)
Art galleries	711	496	–	(215)
Community centres and halls	1,942	937	–	(1,005)
Other cultural services	443	51	–	(392)
Sporting grounds and venues	5,967	511	2	(5,454)
Swimming pools	4,738	4,750	–	12
Parks and gardens (lakes)	8,188	595	95	(7,498)
Other sport and recreation	256	–	–	(256)
Total recreation and culture	26,513	7,685	174	(18,654)
Mining, manufacturing and construction				
Building control	6,185	2,946	–	(3,239)
Total mining, manufacturing and const.	6,185	2,946	–	(3,239)
Transport and communication				
Urban roads (UR) – local	12,829	3,398	–	(9,431)
Parking areas	731	2,107	–	1,376
Footpaths	1,437	62	18	(1,357)
Total transport and communication	14,997	5,567	18	(9,412)
Economic affairs				
Other economic affairs	180	211	–	31
Total economic affairs	180	211	–	31
Totals – functions	117,672	97,547	14,316	(5,809)
General purpose revenues ⁽¹⁾		38,948		38,948
NET OPERATING RESULT ⁽²⁾	117,672	136,495	14,316	33,139

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges

(2) As reported in the Income Statement

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$'000

Classification of debt	Principal outstanding at beginning of the year		New loans raised during the year	Debt redemption during the year		Transfers to sinking funds	Interest applicable for year	Principal outstanding at the end of the year	
	Current	Non-current		From revenue	Sinking funds			Current	Non-current
Loans (by source)									
Commonwealth Government	-	-	-	-	-	-	-	-	-
NSW Treasury Corporation	-	-	-	-	-	-	-	-	-
Other State Government	-	-	-	-	-	-	-	-	-
Public subscription	-	-	-	-	-	-	-	-	-
Financial institutions	1,584	22,344	587	1,584	-	-	781	1,180	21,751
Other	-	-	-	-	-	-	-	-	-
Total loans	1,584	22,344	587	1,584	-	-	781	1,180	21,751
Other long term debt									
Ratepayers advances	-	-	-	-	-	-	-	-	-
Government advances	-	-	-	-	-	-	-	-	-
Finance leases	-	-	-	-	-	-	-	-	-
Deferred payments	-	-	-	-	-	-	-	-	-
Total long term debt	-	-	-	-	-	-	-	-	-
Total debt	1,584	22,344	587	1,584	-	-	781	1,180	21,751
									22,931

Special Schedule No. 2(a)

Special Schedule No. 7 - Report on Infrastructure Assets

AS AT 30 JUNE 2017

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost					
								1	2	3	4	5	
Buildings	All Council Buildings	1,853	7,460	2,600	2,101	60,513	124,339	12%	12%	70%	5%	1%	
	Sub-total	1,853	7,460	2,600	2,101	60,513	124,339	12.0%	12.0%	70.0%	5.0%	1.0%	
Other structures	Other structures	385	1,509	200	50	7,965	13,572	19%	32%	38%	9%	2%	
	Sub-total	385	1,509	200	50	7,965	13,572	19.0%	32.0%	38.0%	9.0%	2.0%	
Roads	Roads	22,240	53,652	2,200	1,073	179,467	334,887	0%	37%	36%	17%	10%	
	Bridges	49	155	100	-	6,225	11,419	0%	52%	46%	1%	0%	
	Footpaths	665	2,930	900	803	31,365	46,951	37%	21%	36%	5%	1%	
	Kerb and Gutter	145	826	700	219	67,435	132,583	3%	8%	88%	1%	0%	
	Road Furniture	50	221	200	716	7,561	10,523	37%	32%	28%	2%	0%	
	Bulk earthworks	-	-	-	-	59,727	59,727	100%					0%
	Sub-total	23,149	57,784	4,100	2,811	351,780	596,090	14%	26%	44%	10%	6%	

Special Schedule No. 7 - Report on Infrastructure Assets (continued)

AS AT 30 JUNE 2017

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council ^b	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Drainage	Pits & Pipes	771	3,320	1,200	597	160,682	237,113	12%	70%	17%	1%	0%
	Sub-total	771	3,320	1,200	597	160,682	237,113	12.0%	70.0%	17.0%	1.0%	0.0%
Open space/recreational assets	Swimming pools	571	3,262	400	-	20,279	25,094	0%	83%	4%	13%	0%
	Recreational Assets	836	3,975	1,700	5,013	68,316	115,279	43%	28%	25%	3%	0%
	Sub-total	1,407	7,237	2,100	5,013	88,595	140,373	36%	38%	21%	5%	0%
	TOTAL – ALL ASSETS	27,565	77,310	10,200	10,572	669,535	1,111,487	16.3%	35.3%	38.2%	7.0%	3.3%

Notes:

a Required maintenance is the amount identified in Council's asset management plans.

b Estimated cost to bring to the agreed level of service is the amount of money that is required to be spent on an asset that is currently not at the condition determined by the community. Council has undertaken consultation with their community and has agreed to a condition level for Council's assets.

Infrastructure asset condition assessment 'key'

1	Excellent	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Average	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Special Schedule No. 7 - Report on Infrastructure Assets (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

\$ '000	Amounts	Indicator	Prior periods		
	2017	2017	Benchmark	2016	2015
Infrastructure asset performance indicators * consolidated					
1. Infrastructure renewals ratio					
Asset renewals ⁽¹⁾	13,491	76.47%	>= 100%	81.89%	100.01%
Depreciation, amortisation and impairment	17,642				
2. Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	27,565	4.50%	< 2%	5.58%	4.36%
Net carrying amount of infrastructure assets	612,565				
3. Asset maintenance ratio					
Actual asset maintenance	10,572	1.04	> 1.00	1.07	1.01
Required asset maintenance	10,200				

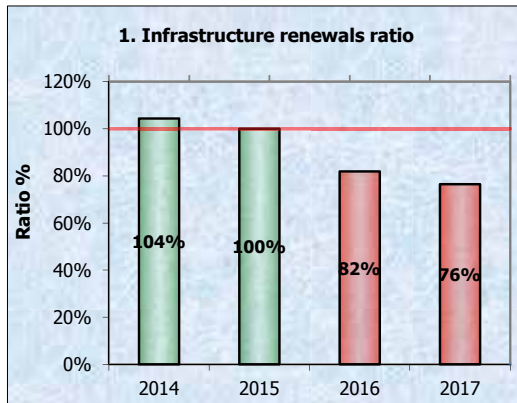
Notes

* All asset performance indicators are calculated using the asset classes identified in the previous table.

⁽¹⁾ Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Special Schedule No. 7 - Report on Infrastructure Assets (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017



Benchmark: ——— Minimum $\geq 100.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #25

Purpose of asset renewals ratio

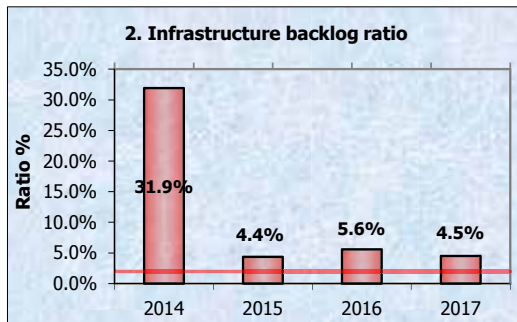
To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on 2016/17 result

2016/17 Ratio 76.47%

A ratio of 76% indicates that the amount spent on renewing infrastructure assets is lower than the amount of depreciation on those assets. While Council's long term financial plan provides for infrastructure renewal to meet the benchmark of 100% in all years, in 2016/17 there were delays in obtaining funding for planned asset renewal that will be caught up in future years. Council will continue to focus on appropriate asset standards for renewal and maintenance of its assets and prioritise renewal capital works programs.

Ratio achieves benchmark
Ratio is outside benchmark



Benchmark: ——— Maximum $< 2.00\%$
Source for benchmark: Code of Accounting Practice and Financial Reporting #25

Purpose of infrastructure backlog ratio

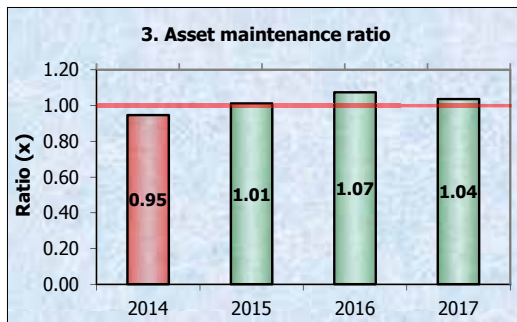
This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on 2016/17 result

2016/17 Ratio 4.50%

Council achieved a backlog ratio of 4.5% at the end of 2016/17 financial year, which is an improvement from the last financial year. The ratio indicates that Council still has an infrastructure backlog. Council is continuing to focus on appropriate asset standards for renewal and maintenance of its assets.

Ratio achieves benchmark
Ratio is outside benchmark



Benchmark: ——— Minimum > 1.00
Source for benchmark: Code of Accounting Practice and Financial Reporting #25

Purpose of asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on 2016/17 result

2016/17 Ratio 1.04 x

A ratio of above 1.04x indicates that the Council is investing enough funds within the year to ensure assets reach their useful lives. The benchmark is greater than 1.0x. Council is committed to increase expenditure on asset maintenance in future to maintain its infrastructure assets in satisfactory condition in the long term.

Ratio achieves benchmark
Ratio is outside benchmark

Special Schedule No. 8 - Permissible Income Calculation

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

\$'000		Calculation 2016/17	Calculation 2017/18
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	58,973	60,358
Plus or minus adjustments ⁽²⁾	b	325	405
Notional general income	c = (a + b)	59,298	60,763
Permissible income calculation			
Special variation percentage ⁽³⁾	d	0.00%	0.00%
Or rate peg percentage	e	1.80%	1.50%
Or crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
Less expiring special variation amount	g	-	-
Plus special variation amount	h = d x (c - g)	-	-
Or plus rate peg amount	i = c x e	1,067	911
Or plus Crown land adjustment and rate peg amount	j = c x f	-	-
Sub-total	k = (c + g + h + i + j)	60,365	61,674
Plus (or minus) last year's carry forward total	l	1	0
Less valuation objections claimed in the previous year	m	(18)	(10)
Sub-total	n = (l + m)	(17)	(10)
Total permissible income	o = k + n	60,348	61,665
Less notional general income yield	p	60,358	61,665
Catch-up or (excess) result	q = o - p	(10)	(0)
Plus income lost due to valuation objections claimed ⁽⁴⁾	r	10	-
Less unused catch-up ⁽⁵⁾	s	(2)	-
Carry forward to next year	t = q + r - s	0	(0)

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 8 in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule No. 8

Ku-ring-gai Council

To the Councillors of Ku-ring-gai Council

Opinion

I have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 8) of Ku-ring-gai Council (the Council) for the year ending 30 June 2018.

In my opinion, Special Schedule No. 8 of Ku-ring-gai Council for 30 June 2018 is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting (LG Code) issued by the Office of Local Government (OLG), and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report, and in particular the Emphasis of Matter paragraph, which describes the basis of accounting.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of Special Schedule No.8' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the notes and explanations in Special Schedule No. 8 that instruct councils in its preparation so it complies with OLG's requirements as described in the LG Code. As a result, Special Schedule No. 8 may not be suitable for another purpose.

Other Matter

Special Schedule No.8 of the Council for the year ended 30 June 2017 was audited by another auditor who expressed an unmodified opinion on Special Schedule No. 8 on 20 September 2016.

Councillors' Responsibility for Special Schedule No. 8

The Councillors of the Council are responsible for the preparation of Special Schedule No. 8 in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of Special Schedule No. 8 that is free from material misstatement, whether due to fraud or error.

In preparing Special Schedule No.8, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of Special Schedule No. 8

My objectives are to:

- obtain reasonable assurance whether Special Schedule No. 8 as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on Special Schedule No.8.

A description of my responsibilities for the audit of Special Schedule No.8 is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

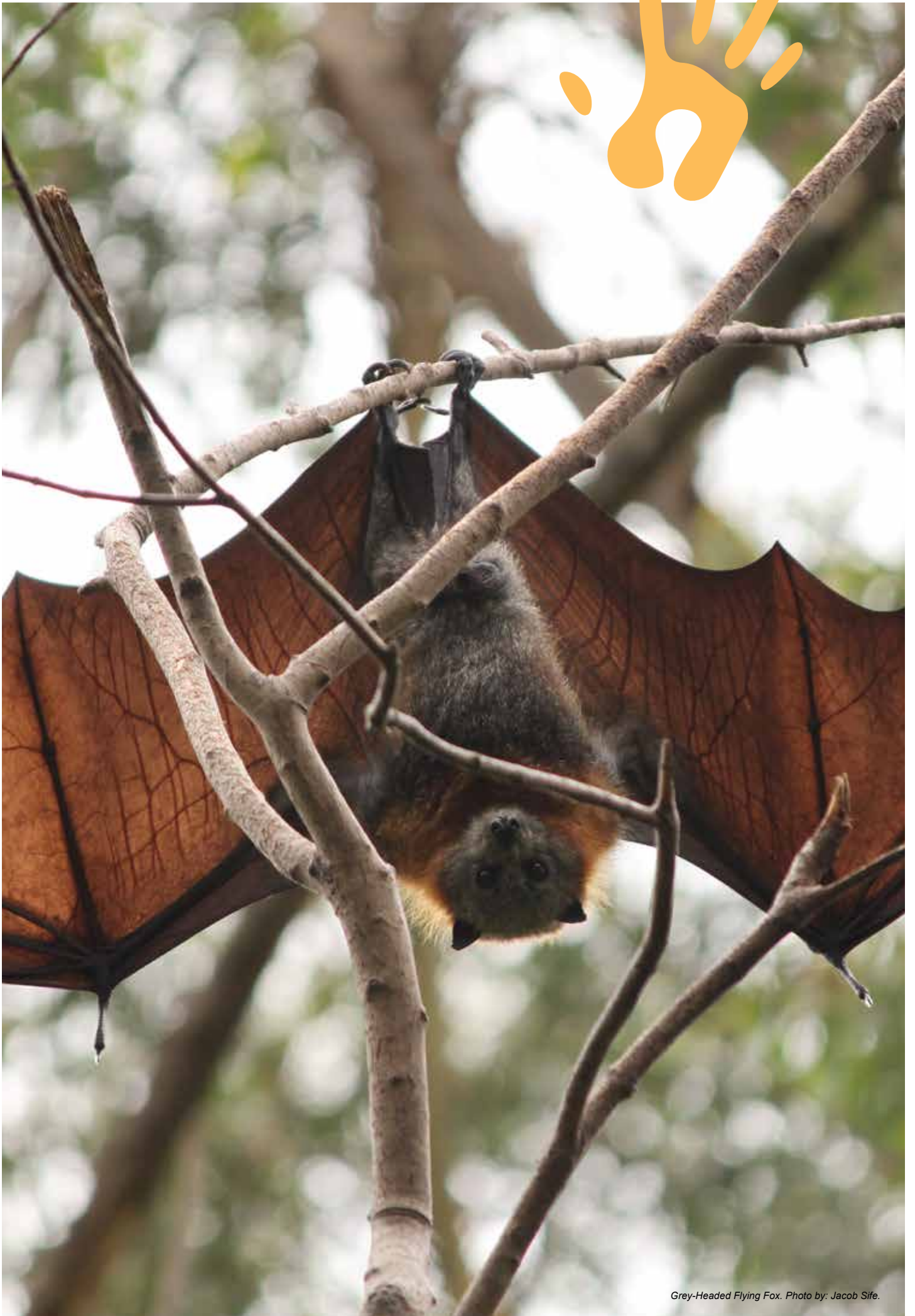
My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Special Schedule No.8 on any website where they may be presented
- about any other information which may have been hyperlinked to/from Special Schedule No 8.



Weini Liao
Director, Financial Audit Services

12 October 2017
SYDNEY



Grey-Headed Flying Fox. Photo by: Jacob Sife.

Local Government Reporting

LOCAL GOVERNMENT ACT, 1993

Under Section 428 of the *Local Government Act, 1993* Council must prepare an Annual Report within five months of the end of the financial year. The Annual Report is a report to the community and must outline Council's achievements in implementing its four year Delivery Program and annual Operating Plan. The Annual Report must also contain Council's audited financial statements and notes and any information required by regulation or guidelines.

► Section 406 – Integrated Planning and Reporting Guidelines

The Annual Report has been prepared in accordance with the requirements of the NSW Division of Local Government's Integrated Planning and Reporting Guidelines for Local Government in NSW 2010 (revised 2013).

► Section 428(2) - End-of-Term Report

The Annual Report in the year in which an ordinary election of councillors is held must also include an End of Term Report on Council's achievements in implementing the Community Strategic Plan over the previous four years.

The End of Term Report is one of the key accountability mechanisms between Council and the community and has been prepared in accordance with Section 428(2) of the *Local Government Act, 1993* and the Office of Local Government's Integrated Planning and Reporting Guidelines. The Report focuses on the effectiveness of the Community Strategic Plan 2030 in progressing Ku-ring-gai's long term social, environmental, economic and civic leadership objectives over the four year period 2013-2017. Council's performance is assessed against progress of the long term objectives contained in the Community Strategic Plan, the completion of Council's four year Term Achievements contained in its Delivery Program and the achievement of specified performance indicators. The report includes discussion on key issues and challenges affecting the Ku-ring-gai area over the past four years and how they have been addressed.

Details of Council's performance can be found in the End of Term Report, included as Part 2 of this Annual Report.

► Section 428A(4) - State of the Environment Report

The Annual Report in the year in which an ordinary election of councillors is held must also include a State of the Environment Report on environmental issues relevant to progress of the long term environmental objectives for Ku-ring-gai, as established by the Community Strategic Plan.

The State of the Environment Report has been prepared in accordance with Section 428A of the *Local Government Act, 1993* and the Office of Local Government's Integrated Planning and Reporting Guidelines. The Report focuses on trends relevant to the community's established environmental indicators for each long term environmental objective and assesses environmental impacts (being events and activities), challenges and achievements that have had a major impact on the environmental objectives.

Details of environmental issues, challenges and achievements can be found in the State of the Environment Report, included as Part 3 of this Annual Report.

► Section 428(4)(a) – Financial Statements

Ku-ring-gai Council's audited Financial Statements for the 2016/17 financial year are presented on pages 135-254 (see General Purpose Financial Statement and Special Purpose Financial Statements).

LOCAL GOVERNMENT (GENERAL) REGULATION, 2005

Clause 217 of the Local Government (General) Regulation requires the following information to be included in the Annual Report:

► CI 217 (1)(a) - Details of overseas visits by councillors and council staff

This must include the purpose of overseas visits undertaken during the year by councillors, council staff or other persons while representing the council (including visits sponsored by other organisations)

- Nil

► CI 217 (1)(a1) - Details of mayoral and councillor fees, expenses and facilities

This must include the total cost during the year of the payment of the expenses of, and the provision of facilities to, councillors in relation to their civic functions (as paid by the council, reimbursed to the councillor or reconciled with the councillor), including separate details on the total cost of each of the following:

- (i) Provision of dedicated office equipment allocated to councillors - \$1,861.48

This includes equipment allocated to councillors on a personal basis, such as laptop computers, mobile telephones and landline telephones and facsimile machines installed in councillors' homes (including equipment and line rental costs and internet access costs but not including call costs).

- (ii) Communication costs (including telephone calls) – \$18,032.61
- (iii) Attendance of councillors at conferences and seminars – \$15,209.54 (including accommodation, conference registration, transport and meals)
- (iv) Training of councillors and provision of skill development – Nil
- (v) Interstate visits by councillors, including transport, accommodation and other out of pocket travelling expenses – Nil
- (vi) Overseas visits by councillors, including transport, accommodation and other out of pocket travelling expenses – Nil
- (vii) Expenses of any spouse, partner or other person who accompanied a councillor – \$1,179.64 spouse expenses
- (viii) Expenses involved in the provision of care for a child or an immediate family member of a councillor – \$868.25

Ku-ring-gai Council has in place a Councillors' Expense Policy that governs the expenses paid and facilities provided to the Mayor and councillors in the discharge of their civic duties. The Policy, entitled 'Payment of Expenses and Provision of Facilities to Councillors' can be found at the following link on Council's website - kmc.nsw.gov.au/policies

The total amount of money spent on mayoral and councillor fees was \$229,489.92.

► CI 217(1)(a2) - Contracts awarded by Council in 2016/17

This includes contracts exceeding \$150,000 not including employment contracts. It must include the name of the contractor, the nature of the goods or services supplied by the contractor and the total amount payable to the contractor under the contract.

Payee name	Contract Amount (\$)	Description	Contract Description
Court Craft Australia Pty Ltd	\$867,097.20	Canoon Road Master Plan	Upgrade Netball Courts and Carpark redevelopment
Westbury Constructions	\$187,468.00	Turrumurra Memorial Park – Amenities Upgrades	Amenities Upgrade
Konica Minolta	\$457,047.00	ICT - Printers	Provision of Multifunction devices under operating lease
Wade Civil Engineering Pty Ltd	\$778,460.00	NTRA Stage 5B - Sportsfield Carpark	Construction of carpark and associated works
Todae Solar	\$124,200.00	KFAC Solar PV Upgrade	Supply and install Solar Photovoltaic Cells

► **CI 217(1)(a3) - Amounts incurred in relation to legal proceedings**

This includes a summary of the amounts incurred by the council during the year in relation to legal proceedings taken by or against the council (including amounts, costs and expenses paid or received by way of out of court settlements, other than those the terms of which are not to be disclosed) and a summary of the state of progress of each legal proceeding and (if it has been finalised) the result.

Land and environment court (planning appeals):

The total cost incurred in the 2016/17 financial year was \$1,054,747. The amounts received for costs recovered totalled \$154,019.

Proceedings	Nature of Proceedings	Result	Costs \$
Council ats Murtag Developments Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	1,925
Council ats Staldone Turramurra Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	9,595
Council ats Bunnings Properties Pty Ltd	L & E - Class 1	Upheld (amended proposal)	180,100
Council ats Able Apartments Pty Limited	L & E - Class 1	Resolved by agreement (amended proposal)	6,475
Council ats Mackenzie Architects International Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	476
Council ats TC Tallwoods Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	738
Council ats Vigor Master Pty Ltd	L & E - Class 1	Discontinued	14,667
Council ats Peter Blake	L & E - Class 1	Dismissed	15,225
Council ats Mackenzie Architects International	L & E - Class 1	Resolved by agreement (amended proposal)	2,845
Council ats Heydon Avenue Developments Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	919
Council ats Gelder Architects	L & E - Class 1	Resolved by agreement (amended proposal)	1,170
Council ats Greig Jacobsen and Margaret Jacobsen	L & E - Class 1	Resolved by agreement (amended proposal)	231
Council ats Touma Family Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	(11,640)
Council ats Gelder Architects	L & E - Class 1	Discontinued	3,553
Council ats Vanovac Tuon Architects Pty Ltd	L & E - Class 1	Dismissed	54,473
Council ats BFD Pymble Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	4,866
Council ats Southern Cross Care (NSW & ACT)	L & E - Class 1	Resolved by agreement (amended proposal)	3,309
Council ats Salerno	L & E - Class 1	Upheld by consent (amended proposal)	10,770
Council ats Mackenzie Architects International	L & E - Class 1	Resolved by agreement (amended proposal)	5,210
Council ats Landart Landscapes	L & E - Class 1	Resolved by agreement (amended proposal)	431
Council ats Macri	L & E - Class 1	Resolved by agreement (amended proposal)	6,215
Council ats Murtag Development Pty Limited	L & E - Class 1	Resolved by agreement (amended proposal)	13,493
Council ats Bellevue Projects Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	67,718
Council ats Parsonage	L & E - Class 1	Resolved by agreement (amended proposal)	7,165
Council ats Able Apartments Pty Limited	L & E - Class 1	Resolved by agreement (amended proposal)	13,537
Council ats Codling	L & E - Class 1	Discontinued	6,999
Council ats HRBT Enterprises	L & E - Class 1	Resolved by agreement (amended proposal)	17,911
Council ats Johab Investments Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	7,698
Council ats Hannah	L & E - Class 1	Resolved by agreement (amended proposal)	42,897

Proceedings	Nature of Proceedings	Result	Costs \$
Council ats MLS Developments Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	15,331
Council ats de Luca	L & E - Class 1	Discontinued	15,153
Council ats Kosinar	L & E - Class 1	Resolved by agreement (amended proposal)	20,661
Council ats MLS Developments Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	7,524
Council ats Prestige Locations Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	13,284
Council ats Blake	L & E - Class 1	Resolved by agreement (amended proposal)	13,568
Council ats McKenzie	L & E - Class 1	Resolved by agreement (amended proposal)	2,443
Council ats Gelder Architects	L & E - Class 1	Resolved by agreement (amended proposal)	17,805
Council ats DPG Project 8 Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	4,698
Council ats de Zylva	L & E - Class 1	Resolved by agreement (amended proposal)	20,539
Council ats Cai	L & E - Class 1	Resolved by agreement (amended proposal)	12,487
Council ats Ronghai Property Group Pty Limited	L & E - Class 1	Resolved by agreement (amended proposal)	9,440
Council ats Mohebaty-Arani	L & E - Class 1	Not concluded	37,044
Council ats Globalus Holdings Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	11,738
Council ats Williams	L & E - Class 1	Dismissed	4,757
Council ats Milanovic	L & E - Class 1	Resolved by agreement (amended proposal)	16,391
Council ats Form Architects (Aust) Pty Limited	L & E - Class 1	Resolved by agreement (amended proposal)	18,094
Council ats Mackenzie Architects International Pty Ltd	L & E - Class 1	Dismissed	53,678
Council ats Pathways Property Group Pty Ltd	L & E - Class 1	Not concluded	28,327
Council ats Funfour Pty Ltd	L & E - Class 1	Resolved by agreement.	6,711
Council ats Mustaca & Ors	L & E - Class 1	Upheld	28,012
Council ats Anglican Community Services (trading as Anglicare)	L & E - Class 1	Not concluded	61,563
Council ats HSH Projects Pty Ltd	L & E - Class 1	Resolved by agreement (amended proposal)	19,166
Council ats Ascot Project Management Pty Ltd	L & E - Class 1	Not concluded	19,489
Council ats Sherwood & Sherwood	L & E - Class 1	Discontinued	1,965
Council ats Vinci	L & E - Class 1	Resolved by agreement (amended proposal)	17,173
Council ats Lahoud	L & E - Class 1	Not concluded	10,896
Council ats Lahoud	L & E - Class 1	Not concluded	7,579
Council ats TC Tallwoods Pty Ltd	L & E - Class 1	Not concluded	19,594
Council ats Ronghai Property Group Pty Limited	L & E - Class 1	Not concluded	19,270
Council ats Ghazi Al Ali Architect Pty Ltd	L & E - Class 1	Not concluded	4,296
Council ats Ghazi Al Ali Architecture Pty Ltd	L & E - Class 1	Not concluded	3,101
Council ats HMR Developments Pty Ltd	L & E - Class 1	Not concluded	3,667
Council ats HMR Developments Pty Ltd	L & E - Class 1	Not concluded	3,244
Council ats D&A Milray Pty Ltd	L & E - Class 1	Not concluded	5,054
Council & Ors ats Lord & Ayres	L & E - Class 1	Upheld (amended concept plan)	(78)
TOTAL			1,054,747

Other proceedings:

The total cost of other proceedings in the 2016/17 financial year was \$396,091*. The amounts received for costs recovered totalled \$300,000.

* \$251,507 of this amount was incurred prior to 2016/17.

Proceedings	Nature of Proceedings	Result	Costs \$
Council v West & Ors	L & E - Class 4; Court of Appeal	Upheld	396,091
TOTAL			396,091

► CI 217(1)(a4) - Works on private land

Council is required to provide a summary of resolutions made under Section 67 of the Act concerning work carried out on private land, including details or a summary of such work if the cost of the work has been fully or partly subsidised by the council, together with a statement of the total amount by which the council has subsidised any such work during that year.

During the 2016/17 year Council resolved to undertake and/or completed the following works on private property:

- Plumbing repairs due to damage by Council contractors at 11 Kulgoa Road, Gordon — \$2,980.
- Flood mitigation and overland flow works at 5 Cassandra Avenue St Ives — \$79,900.
- Embankment stabilisation and drainage works at 44 Blytheswood Avenue Warrawee — \$108,150.
- Landscaping works and installation of a railway corridor fence at railway land William Street, Turramurra — \$116,706.

► CI 217(1)(a5) - Contributions/ grants to organisations and individuals

Each year, Council provides financial assistance to community and cultural groups in Ku-ring-gai in accordance with Section 356 of the Act. The grants enhance the capacity of community groups to provide much needed support services to the community, foster celebrations, promote the development of artistic pursuits in Ku-ring-gai, increase resident participation in community activities and deliver small community based environmental projects at a neighbourhood level.

Environment project grants

Council's environmental levy funds a small grants scheme, which provides money to community groups or individuals to complete projects that benefit Ku-ring-gai's natural environment. During 2016/17 Council provided 16 grants valued at over \$47,654 for works that included weed removal at a number of environmentally sensitive sites, wildlife education and a weed awareness display/campaign. The following table details the recipients, project and funding:

Environmental Levy Community Small Grants Scheme 2016/17

Recipient organisation or group	Name of project	Amount
WildThings NSW	Habitat islands for small birds	\$5,000
Community Shed	Natural hollow manufacture	\$3,180
Geary's Way Bushcare	Terracing of steep slope	\$5,000
Carolyn Murtagh	Rubbish barrier at Fiddens Wharf Road, Gordon	\$661
Ku-ring-gai Bushcare Association	Signage	\$4,302
Normac Streetcare	Edge clearing	\$1,500
Wallalong Streetcare	Interpretive sign	\$1,000
Longford/ Abingdon Bushcare	Pre and post fire weeding	\$5,000
Warragal Road Bushcare	Weed removal	\$4,961
STEP	Repair of STEP track	\$5,000
Caroola Bushcare	Fauna survey	\$1,500
Beaumont Road Public School	Creating a bush habitat	\$1,000
Friends of Land Cove National Park	Quarry Creek regeneration	\$5,000
Turramurra Park Parkcare site	Weeding at Turramurra Park	\$1,900
KU Preschool	Native beehive	\$450
ARIES	Habitat Stepping Stones	\$2,200
Total		\$47,654

Community project grants

Every year Council provides financial assistance to community and cultural groups in Ku-ring-gai with the projects funded under the Community Grants Program 2016/17 covering a diverse range of target groups including, children, young people, older people, people with disabilities and people from culturally and linguistically diverse backgrounds.

The grants awarded to community and cultural groups provide services to the people of Ku-ring-gai. The aim of this program is to provide residents with the opportunity to engage with and develop interests which will benefit the local community.

A total of \$104,700 funding was allocated in 2016/17. The following tables detail the recipients, projects and funding.

Summary - Recipients and funding allocations

Group	Purpose	Amount (\$)
Community and Cultural Groups	Various (Recipients and funding are detailed in the following tables)	\$100,506
Eryldene Historic House	Rates, garbage rebate (former Council resolution)	\$4,194
Total		\$104,700

Community and Cultural Groups - Details of recipients and funding allocations

1. Category: Small Equipment

Name of organisation or group	Amount (\$)
StreetWork Incorporated	2,000
Northside Creative Photography Incorporated	1,500
Killara Bowling Club Limited	908
Probus Club of Barra Brui Inc	1,179
KU The Chase Preschool	710
KU Killara Park Preschool	1,000
Uniting Church in Australia Property Trust (NSW) on behalf of Gordon Uniting Church which operates the Uniting Gordon Co	1,500
Ku-ring-gai Youth Orchestra	1,500
Epicentre Theatre Company Inc	2,000
St Lucy's School	1,859
Ku-ring-gai Community Workshop The Shed Inc	1,994
KU Fox Valley Preschool	1,500
St Ives Netball Club	1,500
Computer Pals for Seniors Turramurra Inc	1,945
Lady Game Community Kindergarten	1,500
The Uniting Church in Australia Property Trust (NSW) on behalf of UCA - Turramurra Occasional Child Care Centre	1,000
Fresh Tracks Foundation	2,000
The Eryldene Trust	1,981
West Pymble Scout Group	2,700
Christ Church St Ives	1,500
1st Pymble Scouts Group – The Scout Association of Australia, NSW Branch	2,000
Total	\$33,776

2. Category: Community Development

Name of organisation or group	Amount (\$)
StreetWork Incorporated	4,000
KYDS Youth Development Service Incorporated	4,500
The Shepherd Centre – For Deaf Children	4,000
St Lucy's School	4,000
St Ives Preschool Kindergarten	3,500
Rotary Club of St Ives INC	2,500
St Phillips Anglican Church Turramurra South	1,500
NSW Spanish and Latin American Ass.	3,000
Ku-ring-gai Community Workshop "The Shed" Inc	3,000
Pymble Turramurra Pre-School	1,500
KU Fox Valley Preschool	3,000
The Uniting Church in Australia Property Trust – Gordon	1,780
Total	\$36,280

3. Category: Arts/Cultural

Name of organisation or group	Amount (\$)
St Ives Park Primary School Parents & Citizens Association	4,000
The Cathedral Singers	1,500
Ku-ring-gai Male Choir Inc	1,800
Ku-ring-gai Youth Orchestra	2,500
The Mirrabooka Singers	1,500
Jewish Arts Incorporated	3,650
Ku-ring-gai Historical Society Inc	5,000
Blaxland and Daughter	3,000
Multicultural Integration Community Support Incorporated	4,000
Studio ARTES Northside Inc	2,000
Sing Australia Gordon	1,500
Total	\$30,450

► **CI 217(a)(a6) - A statement of all external bodies that exercised functions delegated by Council during the year**

- Nil return

► **CI 217(1)(a7) - A statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies (whether or not incorporated) in which Council (whether alone or in conjunction with other councils) held a controlling interest during the year**

- Nil return

► **CI 217(1)(a8) - A statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies (whether or not incorporated) in which Council participated during the year**

- Nil return

► **CI 217(1)(a9) - A statement of the activities undertaken by Council during the year to implement its equal employment opportunity management plan**

Activities to implement EEO Management Plan

Ku-ring-gai Council is an equal opportunity employer dedicated to ensuring that the workplace is free from unlawful discrimination as identified under Federal and NSW State law.

We keep abreast of legislative and industry changes in this area and undertake regular reviews of human resources practices and processes to ensure that Equal Employment Opportunity (EEO) principles are applied accordingly.

Equity

Within Ku-ring-gai we expect that all employees will:

- be treated with respect and fairness
- work in a place free from all forms of harassment and unlawful discrimination
- have access to and compete equitably for recruitment, selection, promotion and transfer opportunities
- choose and pursue their own career path
- have access to relevant training and development opportunities.

Diversity

Diversity recognises that employees differ not just on the basis of race, gender and ethnicity but also on other dimensions such as age, lifestyles and geographic origins. Diversity involves not only tolerance of employees regardless of their differences, but acceptance of employees because of their differences and valuing their individual contribution to the workplace.

Our Equal Employment Opportunity Management Plan 2016 - 2020 sets out the objectives and strategies to be delivered across the next four years. This will enable management and employees to understand Equity and Diversity principles and their responsibilities in relation to its implementation. Specific activities and achievements under the EEO Management Plan for 2016/17 included:

- Ongoing implementation of our EEO Management Plan 2016–2020 which includes strategies related to the areas of; Recruitment & Selection, Learning & Development, Promotions & Transfers, Conditions of Service.
- Election of a new EEO Committee comprised of staff from each department across our organisation.
- Regular reporting of EEO statistical information to the Senior Management team.
- Ongoing coordination of our EEO Contact Officer network which provides employees opportunities to raise issues and/or concerns with peers.
- Delivery of our comprehensive induction process inclusive of Equal Employment Opportunity and Bullying and Harassment Prevention training which is provided to all new employees upon commencement.

► CI 217(1)(e) - A statement providing information on the stormwater management services provided by Council during the year, as funded by Council's annual charge for stormwater management services.

The stormwater management charge is used to fund new and upgraded drainage works across the Ku-ring-gai local government area as well as the environmental management of Council's drainage system impacting on watercourses.

During 2016/17 this included:

- drainage upgrades
- water quality analysis and data monitoring.
- regular maintenance of 141 Enviropods and 72 other Gross Pollutant Traps as part of the stormwater pollution control device maintenance contract, funded by the stormwater charge.

This maintenance removed approximately 79.92 tonnes of pollutants (rubbish, leaf litter and sediment) from our waterways.

CI 217(1)(b) and (c) - Senior staff remuneration packages

Senior Officers	Gross (Salary Component)	Statutory Superannuation Contributions	Non- Cash Benefits	FBT Payable by Council	Total
General Manager	\$318,238.00	\$16,831.97	\$6,344.39	\$10,913.64	\$352,328.00
Directors	\$1,033,616.00	\$124,445.97	\$28,694.78	\$43,914.06	\$1,230,670.81

COMPANION ANIMAL ACT, 1998

Clause 217(1)(f) of the Local Government Act (General) Regulation requires a detailed statement, prepared in accordance with relevant guidelines, of Council's activities during the year in relation to enforcing, and ensuring compliance with, the provisions of the *Companion Animals Act, 1998*.

► Companion Animals Management

During 2016/17, companion animal management was carried out in accordance with Council's adopted Companion Animals Management Plan 2011-2016 and Council's adopted Compliance Policy.

Highlights throughout the year included the hosting of a successful speciality community event for pets and their owners (known as "Dogs Day Out"), as well as achieving Lifetime Registration rates in excess of 96%.

Companion animal management remained a key operational regulatory program, placing a steadily increasing demand on Council's Regulatory Services Unit throughout the year. Overall in 2016/17, Council's Companion Animal Unit managed 801 complaints regarding companion animal issues, which represents a 5% increase from the previous year. The following breakdown assesses changes from the previous year's figures:

- 205 complaints relating to stray or roaming dogs – a 16% decrease from the previous year.
- 52 companion animal enquiries – a 41% increase from the previous year.
- 75 dog attack reports – a 9% decrease from the previous year.
- 319 barking dog complaints – a 12% increase from the previous year.

Particular attention was required for stray, roaming and barking dog complaints.

The Companion Animals Management Plan 2017 - 2020 was adopted by Council in June 2017.

Specific statements – Companion Animal Act, 1998

► 16.2 (a) - Lodgement of pound data collection returns with the Division

Council seized 96 companion animals in 2016/17. Of these 45 were returned directly home and the remaining 51 were transferred to Council's impounding facility. This demonstrates that our local vet services and Council are proactively reuniting pets with their owners and reducing the resources required to impound animals. Our high registration rates also assist in the efficient return of animals to their owners.

A total of 105 animals arrived (seized, surrendered, abandoned or stray) at Council's impounding facility in 2016/17.

A total of 99 animals were released from the facility which included 61% released to their owners, 24% sold from the

facility, 15% released to rescue, and <1% euthanised.

The 6 cats euthanised were declared as unsuitable for rehoming due to terminal illness, infant status, or feral behaviour. One dog was euthanised at the owner's request after a dog attack incident. The total percent euthanised has decreased by >12% from the previous year.

► 16.2 (b) - Lodgement of data about dog attacks with the Division

There were 18 dog attack incident reports entered on the NSW Companion Animals Register for the year 2016/17. This figure is a substantial decrease from the previous year's figure of 40 incidents entered on the NSW Companion Animals Register.

► 16.2 (c) - The amount of funding spent on companion animal management and activities

Companion Animal Management expenditure amounted to a total of \$233,108. The largest component of expenditure was attributed to Council's contractual arrangements with our impounding authority, Thornleigh Veterinary Hospital, at \$59,966. Income for the group was \$115,116.00 mainly attributed to registration fees of \$79,806 and fine income of \$35,310.

► 16.2 (d) - Companion animal community education programs carried out and strategies the council has in place to promote and assist the desexing of dogs and cats.

Ku-ring-gai Council continued to promote and educate the community on companion animal legislation through the website, social media, e-newsletters, information with rates notices, pamphlet distribution at off leash areas and participation at community events such as Dogs Day Out and Festival on the Green.

Council has a number of strategies in place to promote, and assist with, the desexing of dogs and cats. These strategies include sending regular unregistered animal notices, promoting the benefits of desexing prior to registration, promotion of National Desexing Network Week as well as promoting discounted desexing through participating Animal Welfare Organisations (Cat Rescue, RSPCA and Animal Welfare League).

► 16.2 (e) - Council's strategies for complying with the requirement under section 64 of the Act to seek alternatives to euthanasia for unclaimed animals

Thornleigh Veterinary Hospital continues to act as Council's animal impounding service provider. They have a number of strategies in place to comply with the requirement under Section 64 of the Act to seek alternatives to euthanasia of unclaimed animals. Unclaimed animals are advertised for adoption through Thornleigh's social media pages, website, flyers and newspaper articles if needed. In addition, if animals cannot be adopted they will be released to approved not-for-profit organisations that help to rescue and rehome animals within NSW.

► **16.2 (f) - Off leash areas provided in the council area**

There are currently 22 Leash Free Areas and a full list of these areas is available on Council's website:
kmc.nsw.gov.au/offleash

ENVIRONMENTAL PLANNING AND ASSESSMENT ACT, 1979

Under section 93G(5) of the *Environmental Planning and Assessment Act, 1979* Council must include in its 2016/17 Annual Report the planning agreements entered into during the year and information on the status of current planning agreements.

► **Status of Voluntary Planning Agreement for the delivery of a future public road at 28-30 and 32 Dumaresq Street, Gordon – DA0501/12 later superseded by DA0434/15**

Australia Wenzhou Group approached Ku-ring-gai Council in mid-2012 to enter into a Voluntary Planning Agreement (VPA) in connection with the redevelopment of a multi-unit apartment block at 28-30 Dumaresq Street Gordon. In 2012/2013 Council resolved to enter into one Planning Agreement pursuant to Section 93G(5) of the *Environmental Planning and Assessment Act, 1979*.

The agreement relates to a proposed road identified in the Ku-ring-gai Local Environmental Plan (Local Centres) 2012, Ku-ring-gai Local Centres Development Control Plan, Ku-ring-gai Contributions Plan 2010 and Ku-ring-gai Public Domain Plan 2010. The road is to be partly located on 32 Dumaresq Street Gordon, which Ku-ring-gai Council has acquired for this purpose, and will continue through to Moree Street, Gordon to provide a complete link road.

Under the VPA the developer is required to deliver that part of the road located on 32 Dumaresq Street Gordon to a suitable terminating point until it can be continued to Moree Street in the future. Nett monetary contributions will be determined on completion.

The VPA also includes the sale at agreed market value of a residual amount of land not required for the road reservation. That sale was completed on 14 January 2015.

Development Application 501/12 was determined on 23 May 2014 and the VPA was executed on Monday 25 September 2014. On the 21 November 2014, Australia Wenzhou Group transferred its freehold property to Qun Lun Developments Pty Ltd. The VPA was registered on title of the land and the terms of the original agreement automatically transferred to the new owner. The sale was formally novated to the new owner shortly thereafter. The original development application lapsed and a second Development Application 434/15 was approved on 6 April 2016. The current DA also related to the current Planning Agreement. Road construction is expected to commence in 2017/2018.

► **Status of Voluntary Planning Agreement for the dedication of land for the future widening of Fitzsimons Lane – 904-914 Pacific Highway Gordon – DA0407/13**

This planning agreement provides for the dedication of land along the Fitzsimons Lane rear frontage of 904-914 Pacific Highway, Gordon for the purposes of widening Fitzsimons Lane and supporting future public domain improvements in accordance with Ku-ring-gai Development Control Plan and Ku-ring-gai Public Domain Plan 2010. This Planning Agreement was executed on 24 February 2017. The subdivision and land dedication is currently with the Land Titles Office.

► **Status of Council Voluntary Planning Agreement – Edgelea Development 100 Eton Road Lindfield NSW 2070 (also known as UTS Ku-ring-gai) - DA0677/11**

Defence Housing Australia (DHA), in accordance with the terms of Condition B13 of Concept Approval MP06_0130 (issued by the Minister for Planning) approached Ku-ring-gai Council in December 2011 to enter into a Voluntary Planning Agreement (VPA) in connection with the redevelopment of the UTS Ku-ring-gai site, known as 100 Eton Road Lindfield. The agreement is linked to the first stage of development, being the initial subdivision, land dedication and embellishment works.

Council resolved to enter into an agreement with Defence Housing Australia and the VPA was formalised in September 2012.

Under the VPA the developer as required to pay monetary contributions and provide other material public benefits which included:

- a minimum of 9,800m² of land for a soccer field (sports field)
- 300m² of built community space plus associated amenities
- new public access roads and parking, financial contribution for the future maintenance of the public roads in the vicinity of \$200,000
- environmental lands.

During 2012/13 DHA tendered for the construction of the sportsfield and community building, which were completed and opened for use in December 2013. On completion of the sportsfield Council entered into an exclusive licence agreement with DHA for use of the sportsfield at no cost to Council. This agreement will run until registration of the plan of subdivision for the sportsfield and community building, and dedication of the sportsfield to Council.

During 2014/15 two new roads were dedicated to the public upon the registration of the plan of subdivision for Stage 0 of the development.

During 2015/16 Council commenced use of part of the community building for community groups, under licence and at no cost to Council. This building and land will be dedicated to Council following completion of residential sales for the former UTS Ku-ring-gai site in early 2018.

The environmental lands will be transferred to Council once the environmental management objectives have been completed in 2022.

GOVERNMENT INFORMATION PUBLIC ACCESS ACT, 2009

GIPA Annual Report

In accordance with section 125 of the *Government Information (Public Access) Act, 2009* (the Act), Council is required to prepare an annual report of its compliance with obligations under the Act. Schedule 2 of the Act outlines the annual reporting requirements for capturing statistical information, and is to be used as the framework for this report.

► 1. Review of proactive release program – Clause 7(a)

Under section 7 of the Act, NSW agencies must review their programs for the proactive release of government information annually.

This review was undertaken by examining what information is already being made available to the public, as well as observing the types of information requested under both informal and formal requests for information. We also look at current matters that council is involved in or that could be considered of interest to the public.

The website continues to provide timely reporting on current matters. The website also includes information on the status of development applications with details about new applications and those that have recently been determined via Council's DA tracking system.

During the reporting period, Council did not receive any Formal Access requests for information which resulted in an inclusion to Council's Disclosure Log.

We have also continued to monitor trends in informal requests for information for documents that could be more efficiently disclosed proactively. Despite the high number of informal requests received, the same information is rarely sought by a number of different members of the public.

However, as there is an increasing percentage (now approximately 25%) of informal applications that enquire about the age of properties, request copies of modifications to DAs, or request copies of Private Certifier Complying Development Certificates, Council has committed funds to scanning a number of hard copy building registers and uploading them to the website. Together with copies of registers already scanned, this

will give members of the public access to a list of building applications from 1927-1982. Publishing this information would reduce the number of informal applications received, and make it easier for members of the public to access the information.

A public access computer kiosk is located in the foyer area of Council's Administration Building. These computers provide free access to electronic information on current development applications and all other information on our website.

During the year, Council commenced an initiative to reactively scan archived files, making it easier, quicker and more cost effective to locate this information. This process is known as Scan on Demand. Instead of hard copy files being recalled from archives, the file is scanned and delivered as an electronic (PDF) document, which is then stored in Council's EDRMS.

Council also completed the digitisation of Council's Minute Books from 1906 to current date. These will be available on Council's website during the first half of 2017/2018.

Following the review, it was determined that the proactive release of information to the public by Ku-ring-gai Council is considered appropriate at this time.

► 2. Number of access applications received – GIPA Regulation 2009 Clause 7(b)

During the reporting period, Ku-ring-gai Council received a total of 43 formal access applications (including withdrawn applications but not including invalid applications).

► 3. Number of refused applications for Schedule 1 information – GIPA Regulation 2009 - Clause 7(c)

During the reporting period, Ku-ring-gai Council refused two (2) formal access applications.

Schedule 2 – Number of Applicants by type of applicant and outcome

During the reporting year 2016/17 Ku-ring-gai Council received a total of 43 formal applications, four (4) of which where the applicant requested a review by the IPC, and seven (7) applications were withdrawn under the *Government Information (Public Access) Act, 2009*.

Table A: Number of applications by type of applicant and outcome*

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/ Deny whether information is held	Application Withdrawn	Total	% of Total
Media	0	0	0	0	0	0	0	0	0	0%
Members of Parliament	0	0	0	0	0	0	0	0	0	0%
Private sector business	1	0	0	0	0	0	0	0	1	2%
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0	0%
Members of the public (by legal representative)	4	0	0	1	1	0	0	2	8	19%
Members of the public (other)	14	8	2	2	1	2	0	5	34	79%
Total	19	8	2	3	2	2	0	7	43	
% of Total	44%	19%	5%	7%	5%	5%	0%	16%		

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision.

DISABILITY INCLUSION ACT 2014

Division 3 Disability Inclusion Action Plans

► Report on implementation of plans

A public authority that is a government department or local council must, as soon as practicable after preparing its annual report, give the Minister a copy of the part of the annual report relating to the department's or council's report on the implementation of its disability inclusion action plan.

► Access and Disability Inclusion Plan

The Ku-ring-gai Access and Disability Inclusion Plan provides a framework to address access and disability inclusion across Council's services and operations. It supports the development of accessible town centres, shops, parks, playgrounds and sports facilities, housing, public transport and parking, information and employment opportunities.

Ku-ring-gai Council was successful in obtaining Quality Assurance Accreditation against the Disability Standards and meets funding requirements until June 2018.

► Phase one implementation – paving the way

The 2016/17 year was the second year of implementation of the Plan with a range of initiatives being implemented to support and promote Council and the community to work together, to embrace the rights and values of all people. These included:

- Third Party Verification was achieved against the Disability Service Standards, enabling Council's Disability Services to prepare for the National Disability Insurance Scheme's Commissioning Framework.
- International Day of People with Disability was celebrated in partnership with Lane Cove and Willoughby Councils. A theatrical stage production entitled 'All the Worlds a Stage' was hosted at The Concourse, Chatswood and presented an opportunity for local disability creative arts groups to share their talents. Ku-ring-gai was represented by St Edmunds School, Northcott Disability Services, St Lucy's School and the Marian Street Theatre for Young People.
- A community workshop on inclusion and accessibility in the play environment was organised and attended by 23 representatives, including parents of children with a disability and disability service providers. The workshop generated inclusive design ideas that enabled children of all abilities to play together and encouraged exploration, challenge and imagination. Outcomes from the workshop will feed into the planning processes for future playground upgrades.
- Inclusion support training was provided for front line Council staff working with young people with developmental disabilities.

- The National Disability Insurance Scheme was launched in Ku-ring-gai and was hosted by Council in July 2016. Disability Services provided information and referral support to community members navigating this new system and follows on from an earlier community information evening.
- Inclusion and accessibility principles have been incorporated into a range of projects including Lindfield Community Hub Design Brief; online disability awareness training for staff; review of the Outdoor Dining and Footpath Trading Policy; accessible flooring for special events; and the Accessible Community Garden Project at Ku-ring-gai Art Centre.
- Funding has been received for the installation of an accessible hoist system and change trolley to increase the capacity of people with disability to participate in vital water based activities at the Ku-ring-gai Fitness and Aquatic Centre. The SwimAbility classes build aquatic fitness, skills and confidence so that participants can safely enjoy all the waterways Australia has to offer.
- A Case Study was prepared and submitted to Local Government NSW on 'Beyond Physical Access' for inclusion in the Local Government NSW Disability Inclusion Manual.
- Free door-to-door transport is provided to Library members with a physical disability or limited mobility from their homes to library branches. Where possible, these visits are scheduled to coincide with author events, special displays and other celebratory morning teas held at the various branch libraries.
- In addition to the library's collection of large print and talking books covering the classics, fiction, non-fiction and current popular works, the continuing expansion of electronic resources increases resident's access of e-books, e-audiobooks, e-magazines, e-music and a large range of films from their home.
- Council's local business centre masterplans, under preparation for Lindfield and Turramurra local centres and Gordon Town Centre, feature accessibility as a key objective of the design and development and include requirements for accessible public domain areas, parking facilities and housing.
- The landscape design of parks, playgrounds, picnic facilities and tracks continued to be constructed with inclusive and accessible design elements. Works in Killara Park, St Ives Inclusive Regional Playground, St Ives Village Green Recreational Precinct, St Ives Showground Equestrian Centre accessible upgrades, North Turramurra Recreational Area accessible amenities and exercise track, East Roseville Community Centre accessible playground upgrade, Cameron Park Playground, Lofberg Road Playground in Bicentennial Park are proposed, underway or completed.
- Public information and policy reflecting developments in the disability sector and quality assurance standards including a Guide to Ku-ring-gai Council's Disability Services have been updated.

- The Launch of Council's Access and Disability Inclusion Plan by the NSW Minister for Disability and attended by over 39 community organisations at the Ku-ring-gai Fitness and Aquatic Centre.
- Freshtracks Equipment Showcase - Ku-ring-gai Council was acknowledged by the Minister for Disability and local members of parliament for our primary involvement in the establishment of the service and ongoing support. The Mayor received a special accolade for our Council being one of the first in NSW to develop and commence implementation of the Access and Disability Inclusion Plan.
- Council continues to support the Ku-ring-gai Chase Special Olympics Fun Run which assists in raising community awareness and much needed funds.
- Online DA accessibility – investigation has commenced on improving the accessibility of Council's new online DA tracking system for people with additional needs.
- The Home Library and Librarian team are important contributors to Council's commitment to addressing accessibility issues and alleviating social isolation. During the year, the team made over 3,700 deliveries of books and other library material to housebound residents, and provided over 1,000 door-to-door trips to the library for customers without accessible transport.

► Meaningful design and development changes

Key amendments were made to the Ku-ring-gai Development Control Plan and Ku-ring-gai Local Centres Development Control Plan to include adaptable and accessible housing requirements in-line with Liveable Housing Design Guidelines around design and parking. These changes recognise the growth in the ageing population within the LGA, and the need for dwellings that allow the population to remain within the locality in appropriate housing, and maintain their networks and familiar environment.

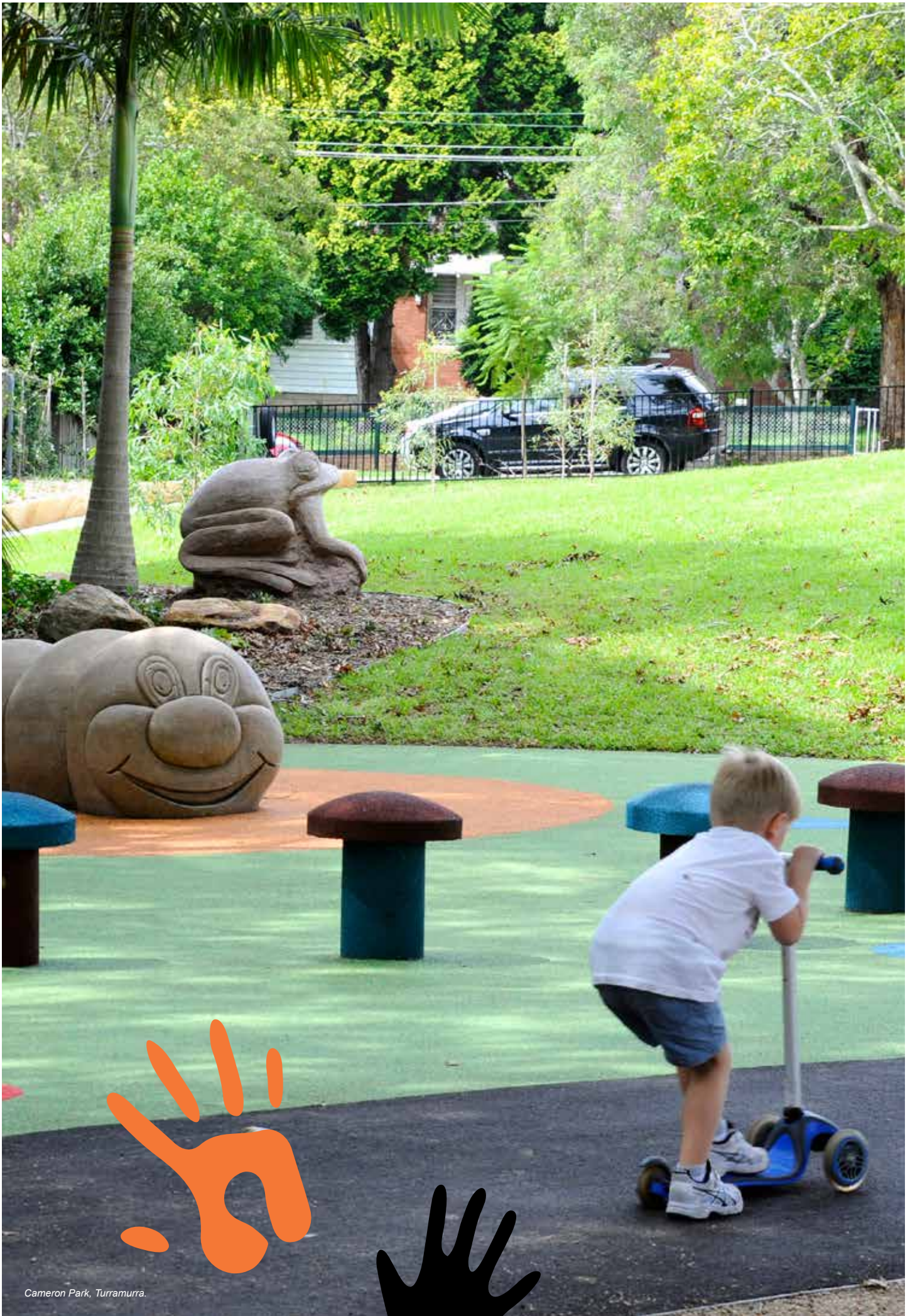
Provisions were also made in the Ku-ring-gai Town Centres Public Domain Plan and Ku-ring-gai Town Centres Parking Management Plan to remove physical barriers to accessible movement through the public domain. This included clear paths of travel along footpaths and public areas for wheelchairs and people with a disability, inclusionary street furniture, footpath design including tactile indicators, kerb ramps and paving design enabling accessible pathways and bus stops.

Bus stop accessibility upgrades were carried in the following locations:

- Babbage Road, Roseville
- Westbrook Avenue near Junction Lane, Wahroonga
- 7 Clissold Road, Wahroonga.

► A focus on training and resources

Along with staff training addressing mental health and dementia support, internal cross-departmental projects included the update of the accessible public toilets map, development of an accessible events factsheet for the Events Risk Management Guide.



Cameron Park, Turrumurra.

Global reporting initiative content index

The Global Reporting Initiative (GRI) is a process that introduces globally applicable guidelines that enable an understanding of an organisation's contribution to sustainable development. The guidelines are designed to ensure GRI based reports:

- provide a balanced and reasonable picture of their economic, environmental and social performance
- facilitate comparability, benchmarking and assessment of performance
- address issues of concern to stakeholders.

Council is not fully compliant with the G4 Sustainability Reporting Guidelines but we are working towards progressive integration of our sustainability reporting against the GRI criteria into our Four Year Delivery Program and Annual Report. The GRI indicators that have been discussed in this report (either wholly or in part) are referenced in the following table.

More information about the GRI is available at globalreporting.org

GRI.4 Section	General Standard Disclosures	Report Section	Comment
Strategy and analysis			
G4-1	CEO Statement	General Manager's Report	
G4-2	Risk and Opportunities	The community's role	Theme 6 - Leadership and Governance
Organisational Profile			
G4-3	Name of the organisation	Cover Introduction	About this report Ku-ring-gai - our place
G4-4	Primary brands, products, and/or services	Introduction Our performance 2016/17	Vision Key achievements
G4-5	Location of operational headquarters	Introduction Inside back cover	About this report Contact us
G4-6	Jurisdiction or areas in which the council operates	Introduction	
G4-7	Legal form of the council	Our community leadership	
G4-8	The main target customers of the council's activities	Introduction	About this report Ku-ring-gai – our people
G4-9	Scale of the council * number of employees * net revenues * total assets	Introduction Our community leadership Our performance 2016/17	Our financial performance - summary Financial Information summary and Statements Theme 6 - Leadership and Governance
G4-10	Size and compilation of the workforce	Introduction	Our staff Theme 6 - Leadership and Governance
G4-11	Workforce covered by collective bargaining agreements	Introduction	Our staff Theme 6 - Leadership and Governance
G4-12	Council's supply chain	Local Government Reporting	Contracts awarded
G4-13	Significant changes to the council during the reporting period	Introduction Our community leadership Our performance 2016/17	Key Achievements and Challenges Our financial performance - summary Our corporate performance - summary
G4-15	Externally developed voluntary economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or which it endorses	Introduction Our performance 2016/17	About this report Key Achievements and Challenges

GRI.4 Section	General Standard Disclosures	Report Section	Comment
G4-16	Association memberships and national/international advocacy organisations in which the organisation has positions	Our community leadership Our performance 2016/17	
Identified Material Aspects and Boundaries			
G4-17	Entities included in the Council's financial statements	Financial Information	
G4-20	Aspect boundary and limitations within the organisation	Introduction Financial Information	About this report
G4-21	Aspect boundary and limitations within the organisation	Introduction Financial Information	About this report
G4-23	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report	Part 2 – EOT Report Part 3 – SOE Report	Additional reporting requirements for 2016/17
Stakeholder Management			
G4-24	List of stakeholder groups engaged by the organisation	Introduction	
G4-25	Basis for identification and selection of stakeholders with whom to engage	Introduction	
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Introduction	
G4-27	Issues and concerns raised through stakeholder engagement and how the organisation has responded	Our performance 2016/17	Theme 6 - Leadership and Governance
Report Profile			
G4-28	Reporting period for information provided	Introduction Our performance 2016/17	About this report
G4-29	Date of most recent previous report		Ku-ring-gai Council's Annual Report 2016/17 was published 30 November 2017 and available at www.kmc.nsw.gov.au/annualreport
G4-30	Reporting cycle	Introduction	Annual Report 1 July 2016 to 30 June 2017
G4-31	Contact point	Inside back cover	Contact us
G4-32	GRI Content Index for Standard disclosures	Indexes and glossary	
G4-33	Policy and current practice with regard to seeking external assurance for the report	Introduction	
Governance			
G4-34	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks	Our community leadership	
G4-36	Appointment of executive-level positions and reporting lines to highest governance body	Our community leadership Organisational leadership	
G4-37	The process for consultation between stakeholders and highest governance body	Introduction Our community leadership	
G4-38	The composition of the highest governance body and committees	Our community leadership	
G4-39	Indicate whether the chair of the highest governance body is also an executive officer	Our community leadership	

GRI.4 Section	General Standard Disclosures	Report Section	Comment
G4-40	The selection process for the highest governance body	Our community leadership	
G4-41	Processes in place for the highest governance body to ensure conflicts of interest are avoided	Our community leadership	
G4-44	Processes for evaluating the highest governance body's own performance particularly with respect to economic, environmental and social performance	Introduction Our performance 2016/17	Our financial performance - summary Theme 6 - Leadership and Governance
G4-46	Processes for the highest governing body overseeing identification and management of economic, environmental and social impacts	Our community leadership	
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Glossary of terms

Aboriginal Heritage Office (AHO)

Ku-ring-gai Council is a member of the Aboriginal Heritage Office, which preserves and protects over 1,000 Aboriginal heritage sites across Sydney's north shore. The six partnering councils are North Sydney, Willoughby, Lane Cove, Northern Beaches, Ku-ring-gai and Ryde. The AHO also studies Aboriginal life before colonisation and runs a series of educational walks and talks for school groups and the general public. The AHO hosts the only Aboriginal Museum, Education Centre and Keeping Place in northern Sydney and supports local Aboriginal people. The office recently moved from its home in Northbridge to new premises in Manly.

AR Bluett Memorial Award

The AR Bluett Memorial Award has been awarded annually since 1945 in memory of Albert Robert Bluett. AR Bluett was an outstanding figure in local government, serving as the Secretary and Solicitor to the Local Government and Shires Associations of NSW for 30 years and one of the architects of the Local Government Act of 1919. The AR Bluett Memorial Award is keenly contested each year by councils in NSW who would like to be recognised as being the most progressive in the state in all aspects of their operations and services.

Better Business Partnership (BBP)

BBP is a joint Council program designed to improve the sustainability of businesses located on Sydney's North Shore. Small to medium sized businesses can join the program for free thanks to the support of the four local government areas (LGAs) of Ku-ring-gai, Lane Cove, North Sydney and Willoughby City. For information visit www.betterbusinesspartnership.com.au

Best Practice

A best practice is a method or technique that has consistently shown results superior to those achieved with other means, and that is used as a benchmark.

Bi-annual Review

Review of progress in meeting the Delivery Program objectives and budget forecasts.

Biodiversity

The variety of all living things including plants, animals and microorganisms, their genes and the ecosystems of which they are a part.

CALD

Culturally and linguistically diverse.

Catchment

Area of land that drains rainfall into a river or lake.

Community Engagement

Refers to Council's consultative practices that enable communities and individuals to participate in the development of Ku-ring-gai and build community capacity. It supports and informs all Council's decision-making processes.

Community Strategic Plan

The Ku-ring-gai Community Strategic Plan 2030 - Our community Our Future identifies the community's main priorities and aspirations for the future and sets out clear strategic directions to achieve them over the long-term. While Council has the main role in progressing the plan on behalf of the community other partners such as government agencies, external organisations and community groups also play an important role in delivering the long-term objectives of the plan.

Councillors

Elected representatives who set strategic direction for the organisation, monitor organisational performance, liaise with stakeholders and ensure operational compliance.

Database

Systematic arrangement of computer data to enable it to be automatically retrieved and manipulated.

Development Control Plan (DCP)

Provides policy statements and more detail beyond the provisions contained in a Local Environmental Plan and serves to further guide development decisions across the local government area.

Delivery Program

The Delivery Program outlines what Council intends to do towards achieving the Community Strategic Plan's long-term objectives and priorities during the normal 4 year term of the elected Council. This includes identifying who is responsible for achieving objectives in the Community Strategic Plan. Some will be the responsibility of Council, some will be other levels of government and some will be community groups or individuals.

Demographic Statistics including ERP

Demographic statistics in this report are taken from Australian Bureau of Statistics Census figures for Ku-ring-gai and Greater Sydney. The statistics can be readily accessed through Council's website. ERP refers to the estimated resident population and is updated annually by the Australian Bureau of Statistics. The Census count is not the official population of an area. To provide a more accurate population figure which is updated more frequently than every five years, the Australian Bureau of Statistics also produces "Estimated Resident Population" (ERP) numbers.

FAG

Financial Assistance Grants provided by Australian Government

Financial Year

The financial year that we are reporting on in this annual report is the period from 1 July 2016 to 30 June 2017.

GIPA

The Government Information (Public Access) Act, 2009, which has replaced Freedom of Information legislation.

Governance

Governance comprises the traditions, institutions and processes that determine how power is exercised, how citizens are given a voice, and how decisions are made on issues of public concern.

Greater Sydney Commission

The role of the Commission is to coordinate and align planning that will shape the future of Greater Sydney.

Heritage

Refers to the extensive aboriginal, natural, social and built history of the Ku-ring-gai area. It consists of those places and objects, including houses, public and commercial buildings, parks and monuments, that we as a community have inherited from the past and want to hand on to future generations. In a planning context, heritage refers to things in our built and natural environment that we want to preserve for future generations to enjoy.

ICLEI

An international association of local governments and their associations that have made a commitment to sustainable development.

Indigenous

Refers to origination in a particular region or country, native to the area. The original inhabitants of the Ku-ring-gai area were the Guringai people. For thousands of years before the arrival of European settlers, the Guringai people lived in the area from Newcastle down to Sydney, mostly along the foreshores of the harbour. The Guringai people developed a rich and complex culture, including distinctive language, customs, spirituality and law, the heart of which was their connection to the land.

Infrastructure

Roads, buildings, bridges, pavements, cycleways and other constructions.

Integrated Planning and Reporting (IP&R)

In 2009 the NSW Division of Local Government introduced the Integrated Planning and Reporting Framework. The framework introduced a hierarchy of plans which require:

- long-term strategic planning with the community
- long-term resourcing strategies for assets, finances and the workforce
- four year programs aligned to a council's term, detailing key actions, projects and resourcing
- one year plans of actions, projects and budgets
- quarterly, biannual and annual performance reporting schedule.

IPART

Independent Pricing and Regulatory Tribunal of NSW. The tribunal sets the local government rate peg and assesses applications for special rate variations and council contributions plans.

Issue

A key area of concern or priority identified by the community and Council that needs to be addressed.

Performance Indicator (PI)

A measure that assists in the assessment of overall performance towards the community's term achievements and long term objectives and also tells us whether we are heading in the right direction.

KYDS

Ku-ring-gai Youth Development Services

Leachate

Water carrying impurities that have percolated through the earth, primarily at rubbish tips.

Local Environmental Plan (LEP)

An environmental planning instrument that contains legally binding provisions relating to development.

Long Term Objective (LTO)

Describes the desired future state or outcome for each issue. 'Long Term' implies that it is beyond this Council's term and in some instances beyond a second term as well. It recognises that it may take some time to achieve the objective.

LTFP

Long-term Financial Plan. It sets out Council's 10-20 year financial plan.

NAIDOC

National Aborigines and Islanders Day Observance Committee Northern Sydney Regional Organisation of Councils (NSROC) Comprising the Councils of Hornsby, Hunter's Hill, Ku-ring-gai, Lane Cove, North Sydney, Ryde and Willoughby.

National Institute of Economic and Industry Research Pty Ltd (NIEIR)

National Institute of Economic and Industry Research Pty Ltd, is a private economic research and consulting group. It provides data on economic and social indicators for local government areas.

Northern Sydney Regional Organisation of Councils (NSROC)

Comprising the Councils of Hornsby, Hunter's Hill, Ku-ring-gai, Lane Cove, Mosman, North Sydney, Ryde and Willoughby.

Objectives

An objective is a specific, measurable condition that must be attained in order to accomplish a particular program goal.

Office of Local Government

The Office of Local Government is responsible for local government across NSW. The Office has a policy, legislative, investigative and program focus in matters ranging from Local Government finance, infrastructure, governance, performance, collaboration and community engagement. The Office strives to work collaboratively with the Local Government sector and is the key adviser to the NSW Government on Local Government matters.

Operational Plan

An annual plan that provides details of projects and activities for one year of the Delivery Program with a detailed annual budget.

Partnering

A structured approach to working together with other parties to achieve a mutually beneficial outcome.

Performance Reporting

The introduction of a corporate performance reporting system has allowed us to significantly progress the quality of our reporting in the past two years and to improve the connectivity of our short, medium and long term objectives and relate these to the performance indicators which have been developed to support the objectives of the

Community Strategic Plan 2030.

The performance of Council against the delivery of the activities is measured through two levels of indicators. Key performance indicators (KPIs) represent a measure of the standard or outcome of an organisation's services or activities. The KPIs are designed to encapsulate the performance and outcomes of Council and are reported on every six months. Tied to this reporting, Council also receives quarterly budget reports which provide data on the financial position of Council in terms of its income and expenditure as well as the status of its adopted capital works program.

Plan of Management (PoM)

A document which regulates the use and management of community land.

Principal Activity

Key areas in which Council sets objectives, delivers tasks, projects, programs and services and utilises PIs in order to measure performance.

Projected population

Our population is projected to rise to 144,085 by 2038 (an increase of 17%). Population projections stated in this report are from profile.id.

Quadruple Bottom Line (QBL)

The framework for measuring and reporting on the achievement of long-term objectives in the Community Strategic Plan against governance, economic, social and environmental parameters.

Resourcing Strategy

The Resourcing Strategy details how the strategic aspirations of Ku-ring-gai can be achieved in terms of time, money, people and assets. The Resourcing Strategy spans ten years. Its component parts include:

- 10-year Long-term Financial Plan
- 10-year Asset Management Strategy
- Four-year Workforce Strategy

The Resourcing Strategy is the link between the long-term Community Strategic Plan and the medium-term Delivery Plan. It is prepared every four years following each Council election. It is developed concurrently with the other plans in the IP&R framework. The Resourcing Strategy is designed to be a living document to reflect changing financial and asset information. Initiatives within the Resourcing Strategy will be reviewed annually to ensure relevance in the changing environment and to incorporate any community feedback.

Riparian

Situated on the bank of a creek or body of water.

Risk Management

Good management which operates to minimise the incidence of injury, damage, or loss to persons or property and to the good reputation of Council.

Stakeholder

Any individual or group having a particular interest in a project or action.

State of the Environment Report

Mechanism for providing details on the current status of the main environmental issues utilising the pressure, state, response model.

Sustainable Development

Development designed to meet the present needs whilst also taking into account future costs. These include environmental costs and the depletion of natural resources.

Sustainability

Sensitive use of natural resources without harming the ecological balance of the region.

Target

A numerical goal against which performance is measured.

Term Achievement

The four year result that Council nominates as the achievement to be reached within its term. It also describes how far Council will progress each long term objective during its four year term.

Theme

A topic heading that groups issues, long term objectives and term achievements together. The six themes in the Community Strategic Plan are:

1. Community, people and culture
2. Natural environment
3. Places, spaces and infrastructure
4. Access, traffic and transport
5. Local economy and employment
6. Leadership and governance

Together the six themes, containing issues, objectives and term achievements, represent a comprehensive view of Ku-ring-gai's future directions.

TRIM

Electronic system that registers incoming and outgoing correspondence and documentation and provides ready access to files.

Values

Underlying attitudes that influence decisions and actions to maximise an organisation's performance.

Vision

Statement of direction that articulates the aspirations of the community and serves as a guide to all those who contribute to it. In 2008 the Ku-ring-gai community, with the help of Council, developed a vision and set of values to guide future community planning and directions for Ku-ring-gai, as part of the development of its first 20-year Community Strategic Plan. The original vision and values, as stated above, were retained in our second Community Strategic Plan Our Community – Our Future 2030, which was endorsed by the community and adopted by Council in June 2013.

Acronyms

ABS Australian Bureau of Statistics	KYDS Youth Development Service Inc Management Committee (KYDS)
ACELG Australian Centre of Excellence for Local Government	LEP Local Environmental Plan
AILA Australian Institute of Landscape Architects	LIRS Local Infrastructure Renewal Scheme
APZ Asset Protection Zone	LGA Local Government Area
ARA Australasian Reporting Awards	LTFP Long Term Financial Plan
AICD Australian Institute of Company Directors	LTO Long Term Objective
CA Critical Action	MOU Memorandum of Understanding
CALD Culturally and linguistically diverse.	NIEIR National Institute of Economic and Industry Research
CBD Central Business District	NPWS NSW National Parks and Wildlife Service
CRC Corporate Research Centre	NTAG North Turrumurra Action Group
DA Development Application	NSROC Northern Sydney Regional Organisations of Councils
CSP Community Strategic Plan	OEH Office of Environment and Heritage
DP Delivery Program	OLG Office of Local Government
DCP Development Control Plan	OP Operational Plan
EEO Equal Employment Opportunity	PI Performance Indicator
EFT Equivalent Full Time	PIPPA Privacy and Personal Information Protection Act 1998
EIS Environmental Impact Statement	RFS Rural Fire Service
EoT End of Term report	SES State Emergency Services
EPA Environmental Protection Authority	SRV Special Rate Variation
ERP Estimated Resident Population	TA Term Achievement
ESL Environmentally Sensitive Lands	T-Corp NSW Treasury Corporation
FFTF Fit for The Future	TfNSW Transport for NSW
GHG Greenhouse Gas.	UTS University of Technology Sydney
GIPA Government Information (Public Access) Act 2009	VPA Voluntary Planning Agreement
HCA Heritage Conservation Area	WHS Workplace Health and Safety
ICT Information and Communications Technology	WSUD Water Sensitive Urban Design
ILGRP Independent Local Government Review Panel	
IP&R Integrated Planning and Reporting	
IPART Independent Pricing and Regulatory Tribunal of NSW	

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Need help?

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Simplified Chinese

需要帮助吗？

本文件包含重要信息。如果您不理解本文件，请致电翻译口译服务 131 450。让其代表您致电 9424 0000 联系Ku-ring-gai议会。营业时间：周一至周五，上午8.30—下午5:00。

Traditional Chinese

需要幫助嗎？

本檔包含重要資訊。如果您不理解本檔，請致電翻譯口譯服務 131 450。讓其代表您致電 9424 0000 聯繫Ku-ring-gai議會。營業時間：週一至週五，上午8.30—下午5:00。

Japanese

お困りですか？

この文書には、重要な情報が含まれています。ご不明な点があれば、「翻訳・通訳サービス」(電話 131 450) までお電話いただき、あなたに代わって、クーリングガイ (Ku-ring-gai) 議会に連絡するよう、ご依頼ください。営業時間：月曜日～金曜日 (8.30am-5pm)。

Korean

도움이 필요하십니까?

이 문서에는 중요한 정보가 담겨 있습니다. 여러분이 이해할 수 없다면, TIS (번역 및 통역 서비스)의 131 450번으로 전화하십시오. 9424 0000 번으로 여러분을 대신하여 전화해서 쿠링가이 카운슬을 연락해 달라고 요청하십시오. 영업 시간: 월요일-금요일, 오전 8시30분-오후 5시.

Contact Us

For assistance or information regarding any of Council's services or facilities please contact us.

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Online chat

Go to our online chat - kmc.nsw.gov.au
8.30am - 5pm (AEDST), Monday - Friday

Website

kmc.nsw.gov.au

Telephone interpreter service

Non-English speakers can phone 131 450 and quote ID number C018630.

National Relay Service

If you have a hearing or speech impairment, contact us using the National Relay Service. TTY users Call 133 677 then dial 02 9424 0000. Speak and Listen users with ordinary handset Call 1300 555 727 then ask for 02 9424 0000.

Internet relay users

Log on to Internet relay and enter 02 9424 0000

ACKNOWLEDGEMENTS

Ku-ring-gai Council would like to acknowledge all staff who contributed to the completion of the 2016/2017 Annual Report.

Photography

Many photographs featured in this Annual Report were entrants in the *Capture Ku-ring-gai Photo Competition* - thank you to our photographers.

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