



Special Variation Application Form Part B

[Ku-ring-gai Council](#)

Application Form

2026-27

[Local Government >](#)



Acknowledgment of Country

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders both past and present.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

Contact details

Enquiries regarding this document should be directed to a staff member:
Regina Choi (02) 9019 1942
Sheridan Raptmund (02) 9290 8430

The Independent Pricing and Regulatory Tribunal

IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from [IPART's website](#).

Contents

Council Information	1
1 About this application form	2
2 Description and Context	3
Question 1: What type and size of SV is the council is applying for?	3
Question 2: Is the council applying for a Crown Land Adjustment (CLA) in 2026-27?	4
Question 3: What is the key purpose of the requested SV?	5
Question 4: Is the council proposing to increase minimum rates in conjunction with the special variation?	5
Question 5: Does the council have an expiring SV?	7
Question 6: Does the council have an existing (ongoing) section 508A special variation which applies in 2026-27?	8
Question 7: Has IPART ever approved a special variation (including additional special variations in 2022-23)?	9
Question 8: Does the council have deferred general income increases available to it?	12
3 OLG SV Criterion 1 – Financial need	13
3.1 Additional information required for councils with an existing SV applying for an additional percentage increase	23
3.2 Any other factors that demonstrate the council's financial need (optional)	23
4 OLG SV Criterion 2 – Community awareness and engagement	25
4.1 How did the council engage with the community about the proposed special variation?	25
4.2 Proposed average rates outlined in the council's community consultation materials	33
4.3 Additional information (optional)	34
5 OLG SV Criterion 3 – Impact on ratepayers	35
5.1 How did the council clearly show the impact of any rate rises on the community?	35
5.2 How has the council considered affordability and the community's capacity and willingness to pay?	36
5.3 How has the council addressed (or intend to address) concerns about affordability?	38
5.4 Are there any other factors that may influence the impact of the council's proposed rate rise on ratepayers (optional)?	41
6 OLG SV Criterion 4 – Exhibition and adoption of IP&R documents	43
7 OLG SV Criterion 5 – Productivity improvements and cost-containment	44
7.1 What is the council's strategic approach to improving productivity in its operations and asset management?	44
7.2 What outcomes has the council achieved from productivity improvements and cost containment strategies in past years?	46
7.3 What productivity improvements and cost containment strategies are planned for future years?	49
7.4 How has the council's levels of productivity and efficiency changed over time, and compared to similar councils?	51

8	Council certification and contact information	53
8.1	Certification of application and declaration	53
8.2	Council contact information	54
9	List of required attachments	55
10	Checklists	58

Council Information

Please fill out the table below.

Council name	Ku-ring-gai Council
Date submitted to IPART	30 January 2026

1 About this application form

This application form is to be completed by councils applying for a special variation (SV) to general income for 2026-27 under section 508(2) or 508A of the *Local Government Act 1993* (LG Act). The application form is in two parts:

1. Application Form **Part A** (separate Excel spreadsheet)
2. Special Variation Application Form Part B (this MS Word document)

The SV Application Form Part B collects:

- Description and Context information for the SV
- Evidence against:
 - Criterion 1: Need for the variation
 - Criterion 2: Community awareness and engagement
 - Criterion 3: Impact on ratepayers
 - Criterion 4: Integrated Planning & Reporting (IP&R) documents
 - Criterion 5: Productivity improvements and cost containment strategies
 - Criterion 6: Other relevant matters
- Council certification and contact information

It also provides a List of attachments and checklist to assist councils.

When completing this Application Form, councils should refer to:

- The 'Apply for a SV or minimum rates (MR) increase' page of IPART's [website](#)
- The Office of Local Government (OLG) [Guidelines](#) issued in November 2020
- IPART's SV Guidance Booklet – *Special Variations: How to prepare and apply* available on our [website](#).

We encourage Councils to contact IPART early in their preparation to apply, or potentially apply, for an SV.

2 Description and Context

These questions seek information not tied to a specific criterion in the OLG guidelines.

Question 1: What type and size of SV is the council is applying for?

In Table 1, please use the checkboxes to indicate the type of SV the council is applying for. In Table 2, please provide, rounded to **1 decimal place**, unless otherwise specified in Table 3:

- the total percentage increase (including the rate peg) and,
- for a section 508A SV, the cumulative percentage increase over the SV period.

The percentage increases applied for should match any percentages specified in the council resolution to apply for an SV. That is, the council resolution should be specified to 1 decimal place unless the council specifically wants a different number of decimal places.

Should an SV be approved, the instrument will list the approved percentage(s) and the maximum permitted cumulative increase. If the cumulative increase is not specified in the council resolution, we will use 1 decimal place unless a different number of decimal places is specifically requested in Table 3.

If applying for a Crown Land Adjustment (CLA), please **do not** include the CLA percentage in Table 2. Information about CLAs is collected in Question 2 below.

In Table 3, please explain if the council would like its instrument issued to a different number of decimal places and if it has used an assumed rate peg that is not 2.5%.

Our [Guidance Booklet - Special variations: How to prepare and apply](#) has an example of these questions completed.

Table 1 Type of special variation

What type of SV is this application for?	<input checked="" type="checkbox"/> Section 508(2)	<input type="checkbox"/> Section 508A	
Are you applying for Permanent or Temporary?	<input checked="" type="checkbox"/> Permanent	<input type="checkbox"/> Temporary	<input type="checkbox"/> Permanent + Temporary

Table 2 The council's proposed special variation

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Is this year in the SV period?	yes	no	no	no	no	no	no
Percentage increase	24.6%						
Rate peg	4.4%						

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Cumulative percentage increase over the SV period for s 508A							
Indicate which years are permanent or temporary	Permanent						

Table 3 Further questions

Question	The council's response
Does the council wish its potential SV instrument to be issued with a different number of decimal places?	No
If the council used an assumed rate peg that is not 2.5%, please briefly justify why it did so.	For 2026/27 Council used the approved rate peg of (4.4%) which is the year in which SV applies (Year 1). For all future years, an assumed rate peg of 3% has been applied to better align with previous forecasts for Ku-ring-gai Council. This assumption was also used in early communication to community before the actual rate peg for 2026/27 was approved.

Question 2: Is the council applying for a Crown Land Adjustment (CLA) in 2026-27?

Please fill out the table below if the council is also applying for a CLA, otherwise leave it blank.

Is the council also applying for a CLA?	No
If so, by what percentage?	Not applicable
What is the dollar (\$) value for the CLA?	Not applicable
Who was the prior owner of the Crown Land?	Not applicable
Briefly outline the reason for the land becoming rateable.	Not applicable

Question 3: What is the key purpose of the requested SV?

In the text box below please summarise the key purpose(s) of the proposed SV.

The purpose of the proposed Special Rate Variation (SRV) is to meet community expectations and modern standards for local critical infrastructure, to address generations of under-investment in essential assets, and ensure that future generations are not burdened with the increased costs of deteriorating infrastructure.

The SRV is required because Council faces financial challenges that inhibit its ability to adequately renew and upgrade local infrastructure. These pressures include a low rate revenue per capita compared to the Sydney council average, rising costs not fully covered by the rate peg and ongoing cost shifting from State and Federal Governments (estimated as at least \$13.3 million in 2022/23, or \$287 per ratepayer).

Given Council's existing lean operating model, these pressures cannot be addressed solely through efficiency measures.

The proposed SRV is essential to reverse the increasing infrastructure backlog. It would secure an additional \$20.7 million a year to fund essential renewals, upgrades, and new infrastructure in the following asset classes:

- Stormwater and drainage.
- Recreational facilities (e.g. parks, sports courts and swimming pool).
- Footpaths (renewal of existing and new).
- Community buildings (e.g. sporting pavilions, amenity blocks and halls).
- Traffic and transport facilities (e.g. roundabouts and pedestrian safety upgrades).

A portion of the funding would also partly repay the loan for the construction of the St Ives Indoor Sports Centre until 2031/32, after which the income would be redirected to recreational facilities.

Without the SRV, the current infrastructure backlog would continue to increase, and Council would be unable to address the following issues:

- Over 40% of stormwater assets are in unsatisfactory condition, increasing risk of localised flooding.
- Around 250km of local streets need new footpaths, and existing paths need renewal over time.
- Insufficient investment in recreational facilities leading to outdoor activities being disrupted or abandoned due to poor playing surfaces or drainage.
- Over 50% of community buildings require major refurbishment or rebuild and fail to meet modern standards for access and efficiency.
- Inability to fund critical traffic and pedestrian safety upgrades.

Increased investment from an SRV would allow Council to reduce the infrastructure backlog by 39% over the next 10 years (compared to a 42% increase without it) and deliver the safe and high-quality infrastructure the community deserves and expects.

Question 4: Is the council proposing to increase minimum rates in conjunction with the special variation?

Complete Table 4 if the council proposes to increase minimum ordinary rates and/or Table 5 if the council proposes to increase special rates in conjunction with the SV for 2026-27. Otherwise, leave it blank. IPART will also use data provided in Application Form [Part A](#) to understand the details of the proposed SV and minimum amounts of rates.

In some situations, a minimum rates increase will be subject to IPART approval. In these cases, councils will need to also complete *Minimum Rate Increase Application Form Part B 2026-27* (Word document) available on our [website](#). Please see Table 2.4 of the [Guidance Booklet - Special variations: How to prepare and apply](#) for further information on when an additional MR increase application may be required. Councils do not need to submit another Application form Part A (Excel document).

Table 4 Minimum rates increase for ordinary rates

Does the council have an ordinary rate(s) subject to a minimum amount?	Yes
Does the council propose to increase the minimum rate(s) above the statutory limit for the first time? (If yes, you must complete a separate minimum rate increase application form.)	No
Does the council propose to increase the minimum rate(s) above the proposed SV percentage(s)? (If yes, you must complete a separate minimum rate increase application form, even if the council has been approved to increase its minimum rate above the statutory limit in the past.)	No
Has the council submitted an application for a minimum rate increase?	No

In the text box below, provide the council's proposed minimum rates increase (both in percentage and dollar terms) and to which rating category (or sub-category) the increase is to apply for each year (this can be in table form).

	2025/26 minimum rate	2026/27 minimum rate	\$ increase	% increase
Residential	\$669	\$698	\$29	4.33%
Business	\$669	\$698	\$29	4.33%

Increased by Rate Peg in subsequent years

Worksheets 4, 5 and 7 (WS 4, 5 and 7) of the [Part A](#) application form collects more detailed information about the proposed minimum rates increase.

Table 5 Minimum rates increase for special rates

Does the council propose to increase the minimum amount of a special rate above the statutory limit?	No
What will the minimum amount of the special rate(s) be after the proposed increase?	Not Applicable
Has the council submitted an application for a minimum rate increase?	No

The council must ensure that it has submitted [MR Increase Application Form Part B](#), if required. No separate Part A is required.

Question 5: Does the council have an expiring SV?

Complete the table below if the council has a temporary SV which is due to expire:

- on 30 June 2026, or
- at the end of any year in the period the requested SV would apply.

To calculate the amount to be removed from general income when the SV expires, councils must follow the terms of the relevant condition in the SV instrument. Councils may find the example in Attachment 1 to the [OLG SV Guidelines](#) useful. The OLG's SV Guidelines also specify that councils must contact the OLG to confirm the calculation of this amount.

Does the council have an SV which is due to expire on 30 June 2026?	No
Does the council have one or more SV/s due to expire during the proposed SV period?	No
If Yes to either question:	N/A
a. When does the SV expire?	
b. What is the percentage to be removed from the council's general income?	N/A
c. What is the dollar amount to be removed from the council's general income?	N/A
Has OLG confirmed the calculation of the amount to be removed?	N/A

Attachments required:

- Instrument(s) approving any SV which expires at 30 June 2026 or during the period covered by the proposed SV. **Not applicable.**
- OLG advice confirming calculation of the dollar amount to be removed from general income as a result of the expiring SV. **Not applicable.**

Question 6: Does the council have an existing (ongoing) section 508A special variation which applies in 2026-27?

Complete this question if the council has an existing section 508A multi-year SV instrument which approves an increase to general income above the rate peg for 2026-27 and future years within the period covered by the council's SV application.

If the council has an ongoing section 508A SV and is seeking additional changes to general income during the term of that existing SV, IPART will need to vary the original instrument if the application is approved, rather than issuing a separate SV instrument to apply for 2026-27 (or later years).

Does the council have a section 508A multi-year SV instrument that applies in 2026-27?

No

If yes to the above question, in the text box below:

- Specify the percentage increase(s) and duration of the SV
- Outline the council's actions in complying with conditions in the instrument approving the original SV
- Describe any significant changes relevant to the conditions in the instrument since it was issued.

Supporting documents could include extracts from annual reports or any other publications in which compliance with the terms of the SV has been reported to ratepayers.

N/A

Attachments required:

- A declaration by the General Manager as to the council's compliance with the conditions specified in the SV instrument on the council's official letterhead. **Not applicable.**
- Supporting documents providing evidence of the council's actions to comply with the conditions in the instrument. For example, extracts from annual reports or any other

publications in which compliance with the terms of the SV has been reported to ratepayers. **Not applicable.**

Question 7: Has IPART ever approved a special variation (including additional special variations in 2022-23)?

Complete this question if IPART has ever approved an SV for the council.

You **do not need** to complete the text box for this question if the relevant information has been provided in the council's response to Question 6.

Does the council have a section 508(2) or 508A SV which IPART has approved?

Yes

If yes, in the text box below, for each SV approved by IPART, briefly:

- Specify the type of SV and the increase to general income approved.
- Outline the council's actions in complying with conditions in the SV instrument(s) or where the council has failed to comply with the conditions, provide reasons and list the corrective actions undertaken.
- Describe any *significant* changes relevant to the conditions in the SV instrument(s) since it was issued.

Supporting documents could include extracts from annual reports (or webpage hyperlinks to them) or any other publications in which compliance with the terms of the SV has been reported to ratepayers.

Council has two Special Rate Variations – an Environmental Levy and Infrastructure Levy. IPART also approved an additional special variation in 2022/23.

Environmental Levy

Ku-ring-gai Council applied to increase its general income by 7.8% in 2011/12 (including a 5.0% increase and a 2.8% rate peg), and to have the amount raised by the special variation retained in its rates base until 2018/19. This was intended to replace an environmental levy that had been in place since 2005 and due to expire in June 2012.

The purpose of the environmental levy was to fund a \$21m program of environmental works, maintenance and recurrent operations over 8 years. This included recurrent operations and upgrades such as upgrading lights at council facilities, installing park lights and solar panels, maintaining bushland, supporting community programs and promoting sustainable transport. It also included some capital projects such as stormwater harvesting works and providing funding for the St Ives Cultural Centre.

IPART approved this application in June 2011 subject to the following conditions:

- That council uses the additional income from the special variation for the purposes of funding the expenditures outlined in the council's application.

- That council reports in its annual report for each rating year over the period from 2011/12 to 2018/19 on the program of expenditure on environmental works, the outcomes achieved, its asset renewal and maintenance expenditure, actual productivity savings achieved, and any significant variations from its financial results as forecast in its Long Term Financial Plan and any corrective action taken or to be taken.

IPART's determination is available [here](#).

In 2019, Council applied to IPART to retain the 5.0% SV in its rate base permanently.

IPART approved this application in May 2019 subject to the following conditions:

- That Council uses the additional income from the Special Variation for the purposes of funding environmental works and programs as outlined in the Council's application
- That Council reports in its annual report for each year in 2019-20 and 2020-21 on the program of expenditure that was actually funded by the additional income, any significant variations from its proposed expenditure as forecast in the current Long Term Financial Plan and the reasons for such variation, expenditure consistent with the Council's application and the reasons for any significant differences from the proposed expenditure, and the outcomes achieved as a result.

Council has complied with IPART's determination by publishing details of expenditure, reasons for any variances and projects funded by the levy in its Annual Report each year. See [here](#) (p.156-57) for council's 2024/25 report.

Infrastructure Levy

Ku-ring-gai Council applied for a special variation of 7.3% in 2014/15 (including a 5.0% special variation increase and a rate peg of 2.3%). Council estimated that the increase would generate \$2.7m in additional revenue in 2014/15 and \$32.5m over 10 years. The purpose of this increase was to help fund Council's road renewals program. The increase replaced the previous one-year roads levy that would have ended in June 2014.

IPART approved Council's application in June 2014, subject to the following conditions:

- That council uses the additional income from the special variation for the purposes of funding its road renewals program as outlined in its application.
- That council reports in its annual report for each year from 2014/15 to 2023/24 on expenditure consistent with the council's application, the reasons for any significant differences from the proposed expenditure and the outcomes achieved as a result of the actual program of expenditure.
- That council reports to the Office of Local Government by 30 November each year on its compliance with these conditions.

IPART's determination is available [here](#).

Council has complied with IPART's determination by publishing details of expenditure, reasons for any variances and projects funded by the levy in its Annual Report each year. See [here](#) (p.158) for Council's 2024/25 report.

Additional Special Variation

Ku-ring-gai Council applied for a permanent Additional Special Variation (ASV) for a percentage increase in its general income of 2.5% in 2022-23. The rate peg for Ku-ring-gai Council in 2022-23 was set at 0.7%. IPART assessed this application against the criteria set by the Office of Local Government (OLG) and found that the application fully met all assessment criteria. The application was approved.

IPART's determination is available [here](#).

Attachments and evidence

A declaration by the General Manager as Council's compliance with the conditions specified in the above SRV instruments is provided at **Attachment B**.

Supporting documents providing evidence of the council's actions to comply with the conditions in the instrument(s). are provided at **Attachment C**.

Attachments required:

- A declaration by the General Manager as to the council's compliance with the conditions specified in the SV instrument(s). See **Attachment B**.
- Supporting documents providing evidence of the council's actions to comply with the conditions in the instrument(s). For example, extracts from annual reports or any other publications in which compliance with the conditions of the SV instrument has been reported to ratepayers. See **Attachment C**.
- If applicable, supporting documents providing evidence of the corrective actions undertaken in the event of a failure to comply with the conditions in the SV instrument(s). **Not applicable**.

Question 8: Does the council have deferred general income increases available to it?

Complete the question box below if the council has decided not to apply the full percentage increases to general income available to it in one or more previous years under sections 506, 508(2) or 508A of the LG Act.

Does the council have deferred general income increases available to it from one or more previous years under section 511 of the LG Act?	No
If Yes, has the collection of this additional income been included in the Council's Long Term Financial Plan (LTFP)?	N/A

In the text boxes also explain:

a. The quantum, rationale and timing of any deferred increases in general income. N/A.
b. When council plans to catch up on the deferred general income through the catch-up provisions and whether this been included in the LTFP. N/A
c. How does this deferred income impact on the council's need for the SV and its cumulative impact on ratepayers' capacity to pay? The council may also wish to further expand on this question in Table 6 in the OLG Criterion 1 section below. N/A

3 OLG SV Criterion 1 – Financial need

Refer to the [OLG SV Guidelines](#) as needed, and section 3 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) when preparing consultation strategy and material for completing this section.

In Table 6 below, please explain how the council met each component of Criterion 1. Please also provide a reference to evidence in the IP&R documents.

The [Part A](#) application form also collects information for this criterion in Worksheets 9 (WS 9 - Financial), 10 (WS 10 - LTFP) and 11 (WS 11 - Ratios).

Table 6 OLG Criterion 1 components

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
<p>The need for, and purpose of, a different revenue path for the council's General Fund (as requested through the SV) is clearly articulated and identified in the council's IP&R documents</p>	<p>The need for an SRV has been clearly articulated and consistently identified within Council's Integrated Planning and Reporting (IP&R) documents since 2023.</p> <p>Financial Sustainability Review</p> <p>In late 2022, Council commissioned an independent Financial Sustainability Review. The review was reported to Council in February 2023 (see Attachment V) and confirmed that existing revenue was insufficient to maintain Council's assets. The review found that:</p> <ul style="list-style-type: none"> operating expenditure per capita was below the average for major metropolitan councils, and each staff member serviced more residents per staff member than comparable councils. Council carried an infrastructure backlog higher than comparable metropolitan councils. A significant and ongoing gap was identified between available funding and required maintenance and renewals. <p>Given limited opportunities to increase revenue or savings from efficiency improvements, the review recommended that Council examine the need for an</p>	<p>Long Term Financial Plan 2023-2033 adopted in June 2023 (primarily pages 15-19 available here)</p> <p>Delivery Program 2022-2026 and Operational Plan 2023-24 adopted in June 2023 (see pages 5 and 91-93 available here)</p> <p>Long Term Financial Plan 2024-2034 published in June 2024 (primarily pages 16-20 available here)</p> <p>Delivery Program 2022-2026 and Operational Plan 2024-25 adopted in June 2024 (page 92 available here)</p> <p>Long Term Financial Plan 2025-2035 adopted June 2025 pages 5-56 and Appendices A-E available here</p> <p>Ku-ring-gai Community Strategic Plan (Attachment D)</p>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<p>SRV to fund asset improvements and major community projects (St Ives Indoor Sports Centre and Marian Street Theatre).</p> <p>Integrated planning and reporting (IP&R) in 2023 and 2024</p> <p>The recommendations arising from the review and the need for the SRV have been consistently included and refined in annual planning since 2023.</p> <p>Council's 2023/24 and 2024/25 Long Term Financial Plan (LTFP) canvassed two preliminary SRV scenarios to commence in 2026/27:</p> <ul style="list-style-type: none"> the rate peg, and additional funding for infrastructure improvements, the loan for the construction of the St Ives Indoor Sports Centre with the NSW Government, and a potential loan for the reconstruction of the Marian Street Theatre. the rate peg, and additional funding for the construction of the St Ives Indoor Sports Centre only. <p>These plans were exhibited and published in accordance with IP&R requirements.</p> <p>Integrated planning and reporting (IP&R) in 2025</p> <p>Following the local government elections in September 2024, Council undertook extensive engagement with residents and local businesses on a new Community Strategic Plan (CSP) and DP&OP. Council also updated its Resourcing Strategy, including the LTFP and Asset Management Strategy (AMS).</p> <p>These plans were publicly exhibited in April-May 2025. The DP&OP, LTFP and AMS include detailed information on the following:</p> <ul style="list-style-type: none"> The existing and emerging challenges to Council's financial position, including local government sector-wide financial sustainability challenges, cost-shifting from other levels of government, and Ku-ring-gai's specific rating challenges (e.g. low rate revenue base). The findings and recommendations of the Financial Sustainability Review. 	<p>Asset Management Strategy 2025-2035 adopted June 2025 pages 9-43 available here)</p> <p>Delivery Program 2025-2029 and Operational Plan 2025-2026 adopted June 2025 pages 8, 58-61 and 78-90, available here</p> <p>Revised Delivery Program 2025-2029 and Operational Plan 2025-2026 (see "Proposed special rate variation" overview pages 9-12, references to SV in Financial Summary from pages 62-65, SRV column in Capital Works Program Tables from pages 79-85) adopted December 2025 (Attachment E)</p> <p>Revised Long Term Financial Plan 2025-2035 (see pages 4-47 and Appendices A-D) adopted December 2025 (Attachment F).</p> <p>Revised Asset Management Strategy 2025-2035 (pages 4-29) adopted December 2025 (Attachment G)</p> <p>Asset Management Plan - Road and Transport Assets adopted December 2025 (Attachment I)</p> <p>Asset Management Plan – Footpaths adopted December 2025 (Attachment J)</p> <p>Asset Management Plan - Stormwater and Drainage adopted December 2025 (Attachment K)</p>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<p>Evidence of meeting this criterion from the council's IP&R documents</p> <ul style="list-style-type: none"> • The rising infrastructure backlog, including the funding gap for asset maintenance and detailed condition reviews of stormwater drainage and buildings assets. • The consequences of no intervention (the base case) versus SRV scenarios on financial and infrastructure outcomes. • The alternatives considered to an SRV (e.g. efficiency gains, reducing levels of service). • The long-term financial forecasts and detailed capital works programs for the years covered by the plan. <p>. The LTFP exhibited four rating scenarios to address these issues:</p> <ul style="list-style-type: none"> • Deteriorating Infrastructure (baseline, assumed 3% rate peg): Ongoing decline in quality of assets. • Renew Infrastructure (22% increase): Improvements to stormwater, buildings, footpaths, recreational facilities and funding the St Ives loan. • Renew and Enhance Infrastructure (29% increase): All benefits of Scenario 1, plus additional recreational facility works, new footpaths, and traffic/transport upgrades. • Renew, Enhance and Expand Infrastructure (33% increase): All benefits of Scenario 2, plus additional traffic/transport upgrades and the Marian Street Theatre reconstruction. <p>These plans were adopted by Council and published in June 2025.</p> <p>Following comprehensive community engagement on each of the SRV options between July - September, Council resolved to exhibit a revised set of IP&R plans including the base case (rate peg only) and a revised SRV scenario for a total increase of 29.0% (comprising a 24.6% SRV and the 4.4% rate peg).</p> <p>The exhibited LTFP and AMS explicitly detail how the additional \$20.7 million per year raised by the SRV would be invested:</p>	<p>Asset Management Plan - Parks and Recreational Assets adopted December 2025 (Attachment L)</p> <p>Asset Management Plan - Buildings Assets adopted December 2025 (Attachment M)</p> <p>Also see Ku-ring-gai Financial Sustainability Review Report (January 2023) (Attachment V)</p>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<ul style="list-style-type: none"> Community buildings (\$6.7 million): Renewal and upgrade of halls, public toilets, pavilions and other assets, focusing on improved safety, lighting, accessibility and women's facilities. Stormwater and drainage (\$5.9 million): Improvements to kerb inlets, pipes and drains to reduce flooding risk, utilising pipe relining technologies for cost savings. Recreational facilities (\$1.9 million): Improvements to playing surfaces, pathways, drainage and fencing, including upgrades to the Ku-ring-gai Fitness and Aquatic Centre. New footpaths (\$2.1 million): Focused construction in areas of high pedestrian traffic near transport hubs, shops, and schools. Traffic and transport (\$1.7 million): Funding for traffic facilities, pedestrian safety and bus stop improvements. Existing footpaths (\$0.94 million): Removing trip hazards and improving surfaces. Construction of the St Ives Indoor Sports Centre (\$1.46 million): Funding fund loan repayments for the project. This funding would be reinvested into renewal of recreational facilities after the loan is repaid in 2031/32. <p>Following public exhibition, the revised IP&R plans (and supporting Asset Management Plans for each asset class) were adopted by Council without amendment in December 2025 and published. See Attachments E to M)</p>	
In establishing need for the SV, the relevant IP&R documents should canvass alternatives to the rate rise.	<p>Council's IP&R plans canvas alternatives to the SRV and demonstrate that the rate increase is the only viable pathway to achieve long-term financial sustainability.</p> <p>Alternatives canvassed in the LTFP</p> <p>The LTFP considers the following alternatives to the proposed rate variation:</p>	Revised Delivery Program 2025-2029 and Operational Plan 2025-2026 (pages 8-12) (Attachment E)

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<p>Evidence of meeting this criterion from the council's IP&R documents</p> <ul style="list-style-type: none"> Reducing levels of service: Would result in removal of services the community regards as important, and staffing reductions would undermine ability of Council to deliver the infrastructure renewal program the SRV is intended to fund. Debt and borrowing: While debt may be appropriate for specific capital projects, borrowing to fund recurrent asset maintenance and renewal is not financially sustainable. Further asset sales: Asset sales may provide one-off revenue and cannot generate the permanent, recurrent income necessary to address the long-term infrastructure backlog. Further revenue and efficiency measures: Council continues to seek opportunities to maximise revenue and productivity improvements, but further efficiencies alone would be insufficient to cover the structural funding shortfall. <p>As referenced in the DP&OP (see Attachment E), the independent financial sustainability review found Council's funding strategy was insufficient to cover asset renewal and maintenance costs, and that an increase in rates was the only viable pathway to address these issues and deliver the desired community outcomes.</p>	<p>Revised Long Term Financial Plan 2025-2035 (pages 13-14 referring to financial sustainability review and page 45 examining alternatives) (Attachment F).</p>
<p>In demonstrating this need, councils must indicate the financial impact in their LTFP by applying the baseline and special variation scenarios.</p>	<p>Council's LTFP and AMS clearly articulate the different financial and infrastructure outcomes that flow from the base case scenario (rate peg only) and the SRV scenario.</p> <p>Financial Impact</p> <p>The LTFP (see Attachment F) includes full chapters explaining each scenario, including their responses to Office of Local Government (OLG) asset and financial ratios, and includes the balance sheet, income statement and cash flow statements applicable to each scenario.</p>	<p>Revised Long Term Financial Plan 2025-2035 (see pages 4-47 including comparison table on page 32 and Appendices A-D) (Attachment F)</p> <p>Revised Asset Management Strategy 2025-2035 (pages 4-29) (Attachment G)</p>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<p>Evidence of meeting this criterion from the council's IP&R documents</p> <p>The LTFP notes that Council would be able to achieve average operating surpluses of \$17.3 million in the nine years from 2025/26 to 2034/35 with an SRV. These surpluses would be able to be re-invested into infrastructure improvements, leading to an additional \$197.8 million in capital expenditure during the life of the LTFP. The LTFP and AMS show how the SRV provides recurrent revenue to maintain financial sustainability and avoid operating deficits.</p> <p>This compares to the baseline scenario, which will result in average operating deficits of \$1.75 million. These deficits will result in Council being financially unable to adequately address the known infrastructure asset works backlog and ongoing depreciation.</p> <p>Asset renewal and infrastructure backlog ratios</p> <p>The LTFP and AMS (Attachment G) apply both scenarios to the OLG asset and financial ratios to demonstrate the long-term impact on asset sustainability.</p> <p>The building and infrastructure asset renewal ratio measures Council's rate of asset renewal against its rate of depreciation:</p> <ul style="list-style-type: none"> Under the SRV scenario, the ratio remains above the 100% benchmark for all years of the LTFP. This means Council would be able to deliver a rate of asset renewal that is greater than asset depreciation. Under the base case scenario, the ratio remains below the 100% benchmark from 2026/27 onwards. This confirms that under the base case, Council's assets will be deteriorating at a faster rate than renewal. <p>The infrastructure backlog ratio measures the backlog (cost to bring assets to a satisfactory condition) as a percentage of the total written down value of infrastructure assets:</p> <ul style="list-style-type: none"> Under the SRV scenario, Council will progressively reduce the ratio and meet the 2% benchmark by 2034/35. Under the base case scenario, the ratio will significantly increase from 8.6% in 2025/26 (more than four times the benchmark) to 14.8% in 2034/35 (more than seven times the benchmark). 	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<p>The LTFP and AMS also articulate the overall and individual asset class improvements which flow from the SRV by quantifying the change in the total cost required to address the backlog over the 10-year period.</p> <p>Cost to bring assets to a satisfactory condition:</p> <ul style="list-style-type: none"> Under the SRV scenario, the cost would fall by 75% from \$93.7 million in 2025/26 to \$23.0 million in 2034/35. Under the base case scenario, the cost would increase by 93% to \$181.1 million over the same period. <p>Cost to bring assets to a new condition:</p> <ul style="list-style-type: none"> Under the SRV scenario, the cost would fall by 39% from \$194 million in 2025/26 to \$119 million in 2034/35. Under the base case scenario, the cost would increase by 42% to \$276 million in 2034/35 over the same period. <p>The AMS further confirms that under the SRV scenario, there will be reductions in both infrastructure backlog metrics across key asset classes, including footpaths, stormwater, and buildings, while the backlog figures for recreational facilities will remain stable. This contrasts sharply with the baseline scenario, which projects a significant increase in both backlog metrics for all these asset classes.</p>	
Evidence of community need/desire for service levels/projects and limited council resourcing alternatives.	<p>Council has undertaken extensive community engagement which shows there is clear evidence of community support for the improved infrastructure outcomes which will be delivered by the SRV.</p> <p>Community research (2024)</p> <p>In 2024, Council commissioned independent research on community perception of its services and facilities (see Attachment W). This research involved interviews with 501 randomly selected Ku-ring-gai residents, with results weighted to reflect the adult age and sex characteristics of the local population.</p>	<p>Revised Delivery Program 2025-2029 and Operational Plan 2025-2026 (page 11) (Attachment E)</p> <p>Revised Long Term Financial Plan 2025-2035 (see pages 16 and 18) (Attachment F)</p> <p>Revised Asset Management Strategy 2025-2035 (page 14) (see Attachment G)</p>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<p>Evidence of meeting this criterion from the council's IP&R documents</p> <p>The research included questions on the community's willingness to pay higher rates to support improvements in facilities. The report (see page 49) found that at least 50% of community members were at least somewhat supportive of paying higher rates to improve facilities across a range of asset classes. This includes the facilities (parks and sportsgrounds, footpaths, stormwater drainage and community buildings) that would be funded by the SRV. This provides a direct indication that the SRV is responding to community service level expectations.</p> <p>The SRV is specifically designed to address asset classes where there is a wide gap between the community importance placed on the asset and community satisfaction with the current service level. In other words, the SRV addresses areas the community believes are important but are currently not being provided at an acceptable standard. Key gaps identified include:</p> <ul style="list-style-type: none"> • Footpaths: 20% gap between importance and satisfaction. • Condition of existing footpaths: 15% gap. • Traffic management: 14% gap. • Adequate drainage: 10% gap. <p>The SRV's allocation of funds to footpaths, stormwater and traffic/transport facilities (as detailed in the DP&OP, LTFP and AMS) is a direct, evidence-based response to these gaps between expectations and service levels.</p> <p>Support for SRV options (2025 engagement)</p> <p>Between July and September 2025, Council undertook extensive community engagement on four rate increase options. All SRV options included funding for critical improvements and the St Ives Indoor Sports Centre construction loan. See Community Engagement Outcomes Report at Attachment N.</p> <p>A representative (randomly selected) survey conducted during this period found that 56% of respondents ranked an SRV as their preferred option for addressing Council's infrastructure funding gap. This demonstrates clear support for the underlying concept of using a rate rise to support improved infrastructure outcomes, including the St Ives Indoor Sports Centre.</p>	<p>Also see: Consultation on Rate Increase Options - Community engagement outcomes report (October 2025) (Attachment N); Results of Representative Survey of Rate Increase Options (Micromex) (September 2025) (Attachment P); and Community Research Report 2024 (pages 49 and 71) (Attachment W)</p>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<p>Support for the final proposed scenario was substantial. 45% of survey respondents said they were at least somewhat supportive of SRV Option 3 (Renew and Enhance Infrastructure) which council reduced and adopted as the preferred option. This confirms broad community acceptance of the scope and cost of the SRV. See full survey results in Attachment P.</p> <p>The outcomes of this research are also included in the adopted DP&OP (Attachment E), LTFP (Attachment F) and AMS (Attachment G).</p> <p>Awareness of limited council resourcing alternatives</p> <p>As detailed in the previous section, Council's IP&R documents canvas alternatives to the SRV, demonstrating that the rate increase is the only viable pathway to achieve long-term financial sustainability.</p>	
Evidence could also include the analysis of the council's financial sustainability conducted by Government agencies	<p>The Financial Assessment and Benchmarking Report prepared by TCorp on behalf of NSW Treasury as part of the Local Infrastructure Renewal Scheme (LIRS) in 2012 found that Council was a financially disciplined organisation, characterised by consistent operating surpluses, well-managed expenses, and high revenue autonomy. Treasury validated Council's fiscal flexibility and liquidity, noting that debt servicing and interest cover ratios remain well above industry benchmarks based on "reasonable" financial assumptions. At the time, the review highlighted Council's infrastructure backlog, with maintenance expenditure falling below required levels despite capital programs exceeding depreciation benchmarks. See here.</p> <p>As outlined above, Council commissioned an independent Financial Sustainability Review in 2022. The review was reported to Council in February 2023 and confirmed that existing revenue was insufficient to maintain Council's assets in the long term. The review found that:</p> <ul style="list-style-type: none"> • operating expenditure per capita was below the average for major metropolitan councils, and each staff member serviced more residents per staff member than comparable councils. • Council carried an infrastructure backlog higher than comparable metropolitan councils. 	<p>Revised Delivery Program 2025-2029 and Operational Plan 2025-2026 (page 8) (Attachment E)</p> <p>Revised Long Term Financial Plan 2025-2035 (page 13) (Attachment F)</p> <p>Also see Ku-ring-gai Financial Sustainability Review Report (January 2023) (Attachment V)</p> <p>Also see Ku-ring-gai Council Financial Assessment and Benchmarking Report (prepared for the LIRS) (September 2012) (Attachment Y)</p>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<ul style="list-style-type: none"> • a significant and ongoing gap was identified between available funding and required maintenance and renewal. 	
<p>If applicable, has the council not applied the full percentage increases available to it in one or more previous years under section 511 of the Local Government Act? If a council has a large amount of revenue yet to be caught up over the next several years, it should explain in its application how that impacts on its need for the SV.</p>	<p>Council has generally applied the full percentage rate revenue increase available to it</p>	<p>Not relevant</p>

3.1 Additional information required for councils with an existing SV applying for an additional percentage increase

If the council has **an existing SV**, then explain the need for **a variation to that SV** to increase the annual percentage increases.

All existing SRVs have been approved by IPART as permanent and form part of Council's General Income. However, for financial, budgeting and reporting purposes these allocations are maintained for the purpose they were originally intended and increased by the allocated rate peg.

3.2 Any other factors that demonstrate the council's financial need (optional)

In the text box please give a brief explanation of any other factors not already mentioned that may be relevant to demonstrate the council's need.

For instance, the council may wish to discuss the impact of **non-rateable** properties.

There are specific local factors in the Ku-ring-gai LGA that exacerbate the funding gap and increase asset maintenance and service delivery costs. These include the following:

Limited commercial rate base and reliance on residential rates

Ku-ring-gai has a very low number of businesses compared to other metropolitan LGAs (1,154 ratable businesses in 2023/24, the 4th lowest in the metropolitan area). The lack of a diverse commercial and industrial rate base means that Council must rely overwhelmingly on residential rates to fund essential infrastructure and services.

High property value and low rate revenue base per asset

The residential properties in Ku-ring-gai consist of a large proportion of high value, single dwellings on large blocks. This means that the overall rate income generated by total land area or road length is lower than in high-density areas, while Council still needs to maintain the same length of roads, footpaths and stormwater assets.

High proportion of non-rateable land

A substantial proportion of land in the LGA is non-rateable (around 7% of all lots and 47% of total land area), including Crown Land and large schools and hospitals. There are two major hospitals, around 23 public schools and 8 independent / non-government schools. Non-rateable land reduces Council's overall rateable base, even though Council is still required to maintain the infrastructure that support these properties. This effectively shifts the cost of servicing these properties onto residential ratepayers.

Cost of maintaining extensive natural assets

Ku-ring-gai adjoins three national parks and contains significant urban forest and tracts of local bushland (around 41% of the LGA is national park, parks and reserves). Ku-ring-gai manages 1,615 ha of open public space (the 4th highest of Sydney metropolitan councils). The cost of maintaining these natural assets (e.g. bushfire hazard reduction, weed management and natural area rehabilitation) is relatively high compared to other councils.

Around 35% of rateable and 91% of non-rateable land area is on hilly terrain (over 18% slope). The steep topography, dense bushland and waterways increase the complexity and cost of maintaining the stormwater and footpath network.

Worksheet 12 (WS 12) in the [Part A](#) Excel application form can also be used to provide additional data.

4 OLG SV Criterion 2 – Community awareness and engagement

Refer to the OLG SV Guidelines as needed, and section 4 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) when preparing consultation strategy and materials for completing this section. Please also note that section 4 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) is the IPART fact sheet referred to in the OLG SV Guidelines under Criterion 2 that provides guidance to councils on the community awareness and engagement criterion for special variations.

4.1 How did the council engage with the community about the proposed special variation?

In Table 7 please provide evidence as to how the councils community engagement met Criterion 2.

Table 7 Evidence of the council's community engagement demonstrating Criterion 2

Criteria	Evidence of meeting this criterion	Reference to application supporting documents
Evidence that the community is aware of the need for and extent of a rate rise.	<p>Council has undertaken extensive, multi-stage awareness-raising and consultation to ensure the community is fully aware of the need for the Special Rate Variation (SRV), the extent of the proposed rate rise and the opportunity to provide feedback.</p> <p>Stage 1: Initial awareness through annual IP&R cycles (2023–2025)</p> <p>The need for a different revenue path has been detailed each year through the exhibition and publication of the DP&OP, LTFP and AMS since 2023/24. This process established early community awareness of Council's financial challenges and Council's intent to pursue a rate increase.</p> <p>During the public exhibition process, documents were placed on Council's YourSay engagement page and in hard copy in libraries. Communications included newspaper advertisements, media releases and promotion via e-newsletter and social media.</p> <p>See links to engagement pages for the <u>2023</u>, <u>2024</u> and <u>2025</u> IP&R plans.</p> <p>Stage 2: Comprehensive Consultation on Scenarios (July – September 2025)</p> <p>This was the most comprehensive engagement phase, focused on consulting the community on four specific rate increase scenarios. Council used a range of channels to ensure all ratepayers were aware of the options and their financial implications.</p>	<p>Consultation on Rate Increase Options - Community engagement outcomes report (October 2025) (Attachment N)</p> <p>Consultation on Rate Increase Options - Response to key submission themes (October 2025) (Attachment O)</p> <p>Results of Representative Survey of Rate Increase Options (Micromex) (September 2025). See pages 28-29 for community awareness. (Attachment P)</p> <p>Results of Opt-in Survey of Rate Increase Options (Micromex) (September 2025) (Attachment Q)</p> <p>Public Exhibition of IP&R Plans - Community engagement outcomes report (December 2025) (Attachment R)</p>

	<p>A letter and a six-page brochure detailing the four scenarios and their average financial impact were mailed to all 44,766 ratepayers. 11,726 ratepayers who receive e-notices were also emailed separately.</p> <p>Advertisements were placed in local publications (e.g., North Shore Times, Sydney Observer) the digital banner across the Pacific Highway, Gordon and physical banners outside Council Chambers.</p> <p>A media release was issued to 27 local and metropolitan media organisations, including multicultural media outlets</p> <p>Engagement activities were promoted in Council newsletters, and through flyers and stalls at Council venues.</p> <p>A dedicated Your Say page (accessible via www.krg.nsw.gov.au/srv) was established, featuring:</p> <ul style="list-style-type: none"> • Fact sheets and detailed information about each of the four rate increase scenarios. • The adopted DP&OP, LTFP (including detailed information about the four options), and the AMS (based on a 22% SRV). • A rate option comparison table, and table showing average business and ratepayer rate increases under the SRV options for the coming four years. • Information on upcoming engagement events, contact details for queries and lodging formal submissions, and a survey link for community feedback. • A video about the options and a video recording of the online forum. • Charts comparing key Council financial information to other councils. • A list of example projects that could be funded by the Special Rate Variation options. • FAQs that were revised in response to common community queries received during the exhibition. <p>The YourSay page recorded 20,564 views from 8,861 visitors and 3,117 document downloads during the engagement period.</p> <p>See the community engagement outcomes report (October 2025) at Attachment N.</p> <p>Measuring awareness</p> <p>Council commissioned Micromex to undertake a representative survey of 400 residents, with the sample weighted to reflect the LGA's demographics (see report at Attachment P).</p> <p>60% of respondents reported being aware of Council's engagement activities, significantly exceeding the 44% average awareness result from comparable surveys for other councils. The mailout to ratepayers was the most cited activity that residents were aware of (81%).</p>	<p>Public Exhibition of IPR Plans - Response to key submission themes (December 2025) (Attachment S)</p>
--	--	---

	<p>This indicates a high level of community awareness that Council was seeking feedback.</p> <p>Feedback received</p> <p>The high level of community awareness translated into strong feedback:</p> <ul style="list-style-type: none"> • More than 570 submissions were lodged. • 4,515 people completed an opt-in survey (see survey results at Attachment Q). • 59 people attended an online forum or one of two drop-in sessions. • 468 community members were engaged through the representative survey or recruited workshops. <p>For further details, see the community engagement outcomes report (October 2025) at Attachment N, and response to key submission themes in Attachment O.</p> <p>Stage 3: Exhibition of revised IP&R plans (October – November 2025)</p> <p>After considering feedback received, Council resolved in October 2025 to proceed with a preferred 29% rate increase. The revised IP&R documents reflecting this decision were publicly exhibited to raise community awareness of the chosen pathway and provide further opportunity for feedback.</p> <p>Council emailed 2,492 people who had previously provided feedback (with 12 receiving mailed letters), ensuring that residents and business who were most engaged were directly informed of the final proposal.</p> <p>The exhibition was also promoted via e-newsletters, newspaper advertisements, a media release and on Council's homepage.</p> <p>Council received 80 submissions commenting on the revised IP&R plans and the preferred rate increase. Council provided a response to each submitter.</p> <p>For further details, see the public exhibition outcomes report (December 2025) at Attachment R, and response to key submission themes in Attachment S.</p> <p>Members of the community were also able to provide feedback to Council directly through the Public Forum. Between June and December 2025, 13 residents registered to address Council on the exhibited IP&R plans or the SRV. The majority spoke in favour of a rate increase to fund the Marian Street Theatre redevelopment.</p> <p>This three-stage process ensured that the need, extent, and final proposal were communicated to the broadest possible audience across multiple years and formats.</p>	
<p>The council need to communicate the full cumulative increase of the proposed SV in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category.</p>	<p>Council provided clear and comprehensive communication of the full cumulative percentage increase and the total increase in dollar terms for the average ratepayer by category. It was also consistently made clear that the proposed SRV was permanent.</p> <p>The full percentage increase was communicated across stages 2 and 3 of the engagement.</p>	<p>Consultation on Rate Increase Options - Community engagement outcomes report (October 2025) (Attachment N)</p>

	<p>Comprehensive consultation on scenarios (July – September 2025)</p> <p>Council placed information in the following locations on the YourSay portal, when seeking feedback on four rate increase scenarios between July-September 2025:</p> <ul style="list-style-type: none"> • In a comparison table • In an average rate table, showing average rate increases under each scenario in the coming four years. • In fact sheets on each scenario, including the fact sheet for the 22%, 29% and 33% SV scenarios • In the Long Term Financial Plan adopted in June 2025 <p>This information was also available through a six-page brochure sent to all ratepayers, which included the comparison table referred to above. This brochure stated prominently that "Council is seeking community feedback on four rate options. Three of these options involve a permanent increase in rates".</p> <p>It was also available in presentations to the in-person and online forums.</p> <p>Council's media release, letter to ratepayers and e-newsletters referred to the full cumulative increase of the proposed SV scenarios.</p> <p>See the community engagement outcomes report (October 2025) at Attachment N.</p> <p>Exhibition of revised IP&R plans (October – November 2025)</p> <p>At its October 2025 meeting, Council considered feedback on the four scenarios and resolved to support a preferred 29% rate increase.</p> <p>Between October and November 2025, Council communicated all components of this increase, and the relevant average rate increases, as part of the exhibition of revised IP&R documents.</p> <p>Council's Your Say portal page, e-newsletters and newspaper advertisements made clear that the total increase sought was 29%, including a SV of 24.6% and a rate peg of 4.4%.</p> <p>This was reinforced by a list of frequently asked questions, which stated the average rate increase under the proposed SV and that the SV would be permanent.</p> <p>See the public exhibition outcomes report (December 2025) at Attachment R.</p> <p>Further information was also published in the adopted DP&OP (Attachment E) and LTFP (Attachment F).</p>	<p>Public Exhibition of IP&R Plans - Community engagement outcomes report (December 2025) (Attachment R)</p>
<p>The Delivery Program and LTFP should clearly set out the extent of the General Fund rate rise under the SV, for the average ratepayer, by rating category.</p>	<p>Council's IP&R documents clearly and formally set out the full extent of the General Fund rate rise under the Special Rate Variation (SRV), detailing both the percentage and dollar impact on the average ratepayer by category.</p>	<p>Revised Delivery Program 2025-2029 and Operational Plan 2025-2026 (see pages 9-12) (see Attachment E)</p>

	<p>The financial details were documented in each version of the LTFP versions to provide full transparency to ratepayers:</p> <ul style="list-style-type: none"> • The LTFP adopted in June 2025 described four SRV scenarios (including the rate peg only base case). • The revised LTFP adopted in December 2025 described the base case and the single preferred SRV rate increase scenario. <p>Both documents included the following information for each scenario:</p> <ul style="list-style-type: none"> • The total percentage rate increase resulting from the SRV scenarios and the Rate Peg. • The average 2026/27 rate increases in dollar terms for the total increase, broken down by rating category (Residential and Business). • An explanation of the funding that would be generated and how it will be used (linking to specific capital programs), and an explicit statement that the SV scenarios would be ongoing (permanent). <p>The December 2025 LTFP included a dedicated table showing average rate increases over a four-year period, providing a clear forecast of the impact (see Attachment F). Similar tables for each of the four options were available on the engagement portal as part of community engagement between July to September 2025.</p> <p>The revised DP&OP includes a section on the SRV including the 29.0% rate increase and the 2026/27 average rate increase with the SRV for residential and business ratepayers (see Attachment E).</p>	<p>Revised Long Term Financial Plan 2025-2035 (baseline and SV scenario rates increases on pages from pages 23-32, reference to proposed SV being permanent on page 28, four year average rate tables on page 57) (see Attachment F)</p>
<p>Council should include an overview of its ongoing efficiency measures and briefly discuss its progress against these measures, in its explanation of the need for the proposed SV.</p>	<p>Council has provided an overview of its ongoing efficiency and productivity measures.</p> <p>Across both engagement stages in July–September and October–November 2025, the core messages communicated regarding cost containment were:</p> <ul style="list-style-type: none"> • Council historically operates as a lean and efficient organisation, consistently outperforming most metropolitan councils in key financial metrics. • Comparative financial performance shows Ku-ring-gai Council has a lower operating expenditure and staff numbers per capita compared to the Sydney average, with Council's average annual cost increases since 2017/18 being the 4th lowest in Sydney. • Council has been conducting ongoing service reviews and seeking out opportunities to find alternative revenue sources and efficiencies. However, these measures alone would be unable to address Council's structural infrastructure backlog issues. 	<p>Revised Long Term Financial Plan 2025-2035 (see pages 39-44) (see Attachment F)</p> <p>Consultation on Rate Increase Options - Community engagement outcomes report (October 2025) (Attachment N)</p> <p>Public Exhibition of IP&R Plans - Community engagement outcomes report (December 2025) (Attachment R)</p> <p>Productivity and Cost Containment Report (Attachment X)</p>

	<p>These explanations on cost containment, comparative efficiency and productivity initiatives were available in presentations delivered at the online and in-person forums and uploaded to the YourSay portal, which compared Ku-ring-gai's financial metrics to other Sydney councils and frequently asked questions (see www.krg.nsw.gov.au/srv). Also see community engagement outcomes reports at Attachment N and Attachment R.</p> <p>Information was also published in the LTFP as exhibited and adopted in June and December 2025 (see Attachment F).</p> <p>The cost containment and efficiency report (as at Attachment X) was also published in the business papers provided to Council in December 2025 to support its decision to adopt the IP&R plans and apply for an SRV.</p>	
<p>The council's community engagement strategy for the SV must demonstrate an appropriate variety of engagement methods to ensure community awareness and input occur.</p>	<p>Council's community engagement strategy for the SRV employed a wide variety of methods across to ensure maximum community awareness and input from diverse demographic groups.</p> <p>Awareness-raising activities</p> <p>As detailed in previous section, awareness-raising activities included:</p> <ul style="list-style-type: none"> • Directly mailing and emailing all ratepayers (44,766 mailouts) • E-newsletters, media releases and social media posts • Outdoor banners in prominent locations • Displays and flyers at Council venues • Newspaper advertisements. • Promotion on Council's webpage. <p>Independent research confirmed a high level of community awareness (60%) of engagement activities.</p> <p>Council took special care to ensure communication reached specific community members and key stakeholders.</p> <p>Targeted engagement for culturally and linguistically diverse ratepayers</p> <p>Council published information in the top four non-English community languages in the letter and brochure sent to all ratepayers in July 2025.</p> <p>Translators were hired to assist community members from non-English speaking backgrounds at a drop-in session held in August 2025.</p> <p>Business ratepayers</p> <p>Council undertook targeted engagement by emailing 21,969 subscribers of Council's two business-related e-newsletters (based on ABN holders in the LGA). This generated 608 clicks on the relevant link, which was in addition to sending mailed letters and/or emails to all general business ratepayers.</p>	<p>Consultation on Rate Increase Options - Community engagement outcomes report (October 2025) (Attachment N)</p> <p>Public Exhibition of IP&R Plans - Community engagement outcomes report (December 2025) (Attachment R)</p>

	<p>Extensive and varied engagement methods</p> <p>Council employed extensive and varied engagement methods and provided multiple formal channels for feedback, including:</p> <ul style="list-style-type: none"> • A representative community survey to gauge community awareness and support levels. • Two recruited workshops designed to explore feedback on the scenarios from a balanced, randomly selected group of community members. • Opt-in online forums and in-person drop-in sessions. • An opt-in survey. • Opportunities to lodge a formal submission. <p>Full details are provided in the community engagement outcomes reports at Attachment N and Attachment R.</p> <p>The strategic deployment of multiple communication and engagement methods sought to ensure that all ratepayers were aware of the need and purpose of the SRV and opportunities to have a say on the options.</p>	
<p>Explain the action, if any, the council took in response to feedback from the community</p>	<p>Council carefully considered feedback received across all engagement stages.</p> <p>Response to community feedback (July – September 2025)</p> <p>Council prepared a comprehensive response to feedback received during the July - September engagement period on the four rate increase scenarios. See community engagement outcomes report at Attachment N and response to key submission themes at Attachment O as provided to Council to inform its decision.</p> <p>Council's proposal for a preferred SRV was directly influenced by the extensive feedback received, this decision carefully considered the balance of infrastructure need against affordability concerns.</p> <p>Recommending a preferred rate increase option</p> <p>In response to community feedback, management recommended Option 3 (a 30.4% increase) as the preferred SRV option. This decision was based on a comprehensive analysis of community sentiment:</p> <ul style="list-style-type: none"> • The representative survey found that 56% of the community ranked an SRV option as their first preference (refer to Attachment P). • The highest-cost option was rejected due to community concerns about affordability and low overall support for this option which included the redevelopment the Marian Street Theatre (despite a strong community campaign by supporters of the project). <p>In response to feedback received, management also agreed to make specific amendments and clarifications to its IP&R plans and supporting materials:</p>	<p>Minutes of OMC 16 December 2025 (Attachment A)</p> <p>Consultation on Rate Increase Options - Community engagement outcomes report (October 2025) (Attachment N)</p> <p>Consultation on Rate Increase Options - Response to key submission themes (October 2025) (Attachment O)</p> <p>Results of Representative Survey of Rate Increase Options (Micromex) (September 2025) (Attachment P)</p>

	<ul style="list-style-type: none"> The DP&OP and LTFP would be amended to explicitly state that the \$1.7 million previously listed for "Other Infrastructure" would be directed towards traffic and transport facilities, addressing community requests for greater specificity. The LTFP would be updated to include more detailed information about the funding for the St Ives Indoor Sports Centre. Council also affirmed its commitment to explore cost containment and efficiency measures and provide more detailed information at the December meeting of Council. Council also committed to update its financial hardship policy and website to improve its accessibility and visibility. To provide the community with a better understanding of the benefits that the increased revenue would deliver, Council also agreed to publish an indicative list of infrastructure projects that could be funded through preferred rate increase. <p>Council decision in October 2025</p> <p>After considering community feedback and management recommendations, Council resolved to exhibit a revised set of IP&R plans with a 29% rate increase (an amended Option 3) in order to address community concerns about affordability, while balancing financial necessity and overall community benefit.</p> <p>Public exhibition of IP&R plans</p> <p>Following Council's resolution, a revised DP&OP, LTFP and AMS were prepared for public exhibition. These IP&R documents compared the Base Case and preferred rate increase option of 29% (including an SRV of 24.6% and rate peg of 4.4%).</p> <p>Council received 80 submissions during the public exhibition period. See public exhibition outcomes report at Attachment R and response to key submission themes at Attachment S as provided to Council to inform its decision.</p> <p>Following review of all submissions received, management did not recommend any further changes to the exhibited plans or the preferred rate increase option. This recommendation was based on the following:</p> <ul style="list-style-type: none"> Council's independent analysis demonstrates overall capacity to pay the preferred increase. However, it is acknowledged that some ratepayers will find it difficult to afford an increase in living expenses. The SRV is critical to address the infrastructure backlog and ensure Council's long-term financial sustainability. Reducing the proposed rate increase would compromise Council's ability to reduce the infrastructure backlog and fail to meet community expectations for essential services. 	
--	--	--

	<ul style="list-style-type: none"> The financial need and the extent of the proposed increase were explained in detail in the LTFP and AMS and supported by extensive communications during the consultation and public exhibition process. The preferred option was informed by community research that indicates a mandate for a modest SRV that renews and enhances infrastructure. <p>Council decision in December 2025</p> <p>On 16 December 2025, Council resolved to apply to IPART for an SRV as exhibited (see Attachment A).</p>	
--	---	--

Public Exhibition of IP&R Plans - Community engagement outcomes report (December 2025) (**Attachment R**)

Public Exhibition of IPR Plans - Response to key submission themes (December 2025) (**Attachment S**)

In the text box below, provide any other details about the council's consultation strategy, timing or materials that were not captured in Table 7.

All details have been provided above

4.2 Proposed average rates outlined in the council's community consultation materials

Are the average rates provided in the council's community consultation materials the same as what has been inputted into Table 7.2, Worksheet 7 (WS 7) of the Part A application form?	No (see comments below)
If no, please explain why.	<p>The average rates provided in the final council's community consultation material are only slightly different from Part A application (WS7) as explained below.</p> <p>Community consultation on four rate increase options undertaken between July – September 2025 was based on an assumed rate peg of 3%. See community engagement outcomes report at Attachment N.</p> <p>IPART subsequently determined a rate peg of 4.4% for 2026/2027 on 30 September.</p>

	<p>Following Council's decision in October to exhibit a revised set of IP&R plans including a preferred rate increase of 29% (including an SRV of 24.6% and the 4.4% rate peg), the average residential rate was \$1,720 and the increase for year 1 was calculated as \$499 for residential rates and an increase of \$1,676 for businesses (for an average business rate of \$5,780). See public exhibition outcomes report at Attachment R.</p> <p>Movements in valuations and rateability status have contributed to minor changes from exhibition to this application.</p> <p>The average residential rates in Part A have been re-calculated as \$1,717 and an increase of \$488 for year 1 and business average rates at \$5,778 and an increase of \$1,694.</p>
--	--

4.3 Additional information (optional)

In the text box below, please provide any other details about the community's involvement in, engagement with or support of or opposition to the proposed SV not captured in Table 7.

All details have been provided above

Please list out any other attachments in Table 8 that the council has relied on to respond to Criterion 2 that was not otherwise outlined in Table 7.

Table 8 Other Criterion 2 attachments

Attachment number	Name of document	Page references
None – All attachments referenced in Table 7.		

5 OLG SV Criterion 3 – Impact on ratepayers

Refer to the [OLG SV Guidelines](#) as needed, and section 5 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) when preparing consultation strategy and material for completing this section. The [Part A](#) application form also collects information for this criterion in Worksheet 7 (WS 7 - Impact on Rates).

5.1 How did the council clearly show the impact of any rate rises on the community?

Please articulate in the text box below how the council demonstrated this question.

In your response, please include references to the Delivery Program, LTFP and relevant community consultation materials to support the council's claims.

Council undertook extensive communication and detailed information in its exhibited IP&R plans to clearly demonstrate the full financial impact of the proposed rate increases on the community.

Communication and engagement on options (July–September 2025)

During consultation on the four rate increase options, Council ensured all ratepayers received clear information on the potential impacts.

Council outlined the average rate increase by ratepayer category in the following locations on the YourSay portal, when seeking feedback on four rate increase scenarios between July–September 2025:

- In a comparison table
- In an average rate table, showing average rate increases under each scenario in the coming four years. This tables showed the impact on the average residential and business rates of a permanent SRV each year for 4 years and the cumulative increase. These tables were designed as per the guidelines in section 5 of IPART's "[Guidance Booklet](#)".
- In fact sheets on each scenario, including the fact sheet for the 22%, 29% and 33% SV scenarios
- In the Long Term Financial Plan adopted in June 2025

This information was also available through a six-page brochure sent to all ratepayers, which included the comparison table referred to above. This brochure stated prominently that "Council is seeking community feedback on four rate options. Three of these options involve a permanent increase in rates".

Council's media release, letter to ratepayers and e-newsletters referred to the full cumulative increase of the proposed SV scenarios.

For details, see the community engagement outcomes report at [Attachment N](#).

Communications during public exhibition (October–November 2025)

At its October 2025 meeting, Council considered feedback on the four scenarios and resolved to support a preferred 29% rate increase.

Between October and November 2025, Council communicated the relevant average rate increases as part of the exhibition of revised IP&R documents.

The residential and business average rate increases for the baseline and SRV scenarios, and a table showing average rate increases over four years, were included in the exhibited LTFP (see pages 23 – 32 and page 57 of **Attachment F**) and the average rate increases under the SRV were included in the DP&OP (see page 9 in **Attachment E**).

Council's Your Say portal page, e-newsletters and newspaper advertisements made clear that the total increase sought was 29%, including a SV of 24.6% and a rate peg of 4.4%.

This was reinforced by a list of frequently asked questions, which stated that the SV would be permanent and that the average rate increase for residential ratepayers in 2026/27 would be \$499 and \$1,676 for business ratepayers. For details, see the public exhibition outcomes report at **Attachment R**.

5.2 How has the council considered affordability and the community's capacity and willingness to pay?

Please articulate in the text box below how the council demonstrated this question.

In your response, please provide references to the Delivery Program, LTFP and community consultation materials where the council has considered the affordability and the community's capacity and willingness to pay.

Council considered both the community's financial capacity to pay and its willingness to pay the SRV by commissioning independent research.

Capacity to pay analysis (affordability)

Council commissioned Morrison Low to prepare a detailed report on the capacity of ratepayers to afford the proposed increase. See **Attachment T**.

This report analyses the four rate increase scenarios exhibited from July-September 2025 (between 3-33%). As discussed above, Council resolved to exhibit a 29% preferred rate increase at its October 2025 meeting.

This report analysed a range of socio-economic factors, industry trends and business indicators across the LGA as a whole, and within three distinct geographic groupings (East, Central, and North-West).

Strong indicators of capacity

The report found that data supported a general capacity to afford the SRV options:

- The Ku-ring-gai LGA has among Australia's highest levels of advantage and lowest levels of disadvantage, according to the Australian Bureau of Statistics' Socio-Economic Indexes for Areas (SEIFA) score.
- The LGA has a higher proportion of households in the highest equivalised income brackets compared to Greater Sydney, and an improvement in household savings (2018/19–2023/24) contrary to the national trend of reduced savings.
- The LGA has a lower proportion of vulnerable households, pensioners, and people requiring core assistance, compared to Greater Sydney.

- At the end of 2024/25, just three ratepayers were subject to Council's Assistance, Concession and Recovery Policy, and a lower percentage of income is spent on rates compared to Greater Sydney.

Potential limitations on capacity

However, the report also highlighted several data sources indicating potential limitations on capacity to pay for specific groups:

- The LGA has a proportion of households paying mortgages and overall levels of mortgage stress that are higher than Greater Sydney. Furthermore, outstanding rates have increased since 2022/23, sitting above the 5% benchmark in 2024/25.
- The LGA has a lower proportion of working age individuals compared to Sydney.
- If implemented, the SRV options would move the average rate from the eighth highest among Sydney metropolitan councils to either the third or fourth highest.

The analysis of geographic groupings found the following:

- The report found strong capacity to pay indicators within the Central and North-West groupings, and moderate capacity within the East grouping (East Killara, East Lindfield, Roseville, St Ives).
- The East grouping was flagged due to having the highest potential SRV increase (\$362 to \$572 more) and slightly higher levels of rental/mortgage stress. East Killara was specifically highlighted for having the LGA's highest proportion of households in mortgage stress (31%).
- Before the SRV, average business rates were well below the average of comparable councils. Even with the largest SRV, Ku-ring-gai would only move slightly above the overall average rate. The report concluded there are good indicators of capacity to pay across all business groupings due to positive industry indicators and low outstanding business rates.

Detailed information on capacity to pay was included in the revised LTFP (see pages 33 – 38 in **Attachment F**) and referenced in the revised DP&OP (see page 11 of **Attachment E**).

Willingness to pay

Willingness to pay was measured through the results of the representative community survey (see **Attachment P**) and recruited workshops (see pages 8 – 9 of **Attachment N**).

The independent representative survey found that 56% of respondents ranked one of the three SRV scenarios (22%–33%) as their highest preference, compared to 44% who ranked the rate-peg only option as their highest preference.

This finding confirms a community willingness to pay to address the infrastructure backlog. The 29% rate increase has substantial support across the community, with 45% of survey respondents stating they were at least somewhat supportive of this option.

The recruited workshops reinforced this sentiment, where seven out of the ten tables selected an SRV option as their most preferred choice.

The inclusion of funding for the St Ives Indoor Sports Centre construction loan in all SRV scenarios also serves as a strong indicator of community willingness to pay for this specific infrastructure project.

5.3 How has the council addressed (or intend to address) concerns about affordability?

Does the council have a hardship policy?	Yes.
If yes, is an interest charge applied to late rate payments?	Charging of interest depends on the specific circumstances and reasons for late payments. Council offers interest-free payments in cases where genuine hardship is identified.

To inform our assessment, Worksheet 12 (WS 12) in the [Part A](#) application form also collects data on overdue notices, rates and annual charges outstanding/collectable, pensioner concessions and ratepayers subject to hardship provisions.

Please provide the council's response in the text boxes below.

a. Explain the measures the council proposes to use to reduce the impact of the proposed SV on vulnerable ratepayers, or alternatively, explain why no measures are proposed.

Council proposes to reduce the impact of the SRV on vulnerable ratepayers through its Rates, Charges and Sundry Debts – Assistance, Concessions and Recovery Policy (see [Attachment U](#))

Council recognises that ratepayers may at times have difficulty paying their rates and charges and the policy outlines the steps and processes Council will consider in these circumstances. Council will be careful and considerate in the assessment of any hardship applications should it be successful in obtaining the SRV.

Key assistance provided by Council include the following:

- **Pensioner concessions:** Council provides statutory rebates and additional voluntary concessions to eligible pensioners. This includes a statutory concession of up to \$250, which Council is required to provide under the Local Government Act. Council also provides an additional voluntary concession which makes up 8.5% of total rates and charges. In 2025/26, for the average pensioner, this is worth an additional concession of \$146.
- **Interest relief:** Council may reduce or waive interest on overdue rates and charges for eligible applicants who demonstrate genuine hardship and adhere to agreed payment arrangements.
- **Flexible payment plans:** Ratepayers facing financial difficulty may request customised payment plans. Arrangements are assessed individually, with consideration given to the applicant's circumstances and payment history.
- **Flexible payment solution:** Council introduced a new digital flexible payment solution ("Payble") for ratepayers. It enables ratepayers to easily set up and manage payment plans for current and overdue rates. The platform aims to make paying rates more convenient, reduce the number of overdue accounts and lower administrative costs associated with payment processing.

- **Hardship applications:** Ratepayers experiencing financial hardship can apply for assistance. Applications are reviewed confidentially on a case-by-case basis, in line with Council's policy and legislative requirements. Council staff will offer guidance and support throughout the hardship application process.
- **Debt recovery and support:** Council's approach to debt recovery prioritises fairness and transparency, with a focus on supporting ratepayers to meet their obligations while ensuring responsible financial management.
 - **Referral to support services:** Council refers ratepayers to free government support services for financial or legal advice.

b. Indicate whether the hardship policy or other measures are referenced in the council's IP&R documents (with relevant page reference or extract provided).

Yes, the policy is referenced on pages 37 and 38 of the revised LTFP (see **Attachment F**) and pages 12 and 70 of the revised DP&OP (see **Attachment E**).

c. Please explain how the council makes its hardship policy or other measures known to ratepayers.

Dedicated website section.

Council has a dedicated **Financial hardship, assistance and debt recovery** section on its website. See [here](#). It includes the following content (with links to relevant policies and forms):

What if I can't afford to pay my rates?

If you're having trouble paying your rates account on time, Ku-ring-gai Council can provide hardship assistance and a personalised payment plan to help you get back on track.

The most important step is to contact us as soon as possible to discuss your options.

We can work with you to create a periodic payment arrangement that helps you pay off overdue rates while addressing future instalments in one easy plan.

Arrangements are tailored to your circumstances, capacity to pay, disposable income and payment history.

If you are facing genuine hardship, you should complete the financial hardship application form.

We may write off accrued interest on rates and charges if you were unable to pay for reasons beyond your control or if payment of the accrued interest would cause you hardship.

If your rates increase following a land revaluation and you suffer substantial hardship, you can apply for relief. While Council won't waive or reduce the increase, we can enter into a periodic payment arrangement to assist you.

Furthermore, Council introduced a new flexible payment solution ('Payble') which enables ratepayers to easily set up and manage payment plans for both current and overdue rates based on their financial circumstances. The platform aims to make paying rates more convenient, reduce the number of overdue accounts and lower administrative costs associated with payment processing.

Pensioner concessions and assistance

If you're an eligible pensioner and own and occupy a property in Ku-ring-gai as your sole or principal place of living, you may be entitled to significant rates reductions and payment flexibility. Eligible pensioners are entitled to two types of concessions:

Statutory concession (Government rebate). You are entitled to a reduction in your rates and charges, currently prescribed by the NSW Government as a maximum of \$250.

Voluntary concession (Council rebate). Council provides an additional voluntary reduction in your total rates and charges, currently 8.5%. Council voluntarily contributes these additional funds to reduce the financial burden on pensioners.

How to apply for a rebate

To claim the combined rebate, you must have a Pension Concession Card from Centrelink (or be an eligible war widow – please contact us to check).

Simply bring your card to Customer Service or complete our online application form.

Debt recovery

If outstanding rates, charges or debts are overdue and not subject to a current and compliant payment arrangement, Council may take debt recovery action.

Periodic payment arrangements may be considered for debtors facing financial hardship or extenuating circumstances.

The Local Government Act does not allow Council to write off rates and charges, except in very specific circumstances (eg. an error in the assessment).

Information on Rates Notices and Reminder Notices

Council includes a clear statement on all Rates Notices, instalment notices, and reminder notices advising ratepayers to contact Council if they are experiencing financial hardship. Each notice also provides a direct link to the Council's website, where detailed information on hardship assistance options, policies and application processes is available.

Proactive Communication - via phones and e-mails.

Council staff proactively contact ratepayers that show signs of financial difficulty via phone or e-mail offering guidance and information on available hardship assistance, Council's policy and payment arrangements.

Email signatures

All outgoing emails from Council rates staff include a link to the hardship assistance webpage, promoting awareness in our daily correspondence.

Integration into strategic documents

The policy and its provisions are reflected in the LTFP and the revised DP&OP as mentioned above and will continue to be a part of these documents

Rates Annual Notices distribution

Council will include additional information on financial hardship, assistance and debt recovery, along with relevant links in its next annual distribution of rates notices.

5.4 Are there any other factors that may influence the impact of the council's proposed rate rise on ratepayers (optional)?

Describe the impact of any other anticipated changes in the rating structure (e.g. receipt of new valuations), or any changes to other annual ratepayer charges such as for domestic waste management services.

You may also explain how the number of **non-rateable properties** may impact the council's average rates, if relevant to your council.

You can provide additional data using Worksheet 12 (WS 12) in the [Part A](#) Excel application form. For instance, providing the number of non-rateable versus rateable properties.

It is likely that the following changes will influence the final rate impact experienced by individual ratepayers in 2026/27.

New land valuations

The most significant external factor influencing individual ratepayer impact is the receipt of new land valuations from the NSW Valuer General. The current 2022 base date will be superseded by the 2025 base date valuations effective from 1 July 2026. Individual rate bills will be impacted by the combination of the total rate increase and how much the land value of their specific property changed relative to the average land value change across the LGA. Where a property's land value increases by a rate higher or lower than the LGA average, that individual ratepayer may experience an increase greater or less than 29%.

Changes to charges and fees

Domestic waste management charges for 2026/27 may change based on contract price fluctuations. Charges for 2026/27 are assumed to increase by **2.5%** in 2026/27. Any increase in this charge will be in addition to the general rate increase.

Council also reviews its non-statutory fees and charges for services each year to ensure alignment with increases in costs. This may impact on ratepayers using council facilities and accessing certain services.

TOD development and property assessments

As a result of recent State Government housing reforms and the TOD (Transport Oriented Developments) in the Ku-ring-gai LGA, Council will receive additional rates income. However, this income will be needed to service the needs of the new residents and the additional services and infrastructure they require. Most new dwellings will be on the lowest rate amount Council can charge an individual property.

Forecasting future assessment numbers resulting from TODs is challenging, however, based on Council's alternate TOD plan, our estimates (reflecting projected dwellings numbers and likely uptake) have been included in the Long-Term Financial Plan..

Council has not completed WS5 Part A Application on confirmation from IPART this is not required for a one-year SV application However the forecast from additional rates income as a result of future TODs projected in the LTFP is reflected in WS12- Other.

Non-rateable properties

A substantial proportion of land in the LGA is non-rateable (around 7% of all lots and 47% of total land area), including Crown Land and large schools and hospitals. There are two major hospitals, around 23 public schools and 8 independent / non-government schools. Non-rateable land reduces Council's overall rateable base, even though Council is still required to maintain the infrastructure that support these properties. This effectively shifts the cost of servicing these properties onto residential and business ratepayers. The land value of non-rateable properties is \$2.97 billion which represents 3.7% of the total land value. This represents over 1,120 properties which would reduce the impact on ratepayers since the average increase in rates would reduce proportionately. However, since non-rateable properties are excluded from the rating structure, their accurate contribution to impacting the average rate cannot be accurately quantified.

6 OLG SV Criterion 4 – Exhibition and adoption of IP&R documents

Refer to the [OLG SV Guidelines](#) as needed, and section 6 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) when preparing consultation strategy and material for completing this section.

Table 9 seeks information which demonstrates that the council has met the formal requirements (where applicable) for the preparation, exhibition, adoption and publication of the current IP&R documents.

Table 9 IP&R documents

IP&R Document	Exhibition dates	Link to council minutes that outlines the resolution to publicly exhibit	Adoption date	Link to council minutes that outlines the resolution to adopt	Link to the adopted IP&R document on the council's website
Community Strategic Plan	23 April to 20 May 2025	Resolved on 15 April 2025. Link here .	Adopted on 17 June 2025.	Adopted on 17 June 2025. Link here .	Community Strategic Plan link here .
Delivery Program	28 October to 25 November 2025	Resolved on 21 October 2025. Link here .	Adopted on 16 December 2025.	Adopted on 16 December 2025. Link here .	Delivery Program and Operational Plan link here .
Long Term Financial Plan	28 October to 25 November 2025	Resolved on 21 October 2025. Link here .	Adopted on 16 December 2025.	Adopted on 16 December 2025. Link here .	Resourcing Strategy (including the LTFP, AMS and WMS) link here
Asset Management Strategy (which contain long-term projections of asset maintenance, rehabilitation and replace, including forecast costs).	28 October to 25 November 2025	Resolved on 21 October 2025. Link here .	Adopted on 16 December 2025.	Adopted on 16 December 2025. Link here .	Resourcing Strategy (including the LTFP, AMS and WMS) link here

Note: The exhibition and adoption dates must match the dates recorded in the council resolution.

7 OLG SV Criterion 5 – Productivity improvements and cost-containment

Refer to the OLG SV Guidelines as needed, and section 7 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) when preparing for and completing this section.

7.1 What is the council's strategic approach to improving productivity in its operations and asset management?

Please provide the council's response in the text box below.

Council has a comprehensive strategy in place for financial management and efficiency focused of five key elements: disciplined financial governance, optimising revenue streams to lessen the burden on ratepayers, a dedicated service improvement review program, business improvements to reduce waste and streamline processes and transparent public reporting:

Disciplined financial governance

Ku-ring-gai Council operates within a stringent legislative and regulatory framework that mandates responsible financial management, ensuring sustainable and cost-contained spending.

This framework legally mandates adherence to principles like intergenerational equity, effective financial and asset management, and operating within the IP&R framework. The IP&R requires the preparation of a CSP, Delivery Program, Operational Plan and an LTFP, ensuring financial decisions are strategic and align with long-term community priorities. Strict regulatory requirements also govern detailed budget preparation, maintenance of accounting records and regular budget reviews.

The annual planning process combines top-down strategic alignment with bottom-up preparation and detailed justification for all expenses. Council's budget governance policy enforces a "find-and-fund" approach during budget reviews, meaning any additional expenditure must be offset by identified savings elsewhere

Optimising revenue streams to lessen the burden on ratepayers

Council generates around 58% of its total income from sources other than rates. Council consistently seeks opportunities across user fees, grants and investments to increase non-rate income and minimise the financial burden on ratepayers.

Council has a strong focus on generating revenue through user fees and charges, which have increased by 16% over the last 5 years. Targeted strategies and facility improvements have driven substantial revenue growth in key areas. Notable increases (from 2020/21 to 2024/25) include:

- An 88% increase in tennis court revenue, driven by online booking implementation and facility improvements
- A 47% increase in golf course revenue, following a strategic fee review and successful membership management
- A 35% increase in revenue from the Ku-ring-gai Fitness & Aquatic Centre (KFAC) through fee reviews and program management.

Council actively manages its property portfolio to ensure market-based rents. Systematic reviews have increased annual commercial leasing returns, and the formalisation of 35 community leasing agreements has reduced lost revenue.

Council actively pursues grants for operating and capital purposes to maximise value and reduce reliance on general revenue. For example, Council has secured over \$14.6 million in grant funding for traffic and road safety projects over the past 5 years.

Council's investment policy focuses on maximising returns while safeguarding capital. By actively managing its investment portfolio, Council's returns have increased from \$3.38 million in 2020/21 to \$10.53 million in 2024/25, with the restricted portion directly used for new assets and non-restricted portion used to directly fund infrastructure renewal on existing assets and services.

Targeted service improvement review program

Ku-ring-gai Council is dedicated to providing high-quality, efficient and responsive services that continually meet the evolving needs of our community, and its Service Improvement Review Program is a crucial component of its broader cost containment and efficiency efforts. The program systematically reviews services against best practices and other councils to pinpoint inefficiencies, streamline processes and reallocate resources more effectively.

Further details are provided in the following sections (7.2 and 7.3)

Business improvements to reduce waste and streamline processes

As well as the formal reviews under the service improvement program, all service units are actively encouraged to look for ways to streamline processes, reduce unnecessary administration and waste, and other ways to maintain levels of service within available budgets. Innovations are a standing item on the executive and expected to be included on team meeting agendas and considered during business planning.

As a result of these initiatives, Council estimates direct savings of \$7.4 million over the past 5 years and around 13,700 hours of staff time per year saved. These savings are redirected into other functions and services allowing Council to maintain levels of service with minimal increase in costs.

Further details are provided in the following sections (7.2 and 7.3)

Transparent public reporting

Detailed performance reports are provided to Council and published every six months on operational achievements and key indicators. Key efficiency and productivity indicators tracked include operational expenses per resident, average Development Application determination times, capital works completion rates and the timely completion of the annual service improvement review program. Details and outcomes are presented in Council Annual Reports.

Productivity in asset management

As outlined in Council's AMS (**Attachment G**) and Asset Management Policy (**Attachment H**), Council's strategic approach to improving productivity in asset management is driven by a focus on optimising the 'whole of life' cost of infrastructure and establishing a data-driven, risk-based planning model to ensure long-term financial sustainability and high service quality. This includes:

- Ensuring that any future projects to create or upgrade assets are done with a full understanding of the whole of life costing and have a source of funding for both capital and ongoing costs.
- Implementing optimised maintenance and renewal programs to improve asset condition over a ten-year period, based on lifecycle principles, condition assessments and available funding.
- Continually reviewing operational and capital expenditure and, where necessary, reallocating funding to ensure assets are maintained to community expectations and the infrastructure backlog is reduced.
- Improving the quality and scope of existing asset data by ensuring all assets are assessed and appropriate useful lives and conditions are assigned. This leads to more accurate and often lower estimates of real asset renewal costs.

- Undertaking regular, comprehensive revaluations and functional assessments (e.g., drainage, building, and footpath assets), and reviewing/benchmarking useful lives to ensure accurate financial and technical planning. As an example, in 2023/24 Council increased its CCTV inspection coverage of the drainage network to validate its condition assessment. In turn, this informed a new renewal methodology for drainage assets that allows them to be "componentised" into short-life and long-life elements. This enables less costly interventions, including Council's pipe relining program.
- An independent asset management maturity review against the best practice requirements in the ISO 55000:2024 Asset Management Standards was completed in June 2025. While finding that Council is generally meeting core requirements it identified a number of areas for uplift. An implementation plan has been developed with all actions scheduled for completion by September 2026.
- Council also conducted a functional review of buildings assets in 2023/24 to propose additional work required to improve utilisation and increase the productivity of the capital investment.
- Council also undertook a restructure of Council's operations department build capability and accountability for the delivery of the AMS, and capacity to support future demands from an SRV and increased development in the LGA. Organisational changes include creation of a dedicated Project Services business unit and consolidation of asset management and technical responsibilities into a single business unit.

7.2 What outcomes has the council achieved from productivity improvements and cost containment strategies in past years?

Please provide the council's responses to the questions in the text boxes below.

a. Explain initiatives undertaken and/or processes put in place in the past few years to improve productivity and contain costs.

Targeted service improvement review program

The following reviews have been completed:

- **Development assessment services:** The independent review of the service affirmed that Council operates with a high level of efficiency, with staff handling a high volume of development value per FTE compared to peers. Council has streamlined its administrative processes in response to the review's recommendations, resulting in a 32% improvement in average assessment times (from 138 days to 94 days in the 12 months to August 2025).
- **Sportsfield maintenance:** The external review confirmed Council's strong performance, noting it provides a significantly higher number of turf fields per resident than peers while maintaining operational costs that are among the lowest in the NSROC. Recommendations focused on long-term strategy, improving cost tracking, and reviewing fees and charges for the 2026/27 to better align with service costs and other NSROC councils. It is expected that these reforms will limit or reduce service costs while increasing revenue.
- **Communications and engagement:** The independent review found the corporate communications unit operates with a leaner staffing level than benchmarked metropolitan councils. Council has since updated its Community Engagement Strategy and restructured the unit to support transition to digital channels and improve community satisfaction.
- **Compliance and regulatory operations:** The review found that workloads have increased in recent years without a corresponding increase in resources. It has made recommendations to improve the support provided to rangers and compliance officers and improve the efficiency and effectiveness of operations.

- **Community development programs:** Recommendations focus on strategic rebalancing to address market gaps and equity issues, adopting a more flexible cross-program staffing model, and shifting some services toward a facilitator role to mitigate financial and compliance risks.

Process improvement and service delivery changes

Council is committed to optimising business processes to reduce time, effort and costs across its operations. By streamlining workflows and processes Council has delivered efficiency gains in a number of areas that allow funding and staff time to be reallocated to other priorities. Key initiatives in this area have included the following:

- Council implemented process improvements in dealing with Land and Environment Court appeals, including actively giving timely decisions and ensuring the court has necessary information upfront to reduce delays and associated legal costs. As a result, Council has reduced the average cost per case by 37% between 2020/21 and 2024/25.
- Increased reliance on Council's website for communications, engagement and promotional materials has successfully reduced organisational printing costs by around \$30,000 each year compared to the 2019/20 baseline.
- Reduction in the use of high-cost newspaper advertising for Council notices is saving over \$100,000 per year.
- Council has been building its capability to deliver key training programs in-house, such as leadership development and WHS. By reducing reliance on external facilitators for these courses alone, Council is saving more than \$50,000 each year.
- In 2024/25, Council reviewed its approach to urban forest monitoring. By leveraging a NSW Government initiative, Council has been able save around \$30,000 per biennial survey
- Council transitioned its tree permit applications to an online system, eliminating paper forms and over-the-counter processing to reduce staff processing time by an estimated 7,800 hours per year.
- In 2021, Council rationalised its approach to tree maintenance work. By streamlining the management process and reducing unnecessary interventions, this initiative has resulted in direct operational efficiencies and cost savings. Council also worked with the State Emergency Service (SES) to clarify roles and responsibilities for after-hours response for fallen trees, leading to a reduction in Council's after-hours requests and service cost savings that have been redirected to preventative and reactive work.
- Council has streamlined its DA assessment process by reducing the number of opportunities for applicants to amend plans. This change has increased efficiency by reducing back-and-forth communication leading to a significant reduction in average assessment times. An online portal for development submissions has allowed Council to automate workflows and save approximately 250 hours of administrative time per year, while providing a clear channel for community members to have their say on local development.

Technology adoption

Council has made significant investments in modernising its core business systems, leveraging cloud-based solutions and enhancing digital capabilities. These initiatives are designed to improve efficiency and reduce administrative effort. Recent examples include:

- Council has implemented digital systems to transform human resources functions. A digital onboarding platform and recruitment software (SCOUT) was implemented in 2020/21. The online platforms for learning, performance reviews and employee recognition (ELMO) have also automated feedback cycles and improved communication. Together these technologies have eliminated around 2,300 hours per year of manual processes.
- An online business paper platform (LG Hub) was rolled out to councillors and senior management in 2024/25 streamlines the distribution business papers and other information for Councillors, senior management and committee members, reducing printing and distribution costs.

- Council replaced its aging PABX system with Microsoft Teams Phone in 2023/24, resulting in an upfront saving of around \$40,000 by removing physical handsets and \$20,000 in license and support costs over the initial 3-year agreement.
- Council adopted advanced tools to improve efficiency in strategic land use planning. Council employed a parametric design tool for modelling of alternate scenarios to the Transport Oriented Development (TOD) plans. This reduced the cost of external consultancy works.
- Council introduced a new booking system (Bookable) for events, facilities, halls, meeting rooms, sports fields, sports courts and other requests for services. This streamlines processes, reduces administrative tasks, improves customer service and facilitates improved utilisation. The access control system enabled remote access control for venues, eliminating the need for staff to physically unlock facilities and providing greater flexibility for hirers.

Asset and resource management

Council has implemented a range of initiatives to proactively manage our physical assets, extend their useful life and reduce ongoing maintenance and operational costs. For example:

- Council's drainage optimal renewal methodology, allowing componentisation and relining program is expected to deliver major cost savings by extending the useful life of stormwater pipes, reducing the need for full asset replacement and minimising ongoing maintenance costs. Council estimates that these techniques can extend the useful life of existing pipes by up to 80-100 years and deliver average cost savings of approximately 24% per km of pipe over conventional method and a reduction in depreciation expense by 15%. This approach will significantly reduce capital expenditure and the infrastructure backlog compared to traditional renewal.
- Council is also committed to the efficient use of energy and natural resources to deliver cost savings, improved service delivery and improved environmental outcomes. Council's environmental levy funds a range of important programs to protect local bushland and waterways, reduce energy, waste and transport emissions and strengthen the community's resilience to climate change. Under this broader program, Council has installed 17 solar systems, LED upgrades across multiple Council facilities and major energy efficiency upgrades at Ku-ring-gai Fitness and Aquatic Centre and other Council buildings. Through these initiatives, Council has delivered a 26% reduction in its electricity use since 2016, saving over \$200,000 every year.

Procurement and contract management

By moving towards a more strategic and consolidated approach to procurement and contract management, Council has been able to streamline its supplier management, leverage its purchasing power to secure better rates and reduce administration. This has helped to improve governance, deliver better value for money and free up resources for other services. Some initiatives in this area include:

- A new contract for animal impounding secured savings of around \$25,000 per year, while maintaining the same level of service.
- Council has made improvements to library back-office functions, technologies and contract arrangements. This has included a ban on plastic book coverings, a full review of serial subscriptions and the cancellation of low-use items. Together these are saving around \$70,000 in costs over the past 5 years (with approximately \$40,000 per year projected for future years) that are redirected to the library collection.
- Council's printer fleet was reduced by 10 devices in 2024/25, resulting in a saving of over \$60,000. Additionally, the cost per print rates have reduced by over 50% since the last rollout, equating to a saving of \$29,000 per annum based on current print volumes. New devices also offer better performance and reduced breakdowns.

Organisational change

Changes to organisational structure, roles and staffing levels are an important way to improve organisational efficiency and reduce costs. It is important to note that Council operates with a lean structure across all its operations, and any increases to staffing must be offset by demonstrated savings or funded through other revenue streams.

Council's library service restructure in 2021 resulted in savings of \$193,000 per year in employee costs. This was achieved by a review of the library staffing structure, changes to staff rostering and a reduction in operating hours. The restructure also allowed for the introduction of specialist services and programs at no extra cost.

b. Outline the outcomes which have been achieved, including providing quantitative data where possible.

As a result of these initiatives, Council has realised savings equivalent to \$7.4 million over the past 5 years (compared to the 2019/20 baseline) and forecasts these savings to increase by another \$3.9 million over the next two years.

Council estimates that these initiatives have also freed up to 13,700 hours of administrative time per year (equivalent to around 7 FTEs), with current / planned initiatives seeking to generate another 8,600 hours of annual administrative savings over the next two years.

These savings are redirected into other functions and services allowing Council to maintain levels of service with minimal increase in costs.

7.3 What productivity improvements and cost containment strategies are planned for future years?

The council should provide information that details initiatives planned for the next two years when requesting a one-year section 508(2) SV, or match the duration of the proposed SV.

The response should, wherever possible:

- estimate the financial impact of strategies intended to be implemented in the future
- present these as a percentage of operating expenditure
- indicate whether the proposed initiatives have been factored into the council's Long Term Financial Plan.

In the text boxes below:

a. Explain the initiatives which the council intends to implement and their financial impact.

Targeted service improvement review program

Council has committed to undertaking at least 4 service reviews each financial year.

Council has commenced a review of the strategic alignment, efficiency, effectiveness and governance of the programs funded by the environmental levy. The review aims to provide Council with an independent evaluation of the current program, identify any areas for improvement, ensure optimal resource allocation and accountability to the community regarding the use of levy funds.

Service reviews of tree management and stormwater renewal and maintenance are scheduled to commence in the first half of 2026.

Council is also participating LG Professionals Service Reviews in a Box program. This program engages councils in a structured service review process over six months. The libraries program runs from November 2025 to April 2026, with roads, workforce management, aquatic centres and community facilities scheduled between 2026-2028.

Technology adoption

- Council is currently reviewing and simplifying service request forms on the website and streamlining internal processes, reducing staff time required to process service requests.
- Council is currently progressing a major transition to a new Employee Self Service (ESS) platform that will reduce administrative burden on staff, line managers and improve productivity in the payroll services team. Early estimates suggest a productivity gain of around 4,600 hours per year (equivalent to half a full-time administrative position) once the system is fully implemented by 2026/27. Transition to Ci Anywhere will also automate training administration for more targeted and efficient delivery.
- Council is also planning to implement a new centralised system for the management of work health and safety, enterprise risk management and public liability claims to eliminate administration and streamline data capture and reporting. Early estimates suggest savings of around 800 hours of administrative time per year.
- The upgrade of Council's property and rating and request management systems will further streamline workflows, improve data management and long-term efficiencies.
- A new online rates payment platform (Payble) aims to modernise payment methods, reduce costs associated with manual processing and traditional payment systems, and improve cash flow. This is expected to generate annual improvements and direct cost savings from transaction processing fees, printing/posting costs reduction of approximately \$95,000.
- Council is also developing an artificial intelligence policy and program. A new policy and governance framework for AI and targeted implementation of AI tools to automate routine tasks is intended to deliver administrative efficiencies across departments.

Asset and resource management

- The phased integration of electric and low-emission vehicles into the Council's fleet is designed to generate net fuel savings. Projections indicate increasing cost savings over future years.

Procurement and contract management

- Council is preparing to tender for building services (cleaning, security, fire, pest control and air conditioning) to achieve further efficiencies through competitive pricing. Council is also establishing a panel of preferred providers for compliance training. This aims to consolidate supplier relationships, reduce administrative overhead and ensure a consistent experience for staff.

b. Indicate whether these have been incorporated in the council's Long Term Financial Plan, if not, explain why.

Not all planned future initiatives listed above have been incorporated into Council's current LTFP. This is because their financial savings are not yet sufficiently quantified, confirmed or certain enough to meet the rigour required for formal LTFP modelling.

However, Council does incorporate its productivity gains into its financial planning where possible. The current LTFP already accounts for significant savings, including:

- Efficiencies in delivery resulting from the drainage relining program have allowed for a reduction in the infrastructure backlog within existing budget allocations.
- Structural changes from the library service review resulted in a permanent decrease in total labour costs.
- Energy savings achieved through LED upgrades and solar initiatives have been directly reallocated to fund the capital costs of the upgrades themselves.
- Savings in printer lease and maintenance costs have been repurposed to offset unavoidable cost increases in other IT hardware and software licensing.
- Efficiency gains from other initiatives have allowed Council to maintain operational budgets at static levels, effectively absorbing CPI and other increases without additional funding.

As Council already operates as a lean and efficient organisation (see section 7.4 below), it is expected that future savings would similarly be reflected in future LTFPs and/or redirected into other priorities.

7.4 How has the council's levels of productivity and efficiency changed over time, and compared to similar councils?

In the text box, summarise data which demonstrates how the council has improved productivity and indicate its performance against that of comparable councils.

Ku-ring-gai Council operates as a lean and efficient organisation, outperforming most metropolitan councils in key financial metrics. This demonstrates our commitment to delivering value for money to residents.

Total operating budget

Council's total operating budget is \$165 million in 2025/26. This covers the full range of Council operations, including maintaining local roads and infrastructure, waste management and recycling, parks and recreation facilities, libraries, community services, planning and development approvals, environmental health and animal control and administration. In addition, Council has committed to invest \$72 million in capital works, primarily focused on renewing, upgrading and building new infrastructure.

Low operating expenditure cost increases

In recent years, Ku-ring-gai has had the 4th lowest average annual increase in operating expenditure out of any Sydney council, which indicates that Council is successfully containing its costs while continuing to maintain service levels to the community.

Operating expenditure per capita

This indicator assesses Council's operational spending for each resident. Lower expenditure per capita generally signifies greater efficiency in service delivery and resource management. In 2023/24, Ku-ring-gai Council's operating expenditure per capita was \$1,215, 16% lower than the Sydney average of \$1,441. This suggests Council is delivering services in a more cost-effective manner than the average across Sydney.

A comparison of change over time shows that Ku-ring-gai Council has consistently retained a higher population to staff ratio than the Sydney average. Council's ratio increased slightly (i.e. increased efficiency) between 2019/20 to 2023/24, while the Sydney average decreased over the same period.

Operating expenditure per km of road

This indicator examines the total operating expenditure relative to the length of roads Council manages. For urban metropolitan councils, lower expenditure per kilometre of road suggests efficiency in maintaining infrastructure and providing related services. Ku-ring-gai's operating expenditure per km of road is \$320,000, which is 32% below the metropolitan average of \$476,000 per km.

Staffing and contractor costs

Ku-ring-gai Council's staffing numbers have remained relatively stable over time and Council employed 411 full-time equivalent (FTE) staff in 2023/24. This is an indication of Council's disciplined approach to managing the number of permanent employees, and that Council is effectively delivering services without relying on continuous growth in its permanent workforce.

Total employee costs rose from \$41.0 million to \$49.1 million over the same period. This increase was primarily due to employee award increases that Council has no control over.

Ku-ring-gai's average cost per employee has been below or equal to the average across the Northern Sydney Regional Organisation of Councils (NSROC), with the change over time primarily due to employee award increases each year. This demonstrates that, on a like-for-like basis, Council is managing employee remuneration effectively.

Ku-ring-gai Council's employee costs as a percentage of overall operating expenditure have remained relatively stable over time. This proportion has remained below or equal to the average across the NSROC. Since employee costs are typically the largest single operating expense for local government, keeping this percentage down is a strong signal of operational efficiency and successful resource allocation, as it means a larger share of expenditure is being directed towards materials, contracts and core service delivery.

Council has a strategy of outsourcing services rather than hiring permanent staff where it is more cost-effective for specific, non-recurring projects or for tasks requiring expertise that is not needed on a full-time basis, such as infrastructure projects or specialised engineering works. Contractor and consultancy costs increased from \$43.4 million in 2019/20 to \$48.5 million in 2023/24²⁴⁴, a 12% increase which was mainly driven by post-COVID price increases and inflation.

Ratio of residents to staff

This indicator measures the number of residents served by each full-time equivalent (FTE) staff member. A higher ratio typically points to greater staff efficiency, with fewer staff responsible for serving a larger population. In 2023/24, each Ku-ring-gai Council staff member serviced 309 residents, the second highest ratio among Sydney councils and significantly above the Sydney average of 235 residents.

To put this into perspective, if Council operated with a population-to-staff ratio in line with the Sydney average, Council's operating costs would be approximately 30% or \$15 million higher.

Table 10 Criterion 5 attachments

Attachment number	Name of document	Page references
Attachment X	Productivity and Cost Containment Report	All

8 Council certification and contact information

Councils must submit a declaration in the specified form. It should be completed by the General Manager and the Responsible Accounting Officer.

8.1 Certification of application and declaration

Prepare a document in the form indicated below. Please sign (electronic signature is also acceptable), scan and submit it with your application.

This is to be completed by General Manager and Responsible Accounting Officer.

See signed declaration attached separately

Name of the council:	
-----------------------------	--

We certify that to the best of our knowledge the information provided in the Part A application form and this SV Part B application form is correct and complete. We have completed the checklist for the Part A and B application forms and also provided all relevant attachments as requested (see Table 11, Table 12 and Table 13).

General Manager (name):	
Signature and Date:	X _____
Responsible Accounting Officer (name):	
Signature and Date:	X _____

Note: These signatures will be redacted before publication of the application.

8.2 Council contact information

IPART's formal contact with the council will be with the General Manager.

During the assessment period, IPART officers are likely to contact the council with detailed queries about the application and supporting documents. Councils should provide direct contact details of the primary contact for such inquiries where this person is a council officer who is not the General Manager. Council officer direct contact details will be redacted before publication of this application.

General Manager

General Manager contact phone	[REDACTED]
General Manager contact email	[REDACTED]

Note: These contact details will be redacted before publication of the application.

Primary council contact

Council contact	Angela Apostol, Director Corporate
Council contact phone	[REDACTED]
Council contact email	[REDACTED]
Council email for inquiries about the SV application	As above

Note: These contact details will be redacted before publication of the application.

Secondary council contact

Council contact	Mette Kofoed, A/Manager Finance
Council contact phone	[REDACTED]
Council contact email	[REDACTED]
Council email for inquiries about the SV application	As above

Note: These contact details will be redacted before publication of the application.

9 List of required attachments

To complete (adding rows as necessary):

- Name each document.
- Check the box to indicate that the document is being submitted with the application.

Table 11 Required attachments checklist

Name of attachment	The document is included	The document is not applicable
Mandatory forms/attachments:		
Application Form Part A (Excel spreadsheet)	<input checked="" type="checkbox"/>	NA
Application Form Part B (this Word document)	<input checked="" type="checkbox"/>	NA
Council resolution to apply for the special variation (Attachment A : Refer to item GB.8 on p24)	<input checked="" type="checkbox"/>	NA
Completed certification and declaration (see 8.1)	<input checked="" type="checkbox"/>	NA
If applicable, to support the responses provided in Question 5 of Description and Context (see section 2) provide:		
Instrument for expiring special variation/s (not applicable)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
OLG advice confirming calculation of amount to be removed from the council's general income (not applicable)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If applicable, to support the responses provided in Questions 6 AND/OR 7 of Description and Context (see section 2) provide:		
Declaration of compliance with conditions in past instruments (if applicable) (Attachment B)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Evidence of compliance with conditions in past instruments (if applicable) (Attachment C)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mandatory public supporting material (i.e. to be published on IPART's website):		
Community Strategic Plan (Attachment D)	<input checked="" type="checkbox"/>	NA
Delivery Program (Attachment E)	<input checked="" type="checkbox"/>	NA
Long Term Financial Plan (Attachment F)	<input checked="" type="checkbox"/>	NA
Asset Management Plan(s) (required if a key purpose of the SV is related to assets and capital expenditure): <ul style="list-style-type: none"> • Asset Management Strategy (Attachment G) • Asset Management Policy (Attachment H) • Asset Management Plan - Road and Transport Assets (Attachment I) 	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Name of attachment	The document is included	The document is not applicable
<ul style="list-style-type: none"> Asset Management Plan – Footpaths (Attachment J) Asset Management Plan – Stormwater and Drainage (Attachment K) Asset Management Plan – Parks and Recreational Assets (Attachment L) Asset Management Plan – Buildings Assets (Attachment M) 		
<p>Consultation materials, e.g. copies of media releases, notices of public meetings, newspaper articles, fact sheets used to consult on rate increase and proposed special variation:</p> <ul style="list-style-type: none"> Consultation on Rate Increase Options – Community engagement outcomes report (October 2025) (Attachment N) Public Exhibition of IP&R Plans – Community engagement outcomes report (December 2025) (Attachment R) 	<input checked="" type="checkbox"/>	NA
<p>Community feedback (including surveys and results):</p> <ul style="list-style-type: none"> Consultation on Rate Increase Options – Community engagement outcomes report (October 2025) (Attachment N) Consultation on Rate Increase Options – Response to key submission themes (October 2025) (Attachment O) Results of Representative Survey of Rate Increase Options (Micromex) (September 2025) (Attachment P) Results of Opt-in Survey of Rate Increase Options (Micromex) (September 2025) (Attachment Q) Public Exhibition of IP&R Plans – Community engagement outcomes report (December 2025) (Attachment R) Public Exhibition of IPR Plans – Response to key submission themes (December 2025) (Attachment S) 	<input checked="" type="checkbox"/>	NA
<p>Willingness to pay studies:</p> <ul style="list-style-type: none"> Results of Representative Survey of Rate Increase Options (Micromex) (September 2025) (Attachment P) 	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Name of attachment	The document is included	The document is not applicable
• Analysis of Capacity to Pay (Morrison Low) (September 2025) (Attachment T)		
Hardship policy (Attachment U)	<input checked="" type="checkbox"/>	NA
Other public supporting materials:		
Ku-ring-gai Financial Sustainability Review Report (January 2023) (Attachment V)	<input checked="" type="checkbox"/>	
Community Research Report 2024 (Micromex) (Attachment W)	<input checked="" type="checkbox"/>	
Productivity and Cost Containment Report (Attachment X)	<input checked="" type="checkbox"/>	
Government agency's report on financial sustainability: Ku-ring-gai Council Financial Assessment and Benchmarking Report (prepared for the LIRS) (September 2012) (Attachment Y)	<input checked="" type="checkbox"/>	
Confidential supporting material (i.e. not to be published on IPART's website):		
None		

10 Checklists

We provide these checklists to ensure that submitted applications meet a minimum standard.

Meeting the requirements of these checklists **does not** guarantee a council will be approved for the SV it has applied for.

Table 12 Part A Application Form Checklist

Checklist items	Please indicate whether the items have been actioned
Data provided in Part A application (i.e. proposed SV%, rates amount etc) are consistent with those contained in Part B application.	<input checked="" type="checkbox"/>
Table 1.2 of "WS1-Application" lists all the tables in worksheets 1 -12 that council must complete, based on the nature of council's application. Please confirm that all the data requirements, as listed in table 1.2, have been completed.	<input checked="" type="checkbox"/>
All completed tables (values and units – i.e. \$ or \$'000) have been completed correctly and verified to source. Please pay attention to the units specified for each table in each worksheet.	<input checked="" type="checkbox"/>
WS 10 - LTFP agrees to the council's provided (adopted) LTFP.	<input checked="" type="checkbox"/>
Dollar numbers provided in "WS10 – LTFP" are in dollars (\$) not thousands (\$'000) or millions (\$M)	<input checked="" type="checkbox"/>
If the council has an expiring or existing SV, it has incorporated this when filling out WS 2. Not applicable	<input type="checkbox"/>
Annual and cumulative percentages are rounded to 1 decimal place.	<input checked="" type="checkbox"/>
Ensure that figures provided in WS 9 – Financials, WS 10 – LTFP and WS 11 – Ratios are at the General Fund level and <i>not</i> consolidated.	<input checked="" type="checkbox"/>
If the council proposes an SV with both permanent and temporary components, the council has discussed the relevant data and modelling requirements with IPART prior to submission. Not applicable	<input type="checkbox"/>
Indication whether optional tables in WS 12 has been completed.	<input checked="" type="checkbox"/>

Table 13 SV Part B Application Form Checklist

Checklist items	Please indicate whether the items have been actioned
All required text boxes and tables have been completed.	<input checked="" type="checkbox"/>
All applicable documents per the List of Attachments (Table 11) have been provided.	<input checked="" type="checkbox"/>
The council has declared all SVs (including ASVs) approved since 2011-12 and provided annual reports that show compliance with the instrument reporting conditions, or explaining divergences.	<input checked="" type="checkbox"/>
The council's LTFP includes both the baseline (no-SV) and the SV scenario it is applying for.	<input checked="" type="checkbox"/>
The proposed SV annual and cumulative percentages agree to those used in community consultation, or if they differ, the reason has been explained.	<input checked="" type="checkbox"/>
If applying for a multi-year SV, the council has correctly calculated the cumulative percentage and dollar impact of the proposed SV using compounding.	<input checked="" type="checkbox"/>
The council has referenced community consultation materials that <i>at minimum</i> show the cumulative percentage of the SV and average total dollar increase (cumulative) per rating category.	<input checked="" type="checkbox"/>
Figures presented in Application Form Part B are consistent, as relevant, with those in Application Form Part A.	<input checked="" type="checkbox"/>
The council has submitted a Minimum Rates Part B Application Form, if required. Not applicable	<input type="checkbox"/>
For OLG Criterion 5 (section 7), the council has provided concrete evidence and plans for past and future cost-containment and productivity strategies, as far as practicable.	<input checked="" type="checkbox"/>

Important information

Submitting online

Applications must be submitted through IPART's [LG Portal](#) by 05:00pm on Monday, 2 February 2026. Councils should note a file size limit of 150MB applies to any individual document uploaded in the portal.

Confidential content

IPART will publish all applications (excluding confidential content) on our website. Examples of confidential content are those parts of a document which disclose the personal identity or other personal information pertaining to a member of the public, a document such as a council working document that does not have formal status, or a document which includes commercial-in-confidence content.

Councils should ensure supporting documents are redacted to remove confidential content where possible, or clearly marked as **CONFIDENTIAL**.

Publishing the council's application

Councils should also publish their application on their own website for the community to access.