

END OF TERM REPORT

2017 - 2021

OUR KU-RING-GAI 2038



NOVEMBER 2021

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Simplified Chinese

需要帮助吗？

本文件包含重要信息。如果您不理解本文件，请致电翻译口译服务 131 450。让其代表您致电 9424 0000 联系Ku-ring-gai议会。营业时间：周一至周五，上午8.30—下午5.00。

Traditional Chinese

需要幫助嗎？

本檔包含重要資訊。如果您不理解本檔，請致電翻譯口譯服務 131 450。讓其代表您致電 9424 0000 聯繫Ku-ring-gai議會。營業時間：週一至週五，上午8.30—下午5.00。

Korean

도움이 필요하십니까?

이 문서에는 중요한 정보가 담겨 있습니다. 여러분이 이해할 수 없다면, TIS (번역 및 통역 서비스)의 131 450번으로 전화하십시오. 9424 0000 번으로 여러분을 대신하여 전화해서 쿠링가이 카운슬을 연락해 달라고 요청하십시오. 영업 시간: 월요일-금요일, 오전 8시30분-오후 5시.

Persian

آیا به کمک نیاز دارید؟

این مدرک حاوی اطلاعات مهمی است. اگر آنها را نمی فهمید، خواهش می کنیم به خدمات ترجمه نوشتاری و گفتاری

(Translating and Interpreting Service)

به شماره ۱۳۱ ۴۵۰ تلفن کنید و از آن

سرویس بخواهید از جانب شما با

شهرداری کورینگای (Ku-ring-gai Council)

در ساعات کاری، دوشنبه تا جمعه از ساعت

۸:۳۰ صبح تا ساعت ۵:۰۰ بعد از ظهر با

شماره تلفن ۰۲ ۹۴۲۴ ۰۰۰۰ تماس بگیرید.

Japanese

ご質問がありますか？

当文書には重要な情報が記載されています。もし何か不明な点があれば、月曜から金曜の午前8:30から午後5:00までの受付時間内に、まず131 450の通訳翻訳サービスにお電話いただき、通訳を介してKu-ring-gai Councilのサービス担当（電話:02 9424 0000）までお問合せください。

These languages were chosen as they are the most widely spoken by Ku-ring-gai residents indicated by ABS Census data 2011 and 2016.

ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

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

Need assistance with hearing or speaking?

Contact Ku-ring-gai Council using the 24 hour **National Relay Service:**

TTY users: Call 133 677 then dial 02 9424 0000.

Speak and Listen users with ordinary handset: Call 1300 555 727 then ask for 02 9424 0000.

NRS Chat: Log onto www.communications.gov.au/accesshub/nrs and enter 02 9424 0000.

Need help to access Council's building?

Disability parking and access is available via a ramp and lift, off Radford Place at the rear of Council's building, at 818 Pacific Highway, Gordon, NSW. Call 02 9424 0000 Monday to Friday 8.30am - 5.00pm if you need further assistance.

KU-RING-GAI COUNCIL

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ABOUT THIS REPORT

This is Ku-ring-gai Council's report to the community on the implementation of Ku-ring-gai's Community Strategic Plan over the previous four years.

The End of Term Report is one of the key accountability mechanisms between Council and the community and has been prepared in accordance with Section 428(2) of the *Local Government Act, 1993* and the Office of Local Government's Integrated Planning and Reporting Guidelines.

The report provides a review of both the implementation and effectiveness of the Community Strategic Plan in progressing Ku-ring-gai's long-term social, environmental, economic and civic leadership objectives from 2017 to 2021.

Performance is assessed against progress delivering the Long Term Objectives contained in the Community Strategic Plan, progress of Council's Term Achievements contained in its Delivery Program[^] and the achievement of performance indicators.

Our community's vision

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

The vision and principles continued to be relevant to Ku-ring-gai and its community beyond that first plan, and have formed the basis for Ku-ring-gai's two subsequent community strategic plans.

Vision statement

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

This vision is supported by the following community principles:

care
for the local
environment
and people

respect
the needs of future
generations

learn
and share knowledge

lead
in sustainability

behave
ethically

take
responsibility
for our actions

Disclaimer

Ku-ring-gai Council's End of Term Report 2017-2021 was prepared in October 2021 and represents a compilation of the best available data at the time of preparation. Despite our best efforts, Council makes no statements, representations or warranties about the accuracy, completeness or reliability of any information contained in the report. The Council disclaims all responsibility and all liability (including without limitation, liability in negligence) for all expenses, losses, damages and costs you might incur as a result of the information being inaccurate or incomplete in any way, and for any reason.

[^] Due to the NSW Government's deferral of local government elections to September 2021, and then December 2021, Council's adopted three year Delivery Program 2018-2021 was extended for a further twelve months to June 2022. Throughout this report it is referred to as the Delivery Program 2018-2022.

DELIVERING OUR COMMUNITY'S VISION

Community Strategic Plan – Our Ku-ring-gai 2038

The Community Strategic Plan is the community's plan, prepared by Council in conjunction with the Ku-ring-gai community. Development of the current plan was informed by community engagement and consultation as well as the views of other stakeholders, including community organisations, businesses and government agencies.

The plan, adopted in June 2018, addresses issues, challenges and priorities for the local area through a vision statement and long term objectives. These are grouped under themes as follows:

- THEME 1: Community, People and Culture
- THEME 2: Natural Environment
- THEME 3: Places, Spaces and Infrastructure
- THEME 4: Access, Traffic and Transport
- THEME 5: Local Economy and Employment
- THEME 6: Leadership and Governance.

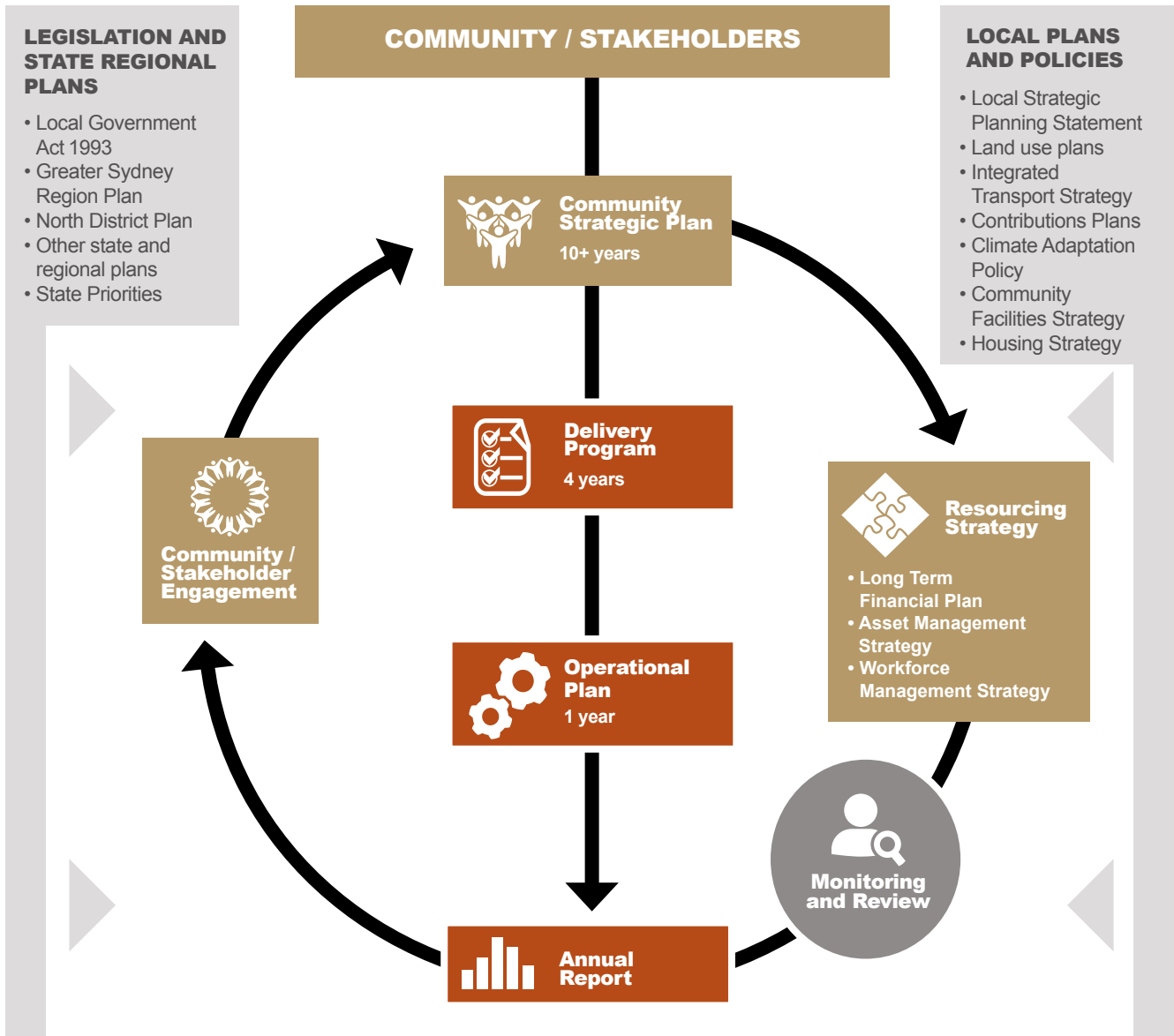
Collaboration and partnerships

Implementation of the Community Strategic Plan relies on collaboration and partnerships with our community, businesses, organisations and government. While Council has a significant role in delivering and facilitating many outcomes in the plan, it has limited direct influence for some. Council nevertheless takes a proactive advocacy role, participating in and supporting networks and partnerships to achieve those outcomes.

Integrated planning and reporting framework

The NSW government requires local councils to deliver their community's vision and objectives through long, medium and short-term plans, known as the Integrated

Planning and Reporting Framework. This promotes best practice strategic planning across NSW councils to ensure a more sustainable local government sector. The diagram below illustrates the hierarchy of plans within the framework and their relationship to state and regional planning.



Source: Adapted from NSW Office of Local Government – Integrated Planning and Reporting Framework.

Website: olg.nsw.gov.au

Diagram 1: Integrated planning and reporting framework

DELIVERING OUR COMMUNITY'S VISION cont.

Resourcing Strategy

Council's Resourcing Strategy explains how the strategic objectives of Ku-ring-gai will be achieved in terms of time, money, people and assets. It is the link between the long-term Community Strategic Plan and the medium term Delivery Program and is developed concurrently with the other plans in the Integrated Planning and Reporting Framework. It is designed to be a living document to reflect changing financial and asset information. The Resourcing Strategy spans a minimum of ten years and includes a Long Term Financial Plan, Asset Management Strategy and Workforce Management Strategy.

Delivery Program

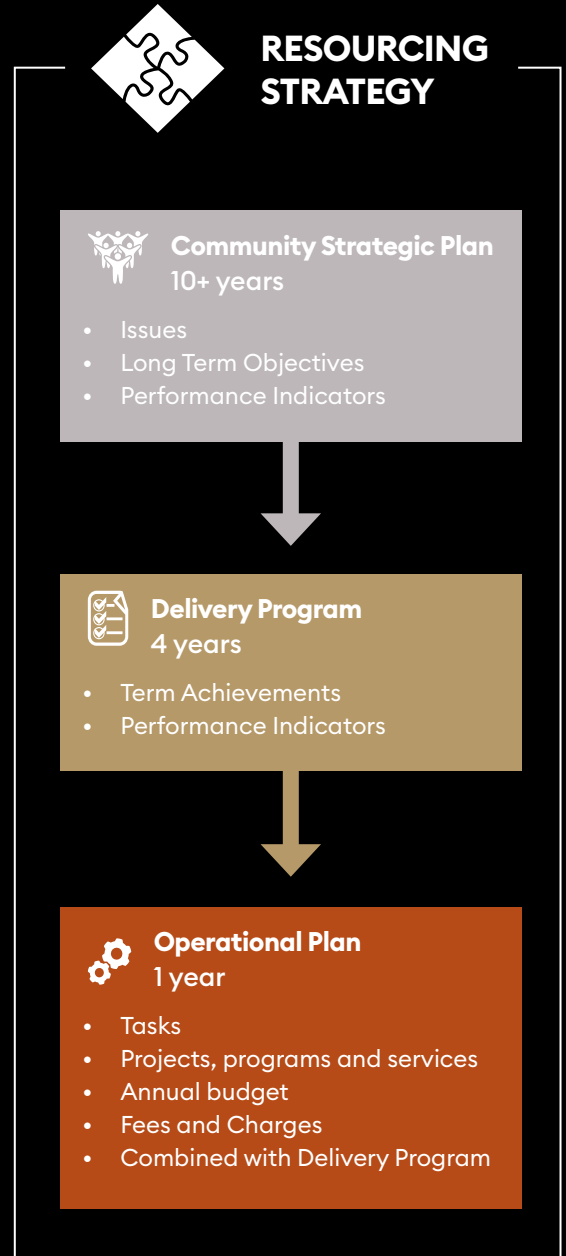
Council facilitates implementation of the Community Strategic Plan through a four year delivery program containing a series of term achievements for each long term objective in the plan.

Term achievements are outcomes that Council said it would do during its term of office to progress the long term objectives in the Community Strategic Plan.

Operational Plan

One year operational plans detail Council's planned services, projects and programs and the financial resources required to implement them for each year of the delivery program. Tasks identified in the Operational Plan link back to term achievements in the Delivery Program and long term objectives in the Community Strategic Plan.

See the relationship between the plans opposite.



Relationship between integrated planning and reporting plans.

Relationship with other plans

The Community Strategic Plan sits at the top of Council's strategic planning framework and provides long-term direction for the organisation to align its delivery of services, programs and projects. It integrates with other Council plans and policies and acts as a guide for other stakeholders (organisations, government agencies, business and individuals) in planning and delivering services for our area.

The plan also responds to state, metropolitan and regional plans and priorities relevant to Ku-ring-gai.

Measuring performance

The Integrated Planning and Reporting Framework requires Council to report regularly on its progress implementing the community's vision and long term objectives. This is done bi-annually through progress reports on Council's four year delivery program and one year operational plans.

In addition, an end of term report, prepared in the year of an ordinary election of councillors, provides information on Council's achievements in implementing the Community Strategic Plan over its term and is included in that year's annual report.

The effectiveness of the Community Strategic Plan, in progressing the vision and long term objectives, is measured by:

- Progress of each long term objective contained in the plan
- Monitoring progress for performance indicators set for each long term objective
- Completion or substantial completion of Council's term achievements in the delivery program – those four year outcomes Council said it would do to progress the Community Strategic Plan.

To meet statutory reporting requirements the time period for the End of Term Report is taken from September 2017 to the end of June 2021. This includes the nine month period between the September 2017 local government election and prior to the adoption of the current Community Strategic Plan in June 2018.

Reporting for the current Community Strategic Plan, is taken up to 30 June 2021 (for long term objectives, contributing term achievements and performance indicators).



vision

DELIVERING OUR COMMUNITY'S VISION cont.

The table below provides a summary of Council's current reporting requirements and responsibilities undertaken during 2017-2021 in line with Integrated Planning and Reporting Guidelines and organisational performance monitoring obligations.

End of Term Report	<ul style="list-style-type: none"> • Prepared in the year of an ordinary election of councillors and included as part of Council's Annual Report. • Presented to the outgoing Councillors. • Details the implementation and effectiveness of the Community Strategic Plan over Council's term in progressing the community's long term objectives. This is done through an assessment of progress made of the long term objectives, achievement of performance indicators and progress or completion of term achievements.
Annual Report	<ul style="list-style-type: none"> • Prepared for the Ku-ring-gai community and submitted to the Minister for Local Government by 30 November each year. • Details performance and service delivery implementing the four-year Delivery Program during the financial year through key achievements, tasks and performance indicators as outlined in adopted plans. • Includes statutory reporting requirements. • Includes audited and adopted Financial Statements.
Bi-annual Reports	<ul style="list-style-type: none"> • Presented to Council on the six monthly progress of term achievements and operational plan tasks in the Delivery Program (December period). • Presented to Council on the six monthly progress or completion of term achievements, operational plan tasks and annual performance indicators (June period).
Quarterly Reports	<ul style="list-style-type: none"> • Reports presented to Council on the adopted annual budget including progress and expenditure on capital and operational projects and services. • Progress reports on operational plan tasks presented to the General Manager and Directors group.
Community Feedback Reports	<ul style="list-style-type: none"> • Monitoring and review of results from independent community research into services and facilities, in line with community needs and strategic outcomes.

These reports are available on Council's website at www.krg.nsw.gov.au/ipr

COMMUNITY STRATEGIC PLAN

Council's Community Strategic Plan – Our Ku-ring-gai 2038 was adopted in June 2018 following a review of the previous plan, and involved extensive consultation with the community, stakeholders and interested parties, government authorities and agencies, Councillors and Council staff.

The Community Strategic Plan includes:

- Six overall themes
- 30 issues, or focus areas, that were generated from areas of concern or priority identified by the community
- 30 long term objectives, with a 20 year timeframe, that describe the desired outcome or future state for each issue
- 59 performance indicators that provide guidance in assessing progress on the long term objectives.

Council's progress in implementing the Community Strategic Plan, for the reporting period 2017 – 2021, was assessed by:

- Satisfactory progress made for each long term objective, contained in the Community Strategic Plan 2038 – that is, they remain 'on track' to be successfully completed
- Monitoring of progress for performance indicators set for each long term objective
- Completion or substantial completion (subject to 2021/22 deliverables) of Council's term achievements contained in the Delivery Program 2018-2022 for the reporting timeframe 1 July 2018 to 30 June 2021.

Long term objectives

Results of the assessment, shown in diagram 2, indicated that satisfactory progress was made across all Long Term Objectives with 29 or 97% assessed as being 'on track', with one (3%) exception identified as being behind schedule within Theme 3: Places, Spaces and Infrastructure as follows:

P4.1: Our centres offer a broad range of shops and services and contain lively urban village spaces and places where people can live, work, shop, meet and spend leisure time.

Progress reporting for Long Term Objectives by theme, including commentary, is available in **Performance by Theme** on pages 71-97.

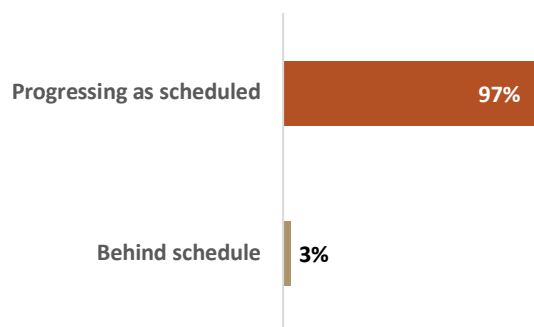
Performance indicators

Assessment of Performance Indicators for each Long Term Objective included trend results from three independent surveys*, and data available from other external agencies such as the ABS census.

Of the 59 indicators, 40 or 71% were achieved for the reporting period and 16 or 29% were not achieved as shown in diagram 2. No trend result was established for 3 indicators and these are not included in overall performance statistics.

Results and commentary for all indicators is available in **Performance by Theme** on pages 71-97. Performance indicator data from the 2017, 2019 and 2021 independent surveys is available in **Appendix A** on pages 100-135.

Long Term Objectives



Performance Indicators

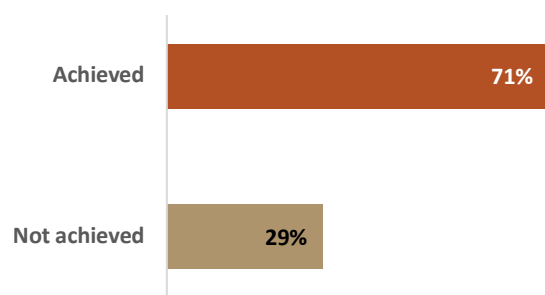


Diagram 2: Community Strategic Plan – Our Ku-ring-gai 2038 progress

Contributing term achievements

Term Achievements are the connection point between the Community Strategic Plan and Delivery Program. They identify how Council is going to progress the long term objectives and vision contained in the Community Strategic Plan during its term within Council's available resources, as detailed in Council's Resourcing Strategy. Completion or substantial completion of Term Achievements in the Delivery Program contribute to the overall progress of Long Term Objectives. Term Achievements have been assessed as part of the End of Term Report preparation for the period 1 July 2018 to 30 June 2021.

See **Performance Summary – Delivery Program** on pages 22-23 for a progress summary of Term Achievements and **Performance by theme** on pages 71-97 for full progress reporting, by theme, for each Term Achievement.

Footnote

* Council commissioned independent research to identify the Ku-ring-gai community's satisfaction with Council's services and facilities and identify priority areas of concern for Council to focus on. Reports from research conducted in 2017, 2019 and 2021 is available at www.krg.nsw.gov.au/Communityfeedbackreport

DELIVERY PROGRAM

The Delivery Program details the Term Achievements that Council will complete during its term to progress the Long Term Objectives and vision contained in the Community Strategic Plan.

As part of the preparation of this End of Term Report the results of the following two Delivery Programs were included:

Delivery Program 2013-2017

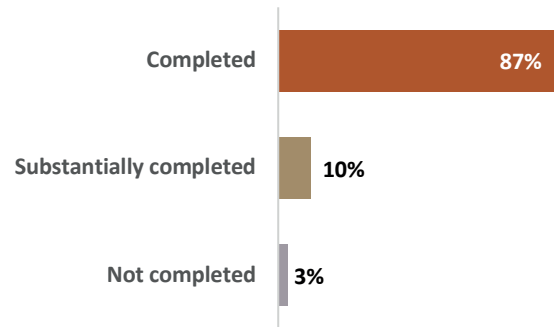
Council's Delivery Program 2013-2017 contained 69 Term Achievements and 85 Performance Indicators.

At the end of that Delivery Program period 60 Term Achievements had been completed, 7 were substantially completed and 2 were not completed. Of the 85 Performance Indicators, 61 were achieved and 18 were not achieved. Six were identified as no longer required or having insufficient data available, and therefore have not been included in overall performance statistics. Council's June 2018 Bi-annual Report is available at www.krg.nsw.gov.au/ipr

Commentary for Term Achievements that were substantially completed and not completed can be viewed in **Performance by Theme** on pages 71-97. Performance Indicator results and commentary is available in **Appendix A** on pages 100-135.

Diagram 3 provides a summary of progress made against the Term Achievements and Performance Indicators for the 2017/18 year as part of this reporting process.

Term Achievements



Performance Indicators

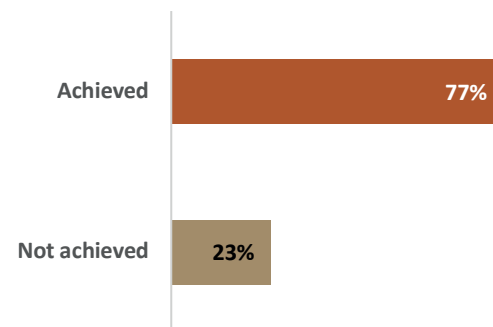


Diagram 3: Delivery Program 2013 – 2017 and Operational Plan 2017 – 2018 progress

Note: The above figures may have been updated, to those previously reported, to reflect the most accurate data that has become available during the reporting period.

Delivery Program 2018-2022

Council's Delivery Program 2018-2022 contains 56 Term Achievements and 71 Performance Indicators across six themes.

As part of the preparation of this End of Term, Term Achievements were reviewed and identified as completed or substantially completed (subject to 2021/22 deliverables) during the reporting period 1 July 2018 to 30 June 2021.

As a result of the extreme weather events, including storms and bush fires and the COVID-19 pandemic in 2019/20 and 2020/21, a reduction in expected progress was experienced for Term Achievements as part of the June 2020[^] bi-annual reporting period and subsequently overall annual results. This also included achievement of performance indicators and completion of annual operational plan tasks.

This was offset by Council's successful implementation of innovative solutions to the delivery of many services that enabled their continuation across operational areas in response to the changing community needs and priorities, confirming Council's ongoing ability and capacity to deliver services and facilities.

To measure the extent of impacts of the pandemic restrictions, performance results for 2019/20 were compared to results likely to have been achieved without COVID-19 impacts, based on the previous half-yearly (December 2019 bi-annual report) progress and staff commentary. Council's performance for 2019/20 was therefore presented on the basis of both including and excluding COVID-19 impacts for the June 2020 bi-annual report.

Reporting on the Delivery Program 2018-2022 as part of the June 2021[^] Bi-annual Report was completed taking into consideration that Council programs, projects and services had been reconfigured to compensate for any COVID-19 impacts.

For the period 1 July 2018 to 30 June 2021, the assessment of Term Achievements concluded that 48 were completed, 7 were substantially completed subject to deliverables during 2021/22 and one was on hold by Council resolution and has not been included in overall performance statistics (as shown in diagram 4). Commentary for all Term Achievements can be viewed in **Performance by Theme** on pages 71-97.

Council collected annual performance indicator data for each theme, during the period 1 July 2018 to 30 June 2021, which is presented to Council as part of the June bi-annual reporting process. Annual results are available in **Appendix A** on pages 100-135.

Term Achievements

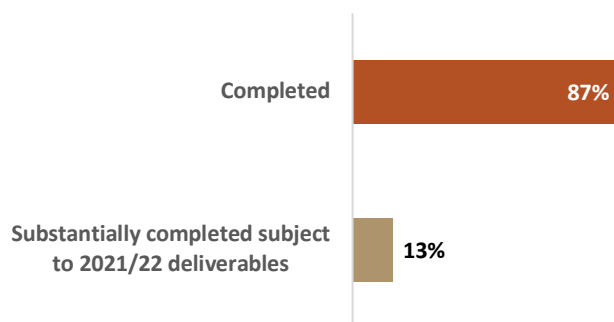


Diagram 4: Term Achievement progress, Delivery Program 2018 - 2022

Footnote:

[^]Council's June 2020 and June 2021 Bi-annual Reports are available at www.krg.nsw.gov.au/ipr

FINANCIALS

Objectives

Council's continued guiding principles over the reporting period were to maintain a strong and sustainable financial position, underpinned by a sound income base and commitment to financial control to ensure the effective and efficient delivery of services, facilities and infrastructure required by the community.

Expenditure and income

Council manages \$1.85 billion worth of infrastructure assets including roads, footpaths, drains, community buildings, sporting and recreation facilities, parks and property.

Council income is from rates on property, government grants and interest on investments, user charges and fees. Council expenses are for construction, maintenance, wages, grants to community groups and many services to the community including libraries, children's services, waste collection, local events and bush regeneration.

Achieved performance measures and benchmarks

Council achieved all of its performance measures and benchmarks between 2017/18–2020/21 with the exception of the Asset Renewals Ratio and Infrastructure Backlog Ratio.

The Asset Renewals Ratio assesses the rate at which these assets are being renewed relative to the rate at which they are depreciating. The ratio has continued to show improvement over the reporting time period. Council's Long Term Financial Plan (LTFP) provides for infrastructure renewal to meet the benchmark of 100% in future years. Council will continue to focus on appropriate asset standards for renewal and maintenance of its assets and to prioritise renewal capital work programs.

The Infrastructure Backlog Ratio shows the proportion of the backlog against the total value of a Council's infrastructure. While the ratio indicates that Council still has an infrastructure backlog the ratio has continued to show improvement over the reporting time period. Council is continuing to focus on appropriate asset standards for renewal and maintenance of its assets.

Achievement of these indicators was affected by delays in divesting Council assets to enable additional investment in infrastructure.

Achieved a strong operating result

Council achieved operating surpluses for each of the financial years 2017/18–2020/21. An operating surplus means that Council's revenue exceeds both the cost of running its day to day operations and the depreciation of its assets for those years. A comparison of our Operating Results (before and after capital income) for the years 2017/18–2020/21 is provided in diagrams 5 and 6 adjacent.

Achieved sound working capital

Working capital is a measure of Council's liquidity and ability to meet its financial obligations as they fall due. It is one of the primary measures of the overall financial position of Council, which allows for unforeseen expenditure or reductions in revenue. Council's available working capital was in line with targets identified in each of Council's Annual Budgets for the period 2017/18–2020/21. This level of working capital highlights an adequate liquidity position with Council being able to meet its short term financial liabilities when they fall due. Diagram 7 adjacent provides a comparison of Council's working capital for the financial years 2017/18–2020/21.

The financial information presented in this report includes information taken from Council's exhibited Audited Financial Statements for 2020/21. These will be reported to Council for final endorsement.



Diagram 5: Net operating result \$'000 (including capital income) – 4 year trend

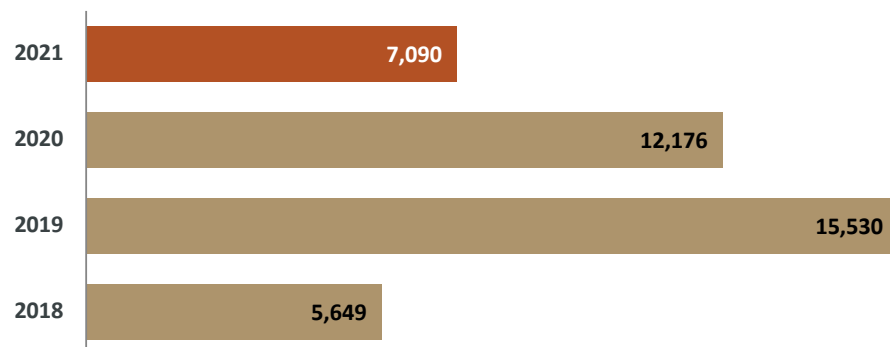


Diagram 6: Net operating result \$'000 (excluding capital income) – 4 year trend

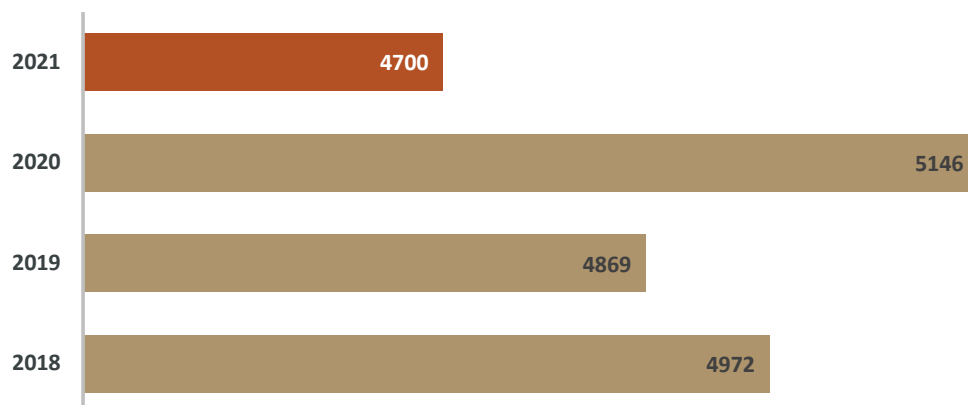


Diagram 7: Working capital \$'000 – 4 year trend

FINANCIALS cont.

Financial key achievements

Operating surplus

Achieved operating surpluses for each of the financial years 2017/18–2020/21.

Sustainable financial position

Council maintained a good and sustainable financial position, despite impacts from the COVID-19 pandemic and natural disasters.

Strong return on investment portfolio

Achieved a strong return on Council's total investment portfolio, which outperformed the industry benchmark in each of the years 2017/18–2020/21.

Savings

Identified \$18 million in savings over 10 years for allocation to asset infrastructure renewal.

Financial challenges

Storm events

During 2019/20, the Ku-ring-gai local government area suffered from two major natural disasters (November and February storms). As a result, significant expenditure was incurred on clean-up and restoration costs totalling \$3.2 million at the end of the financial year. Council made an application of \$1.7 million under the NSW Government's Disaster Recovery Funding Arrangements for reimbursement of costs incurred.

COVID-19

The COVID-19 pandemic had a significant financial impact on Council operations during 2019/20 with further budget adjustments made during 2020/21. At the end of the 2019/20 reporting period, Council had

an unfavourable impact of \$1.8 million, mainly from reduced revenue from the closures of halls, facilities, sporting ovals and events; commercial arrangements including Council's aquatic centre, leases and licenses for community and commercial buildings; income from parking and other fines. Council provided rental relief packages to its commercial and community leasing portfolio based on evaluation of requests received. There was a modest increase in outstanding rates from the previous year as a result of the impact of the COVID-19 pandemic on some ratepayers.

As COVID-19 restrictions eased in the third quarter of 2020/21 many of Council's seriously impacted services and operations started to recover. Close monitoring of the financial performance of these services and operations continued to the end of the 2020/21 financial year and will extend into 2021/22, with the reintroduction of pandemic restrictions and lockdowns.

Interest rates

Despite decreasing interest rates on investments and contracted margins in a tight investment environment, Council continued to achieve strong returns, outperforming industry benchmarks. This was the result of prudent longer term investment choices with higher yields. More conservative interest rates have also been built into future investment return budgets to ensure that Council minimises the potential adverse effects from lowering interest rates in the short to medium term.

Compliance with new accounting standards

In 2019/20, a number of new accounting standards were introduced to local government's end of year financial statements. Prior to their introduction, Council reviewed its compliance with the accounting standards to determine and implement any changes required to future financial statements as well as supporting business systems and practices.

SERVICES AND FACILITIES

In 2017, 2019 and 2021 Council commissioned independent community research to examine the community's attitudes and perceptions towards Council's delivery of services and facilities.

The key objectives of the research were to:

- assess and establish the community's priorities and satisfaction with a broad number of Council's services and facilities delivered to the Ku-ring-gai community (48 in 2021, 46 in 2019 and 45 in 2017)
- identify the community's overall level of satisfaction with Council's performance
- identify the community's top priority areas; and
- compare the 2017, 2019 and 2021 research results.

Key satisfaction trends

Overall satisfaction of Council in 2021

91% of Ku-ring-gai residents are very satisfied, satisfied and somewhat satisfied with the performance of Council over the last 12 months (as shown in diagram 8):

- upward trend from 2017 and 2019
- in line with the Sydney Metropolitan Benchmark (89%)

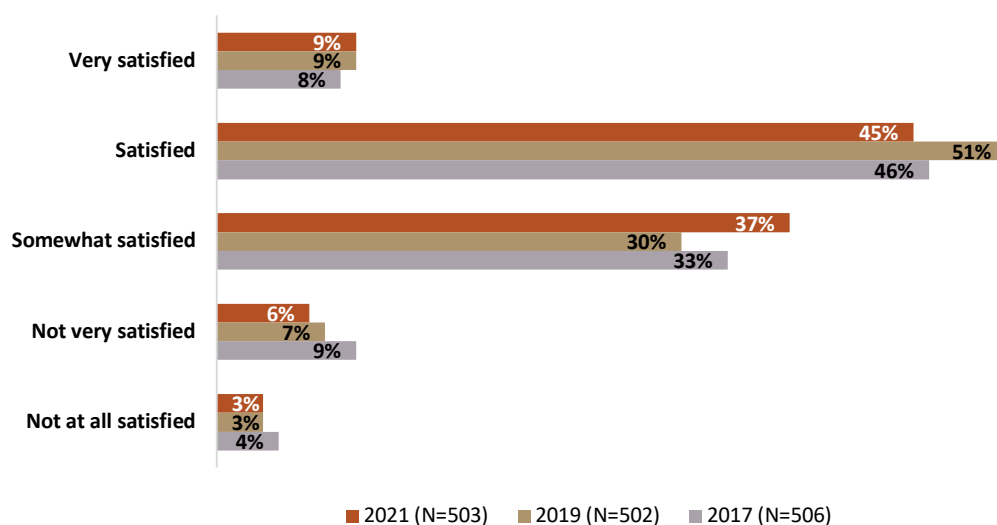


Diagram 8: Resident's satisfaction with the performance of Ku-ring-gai Council across all responsibility areas



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