



**ORDINARY MEETING OF COUNCIL
TO BE HELD ON TUESDAY, 12 OCTOBER 2010 AT 7.00PM
LEVEL 3, COUNCIL CHAMBERS**

A G E N D A
**** ** * * * * ***

NOTE: For Full Details, See Council's Website –
www.kmc.nsw.gov.au under the link to business papers

APOLOGIES

DECLARATIONS OF INTEREST

CONFIRMATION OF REPORTS TO BE CONSIDERED IN CLOSED MEETING

ADDRESS THE COUNCIL

NOTE: Persons who address the Council should be aware that their address will be tape recorded.

DOCUMENTS CIRCULATED TO COUNCILLORS

CONFIRMATION OF MINUTES

Minutes of Ordinary Meeting of Council

File: S02131

Meeting held 21 September 2010

Minutes numbered 296 to 311

MINUTES FROM THE MAYOR

PETITIONS

REPORTS FROM COMMITTEES

Minutes of Ku-ring-gai Traffic Committee

File: S02110
Meeting held 23 September 2010
Minutes numbered KTC9 to KTC14

GENERAL BUSINESS

- i. The Mayor to invite Councillors to nominate any item(s) on the Agenda that they wish to have a site inspection.*
- ii. The Mayor to invite Councillors to nominate any item(s) on the Agenda that they wish to adopt in accordance with the officer's recommendation allowing for minor changes without debate.*

GB.1 **Disclosure of Interests Returns Register** **1**

.
File: S02167

To table Council's Disclosure of Interests Returns Register in accordance with the Local Government Act.

Recommendation:

That the tabling of the Disclosure of Interests Returns Register be noted.

GB.2 **Code of Conduct Complaints** **3**

.
File: S06948

To report on Code of Conduct complaints in the period July 2009 to June 2010.

Recommendation:

That the report be received and noted.

GB.3 **Complaints Management Policy** **7**

.
File: S07012

To consider the implementation of a revised Complaints Management Policy.

Recommendation:

That the revised Complaints Management Policy be adopted.

GB.4 Audited General Purpose & Special Purpose Financial Reports for year ended 30 June 2010 & Auditor's Report 19

.
File: FY00259/3

To present to Council the Annual Financial Statements and audit reports from Council's external auditor, Hill Rogers Spencer Steer Chartered Accountants for the year ended 30 June 2010 and to provide a summary of Council's financial performance and financial position at 30 June 2010.

Recommendation:

That Council receives the audited Financial Statements and the report of Council's external auditor, Hill Rogers Spencer Steer Chartered Accountants.

GB.5 Policy for the Payment of Expenses & Provision of Facilities to Councillors 29

.
File: S03779

To recommend the adoption of a revised Policy for the Payment of Expenses and Provision of Facilities to Councillors.

Recommendation:

That the revised Policy for the Payment of Expenses and Provision of Facilities to Councillors be adopted.

GB.6 Local Government Urban Planning & Development Summit 61

.
File: S07223

To advise Council of the Local Government Urban Planning & Development Summit 2010.

Recommendation:

That Council determine if it wishes to send delegates to the Local Government Urban Planning & Development Summit 2010.

GB.7 1 Kalang Avenue, Killara - Alterations & Additions 68

.
File: 0533/10

Ward: Gordon
Applicant: Mr Robert Acres
Owners: Mr R R Acres & Mrs J E Acres

To determine development application No.0533/10, which seeks consent for alterations and additions to the existing dwelling.

Recommendation:

Deferred commencement.

GB.8 Planning Proposal for Ku-ring-gai Principal Local Environmental Plan 120

.
File: S06413

To have Council consider a Planning Proposal for the Ku-ring-gai Principal Local Environmental Plan.

Recommendation:

That Council submit the Planning Proposal for the Ku-ring-gai Principal Local Environmental Plan to the Department of Planning, as provided at Attachment 1, to seek a gateway determination.

GB.9 Urban Design Excellence Panel (UDEP) Terms of Reference - Final Report 163

.
File: S08367

For Council to adopt the Urban Design Excellence Panel (UDEP) Terms of Reference, and to adopt the new fees and charges associated with the Urban Design Excellence process.

Recommendation:

That Council adopt the Urban Design Excellence Panel (UDEP) Terms of Reference; that Council adopts the EOI selection process for the UDEP members; that Council adopt the new charges for the urban design excellence process; that Council resolve to amend Council Fees and Charges Schedule to include the new charges.

GB.10 Heritage Reference Committee - Notes of Meeting held 16 August 2010 190

.
File: S07620

To advise Council of the notes of the Heritage Reference Committee meeting held 16 August 2010.

Recommendation:

That Council receive and note the Heritage Reference Committee meeting notes from 16 August 2010.

GB.11 Wahroonga Estate - Bushland Offset 195

.
File: S05913

To brief Council on the proposal to transfer two parcels of land zoned E2 - Environmental Conservation from private ownership into public ownership as part of the redevelopment of the Sydney Adventist Hospital site.

Recommendation:

That Council confirms its preference that future ownership of the E2 sites within the Wahroonga Estate be dedicated to the Department of Climate Change & Water (DECCW).

EXTRA REPORTS CIRCULATED AT MEETING

MOTIONS OF WHICH DUE NOTICE HAS BEEN GIVEN

NM.1 Wild & Exotic Animals Performing 217

.
File: S02447

Notice of Rescission from Councillor Steven Holland, Elise Keays and Tony Hall dated 22 September 2010

We, the undersigned, rescind the Motion of 10 August 2010 (Minute No 248) relating to the overturning of the Council's ban on wild and exotic animals performing in travelling circuses.

BUSINESS WITHOUT NOTICE - SUBJECT TO CLAUSE 241 OF GENERAL REGULATIONS

QUESTIONS WITHOUT NOTICE

INSPECTIONS COMMITTEE - SETTING OF TIME, DATE AND RENDEZVOUS

**** ** * * * * * ** ** ****

**Environmental Planning & Assessment Act 1979
(as amended)**

Section 79C

1. Matters for consideration - general

In determining a development application, a consent authority is to take into consideration such of the following matters as are of relevance to the development the subject of the development application:

- a. The provisions of:
 - i. any environmental planning instrument, and*
 - ii. any draft environmental planning instrument that is or has been placed on public exhibition and details of which have been notified to the consent authority, and*
 - iii. any development control plan, and*
 - iv. any matters prescribed by the regulations,**that apply to the land to which the development application relates,**
- b. the likely impacts of that development, including environmental impacts on both the natural and built environments, and social and economic impacts in the locality,*
- c. the suitability of the site for the development,*
- d. any submissions made in accordance with this Act or the regulations,*
- e. the public interest.*

MAYORAL MINUTE

VALE JAKE FLETCHER

On behalf of Ku-ring-gai Council, I would like to pay tribute to the life of Jake Fletcher, who passed away on Wednesday, 6 October, 2010, after being hospitalised due to complications stemming from a congenital medical condition.

Jake was a much loved, enthusiastic young member of staff. As a Development Assessment Officer, he was a member of South Team who commenced employment with Council on 29 April 2008.

Jake contributed to the organisation on many levels. He was most professional in his assessment role, well regarded by his many friends and active in seeking improvements to staff conditions in his own gentle way.

In his 27 years, Jake achieved so much and the organisation will be poorer for his passing.

On behalf of Council, I offer our sincere condolences to Jake's family and friends during this very difficult time.

RECOMMENDATION

- A. That this Mayoral Minute be received and noted.
- B. That we stand for a minute's silence to honour the life of Jake Fletcher.
- C. That the Mayor write to Jake's family on behalf of Council to express our sympathy for their loss.

Cr Ian Cross
Mayor

PETITION

PETITION IN SUPPORT OF EXOTIC ANIMALS IN CIRCUSES - (TWO THOUSAND, FIVE HUNDRED & EIGHTY-SEVEN [2,587] SIGNATURES)

"We, the undersigned, support the use of exotic animals, meaning Lions and Monkeys, in circuses and it is our belief that there is no cruelty involved and Councils should not ban them in circuses using Council owned or controlled grounds."

RECOMMENDATION

That the Petition be received and referred to the appropriate officer of Council for attention.

PETITION

INTERNET PETITION TO BAN EXOTIC ANIMAL CIRCUSES FROM KU-RING-GAI COUNCIL (FOUR THOUSAND, ONE HUNDRED AND EIGHTY-FOUR [4,184] SIGNATURES)

The following Petition was presented by Councillor Tony Hall:

"We, the undersigned, respectfully request that Council reinstate the recently overturned ban on circuses using exotic and wild animals from performing on Ku-ring-gai Council property. The ban was applauded by caring citizens when introduced in 1999, and the Council should continue advancing our society to a more humane one, not take a step backwards (e-Petition URL: http://animalsaustralia.org/take_action/petitions/ku-ring-gai-circus-ban - sponsored by Animals Australia Inc, Victoria)."

RECOMMENDATION

That the Petition be received and referred to the appropriate officer of Council for attention.

PETITION

INTERNET PETITION TO REQUEST KU-RING-GAI COUNCIL REINSTATE THEIR BAN ON CIRCUSES (FOUR THOUSAND, THREE HUNDRED AND FORTY-ONE [4,341] SIGNATURES)

The following Petition was presented by Councillor Tony Hall:

"We, the undersigned, respectfully request that Ku-ring-gai Council, on Sydney's North Shore, reinstate the ban on circuses which was introduced in 1999. Teaching animals to perform inappropriate tricks does nothing to educate the public or foster respect for animals and the living conditions for performing animals often fail to meet basic welfare needs, there is no justification for animal circuses in the 21st Century (e-Petition from website: www.iPetitions.com - sponsored by Animals Asia Foundation (Australia) Limited)."

RECOMMENDATION

That the Petition be received and referred to the appropriate officer of Council for attention.

DISCLOSURE OF INTERESTS RETURNS REGISTER

EXECUTIVE SUMMARY

PURPOSE OF REPORT:	To table Council's Disclosure of Interests Returns Register in accordance with the Local Government Act.
BACKGROUND:	The Act requires that the Disclosure of Interests Returns Register be tabled at the first meeting after 30 September 2010.
COMMENTS:	The Register will be tabled at the meeting.
RECOMMENDATION:	That the tabling of the Disclosure of Interests Returns Register be noted.

Item 1

S02167
30 August 2010

PURPOSE OF REPORT

To table Council's Disclosure of Interests Returns Register in accordance with the Local Government Act.

BACKGROUND

As Councillors are aware, Section 449 of the Local Government Act 1993 requires the lodgement of returns disclosing interests of Councillors and Designated Persons.

Under Section 450A(2) of the Act, returns for the period ending 30 June 2010 must be tabled at the first Council meeting held after the last day of lodgement (30 September 2010).

COMMENTS

Not applicable.

CONSULTATION

Not applicable.

FINANCIAL CONSIDERATIONS

Not applicable.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

Not applicable.

SUMMARY

Not applicable.

RECOMMENDATION

That the tabling of the Disclosure of Interests Returns Register be noted.

John Clark
Director Corporate

John McKee
General Manager

CODE OF CONDUCT COMPLAINTS

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

To report on Code of Conduct complaints in the period July 2009 to June 2010.

BACKGROUND:

Clause 12.33 of Council's Code of Conduct requires the General Manager to report annually to Council on Code of Conduct complaints.

COMMENTS:

During the period 1 July 2009 to 30 June 2010, 29 complaints made under the Code of Conduct were received. Issues raised in the complaints included harassment, overbearing or threatening behaviour, bias, failure to declare an interest, lobbying and unethical conduct. 16 complaints were finalised during the period. Three complaints were found to be substantiated and 13 were found either to be unsubstantiated, or not warranting any action.

RECOMMENDATION:

That the report be received and noted.

PURPOSE OF REPORT

To report on Code of Conduct complaints in the period July 2009 to June 2010.

BACKGROUND

Clause 12.33 of Council's Code of Conduct requires the General Manager to report annually to Council on Code of Conduct complaints. The requirement was introduced upon the publication of the Model Code of Conduct on 27 June 2008, which was subsequently adopted by Council as its Code of Conduct.

Clause 12.33 provides:

- 12.33 The general manager must report annually to council on code of conduct complaints. This report should include, as a minimum, a summary of the:*
- a. number of complaints received,*
 - b. nature of this issues raised by complainants, and*
 - c. outcomes of complaints.*

COMMENTS

Number of Complaints Received

During the period 1 July 2008 to 30 June 2009, 29 complaints made under the Code of Conduct were received. This compares to 15 complaints made in the previous 12 months.

Nature of the Issues Raised by the Complaints

Issues raised in the complaints included:

- harassment;
- overbearing or threatening behaviour;
- harassment;
- overbearing or threatening behaviour;
- bias;
- failure to declare an interest;
- lobbying;
- unethical conduct.

Outcomes of Complaints

16 complaints were finalised during the period, 11 of which had been raised prior to July 2009. Three complaints were found to be substantiated and 13 were found either to be unsubstantiated or not warranting any action.

Item 2

S06948
14 September 2010

Of the complaints found to be substantiated, two related to councillor conduct, and the recommendations of the relevant Code of Conduct Committee in relation to both matters were reported to Council on 24 November 2009. Actions arising as a result of Council's decisions were unresolved as at 30 June 2010.

As at 30 June 2010, 23 complaints are currently subject to complaint handling procedures in accordance with the Part 3 of the Code of Conduct.

CONSULTATION

Not applicable.

FINANCIAL CONSIDERATIONS

Not applicable.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

Not applicable.

SUMMARY

Clause 12.33 of Council's Code of Conduct requires the General Manager to report annually to Council on Code of Conduct complaints.

During the period 1 July 2009 to 30 June 2010, 29 complaints made under the Code of Conduct were received.

Issues raised in the complaints included:

- harassment;
- overbearing or threatening behaviour;
- harassment;
- overbearing or threatening behaviour;
- bias;
- failure to declare an interest;
- lobbying; and
- unethical conduct.

16 complaints were finalised during the period, 11 of which had been raised prior to July 2009. Three complaints were found to be substantiated and 13 were found either to be unsubstantiated or not warranting any action.

Item 2

S06948
14 September 2010

Of the complaints found to be substantiated, two related to councillor conduct, and the recommendations of the relevant Code of Conduct Committee in relation to both matters were reported to Council on 24 November 2009. Actions arising as a result of Council's decisions were unresolved as at 30 June 2010.

As at 30 June 2010, 23 complaints are currently subject to complaint handling procedures in accordance with the Part 3 of the Code of Conduct.

RECOMMENDATION

That the report be received and noted.

John McKee
General Manager

COMPLAINTS MANAGEMENT POLICY

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

To consider the implementation of a revised Complaints Management Policy.

BACKGROUND:

Council adopted a Complaints Management Policy in November, 2001.

COMMENTS:

In 2004 the NSW Ombudsman released two publications regarding Complaints Management. Council also adopted a revised Code of Conduct in July, 2008. In July 2009 a joint publication by the NSW Ombudsman and the NSW Department of Local Government was released titled Complaints Management in Councils. As a result consequential changes and best practice improvements have now been made to the Complaints Management Policy.

RECOMMENDATION:

That the revised Complaints Management Policy be adopted.

PURPOSE OF REPORT

To consider the implementation of a revised Complaints Management Policy.

BACKGROUND

Council adopted a Complaints Management Policy in November, 2001.

COMMENTS

In July 2008 Council adopted a revised Code of Conduct. The revised Code of Conduct included some changes to reporting, assessment and management of complaints received. Consequential changes have now been made to the Complaints Management Policy to ensure this policy and Council's Code of Conduct are consistent.

Also taken into account when revising this policy, were a 'Handling Complaints' fact sheet issued by the NSW Ombudsman in March, 2004, 'Effective Complaint Handling' a guideline document issued by the NSW Ombudsman in June 2004 and "Complaints management in Councils" a joint publication by the NSW Ombudsman and the Department of Local Government in July 2009. These resources were included in the review of this policy to ensure Council's Complaints Management Policy takes into account any contemporary and best practice issues in its content.

In June 2008 Council adopted it's "Providing a Service to Customers Policy" which was also taken into account in revising the Complaints Management Policy.

The revised Code of Conduct (Code) makes some important changes to the way complaints must be dealt with by Councillors and staff. The following is a list of changes in the revised Code of Conduct:

- specifically states that anyone can make a complaint alleging a breach of the Code,
- where the subject of an allegation re a breach of the Code is an administrator, the issue should be reported to the Minister for Local Government in writing,
- matters being assessed by the Mayor or General Manager in relation to allegations of breaches by Councillors or the General Manager, must use the assessment criteria set out in the Code of Conduct, to determine whether to refer the matter to the Conduct Review Committee/Reviewer,
- the General Manager must report annually to Council the number of Code complaints, the nature of the issues and outcomes of complaints.

This revised policy has been changed to reflect the above changes to the Code of Conduct and to reflect updated NSW Ombudsman guidelines through the following alterations:

- types of complaints are now differentiated by the differences in the way they are dealt with and by whom, that is, Code of Conduct, Pecuniary Interest, Privacy, Competitive Neutrality and Child Protection,
- outlines how complaints and enquiries are recorded using Council's Customer Request Management System (implemented since this policy was originally ratified),

Item 3

S07012
14 September 2010

- gives a clear outline of how an enquiry or complaint should be escalated through the organisation where the need arises, that is, responsibilities of frontline staff, managers and directors, the office of the internal ombudsman through to the role external agencies (Independent Commission Against Corruption, NSW Ombudsman and the Department of Local Government) have.
- outlines staff responsibilities in relation to confidentiality,
- outlines consequences and sanctions for breaching this policy,
- gives staff options and information in relation to Council's Internal Reporting Policy – Protected Disclosures.

CONSULTATION

All Directors and Managers of the organisation were provided an opportunity to consult. In this case all Councillors were also given the opportunity to provide comment prior to the Policy being presented for formal adoption.

FINANCIAL CONSIDERATIONS

None

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

All Directors and Managers of the organisation were provided an opportunity to consult. In this case all Councillors were also given the opportunity to provide comment prior to the Policy being presented for formal adoption.

SUMMARY

After consideration of a number of related documents released by the NSW Ombudsman, the Department of Local Government and Council's adoption of the revised Code of Conduct and Internal Ombudsman Guidelines , this policy is being revised to ensure it is consistent with related policy and industry best practice.

RECOMMENDATION

That the Complaints Management Policy be adopted.

Michael Langereis
Internal Ombudsman

Attachments: Complaints Management Policy – 2010/174719

KU-RING-GAI COUNCIL

COMPLAINTS MANAGEMENT POLICY

1 Purpose

This document aims to provide a policy for staff, Councillors and customers regarding enquiries or complaints received by Ku-ring-gai Council (Council), and how they should be resolved.

2 Objectives

Council is committed to providing quality customer service and ensuring that all customer enquiries and complaints are resolved in a timely and effective manner.

Council will treat all matters, whether an enquiry or complaint, equally and aim to provide a fair and reasonable outcome to both the customer and Council. Compliments, inquiries and suggestions about Council's service or staff are welcomed and provide valuable feedback about Council's quality of service.

3 Principles

Council recognises that customers have a right to expect quality customer service and considers responding to and resolving customer enquiries and complaints as an opportunity to:

- create a second chance to provide service and satisfaction to dissatisfied customers,
- identify areas that need improvement,
- provide opportunities to strengthen public support for Council,
- assist in planning and allocation of resources.

Doc distribution	Internal/External	Doc status		File No	S07012
Document owner	General Manager	Contact officer/s	Internal Ombudsman/Manager Customer Service		
Approval date		Approved by			
Effective date		Review period	3 year	Review date	
History of approved versions					
Version	Effective date	Summary of changes			
1.0	13 November 2001	Original			
2.0		Review and rewrite			

All complaints (as defined in this policy) will be dealt with according to this policy and the ground rules set out in Attachment A.

4 Definitions

In this policy:

complaint means an expression of dissatisfaction about Council's service, policies, procedures, quality of service, actions of staff or Councillors.

service request and service enquiry means a general request for service and/or information.

5 Complaint types

5.1 Code of Conduct complaint

A complaint that alleges conduct that if proven, would represent a serious breach of Council's Code of Conduct. This may include complaints which customers have specifically requested be dealt with under the Code of Conduct.

Complaints about members of staff, delegates of Council and or members of Council Committees (other than Councillors) will be referred to the General Manager and will be dealt with in accordance with Council's Code of Conduct.

Complaints about Councillors will be referred to the General Manager, who will determine whether to refer the matter to Council's Conduct Review Committee/Reviewer in accordance with Council's Code of Conduct.

Complaints about the General Manager will be referred to the Mayor, who will determine whether to refer the matter to Council's Conduct Review Committee/Reviewer. Such complaints will be dealt with in accordance with Council's Code of Conduct.

Complaints about an administrator will be reported to the Minister for Local Government in accordance with Council's Code of Conduct.

5.2 Pecuniary interest complaints

Complaints regarding pecuniary interest matters will be reported to the Director General of the Department of Local Government and will not be dealt with by Council.

5.3 Privacy complaint

A complaint about how Council deals with the personal information and health information it collects about individuals.

Complaints about privacy will be dealt with in accordance with Council's Privacy Management Plan.

5.4 Competitive neutrality complaint

A complaint that alleges that, Council has failed to abide by the principle of competitive neutrality. That is, where Councils compete in the market place they should do so on a basis that does not utilise their public position to gain an unfair advantage over a private sector competitor.

Complaints in relation to competitive neutrality will be forwarded to the General Manager, for consideration and/or referral to an appropriate external authority for investigation.

5.5 Child Protection Complaint

Any staff member who has a mandatory reporting responsibility by virtue of Section 27 of the Children and Young Persons (Care and Protection) Act 1998 are legally obliged to make a report to the Department of Community Services. Such a report should also be referred to the General Manager.

6 Lodging complaints

Complaints may be lodged with Council in the following ways:

- by telephone,
- in person,
- in writing, including by letter, email or facsimile.

Anonymous complaints will be acted on only where the matter is relatively serious and there is sufficient information in the complaint to enable an investigation to be conducted.

7 Recording of complaints

All complaints received by Council will be recorded in Council's Customer Request Management System (CRMS) in accordance with council's CRMS procedure.

8 Recording of service requests or service enquiries

This will be undertaken by staff in Council's Customer Service Centre, located at Council's Administration Centre at 818 Pacific Highway, Gordon. The Customer Service Centre can also be contacted on (02) 9424 0000.

Some examples include: copies of development documentation; requests for approval of tree removal; general enquiries about building proposals; rates enquiries; general information on roads, footpaths and so on. Requests for application forms or to view or obtain copies of documents, are available from the customer service centre counter. This area may also refer a customer to a particular section or department, if it is more appropriate to do so.

Staff in the Customer Service Centre will assist customers with general Council enquiries and complaints, in accordance with Council's Service Standards.

A request for service will only become a complaint when:

- the matter has reached an impasse and cannot be resolved to the customer's satisfaction, and
- the customer formally requests to make a complaint in relation to the actions (or inaction) of Council officers in relation to the original request for service.

A request for service or a request for information or explanation of policies or procedures, will not usually be recorded as a complaint.

Where a customer is requesting a service, and there are no prior indications of a failure to provide that service, the request will be recorded as an 'action request' on the CRS.

9 Complaint Handling

9.1 Frontline staff

When an issue is raised by a customer with a staff member in Council's Customer Service Centre, that staff member will attempt to resolve the issue in

the first instance. If the issue relates to conduct of that staff member, it should be immediately referred to the Supervisor or Manager, for attention.

9.2 Manager or Director

If the staff member does not resolve the issue or a customer is still dissatisfied, the complaint will be directed to a Manager or Director of the relevant Council department for review, investigation and/or resolution.

10 Office of the Internal Ombudsman

The Office of the Internal Ombudsman considers complaints from people who believe they have been adversely affected by the defective administration of Council or issues associated with the conduct of Council staff.

The Office is considered an avenue of 'last resort' when issues have not been effectively resolved by the Manager or Director.

The Office only has jurisdiction in relation to complaints regarding decisions, actions or omissions of public administration and does not have any power to change a decision of the elected Council.

11 External Agencies

Any issues relating to corruption, serious or substantial waste or pecuniary interests should be directed to the General Manager or the Internal Ombudsman.

The General Manager has reporting responsibilities to external agencies such as the Independent Commission Against Corruption (ICAC) and the Department of Local Government (DLG).

Where complaints cannot be resolved within Council, complaints may be referred to an appropriate external agency, for review. Such agencies may include, the ICAC, the NSW Ombudsman or the DLG.

12 Unreasonable complainant conduct

Council may, from time to time, receive complaints from customers who exhibit unreasonable conduct. This conduct may include, unreasonable persistence, unreasonable demands, unreasonable lack of cooperation, unreasonable arguments and unreasonable behaviours.

Council will deal with such conduct in accordance with the ground rules of this Policy as attached at Appendix A.

13 Performance standards

Acknowledgement of complaints, including where the complaint has been referred to if relevant, shall be dealt with by staff immediately upon receipt of the complaint.

Staff having responsibility for resolving complaints should provide a reasonable estimate to the complainant of the time it may take to conduct sufficient enquiries or investigation in order to finalise the matter. The complainant should be advised if a delay to a previously advised estimate becomes apparent.

14 Confidentiality

Staff will ensure that confidentiality of complaints, including the identity of the customer, will be maintained in accordance with relevant legislation and council policies.

15 Reporting on complaints

All significant complaints will be regularly reviewed for their number, type and nature. Significant trends will be further analysed and underlying causes of complaints identified. The information is to be reported via the Customer Service Statistical Summary on a monthly basis. The aim is to reduce further complaints by revising procedures, providing staff training or other appropriate means.

16 Implementation

The implementation of this policy is the responsibility of the Council and the General Manager. Councillors and staff will be given initial and refresher training in this policy.

17 Breaches of this policy

The obligation to comply with this policy rests with each individual Councillor and staff member.

Staff who believe that a Councillor or other staff have breached this policy are encouraged to discuss the matter with their immediate supervisor or manager. Should you be dissatisfied with the outcome of the discussion and subsequent action you should raise the matter with your director or the General Manager.

Councillors should raise any concerns with the Mayor or the General Manager.

Breaches that involve a failure to comply with this policy by a Councillor or the General Manager may be considered by the Council's Conduct Review Committee/Reviewer.

The Council, Mayor or General Manager as appropriate will investigate any complaint received and take such action as is considered necessary.

Breaches of this policy may result in:

- counselling
- formal apology
- censure motions for Councillors
- disciplinary action
- criminal investigation
- criminal charges

A serious breach of this policy may amount to corrupt conduct or maladministration. Should you be concerned at any time that reprisal action may be taken against you for reporting a breach then you might consider making a protected disclosure. A protected disclosure allows you to report corrupt conduct, maladministration or serious and substantial waste of public money and be protected from any reprisal action. Further information is available in the *Internal Reporting Policy - Protected Disclosures*.

18 Associated documents

Codes and Policies

Code of Conduct
Privacy Management Plan
Internal Reporting Policy – Protected Disclosures

External references

NSW Ombudsman. The Complaint Handler's Toolkit (2nd edition), June 2004

NSW Ombudsman, Managing Unreasonable Complainant Conduct: Practice Manual, June 2009
NSW Ombudsman/NSW Dept of Local Government, Complaints Management in Councils, July 2009
NSW Ombudsman, Effective Complaint Handling, June 2004

DRAFT

ATTACHMENT A

GROUND RULES

In order for Council to ensure a high standard of service to complainants and to meet its occupational health and safety and duty of care obligations to its staff, the following ground rules will be observed by Council staff and complainants respectively.

It is the responsibility of Council to:

- deal with complaints professionally, efficiently and impartially
- keep complainants informed of the progress and outcome of enquiries
- provide clear reasons for its decisions
- treat complainants with courtesy and respect

If Council does not meet its responsibilities, the complainant can make a complaint to the General Manager.

It is the responsibility of the complainant to:

- clearly identify the issues of complaint, or ask for help from Council's staff to do this
- give Council all the available information in support of the complaint in an organised format at the time of making the complaint
- co-operate with Council's enquiries or investigations
- treat Council staff with courtesy and respect

If complainants do not meet their responsibilities, Council may set limits or conditions on the handling of their complaint. Any abuse, harassment or threats to the safety or welfare of staff at Council may result in the immediate discontinuation of the complaint and contact with the complainant will cease.

AUDITED GENERAL PURPOSE & SPECIAL PURPOSE FINANCIAL REPORTS FOR YEAR ENDED 30 JUNE 2010 & AUDITOR'S REPORT

EXECUTIVE SUMMARY

PURPOSE OF REPORT:	To present to Council the Annual Financial Statements and audit reports from Council's external auditor, Hill Rogers Spencer Steer Chartered Accountants for the year ended 30 June 2010 and to provide a summary of Council's financial performance and financial position at 30 June 2010.
BACKGROUND:	On 14 September 2010 Council resolved to receive and certify the Draft Financial Statements for 2009/2010 and to refer them to the external auditor. Council also resolved to fix 12 October 2010 as the date for the public meeting to present the statements and audit reports in accordance with Section 419(1) and 419(2) of the Local Government Act.
COMMENTS:	This is the final stage of the process of adopting Council's Annual Financial Statements for 2009/2010.
RECOMMENDATION:	That Council receives the audited Financial Statements and the report of Council's external auditor, Hill Rogers Spencer Steer Chartered Accountants.

PURPOSE OF REPORT

To present to Council the Annual Financial Statements and audit reports from Council's external auditor, Hill Rogers Spencer Steer Chartered Accountants for the year ended 30 June 2010 and to provide a summary of Council's financial performance and financial position at 30 June 2010.

BACKGROUND

On 14 September 2010 Council resolved to receive and certify the Draft Financial Statements for 2009/2010 and to refer them to the external auditor. The auditor's reports were subsequently received by Council and have been attached to the General Purpose and Special Purpose Financial Reports in accordance with Section 417(1) of the Local Government Act 1993 ("the Act"). Council also resolved to fix 12 October 2010 as the date for the public meeting to present the statements and audit reports. In accordance with Section 418(1) and 418(3) of the Act, this meeting date was advertised and the Statements were made available for inspection by the public at Council's Chambers, libraries and on Council's website.

In accordance with Section 419(1) and 419(2) of the Act:

A Council must present its audited financial reports together with the auditor's reports at a meeting of Council held on the date fixed for the meeting; and

The council's auditor may, and if so required in writing by the council must, attend the meeting at which the financial reports are presented.

Council's external auditors, Hill Rogers Spencer Steer Chartered Accountants will be in attendance to present their report on Council's financial statements and to answer questions.

In addition, Section 417(5) of the Act states that:

As soon as practicable after receiving the auditor's reports, the council must send a copy of the auditor's report on the council's financial reports, together with a copy of the council's audited financial reports, to the Director-General and to the Australian Bureau of Statistics.

COMMENTS

The audited Financial Statements, together with the audited reports for the year ended 30 June 2010 are hereby presented to Council (**Attachment A - circulated separately**).

Written submissions from the public were invited, but at the time of writing this report none have been received. Submissions received up to 4.30pm on 12 October 2010 will be circulated to Councillors on the night of the meeting. Section 420 of the Act requires that all submissions in respect of the audited Financial Reports must be in writing and must be lodged with the Council within 7 days after this meeting. Public submissions may be made up to 19 October 2010. Copies of all submissions received must be referred to Council's Auditor.

This is the final stage of the process of adopting the Financial Statements for 2009/2010.

Item 4

FY00259/3
7 September 2010

ANALYSIS OF RESULT FOR YEAR

Below is a commentary on the general purpose financial report by addressing the “Sustainable Finances Health Check”. An assessment of working capital is also provided.

The Income Statement discloses that Council’s financial activities for the 2010 year resulted in an **increase** in net assets of \$35.897M (\$17.304M **increase** in net assets in 2009).

Local Government Sustainable Finances Health Check

A colour coding “traffic light” system was developed and endorsed by the Minister of Local Government in April 2002 to rate and present the relative position of councils’ financial performance.

Information Note – Revenue Sources

Sources of Total Revenue from Continuing Operations Before Capital

Income from Continuing Operations is classified by source as either from:

	Last Year - 2		Last Year - 1		Last Year		Current Year	
	\$	%	\$	%	\$	%	\$	%
Rates and Charges								
o General Purpose	36,976	49%	38,945	50%	40,179	49%	38,222	38%
o Special Rates	3,623	5%	3,722	5%	3,874	5%	9,380	10%
o Annual Charge (Stormwater)	9,137	12%	9,215	12%	907	1%	915	1%
o Annual Charge (DWM)					9,988	12%	11,097	11%
User Charges and Fees	14,269	19%	14,530	19%	14,788	18%	15,827	16%
Interest & Investment Revenue	3,357	5%	2,359	3%	2,790	3%	3,168	3%
Grants (Operating)								
o General Purpose	2,986	4%	3,069	4%	3,940	5%	3,305	3%
o Specific Purpose	2,183	3%	2,351	3%	2,501	3%	1,554	2%
Contributions	248	0%	235	0%	152	0%	189	0%
Profit on sale of Assets	0	0%	220	0%	26	0%	11,839	12%
Other	2,152	3%	2,667	4%	2,924	4%	4,030	4%
Total Income from Continuing Operations less Capital Grants and contributions	74,931	100%	77,313	100%	82,069	100%	99,526	100%

Item 4

FY00259/3
7 September 2010

Commentary:

Trend analysis indicates a continuing reliance on property taxes in the form of rates. Trend analysis for 2009 is very similar to 2010, except for:

- In July 2009, Council resolved to change its rates structure by adding further funds from its general rates to an expanded Infrastructure Levy for use on the replacement, refurbishment and maintenance of all Council infrastructure. This is not an increase to total rates, but a transfer from one rate category to another to better reflect the use of rate Council collects. In 2009/10 the Infrastructure Levy was changed to include a base amount of \$65 payable by every household and business across Ku-ring-gai as well as a rate in the dollar component related to property value.
- Financial Assistance Grant 1st instalment 2009/10 received in 2008/2009 in advance.
- Profit on sale of assets increased due to the book value of assets that were disposed of being lower than anticipated, primarily the sale of the depot in Carlotta Ave, Gordon.

Indicator # 1 – Cash/Liquidity Position – after accounting for external reserves

		Current Year
1.1	Unrestricted Current Ratio	2.11:1
1.2	Available Cash Position	
	❖ Available Cash Assets	\$34,455,000
	❖ Unrestricted Available Cash Assets	\$6,550,000
1.3	Availability of Cash Assets as % of total revenue	
	❖ Available Cash Assets	34.62%
	❖ Unrestricted Available Cash Assets	6.58%

Acceptable Measures:

Less than 1:1 = Red; 1:1 to 2:1 = Amber; Over 2:1 = Green; successive years over 10:1 = Red
Council's result = GREEN

Commentary:

- 1.1 The purpose of this ratio is to assess the adequacy of working capital and the ability to satisfy obligations in the short term for the unrestricted activities of Council. Council's liquidity is satisfactory. Council can readily pay its debts as they fall due. This result compares with 2.14 in 2009 and 1.84 in 2009.
- 1.2 This indicator is used to interpret indicator 1.1 in \$ amount. Adequate funds available, providing the capacity to respond to opportunities or react to unforeseen commitments that may arise.
- 1.3 This indicator is used to interpret indicator 1.1 in % amount. This demonstrates that Council funds are available either for unplanned works or commitments or the existence of emergency provisions.

Item 4

FY00259/3
7 September 2010

Indicator # 2 – Net Operating Result

(Using trend analysis)

	Last Year -1 '000	Last Year '000	Current Year '000	Next Year
Results from Continuing Operations before Capital Grants and Contributions	4,173	5,285	20,199	5,568

Acceptable Measures: Deficit = Red; Surplus = Amber; Three (3) successive surplus' = Green
Council's result = GREEN

Commentary:

Council continues to generate sufficient revenue to cover its operating expenditure, including depreciation based on out of date valuations. Net Operating result increased in 2009/10 due to profit on sale of assets increasing, due to the book value of assets that were disposed of being lower than anticipated, primarily the sale of the depot in Carlotta Ave, Gordon.

An infrastructure (roads, drainage, bridges and footpaths) fair value revaluation was undertaken in 2009/10, therefore a true reflection of depreciation expense on infrastructure will be shown in 2010/11 Financial Statements, as assets will be commissioned on 30 June 2010. Community land, land improvement, other structures and other assets revaluation will be undertaken in 2010/11, therefore a true reflection of depreciation expense on community land etc will be shown in 2011/12 Financial Statements, as assets will be commissioned on 30 June 2011.

Indicator # 3 – Building and Infrastructure Renewal Expenditure

	Last Year -1	Last Year	Current Year
Asset Renewal	1:1.59	1:1.67	1:1.60

Acceptable Measures:

1:1 = Green; Less than 1:1 = Red

Council's result = GREEN

Commentary:

The purpose of this ratio is to assess the rate at which these assets are being renewed against the rate at which they are depreciating. Asset renewals represent capital expenditure on the replacement, refurbishment or upgrade to existing assets. A strategic approach to asset management has been adopted through the Long Term Financial Plan since 2007/8 and beyond. The infrastructure assets revaluation will impact annual depreciation in the 2010/11 Financial Statements and community land, etc revaluation will impact annual depreciation in the 2011/12 statements. Depreciation expense is expected to increase by approximately \$6M in 2010/11 and halve this ratio.

Item 4

FY00259/3
7 September 2010

Indicator # 4 – Debt Service Ratio

	Current Year	Next Year	Next Year +1	Next Year +2
Debt Service Ratio	2.37%	2.54%	2.93%	3.96%

Acceptable Measures:

<10% - Green: 10 to 15% = Amber; >15% = Red
Council's result = GREEN

Commentary

This indicator shows the amount of annual revenue necessary to service annual debt obligations (loan repayments). The purpose of this ratio is to assess the impact of loan principal and interest repayment on the discretionary revenue of Council. Council's ability to service its debt is excellent.

In accordance with Council's Long Term Financial Plan, borrowing is only undertaken in accordance with Council's borrowing policy and financially sustainable maximum target ratio of 4%. The Long Term Financial Plan assumes \$6.5M loan borrowings in 2010/11, \$10.06M in 2011/12 and \$2.91M in 2012/13.

Indicator # 5 – Collection Performance

	Current Year	Next Year	Next Year +1	Next Year +2
5.1 Outstanding Rates, Charges and Fees	4.26%	3.95%	3.90%	3.85%
5.2 Rates, Annual, Interest and Extra charges outstanding	3.35%	3.30%	3.25%	3.20%

Acceptable Measures:

5.1 <4% = Green: 4 to 5% = Amber: >5% = Red
Council's result = AMBER
5.2 <4% = Green: 4 to 5% = Amber: >5% = Red
Council's result = GREEN

Commentary:

5.1 Outstanding Rates, Charges & Fees indicator assesses the impact of uncollected rates and annual charges & fees on liquidity and measures the effectiveness/adequacy of Council in recovering all debts legally owed to it. It should be noted that \$477K in sundry debtors was raised in June 2010, which equates to 0.5% outstanding.

5.2 Rates, Annual, Interest and Extra charges outstanding assesses only the impact of Rates, Annual, Interest and Extra Charges on liquidity and the adequacy of recovery efforts and is acceptable.

Item 4

FY00259/3
7 September 2010

Indicator # 6 – Re-votes of Expenditure

Percentage of total re-votes of expenditure compared to ordinary and capital expenditure.

	Last Year -2	Last Year -1	Last Year	Current Year
Re-votes of expenditure	2.31%%	3.53%	9.71%	16.22%

Acceptable Measures:

<2% = Green; 2% to 5% = Amber; >5% = Red

Council's result = RED

Commentary:

The existence of re-votes at year end indicates that funded projects/outcomes were not delivered in accordance with the Management Plan. Improvement is required in the budget planning of agreed works. Revotes of expenditure were considered as part of the 2009 to 2010 Budget Review - 4th Quarter ended June 2010 report to Council on 24 August 2010. Major re-votes included St Ives Remediation: \$833K, SES Relocation \$944.8K, Gordon Golf Course - Sewer Mining Plan \$877.7K, Koola Park upgrade \$1,429.5K and North Turrumurra Recreation Area Sewer Mining \$2,684.7K.

BALANCE SHEET

Council's Balance Sheet is disclosed in accordance with current accounting standards and reporting requirements of the Act and its Regulations. To assess the appropriateness or otherwise of Council's available working capital it is necessary to review the level of restrictions placed against the use of Council's current assets. The notes to the financial statements indicate clearly where restrictions exist, and the effect of the restrictions is summarised as follows:

	\$'000
Total Current Assets	46,510
Less: Total Current Liabilities	23,714
Working Capital as per Accounts	22,796
Add Budgeted and Expected to pay/not Expected to be realised in the next 12 mths	
Borrowings budgeted and expected to pay next 12 months	1,651
Employees Leave Entitlements budgeted and expected to pay next 12 months	2,831
Employees Leave Entitlements not expected to be realised next 12 months	6,057
Security Bonds, Deposits & Retentions expected to pay next 12 months	500
Security Bonds, Deposits & Retentions not expected to be realised next 12 months	2,498
Adjusted Working Capital	36,333
Less: Externally Restricted Assets (Note 6)	(14,543)
Less: Internally Restricted Assets (Note 6+Note 22)	(18,905)
AVAILABLE WORKING CAPITAL	\$2,885

Item 4

FY00259/3
7 September 2010

From this analysis it can be seen that at 30 June 2010, Council has an adequate level of working capital after the restrictions placed on those assets. Council's 20 year Long Term Financial Plan has a target of \$3.8M in working capital by 2012/2013, after taking into consideration debtors, stores, plus a 5% buffer for unbudgeted costs. The 5% safeguard is necessary to provide a buffer against unforeseen costs or reductions in revenue.

Council's adopted March 2010 Quarterly Budget Review includes an accumulated working capital balance of \$2,112K for 2009/10. On that basis Council has exceeded budget by \$773K. However an amount of \$772K was received in June 2010 for the 2010/11 financial assistance grant. Income received in advance is not brought to account and recognised in the income statement except in the case of grant monies. Therefore the amount of \$772K will need to be adjusted in Council's September 2010 budget review. The result of this adjustment is that, overall Council's Available Working Capital balance is \$1K more than budgeted for in the March 2010 Quarterly Budget Review.

STATEMENT OF CHANGES IN EQUITY

Council has revalued its Infrastructure, Property, Plant & Equipment (IPP&E) to fair value at 30 June 2010. As a result of this revaluation:

- (a) The Asset Revaluation Reserve increased by \$142.966M.
- (b) Adjustment has been made to prior periods for accumulated depreciation for Roads and Stormwater drainage of \$41.972M.
- (c) **Changes in Accounting policies**

In revaluing the IPP&E Council has used the "brownfield rates" ie replacement value, as opposed to the "greenfield rates" used in the previous revaluation of IPP&E in 1996. Brownfield rates are considered Local Government industry best practice. Greenfield values represent the cost on initial acquisition of the asset, whereas brownfield values represent the cost that would be incurred on the subsequent replacement of the asset.

The use of the "brownfield rates", as opposed to the "greenfield rates" used in 1996, resulted in a prior year adjustment of \$1,142M. This amount has been adjusted under AASB 108 "Accounting Policies, Changes in Accounting estimates and Errors" against the opening balance of accumulated retained earnings as at 1 July 2008.

PERFORMANCE MEASUREMENT

The Statement of Performance Measurement (Note 13) provides five ratios used to assess various aspects of Council's financial performance. The Unrestricted Current Ratio, Debt Service Ratio, Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage and Building & Infrastructure Renewals Ratio have been addressed earlier in this report under the "Sustainable Finances Health Check". The remaining ratio, Rates and Annual Charges Coverage, assesses the degree of dependence on rate revenue. It has decreased from 58.40% in 2008/09 to 51.74% in 2009/10 and this is mainly due to the income from the sale of the Carlotta Ave, Gordon Depot.

CONSULTATION

Council's external auditors have conducted audit procedures during the year, as an interim to the verification of assets and liabilities at year-end, to assess the reliability of the general ledger to produce financial statements and the preparation of the draft general and special purpose financial reports.

Council officers have consulted with staff from Hill Rodgers Spencer Steer Chartered Accountants in the preparation of the Financial Statements.

FINANCIAL CONSIDERATIONS

The Financial Statements provide an analysis of Council's financial position as at 30 June 2010. The available working capital at 30 June 2010 is \$2.885M, compared with \$1.307K at 30 June 2009.

Council's adopted March 2010 Quarterly Budget Review includes an accumulated working capital balance of \$2,112K for 2009/10. On that basis Council has exceeded budget by \$773K. However an amount of \$772K was received in June 2010 for the 2010/11 financial assistance grant. Income received in advance is not brought to account and recognised in the income statement except in the case of grant monies. Therefore the amount of \$772K will need to be adjusted in Council's September 2010 budget review. The result of this adjustment is that, overall Council's Available Working Capital balance is \$1K more than budgeted for in the March 2010 Quarterly Budget Review.

Council's auditors issued an 'emphasis of matter'. At 30 June 2010, Council held CDO securities totalling \$5.546M and they are classified as "held to maturity" assets. This 'emphasis of matter' was made because these types of securities do not have market values that are independently quoted and they are not widely traded. Further, independent market valuations are not readily available and in many cases, values have been assessed based on estimates from issuers and/or other available market information. It needs to be stressed that this is not a qualification.

Council's external auditor's report, subject to the possibility of further investment write downs, that Council's overall financial position, when taking into account the financial indicators outlined in their report, was in their opinion, satisfactory.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

Not applicable.

SUMMARY

The Annual Financial Statements and audit reports from Council's external auditor, Hill Rogers Spencer Steer Chartered Accountants for the year ended 30 June 2010 are presented to Council. Written submissions from the public have been invited, and may be made up to 19 October 2010. Copies of all submissions must be referred to Council's auditor. This is the final stage of the process of adopting Council's Annual Financial Statements for 2009/2010.

Item 4

FY00259/3
7 September 2010

A colour coding (traffic light) system was developed and endorsed by the Minister of Local Government in April 2002 to rate and present the relative position of a council's financial performance. For Ku-ring-gai, the industry health check assesses a green light rating for the following:

- 1) Cash/liquidity position
- 2) Operating Result
- 3) Building and Infrastructure Renewal Expenditure
- 4) Debt Service ratio
- 5) Collection Performance: Rates, Annual, Interest and Extra charges outstanding

Collection Performance: Outstanding Rates, Charges and Fees is in the Amber zone and Re-votes of expenditure is in the red zone.

Council's auditors issued an 'emphasis of matter'. At 30 June 2010, Council held CDO securities totalling \$5.546M and they are classified as "held to maturity" assets. This 'emphasis of matter' was made because these types of securities do not have market values that are independently quoted and they are not widely traded. It needs to be stressed that this is not a qualification.

Council's external auditor's report, subject to the possibility of further investment write downs, that Council's overall financial position, when taking into account the financial indicators outlined in their report, was in their opinion, satisfactory.

The available working capital at 30 June 2010 is \$2.885M, compared with \$1.307K at 30 June 2009. Council's 20 year Long Term Financial Plan has a target of \$3.8M in working capital by 2012/2013, after taking into consideration debtors, stores, plus a 5% buffer for unbudgeted costs. The 5% safeguard is necessary to provide a buffer against unforeseen costs or reductions in revenue.

RECOMMENDATION

That Council receives the audited Financial Statements and the report of Council's external auditor, Hill Rodgers Spencer Steer Chartered Accountants.

Tino Caltabiano
Manager Finance

John Clark
Director Corporate

Attachments: Annual Financial Statements for the year ended 30 June 2010 - circulated under separate cover - 2010/177478

Ku-ring-gai Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2010

"...a creative, vibrant place where citizens respect each other and conserve the magnificent environment and society for our children and our grandchildren"



Ku-ring-gai Council

General Purpose Financial Statements for the financial year ended 30 June 2010

Contents	Page
1. Statement by Councillors & Management	2
2. Primary Financial Statements:	
- Income Statement	3
- Statement of Comprehensive Income	4
- Balance Sheet	5
- Statement of Changes in Equity	6
- Statement of Cash Flows	7
3. Notes to the Financial Statements	8
4. Independent Auditor's Reports:	
- On the Financial Statements (Sect 417 [2])	57
- On the Conduct of the Audit (Sect 417 [3])	60

Overview

(i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Ku-ring-gai Council.

(ii) Ku-ring-gai Council is a body corporate of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

Council's Statutory Charter is specified in Section 8 of the LGA and includes;

- carrying out activities and providing goods, services & facilities appropriate to the current & future needs of the Local community and of the wider public
- responsibility for administering regulatory requirements under the LGA and other applicable legislation, &
- a role in the management, improvement and development of the resources of the local government area.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

(iii) All figures presented in these financial statements are presented in Australian Currency.

(iv) These financial statements were authorised for issue by the Council on 15/09/10.
Council has the power to amend and reissue the financial statements.

Ku-ring-gai Council

General Purpose Financial Statements for the financial year ended 30 June 2010

Statement by Councillors and Management made pursuant to Section 413(2)(c) of the Local Government Act 1993 (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

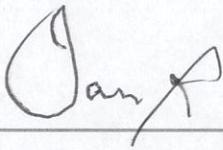
- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Australian Accounting Standards and professional pronouncements, and
- The Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these Financial Statements:

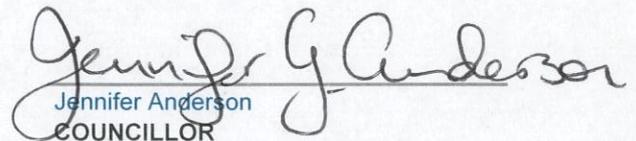
- present fairly the Council's operating result and financial position for the year, and
- accords with Council's accounting and other records.

We are not aware of any matter that would render the Reports false or misleading in any way.

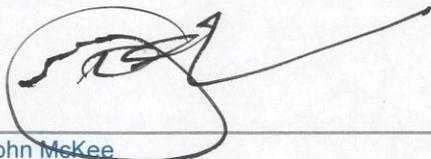
Signed in accordance with a resolution of Council made on 14 September 2010.



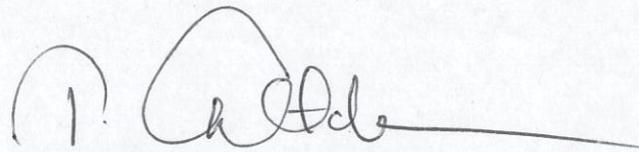
Ian Cross
MAYOR



Jennifer Anderson
COUNCILLOR



John McKee
GENERAL MANAGER



Tino Caltabiano
RESPONSIBLE ACCOUNTING OFFICER

Ku-ring-gai Council

Income Statement

for the financial year ended 30 June 2010

Budget ⁽¹⁾			Actual	Actual
2010	\$ '000	Notes	2010	2009
Income from Continuing Operations				
<i>Revenue:</i>				
58,663	Rates & Annual Charges	3a	59,614	54,948
15,530	User Charges & Fees	3b	15,827	14,788
1,618	Interest & Investment Revenue	3c	3,168	2,790
2,747	Other Revenues	3d	4,030	2,924
4,690	Grants & Contributions provided for Operating Purposes	3e,f	5,048	6,593
5,519	Grants & Contributions provided for Capital Purposes	3e,f	15,698	12,019
<i>Other Income:</i>				
-	Net gains from the disposal of assets	5	11,839	26
-	Net Share of interests in Joint Ventures & Associated Entities using the equity method	19	-	-
88,767	Total Income from Continuing Operations		115,224	94,088
Expenses from Continuing Operations				
33,261	Employee Benefits & On-Costs	4a	33,763	30,892
505	Borrowing Costs	4b	507	576
24,458	Materials & Contracts	4c	25,619	26,339
7,850	Depreciation & Amortisation	4d	7,824	7,430
-	Impairment	4d	-	-
12,290	Other Expenses	4e	11,614	11,547
78,364	Total Expenses from Continuing Operations		79,327	76,784
10,403	Operating Result from Continuing Operations		35,897	17,304
Discontinued Operations				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
10,403	Net Operating Result for the Year		35,897	17,304
10,403	Net Operating Result attributable to Council		35,897	17,304
-	Net Operating Result attributable to Minority Interests		-	-
4,884	Net Operating Result for the year before Grants and Contributions provided for Capital Purposes		20,199	5,285

(1) Original Budget as approved by Council - refer Note 16 which explains material budget variations

Ku-ring-gai Council

Statement of Comprehensive Income for the financial year ended 30 June 2010

\$ '000	Notes	Actual 2010	Actual 2009
Net Operating Result for the year (as per Income statement)		35,897	17,304
Other Comprehensive Income			
Gain (loss) on revaluation & impairment of I,PP&E	20b (ii)	146,966	-
Gain (loss) on revaluation of available-for-sale investments	20b (ii)	-	-
Gain (loss) on revaluation of other reserves	20b (ii)	-	-
Realised (gain) loss on available-for-sale investments recognised in P&L	20b (ii)	-	-
Realised (gain) loss from other reserves recognised in P&L	20b (ii)	-	-
Other Movements in Reserves	20b (ii)	-	-
Total Other Comprehensive Income for the year		146,966	-
Total Comprehensive Income for the Year		182,863	17,304
Total Comprehensive Income attributable to Council		182,863	17,304
Total Comprehensive Income attributable to Minority Interests		-	-

Ku-ring-gai Council

Balance Sheet

as at 30 June 2010

\$ '000	Notes	Actual 2010	Actual 2009	Actual 2008
ASSETS				
Current Assets				
Cash & Cash Equivalents	6a	798	1,114	4
Investments	6b	39,200	35,753	40,855
Receivables	7	5,706	5,439	4,999
Inventories	8	221	240	229
Other	8	585	976	328
Non-current assets classified as 'held for sale'	22	-	5,827	3,187
Total Current Assets		46,510	49,349	49,602
Non-Current Assets				
Investments	6b	67,166	39,314	31,825
Receivables	7	215	194	213
Inventories	8	-	-	-
Infrastructure, Property, Plant & Equipment	9	715,733	555,856	466,208
Investments accounted for using the equity method	19	-	-	-
Investment Property	14	-	-	-
Intangible Assets	25	-	-	-
Other	8	-	-	-
Total Non-Current Assets		783,114	595,364	498,246
TOTAL ASSETS		829,624	644,713	547,848
LIABILITIES				
Current Liabilities				
Payables	10	13,175	10,179	14,232
Borrowings	10	1,651	1,813	2,057
Provisions	10	8,888	8,091	7,126
Total Current Liabilities		23,714	20,083	23,415
Non-Current Liabilities				
Payables	10	-	-	-
Borrowings	10	5,244	6,895	7,718
Provisions	10	260	192	420
Total Non-Current Liabilities		5,504	7,087	8,138
TOTAL LIABILITIES		29,218	27,170	31,553
Net Assets		800,406	617,543	516,295
EQUITY				
Retained Earnings	20	626,781	590,884	489,636
Revaluation Reserves	20	173,625	26,659	26,659
Council Equity Interest		800,406	617,543	516,295
Minority Equity Interest		-	-	-
Total Equity		800,406	617,543	516,295

Ku-ring-gai Council

Statement of Changes in Equity for the financial year ended 30 June 2010

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Minority Interest	Total Equity
2010						
Opening Balance (as per Last Year's Audited Accounts)		1,691,529	26,659	1,718,188	-	1,718,188
a. Correction of Prior Period Errors	20 (c)	41,972	-	41,972	-	41,972
b. Changes in Accounting Policies (prior year effects)	20 (d)	(1,142,617)	-	(1,142,617)	-	(1,142,617)
Revised Opening Balance (as at 1/7/09)		590,884	26,659	617,543	-	617,543
c. Net Operating Result for the Year		35,897	-	35,897	-	35,897
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Reserve	20b (ii)	-	146,966	146,966	-	146,966
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Other Movements (enter details here)	20b (ii)	-	-	-	-	-
Other Comprehensive Income		-	146,966	146,966	-	146,966
Total Comprehensive Income (c&d)		35,897	146,966	182,863	-	182,863
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		626,781	173,625	800,406	-	800,406

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Minority Interest	Total Equity
2009						
Opening Balance (as per Last Year's Audited Accounts)		1,674,225	26,659	1,700,884	-	1,700,884
a. Correction of Prior Period Errors	20 (c)	41,972	-	41,972	-	41,972
b. Changes in Accounting Policies (prior year effects)	20 (d)	(1,142,617)	-	(1,142,617)	-	(1,142,617)
Revised Opening Balance (as at 1/7/08)		573,580	26,659	600,239	-	600,239
c. Net Operating Result for the Year		17,304	-	17,304	-	17,304
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	-	-	-	-
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Other Movements (enter details here)	20b (ii)	-	-	-	-	-
Other Comprehensive Income		-	-	-	-	-
Total Comprehensive Income (c&d)		17,304	-	17,304	-	17,304
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		590,884	26,659	617,543	-	617,543

Ku-ring-gai Council

Statement of Cash Flows

for the financial year ended 30 June 2010

Budget 2010	\$ '000	Notes	Actual 2010	Actual 2009
Cash Flows from Operating Activities				
Receipts:				
60,029	Rates & Annual Charges		59,273	54,852
18,135	User Charges & Fees		18,052	15,956
1,618	Investment & Interest Revenue Received		5,243	6,353
16,271	Grants & Contributions		20,607	18,363
7,796	Other		8,047	6,950
Payments:				
(32,371)	Employee Benefits & On-Costs		(33,043)	(30,246)
(25,153)	Materials & Contracts		(26,708)	(32,012)
(524)	Borrowing Costs		(508)	(590)
(17,273)	Other		(12,121)	(15,698)
28,528	Net Cash provided (or used in) Operating Activities	11b	38,842	23,928
Cash Flows from Investing Activities				
Receipts:				
33,600	Sale of Investment Securities		6,974	26,551
18,000	Sale of Infrastructure, Property, Plant & Equipment		18,351	754
Payments:				
(60,535)	Purchase of Investment Securities		(41,234)	(32,533)
-	Purchase of Investment Property		-	-
(18,500)	Purchase of Infrastructure, Property, Plant & Equipmer		(21,436)	(16,523)
(27,435)	Net Cash provided (or used in) Investing Activities		(37,345)	(21,751)
Cash Flows from Financing Activities				
Receipts:				
-	Proceeds from Borrowings & Advances		-	1,000
Payments:				
(1,862)	Repayment of Borrowings & Advances		(1,813)	(1,880)
(1,862)	Net Cash Flow provided (used in) Financing Activities		(1,813)	(880)
(769)	Net Increase/(Decrease) in Cash & Cash Equivalents		(316)	1,297
1,530	plus: Cash & Cash Equivalents - beginning of year	11a	1,114	(183)
761	Cash & Cash Equivalents - end of the year	11a	798	1,114
Additional Information:				
	plus: Investments on hand - end of year	6b	106,366	75,067
Total Cash, Cash Equivalents & Investments			107,164	76,181

Please refer to Note 11 for additional Cash Flow information.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	9
2(a)	Council Functions / Activities - Financial Information	19
2(b)	Council Functions / Activities - Component Descriptions	20
3	Income from Continuing Operations	21
4	Expenses from Continuing Operations	26
5	Gains or Losses from the Disposal of Assets	29
6(a)	Cash & Cash Equivalent Assets	30
6(b)	Investments	30
6(c)	Restricted Cash, Cash Equivalents & Investments - details	32
7	Receivables	33
8	Inventories & Other Assets	34
9(a)	Infrastructure, Property, Plant & Equipment	35
9(b)	Externally Restricted Infrastructure, Property, Plant & Equipment	36 n/a
9(c)	Infrastructure, Property, Plant & Equipment - Current Year Impairments	36 n/a
10(a)	Payables, Borrowings & Provisions	36
10(b)	Description of (& movements in) Provisions	37
11	Statement of Cash Flows - Additional Information	38
12	Commitments for Expenditure	39
13a	Statement of Performance Measures - Indicators (Consolidated)	40
	Statement of Performance Measures - Graphs (Consolidated)	41
13b	Statement of Performance Measures - Indicators (by Fund)	n/a
14	Investment Properties	42 n/a
15	Financial Risk Management	42
16	Material Budget Variations	46
17	Statement of Developer Contributions	47
18	Contingencies and Other Liabilities/Assets not recognised	50
19	Controlled Entities, Associated Entities & Interests in Joint Ventures	52 n/a
20	Equity - Retained Earnings and Revaluation Reserves	52
21	Financial Result & Financial Position by Fund	54 n/a
22	"Held for Sale" Non Current Assets & Disposal Groups	55
23	Events occurring after Balance Sheet date	56
24	Discontinued Operations	56 n/a
25	Intangible Assets	56 n/a
26	Reinstatement, Rehabilitation & Restoration Liabilities	56 n/a

n/a - not applicable

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies

Ku-Ring-Gai Council has its principal business office at 818 Pacific Highway Gordon NSW 2072. Council is empowered by the New South Wales Local Government Act (LGA) 1993 and its Charter as specified in Section 8 of the Act.

The principal accounting policies adopted by Council in the preparation of these financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards, accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

(a) Basis of preparation

(i) Background

These financial statements are general purpose financial statements which have been prepared in accordance with;

- Australian Accounting Standards,
- Urgent Issues Group Interpretations,
- the Local Government Act (1993) and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

(ii) Compliance with International Financial Reporting Standards (IFRSs)

Because Australian Accounting Standards (AASB's) are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the Not-for-Profit sector (including Local Government) which are not in compliance with IFRS's, or
- (b) specifically exclude application by Not-for-Profit entities.

Examples include:

- excluding Local Government from applying AASB 120 (IAS 20) for Grant Accounting and AASB 118 (IAS 18) for Segment Reporting, and
- different requirements on (a) Impairment of Assets relating to Not-For-Profit AASB 136 (IAS 36) and (b) AASB 116 (IAS 16) regarding accounting for the Revaluation of Assets.

Accordingly in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but it has complied fully with Australian Accounting Standards.

Under the Local Government Act, Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with Australian Accounting Standards.

(iii) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for (i) financial assets and liabilities at fair value through profit or loss, available-for-sale financial assets and investment properties which are all valued at fair value, (ii) the write down of any Asset on the basis of Impairment (if warranted) and (iii) certain classes of Infrastructure, property, plant & equipment that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

(iv) Changes in Accounting Policies

Council has revalued its Infrastructure, Property, Plant & Equipment (IPP&E) to fair value at 30 June 2010.

In revaluing the IPP&E Council has used the "brownfield rates" i.e. replacement value, as opposed to the "greenfield rates" used in the previous revaluation of IPP&E in 1996. Brownfield rates are considered Local Government industry best practice.

Greenfield values represent the cost on initial acquisition of the asset. Brownfield values represent the costs that would be incurred on the subsequent replacement of the asset.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

There can be considerable differences in these rates leading to differences in reported asset values.

The change in valuation rates has resulted in a loss of \$1,142 M (see Note 20d). This amount has been adjusted under AASB 108 "Accounting Policies, Changes in Accounting estimates and Errors" against the opening balance of accumulated retained earnings as at 1 July 2008.

(v) Critical Accounting Estimates

The preparation of these financial statements requires the use of certain critical accounting estimates (in conformity with AASB's).

It also requires Council management to exercise their judgement in the process of applying Council's accounting policies.

(vi) Financial Statements Presentation

The Council has applied the revised **AASB 101, Presentation of Financial Statements** which became effective on 1 January 2009.

The revised standard requires the separate presentation of a statement of comprehensive income and a statement of changes in equity.

All non-owner changes in equity must now be presented in the statement of comprehensive income.

As a consequence, the Council had to change the presentation of its financial statements.

Comparative information has been re-presented so that it is also in conformity with the revised standard.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Council's activities as described below.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Income from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, and **(i)** it is probable that the economic benefits comprising the contribution will flow to the Council and **(ii)** the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of S94 of the EPA Act 1979.

Whilst Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual Development Consents may not be acted upon by the applicant and accordingly would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required.

A detailed Note relating to developer contributions can be found at Note 17.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

User Charges, Fees and Other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided as at balance date.

Sale of Infrastructure, Property, Plant and Equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and Rents

Rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Interest Income from Cash & Investments is accounted for using the Effective Interest method in accordance with AASB 139.

(c) Principles of Consolidation

These financial statements incorporate **(i)** the assets and liabilities of Council and any entities (or operations) that it **controls** (as at 30/6/10) and **(ii)** all the related operating results (for the financial year ended the 30th June 2010).

(i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

(d) Leases

All Leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

(e) Cash and Cash Equivalents

Cash and cash equivalents includes;

- cash **on hand**,
- deposits held **at call** with financial institutions,
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are incorporated into Cash & Cash Equivalents for presentation of the Cash Flow Statement.

(f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss**,
- **loans and receivables**,
- **held-to-maturity investments**, and

Each classification depends on the purpose/intention for which the investment was acquired & at the time it was acquired.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are "held for trading".

A financial asset is classified in the "held for trading" category if it is acquired principally for the purpose of selling in the short term.

(ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

In contrast to the "Loans & Receivables" classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

General Accounting & Measurement of Financial Instruments:

(i) Initial Recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at

"fair value through profit or loss", directly attributable transactions costs

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

(ii) Subsequent Measurement

Financial assets at fair value through profit and loss are subsequently carried at fair value.

Loans and receivables and **held-to-maturity** investments are carried at amortised cost using the effective interest method.

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

If there is evidence of impairment for any of Council's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the income statement.

(iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Local Government Investment Order.

Council maintains its investment Policy in compliance with the Act and ensures that it or its representatives

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Investment Order arising from the Cole Inquiry recommendations. Certain investments the Council holds are no longer prescribed (eg. managed funds, CDOs, and equity linked notes), however they have been retained under grandfathering provisions of the Order.

These will be disposed of when most financially advantageous to Council.

(g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

(h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

(i) Inventories

Raw Materials, Stores and Finished Goods

Raw materials, stores and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

(j) Infrastructure, Property, Plant and Equipment (I,PP&E)

Acquisition of assets

Council's non current assets are being progressively revalued to fair value in accordance with a staged implementation as advised by the Division of Local Government.

At balance date, the following classes of I,PP&E were stated at their Fair Value;

- **Operational Land** (External Valuation)
- **Buildings – Specialised/Non Specialised** (External Valuation)
- **Plant and Equipment** (as approximated by depreciated historical cost)
- **Roads Assets including roads, bridges & footpaths** (Internal Valuation)
- **Drainage Assets** (Internal Valuation)
- **Bulk Earthworks** (Internal Valuation)

The only remaining asset class that is to be revalued in a future reporting period is;

- **2010/11:** Community land, land improvements, other structures and other assets

Until the designated future reporting periods, the above remaining asset class is stated at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses.

Initial Recognition

On initial recognition, an assets cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Asset Revaluations

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve.
- To the extent that the increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss.
- Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

Capitalisation Thresholds

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset.

Asset capitalisation threshold includes:

- Office Furniture & Equipment \$2,000
- Other Plant & Equipment \$2,000

In determining (and annually reviewing) such thresholds, regard are had to the nature of the asset and its estimated service life.

Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life. Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

- Roads: Surface	20 - 30 years
Pavement	50 - 70 years
Formation	100 years
- Drain Structures	10 - 50 years
- Drain grates, inlets and pipes	100 years
- Buildings	60 years
- Motor vehicles	10 years
- Plant & Equipment	10 years
- Office Equipment	10 years

All asset residual values and useful lives are reviewed and adjusted (where appropriate), at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1(m) on Asset Impairment.

Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

(k) Land

Land (other than Land under Roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either Operational or Community.

This classification of Land is disclosed in Note 9(a).

(l) Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment.

Council has not acquired any land under roads after 1 July 2008

(m) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(n) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

(o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(p) Borrowing costs

Borrowing costs are expensed, except to the extent that they are incurred during the construction of qualifying assets.

(q) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

(r) Employee benefits

(i) Short Term Obligations

Short term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave expected to be settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages & salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

(ii) Other Long Term Obligations

The liability for all long service and annual leave (which is not expected to be settled within the 12 months after the reporting period) are recognised in the provision for employee benefits in respect of services provided by employees up to the reporting date.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

These liabilities are measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 5 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 5 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death.

Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the "Local Government Superannuation Scheme – Pool B"

This Scheme has been deemed to be a "multi employer fund" for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

Accordingly, Council's contributions to the scheme for the current reporting year have been recognised as an expense and disclosed as part of Superannuation Expenses at Note 4(a).

The Local Government Superannuation Scheme has advised member councils that, as a result of the global financial crisis, it has a significant deficiency of assets over liabilities amounting to around \$286 million at 30 June 2010.

As a result, they have asked for significant increases in future contributions to recover that deficiency.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

Defined Contribution Plans

Contributions to Defined Contribution Plans are recognised as an expense as they become payable.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

(s) Allocation between current and non-current assets & liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

(t) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

(u) New accounting standards and UIG interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2010.

Council has not adopted any of these standards early.

Council's assessment of the impact of these new standards and interpretations is set out below.

Applicable to Local Government with implications:

AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2013)

AASB 9 Financial Instruments addresses the classification and measurement of financial assets and is likely to affect Council's accounting for its financial assets.

The standard is not applicable until 1 January 2013 but is available for early adoption.

Council is yet to assess its full impact.

However, initial indications are that it may affect Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading.

Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss.

Applicable to Local Government but no implications for Council;

AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash-Settled Share-based Payment Transactions [AASB 2] (effective from 1 January 2010)

The amendments made by the AASB to AASB 2 confirm that an entity receiving goods or services in a group share-based payment arrangement must recognise an expense for those goods or services regardless of which entity in the group settles the transaction or whether the transaction is settled in shares or cash.

They also clarify how the group share-based payment arrangement should be measured, that is, whether it is measured as an equity- or a cash-settled transaction.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB 132] (effective from 1 February 2010)

In October 2009 the AASB issued an amendment to AASB 132 Financial Instruments: Presentation which addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer.

Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities.

The amendment must be applied retrospectively in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement (effective from 1 January 2011)

In December 2009, the AASB made an amendment to Interpretation 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme.

It permits entities to recognise an asset for a prepayment of contributions made to cover minimum funding requirements.

Council does not make any such prepayments. The amendment is therefore not expected to have any impact on Council.

Applicable to Local Government but not relevant to Council at this stage;

None

Not applicable to Local Government per se;

Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards (effective from 1 January 2011)

In December 2009 the AASB issued a revised AASB 124 Related Party Disclosures. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively.

The amendment removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies and simplifies the definition of a related party.

(v) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(w) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(x) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 2(a). Council Functions / Activities - Financial Information

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing		Total Assets held (Current & Non-current)	
	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Actual	Actual	Actual	Actual
	2010	2010	2009	2010	2010	2009	2010	2010	2009	2010	2009	2010	2009
Governance	1	5	30	291	275	1,505	(290)	(270)	(1,475)		(7)	(1,142,607)	(1,142,617)
Administration	9,292	25,144	7,315	20,759	20,024	18,854	(11,467)	5,120	(11,539)	-	190	145,718	132,057
Public Order & Safety	252	622	313	3,770	4,162	3,811	(3,518)	(3,540)	(3,498)	320	162	4,762	4,316
Health	133	101	136	471	435	488	(338)	(334)	(352)	7	-	4,796	4,346
Environment	10,000	14,442	-	17,385	17,083	-	(7,385)	(2,641)	-	120	-	4,000	-
Community Services & Education	4,770	5,544	5,430	4,372	5,136	3,968	398	408	1,462	562	945	7,678	6,958
Housing & Community Amenities	692	732	13,661	3,225	3,573	19,577	(2,533)	(2,841)	(5,916)	123	434	41,521	37,628
Recreation & Culture	13,092	18,041	14,306	13,357	14,722	13,579	(265)	3,319	727	977	787	249,170	225,810
Mining, Manufacturing & Construction	3,026	2,066	2,456	5,075	5,437	5,002	(2,049)	(3,371)	(2,546)	-	-	1,276	1,156
Transport & Communication	3,735	5,836	5,223	9,445	8,423	9,797	(5,710)	(2,587)	(4,574)	1,495	2,700	1,513,310	1,375,059
Economic Affairs	110	-	115	214	57	203	(104)	(57)	(88)	-	-	-	-
Total Functions & Activities	45,103	72,533	48,985	78,364	79,327	76,784	(33,261)	(6,794)	(27,799)	3,604	5,211	829,624	644,713
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	-	-	-	-	-	-	-	-	-	-	-
General Purpose Income ¹	43,664	42,691	45,103	-	-	-	43,664	42,691	45,103	3,305	3,940	-	-
Operating Result from Continuing Operations	88,767	115,224	94,088	78,364	79,327	76,784	10,403	35,897	17,304	6,909	9,151	829,624	644,713

1. Includes: Rates & Annual Charges (incl. Ex-Gratia), Untied General Purpose Grants & Unrestricted Interest & Investment Income.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 2(b). Council Functions / Activities - Component Descriptions

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

GOVERNANCE

Costs relating to the Council's role as a component of democratic government, including elections, members fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance, together with related administration costs.

ADMINISTRATION

Costs not otherwise attributed to other functions / activities.

PUBLIC ORDER & SAFETY

Fire protection, animal control, beach control, enforcement of local government regulations, emergency services, other.

HEALTH

Administration and inspection, immunisations, food control, insect/vermin control, noxious plants, health centres, other.

ENVIRONMENT

Landcare, lakes restoration, pollution and environmental systems

COMMUNITY SERVICES & EDUCATION

Administration, family day care, child care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

HOUSING & COMMUNITY AMENITIES

Housing, town planning, domestic waste management services, other waste management services, street cleaning, other sanitation and garbage, urban stormwater drainage, environmental protection, public cemeteries, public conveniences, other community amenities.

RECREATION & CULTURE

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

FUEL & ENERGY - Gas Supplies

MINING, MANUFACTURING & CONSTRUCTION

Building control, abattoirs, quarries and pits, other.

TRANSPORT & COMMUNICATION

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RTA works, street lighting, other.

ECONOMIC AFFAIRS

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, saleyards & markets, real estate development, commercial nurseries, other business undertakings.

Ku-ring-gai Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2010	Actual 2009
(a). Rates & Annual Charges			
Ordinary Rates			
Residential		35,312	37,624
Business		2,910	2,555
Total Ordinary Rates		38,222	40,179
Special Rates			
New Facility rate		1,414	-
Environmental Levy		2,173	1,959
Infrastructure Levy		5,793	1,915
Total Special Rates		9,380	3,874
Annual Charges (pursuant to s.496 & s.501)			
Stormwater Management Services		915	907
Domestic Waste Management Services		11,097	9,988
Total Annual Charges		12,012	10,895
TOTAL RATES & ANNUAL CHARGES		59,614	54,948

Council has used 2008 year valuations provided by the NSW Valuer General in calculating its rates.

Ku-ring-gai Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2010	Actual 2009
(b). User Charges & Fees			
Other User Charges & Fees			
(i) Fees & Charges - Statutory & Regulatory Functions (per s608, 610A & 611)			
Building Regulation		1,608	1,551
Certificates		551	446
DA Advertising Fees		28	63
Driveway Application Fees		466	473
Outstanding Notices		188	94
Regulatory Application Fees		220	323
Section 611 Charges		61	56
Tree Preservation Charges		102	87
Total Fees & Charges - Statutory/Regulatory		3,224	3,093
(ii) Fees & Charges - Other (incl. General User Charges (per s.610C))			
Art Centre		496	499
Bus Shelters		135	263
Family Day Care		822	806
Golf Courses		1,331	1,295
Halls		275	298
Holiday Activities		202	189
Leaseback Fees - Council Vehicles		328	330
Library		63	56
Nursery		97	115
Parks		560	491
Rental Income - Other Council Properties		3,299	2,944
Restoration Charges		2,564	2,085
Sale of Documents		24	18
Showground		145	139
Tennis Courts		280	256
Trade Waste Charges		1,699	1,616
Other		283	295
Total Fees & Charges - Other		12,603	11,695
TOTAL USER CHARGES & FEES		15,827	14,788

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2010	Actual 2009
(c). Interest & Investment Revenue (incl. losses)			
Interest & Dividends			
- Interest on Overdue Rates & Annual Charges		100	84
- Interest earned on Investments (interest & coupon payment income)		6,029	6,301
Fair Value Adjustments			
- Fair Valuation movements in Investments (at FV or Held for Trading)		(1,507)	(3,595)
Impairment Losses/Reversals			
- Impairment (Losses)/Reversals - Investments other than AFS		(1,454)	-
<u>TOTAL INTEREST & INVESTMENT REVENUE</u>		<u>3,168</u>	<u>2,790</u>
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges		100	84
General Council Cash & Investments		600	693
Restricted Investments/Funds - External:			
Development Contributions			
- Section 94		2,004	1,806
Restricted Investments/Funds - Internal:			
Internally Restricted Assets		464	207
Total Interest & Investment Revenue Recognised		<u>3,168</u>	<u>2,790</u>
(d). Other Revenues			
Parking Fines		1,554	933
Other Fines		297	311
Legal Fees Recovery - Rates & Charges (Extra Charges)		214	276
Commissions & Agency Fees		17	15
Credit Card Surcharge		103	90
Dog Registration Fees		62	48
Filming Fees		11	39
Insurance Claim Recoveries		219	61
Program Fees		93	80
Recycling Income (non domestic)		603	613
Recycling Rebate		409	255
Trade Discount		16	-
Licence income		180	30
Other		252	173
<u>TOTAL OTHER REVENUE</u>		<u>4,030</u>	<u>2,924</u>

Ku-ring-gai Council

Notes to the Financial Statements
for the financial year ended 30 June 2010

Note 3. Income from Continuing Operations (continued)

\$ '000	2010 Operating	2009 Operating	2010 Capital	2009 Capital
(e). Grants				
General Purpose (Untied)				
Financial Assistance	2,964	3,617	-	-
Pensioners' Rates Subsidies - General Component	341	323	-	-
Total General Purpose	3,305	3,940	-	-
Specific Purpose				
Pensioners' Rates Subsidies:				
- Domestic Waste Management	122	101	-	-
Community Care	-	-	101	-
Community Centres	461	438	-	-
Environmental Protection	121	-	-	-
Fire Management	117	295	-	-
Library per capita subsidy	200	198	-	-
Noxious Weeds	7	31	-	-
NSW Rural Fire Services	73	-	-	-
Road Safety	60	62	-	-
Recreation & Culture	-	487	519	-
Street Lighting	261	255	-	-
Transport	-	328	1,233	2,466
Other	132	306	197	244
Total Specific Purpose	1,554	2,501	2,050	2,710
Total Grants	4,859	6,441	2,050	2,710
Grant Revenue is attributable to:				
- Commonwealth Funding	2,964	3,617	-	-
- State Funding	1,895	2,824	2,050	2,710
- Other Funding	-	-	-	-
	4,859	6,441	2,050	2,710

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 3. Income from Continuing Operations (continued)

\$ '000	2010 Operating	2009 Operating	2010 Capital	2009 Capital
(f). Contributions				
Developer Contributions:				
(s93 & s94 - EP&A Act, s64 of the NSW LG Act):				
S 94 - Contributions towards amenities/services	141	108	13,584	9,240
Total Developer Contributions	141	108	13,584	9,240
Other Contributions:				
Contribution to Works	48	44	64	69
Total Other Contributions	48	44	64	69
Total Contributions	189	152	13,648	9,309
<u>TOTAL GRANTS & CONTRIBUTIONS</u>	<u>5,048</u>	<u>6,593</u>	<u>15,698</u>	<u>12,019</u>

\$ '000	Actual 2010	Actual 2009
(g). Restrictions relating to Grants and Contributions		
Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:		
Unexpended at the Close of the Previous Reporting Period	58,783	48,960
add: Grants and contributions recognised in the current period which have not been spent:	17,857	14,939
less: Grants and contributions recognised in a previous reporting period which have been spent in the current reporting period:	(7,776)	(5,116)
Net Increase (Decrease) in Restricted Assets during the Current Reporting Period	10,081	9,823
Unexpended at the Close of this Reporting Period and held as Restricted Assets	68,864	58,783
Comprising:		
- Specific Purpose Unexpended Grants	1,368	2,304
- Developer Contributions	67,496	56,479
	68,864	58,783

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2010	Actual 2009
(a) Employee Benefits & On-Costs			
Salaries and Wages		25,234	23,730
Employee Leave Entitlements (ELE)		4,223	3,833
Superannuation		3,207	2,442
Workers' Compensation Insurance		1,689	1,057
Fringe Benefit Tax (FBT)		219	192
Training Costs (other than Salaries & Wages)		212	205
Other		125	162
Total Employee Costs		34,909	31,621
less: Capitalised Costs		(1,146)	(729)
TOTAL EMPLOYEE COSTS EXPENSED		33,763	30,892
Number of "Equivalent Full Time" Employees at year end		464	468
(b) Borrowing Costs			
Interest Bearing Liability Costs			
Interest on Loans		507	576
Total Interest Bearing Liability Costs Expensed		507	576
TOTAL BORROWING COSTS EXPENSED		507	576
(c) Materials & Contracts			
Raw Materials & Consumables		3,490	3,923
Contractor & Consultancy Costs		19,440	19,732
Auditors Remuneration			
i. Audit Services - Council's Auditor		49	49
Legal Expenses:			
- Legal Expenses - Planning & Development		1,545	1,724
- Legal Expenses - Other		424	251
Operating Leases:			
Operating Lease Rentals - Minimum Lease Payments ⁽¹⁾		412	449
Other		259	211
Total Materials & Contracts		25,619	26,339
TOTAL MATERIALS & CONTRACTS		25,619	26,339
1. Operating Lease Payments are attributable to:			
- Computers		408	449
		412	449

Ku-ring-gai Council

Notes to the Financial Statements
for the financial year ended 30 June 2010

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
Plant and Equipment		-	-	1,585	1,505
Office Equipment		-	-	110	100
Furniture & Fittings		-	-	14	18
Land Improvements (depreciable)		-	-	247	154
Buildings		-	-	1,333	1,288
Other Structures		-	-	287	246
Infrastructure:					
- Roads, Bridges & Footpaths		-	-	3,258	3,193
- Stormwater Drainage		-	-	486	477
- Library Books		-	-	478	441
- Other		-	-	26	8
Total Depreciation & Impairment Costs		-	-	7,824	7,430
less: Capitalised Costs		-	-	-	-
less: Impairments offset in ARR (Equity)	9a	-	-	-	-
<u>TOTAL DEPRECIATION & IMPAIRMENT COSTS EXPENSED</u>		-	-	<u>7,824</u>	<u>7,430</u>

Ku-ring-gai Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2010	Actual 2009
(e) Other Expenses			
Other Expenses for the year include the following:			
Advertising		304	366
Bad & Doubtful Debts		6	41
Bank Charges		199	189
Commissions		430	304
Computer Software Charges		620	531
Conferences		93	75
Contributions/Levies to Other Levels of Government			
- NSW Fire Brigade Levy		1,931	1,954
- Department of Planning Levy		344	337
- Other Contributions/Levies		-	155
Corporate Events		30	17
Councillor Expenses - Mayoral Fee		33	33
Councillor Expenses - Councillors' Fees		157	141
Donations, Contributions & Assistance to other organisations		130	137
Election Expenses		58	407
Electricity & Heating		505	394
External Plant Hire		20	37
Family Day Care (Child Care Assistance)		86	73
Insurance		866	1,012
Insurance Excess		52	48
Postage		196	228
Rate Issue Costs		39	47
Rental Rebates		1,676	1,292
Street Lighting		1,518	1,589
Subscriptions & Publications		160	164
Sydney Water		274	182
Telephone & Communications		540	575
Valuation Fees		185	146
Vehicle Registration		126	118
Other		1,036	955
Total Other Expenses		11,614	11,547
TOTAL OTHER EXPENSES		11,614	11,547

Ku-ring-gai Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 5. Gains or Losses from the Disposal of Assets

\$ '000	Notes	Actual 2010	Actual 2009
Plant & Equipment			
Proceeds from Disposal		826	779
less: Carrying Amount of P&E Assets Sold		(660)	(753)
Net Gain/(Loss) on Disposal		166	26
Financial Assets			
Proceeds from Disposal		6,974	26,551
less: Carrying Amount of Financial Assets Sold / Redeemed		(6,974)	(26,551)
Net Gain/(Loss) on Disposal		-	-
Non Current Assets Classified as "Held for Sale"			
Proceeds from Disposal		17,500	-
less: Carrying Amount of "Held for Sale" Assets Sold		(5,827)	-
Net Gain/(Loss) on Disposal		11,673	-
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		11,839	26

Ku-ring-gai Council

Notes to the Financial Statements
for the financial year ended 30 June 2010

Note 6a. - Cash Assets and Note 6b. - Investment Securities

\$ '000	Notes	2010 Actual Current	2010 Actual Non Current	2009 Actual Current	2009 Actual Non Current
Cash & Cash Equivalents (Note 6a)					
Cash on Hand and at Bank		798	-	1,114	-
Total Cash & Cash Equivalents		798	-	1,114	-
Investment Securities (Note 6b)					
- Managed Funds		13,694	-	8,865	-
- Long Term Deposits		20,500	27,501	20,500	5,000
- NCD's, FRN's (with Maturities > 3 months)		-	30,119	-	21,314
- CDO's		2,000	3,546	-	7,000
- Other Long Term Maturity Financial Instruments		3,006	6,000	6,388	6,000
Total Investment Securities		39,200	67,166	35,753	39,314
TOTAL CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS		39,998	67,166	36,867	39,314

Cash, Cash Equivalents & Investments were classified at year end in accordance with AASB 139 as follows:

Cash & Cash Equivalents

a. "At Fair Value through the Profit & Loss"		798	-	1,114	-
--	--	-----	---	-------	---

Investments

a. "At Fair Value through the Profit & Loss"					
- "Designated at Fair Value on Initial Recognition"	6(b-i)	16,700	-	15,253	-
b. "Held to Maturity"	6(b-ii)	22,500	67,166	20,500	39,314
Investments		39,200	67,166	35,753	39,314

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 6b. Investments (continued)

\$ '000	2010 Actual Current	2010 Actual Non Current	2009 Actual Current	2009 Actual Non Current
Note 6(b-i)				
Reconciliation of Investments classified as "At Fair Value through the Profit & Loss"				
Balance at the Beginning of the Year	15,253	-	40,855	-
Revaluations (through the Income Statement)	(1,507)	-	(3,595)	-
Additions	8,917	-	4,544	-
Disposals (sales & redemptions)	(5,963)	-	(26,551)	-
Balance at End of Year	16,700	-	15,253	-
Comprising:				
- Managed Funds	13,694	-	8,865	-
- Other Long Term Maturity Financial Assets	3,006	-	6,388	-
Total	16,700	-	15,253	-
Note 6(b-ii)				
Reconciliation of Investments classified as "Held to Maturity"				
Balance at the Beginning of the Year	20,500	39,314	-	31,825
Additions	-	32,317	18,000	9,989
Impairment (loss)/prior loss reversal (via P&L)	-	(1,454)	-	-
Disposals (sales & redemptions)	-	(1,011)	-	-
Transfers between Current/Non Current	2,000	(2,000)	2,500	(2,500)
Balance at End of Year	22,500	67,166	20,500	39,314
Comprising:				
- Long Term Deposits	20,500	27,501	20,500	5,000
- NCD's, FRN's (with Maturities > 3 months)	-	30,119	-	21,314
- CDO's	2,000	3,546	-	7,000
- Other Long Term Maturity Financial Assets	-	6,000	-	6,000
Total	22,500	67,166	20,500	39,314

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 6c. Restricted Cash, Cash Equivalents & Investments

\$ '000	2010	2010	2009	2009
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Total Cash, Cash Equivalents and Investment Securities	39,998	67,166	36,867	39,314
attributable to:				
External Restrictions (refer below)	14,543	58,166	21,657	39,314
Internal Restrictions (refer below)	18,905	9,000	13,644	-
Unrestricted	6,550	-	1,566	-
	39,998	67,166	36,867	39,314

2010 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
-----------------	--------------------	------------------------------	--------------------------------	--------------------

Details of Restrictions

External Restrictions - Other

Developer Contributions - General (D)	56,479	15,729	(4,712)	67,496
Specific Purpose Unexpended Grants (F)	2,304	2,127	(3,064)	1,368
Domestic Waste Management (G)	1,681	12,297	(11,804)	2,174
Stormwater Management (G)	-	915	(915)	-
Environmental Levy	507	2,052	(2,302)	257
Infrastructure Levy	-	2,040	(2,040)	-
New Facility Rate	-	1,414	-	1,414
External Restrictions - Other	60,971	36,574	(24,837)	72,709
Total External Restrictions	60,971	36,574	(24,837)	72,709

Internal Restrictions

Employees Leave Entitlement	1,730	191	-	1,921
Infrastructure & Facilities Reserve	6,177	22,249	(6,434)	21,992
Golf Course Levy	1,590	248	(1,218)	620
Bonds and Deposits	816	328	(200)	944
Other	3,331	1,256	(2,159)	2,428
Total Internal Restrictions	13,644	24,272	(10,011)	27,905
TOTAL RESTRICTIONS	74,615	60,846	(34,848)	100,614

D Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)

G Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 7. Receivables

\$ '000	Notes	2010		2009	
		Current	Non Current	Current	Non Current
Purpose					
Rates & Annual Charges		1,729	168	1,406	150
Interest & Extra Charges		123	47	129	44
User Charges & Fees		1,292	-	2,171	-
- Other Asset Sales		-	-	25	-
Accrued Revenues					
- Interest on Investments		1,137	-	257	-
- Interest on Impaired Investments		9	-	-	-
- Other Income Accruals		334	-	394	-
Government Grants & Subsidies		1,333	-	794	-
Net GST Receivable		-	-	542	-
Other Debtors		5	-	20	-
Total		5,962	215	5,738	194
less: Provision for Impairment					
User Charges & Fees		(256)	-	(299)	-
Total Provision for Impairment - Receivables		(256)	-	(299)	-
<u>TOTAL NET RECEIVABLES</u>		<u>5,706</u>	<u>215</u>	<u>5,439</u>	<u>194</u>
Unrestricted Receivables		5,706	215	5,439	194
TOTAL NET RECEIVABLES		5,706	215	5,439	194

Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest is charged on overdue rates & charges at 9.00%.
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

Ku-ring-gai Council

Notes to the Financial Statements
for the financial year ended 30 June 2010

Note 8. Inventories & Other Assets

\$ '000	Notes	2010		2009	
		Current	Non Current	Current	Non Current
Inventories					
Stores & Materials		71	-	72	-
Trading Stock		150	-	168	-
Total Inventories		221	-	240	-
Other Assets					
Prepayments		585	-	976	-
Total Other Assets		585	-	976	-
<u>TOTAL INVENTORIES & OTHER ASSETS</u>		806	-	1,216	-

Notes to the Financial Statements
for the financial year ended 30 June 2010

Note 9a. Infrastructure, Property, Plant & Equipment

\$ '000	as at 30/6/2009				Asset Movements during the Reporting Period				as at 30/6/2010				
	At	At	Accumulated	Carrying	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Revaluation Increments to Equity (ARR)	At	At	Accumulated		Carrying
	Cost	Fair Value	Deprec.	Value					Cost	Fair Value	Dep'n	Impairment	Value
Plant & Equipment	-	12,329	6,149	6,180	2,072	(627)	(1,585)	-	-	12,857	6,817	-	6,040
Office Equipment	-	1,006	474	532	399	(33)	(110)	-	-	1,314	526	-	788
Furniture & Fittings	-	190	146	44	-	-	(14)	-	-	190	160	-	30
Land:													
- Operational Land	-	23,668	-	23,668	-	-	-	6,345	-	30,013	-	-	30,013
- Community Land	195,076	-	-	195,076	2,414	-	-	-	197,490	-	-	-	197,490
Land Improvements - non depreciable	3,862	-	-	3,862	-	-	-	-	3,862	-	-	-	3,862
Land Improvements - depreciable	-	5,368	805	4,563	7,662	-	(247)	-	-	13,034	1,056	-	11,978
Buildings - Non Specialised	-	75,321	41,404	33,917	1,852	-	(1,333)	-	-	77,172	42,736	-	34,436
Other Structures	5,837	-	3,490	2,347	176	-	(287)	-	6,013	-	3,777	-	2,236
Infrastructure:													
- Roads, Bridges, Footpaths	325,626	-	140,633	184,993	5,568	-	(3,258)	33,970	-	391,260	169,987	-	221,273
- Bulk Earthworks (non-depreciable)	60,227	-	-	60,227	-	-	-	-	-	60,227	-	-	60,227
- Stormwater Drainage	60,282	-	23,216	37,066	723	-	(486)	106,651	-	235,417	91,463	-	143,954
Other Assets:													
- Library Books	9,609	-	6,691	2,918	529	-	(478)	-	10,138	-	7,169	-	2,969
- Other	4,601	-	4,138	463	-	-	(26)	-	4,601	-	4,164	-	437
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIP.	665,120	117,882	227,146	555,856	21,395	(660)	(7,824)	146,966	222,104	821,484	327,855	-	715,733

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 9b. Externally Restricted Infrastructure, Property, Plant & Equipment

Council has no Externally Restricted Infrastructure, Property, Plant & Equipment.

Note 9c. Infrastructure, Property, Plant & Equipment - Current Year Impairments

Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	2010		2009	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		7,187	-	5,966	-
Goods & Services - capital expenditure		322	-	363	-
Payments Received In Advance		264	-	314	-
Accrued Expenses:					
- Borrowings		-	-	1	-
Security Bonds, Deposits & Retentions		2,998	-	3,265	-
ATO - Net GST Payable		1,032	-	-	-
Urban Sustainability Program		784	-	-	-
Other		588	-	270	-
Total Payables		13,175	-	10,179	-
Borrowings					
Loans - Secured ¹		1,651	5,244	1,813	6,895
Total Borrowings		1,651	5,244	1,813	6,895
Provisions					
Employee Benefits;					
Annual Leave		2,714	-	2,458	-
Sick Leave		413	-	414	-
Long Service Leave		4,933	260	4,414	192
Gratuities		828	-	805	-
Total Provisions		8,888	260	8,091	192
Total Payables, Borrowings & Provisions		23,714	5,504	20,083	7,087

¹ Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 15.

Ku-ring-gai Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 10a. Payables, Borrowings & Provisions (continued)

\$ '000	2010	2009
(ii) Current Liabilities not anticipated to be settled within the next 12 months		
The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions - Employees Benefits	6,057	4,580
Payables - Security Bonds, Deposits & Retentions	2,498	2,565
	8,555	7,145

Note 10b. Description of and movements in Provisions

Class of Provision	2009			2010		Closing Balance as at 30/6/10
	Opening Balance as at 1/7/09	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	2,458	2,264	(2,008)	-	-	2,714
Sick Leave	414	7	(8)	-	-	413
Long Service Leave	4,606	973	(386)	-	-	5,193
Gratuities	805	23	-	-	-	828
TOTAL	8,283	3,267	(2,402)	-	-	9,148

a. Employees Leave Entitlements & On-Costs represent those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2010	Actual 2009
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	6a	798	1,114
Less Bank Overdraft	10	-	-
BALANCE as per the STATEMENT of CASH FLOWS		798	1,114
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		35,897	17,304
Adjust for non cash items:			
Depreciation & Amortisation		7,824	7,430
Net Losses/(Gains) on Disposal of Assets		(11,839)	(26)
Impairment Losses / (Prior Period Reversals) - Financial Investments		1,454	-
Losses/(Gains) recognised on Fair Value Re-measurements through the P&L:			
- Investments classified as "@ Fair Value" or "Held for Trading"		1,507	3,595
+/- Movement in Operating Assets and Liabilities & Other Cash Items:			
Decrease/(Increase) in Receivables		(270)	(377)
Increase/(Decrease) in Provision for Doubtful Debts		(43)	(19)
Decrease/(Increase) in Inventories		19	(11)
Decrease/(Increase) in Other Current Assets		391	(648)
Increase/(Decrease) in Payables		1,221	(3,268)
Increase/(Decrease) in accrued Interest Payable		(1)	(14)
Increase/(Decrease) in Other Current Liabilities		1,817	(775)
Increase/(Decrease) in Employee Leave Entitlements		865	737
NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS		38,842	23,928
(c) Non-Cash Investing & Financing Activities			
Nil			
(d) Financing Arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdraft Facilities ⁽¹⁾		2,000	2,000
Credit Cards / Purchase Cards		50	50
Total Financing Arrangements		2,050	2,050

1. The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.
Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 15.

(ii) Secured Loan Liabilities

Loans are secured by a mortgage over future years Rate Revenue only.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2010	Actual 2009
(a) Capital Commitments (exclusive of GST)			
Nil			
(b) Other Expenditure Commitments (exclusive of GST)			
DWM & Recycling Services		32,081	23,620
Cleaning Services		546	463
Audit Services		98	147
Insurance		-	137
Grass Cutting		582	31
Operating Leases - Cancellable		487	529
Building		766	-
Other		258	397
Total Commitments		34,818	25,324
These expenditures are payable as follows:			
Within the next year		11,692	4,611
Later than one year and not later than 5 years		23,126	12,576
Later than 5 years		-	8,137
Total Payable		34,818	25,324
(c) Finance Lease Commitments			
Nil			
(d) Operating Lease Commitments (Non Cancellable)			
a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:			
Within the next year		277	321
Later than one year and not later than 5 years		210	208
Later than 5 years		-	-
Total Non Cancellable Operating Lease Commitments		487	529
(e) Remuneration Commitments			
Commitments for the payment of salaries & other remuneration under long-term employment contracts in existence at reporting date but not recognised as liabilities are payable:			
Within the next year		1,283	1,237
Later than one year and not later than 5 years		1,921	3,147
Later than 5 years		-	-
Total Payable		3,204	4,384

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 13a. Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts 2010	Indicator 2010	Prior Periods 2009 2008	
1. Unrestricted Current Ratio				
Current Assets less all External Restrictions ⁽¹⁾	31,967	2.11 : 1	2.14	1.84
Current Liabilities less Specific Purpose Liabilities ^(2,3)	15,159			
2. Debt Service Ratio				
Debt Service Cost	2,320	2.37%	3.09%	3.43%
Revenue from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	97,783			
3. Rates & Annual Charges Coverage Ratio				
Rates & Annual Charges	59,614	51.74%	58.40%	54.72%
Revenue from Continuing Operations	115,224			
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual & Extra Charges Outstanding	2,067	3.35%	3.04%	2.98%
Rates, Annual & Extra Charges Collectible	61,657			
5. Building & Infrastructure Renewals Ratio				
Asset Renewals ⁽⁴⁾ [Buildings & Infrastructure]	8,143	160.39%	166.82%	159.21%
Depreciation, Amortisation & Impairment (Buildings & Infrastructure Assets)	5,077			

Notes

⁽¹⁾ Refer Notes 6-8 inclusive.

Also excludes any Real Estate & Land for resale not expected to be sold in the next 12 months

⁽²⁾ Refer to Note 10(a).

⁽³⁾ Refer to Note 10(c) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

⁽⁴⁾ Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Ku-ring-gai Council

Notes to the Financial Statements
for the financial year ended 30 June 2010

Note 13a. Statement of Performance Measurement - Graphs (Consolidated)

\$ '000

<p>1. Unrestricted Current Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio : 1</th> </tr> </thead> <tbody> <tr> <td>2007</td> <td>2.16</td> </tr> <tr> <td>2008</td> <td>1.84</td> </tr> <tr> <td>2009</td> <td>2.14</td> </tr> <tr> <td>2010</td> <td>2.11</td> </tr> </tbody> </table>	Year	Ratio : 1	2007	2.16	2008	1.84	2009	2.14	2010	2.11	<p>Purpose of Unrestricted Current Ratio</p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>	<p>Commentary on 2009/10 Result</p> <p>2009/10 Ratio 2.11 : 1</p> <p>Council can easily pay its debts as they fall due.</p>
Year	Ratio : 1											
2007	2.16											
2008	1.84											
2009	2.14											
2010	2.11											
<p>2. Debt Service Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2007</td> <td>3.17%</td> </tr> <tr> <td>2008</td> <td>3.43%</td> </tr> <tr> <td>2009</td> <td>3.09%</td> </tr> <tr> <td>2010</td> <td>2.37%</td> </tr> </tbody> </table>	Year	Ratio %	2007	3.17%	2008	3.43%	2009	3.09%	2010	2.37%	<p>Purpose of Debt Service Ratio</p> <p>To assess the impact of loan principal & interest repayments on the discretionary revenue of council.</p>	<p>Commentary on 2009/10 Result</p> <p>2009/10 Ratio 2.37%</p> <p>Council's ability to service its debt is excellent. In accordance with Council's Long Term Financial Plan borrowing is only undertaken in accordance with Council's borrowing policy and financially sustainable maximum target ratio of 4%. The Long Term Financial Plan assumes \$6.5M loan borrowings in 2010/2011, \$10.06M in 2011/2012 and \$2.91M in 2012/2013.</p>
Year	Ratio %											
2007	3.17%											
2008	3.43%											
2009	3.09%											
2010	2.37%											
<p>3. Rates & Annual Charges Coverage Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2007</td> <td>53.94%</td> </tr> <tr> <td>2008</td> <td>54.72%</td> </tr> <tr> <td>2009</td> <td>58.40%</td> </tr> <tr> <td>2010</td> <td>51.74%</td> </tr> </tbody> </table>	Year	Ratio %	2007	53.94%	2008	54.72%	2009	58.40%	2010	51.74%	<p>Purpose of Rates & Annual Charges Coverage Ratio</p> <p>To assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income.</p>	<p>Commentary on 2009/10 Result</p> <p>2009/10 Ratio 51.74%</p> <p>Council's dependence upon rates revenue has decreased from 58.40% in 2008/09 to 51.74% in 2009/10.</p>
Year	Ratio %											
2007	53.94%											
2008	54.72%											
2009	58.40%											
2010	51.74%											
<p>4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2007</td> <td>2.94%</td> </tr> <tr> <td>2008</td> <td>2.98%</td> </tr> <tr> <td>2009</td> <td>3.04%</td> </tr> <tr> <td>2010</td> <td>3.35%</td> </tr> </tbody> </table>	Year	Ratio %	2007	2.94%	2008	2.98%	2009	3.04%	2010	3.35%	<p>Purpose of Rates & Annual Charges Outstanding Ratio</p> <p>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</p>	<p>Commentary on 2009/10 Result</p> <p>2009/10 Ratio 3.35%</p> <p>Rates, Annual, Interest and Extra charges outstanding assesses only the impact of Rates, Annual, Interest and Extra Charges on liquidity and the adequacy of recovery efforts and is acceptable.</p>
Year	Ratio %											
2007	2.94%											
2008	2.98%											
2009	3.04%											
2010	3.35%											

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 14. Investment Properties

\$ '000

Council has not classified any Land or Buildings as "Investment Properties"

Note 15. Financial Risk Management

Risk Management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2010	2009	2010	2009
Financial Assets				
Cash and Cash Equivalents	798	1,114	798	1,114
Investments				
- "Designated At Fair Value on Initial Recognition"	16,700	15,253	16,700	15,253
- "Held to Maturity"	89,666	59,814	86,319	57,036
Receivables	5,921	5,633	5,664	5,633
Total Financial Assets	113,085	81,814	109,481	79,036
Financial Liabilities				
Payables	12,911	9,865	12,911	9,870
Loans / Advances	6,895	8,708	6,486	8,708
Total Financial Liabilities	19,806	18,573	19,397	18,578

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) "**at fair value through profit & loss**" or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 15. Financial Risk Management (continued)

\$ '000

(a) Cash & Cash Equivalents, Financial assets "at fair value through the Profit & Loss", "Available-for-sale" financial assets & "Held-to-maturity" Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Finance Section manages its Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and its staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is credit risk - the risk that the counterparty (to an investment) will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisors before placing any funds in Cash Equivalents & Investments.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (during the reporting period) due to a change in either the price of a financial asset or the interest rates applicable

It is assumed that the change in interest rates would have been constant throughout the reporting period.

2010	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
Possible impact of a 10% movement in Market Values	1,670	1,670	(1,670)	(1,670)
Possible impact of a 1% movement in Interest Rates	167	167	(167)	(167)
2009				
Possible impact of a 10% movement in Market Values	1,525	1,525	(1,525)	(1,525)
Possible impact of a 1% movement in Interest Rates	152	152	(152)	(152)

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 15. Financial Risk Management (continued)

\$ '000

(b) Receivables

Council's major receivables comprise **(i)** Rates & Annual charges and **(ii)** User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates & annual charges at higher than market rates which further encourages the payment of debt.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2010	2010	2009	2009
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
(i) Ageing of Receivables				
Current (not yet overdue)	29	2,703	528	3,434
Past due by up to 30 days	1,386	242	38	240
Past due between 31 and 180 days	482	1,335	990	702
	<u>1,897</u>	<u>4,280</u>	<u>1,556</u>	<u>4,376</u>
(ii) Movement in Provision for Impairment of Receivables			2010	2009
Balance at the beginning of the year			299	318
- amounts provided for but recovered during the year			(43)	(19)
Balance at the end of the year			<u>256</u>	<u>299</u>

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 15. Financial Risk Management (continued)

\$ '000

(c) Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

As well, payment terms can (in extenuating circumstances) be extended & overdraft facilities can be drawn down.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2010									
Trade/Other Payables	2,998	9,910	-	-	-	-	-	12,908	12,911
Loans & Advances	-	2,066	1,714	1,349	1,105	856	1,126	8,216	6,895
Total Financial Liabilities	2,998	11,976	1,714	1,349	1,105	856	1,126	21,124	19,806
2009									
Trade/Other Payables	3,265	6,600	-	-	-	-	-	9,865	9,865
Loans & Advances	-	2,306	2,067	1,714	1,349	1,105	1,978	10,519	8,708
Total Financial Liabilities	3,265	8,906	2,067	1,714	1,349	1,105	1,978	20,384	18,573

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

The following interest rates were applicable to Council's Borrowings at balance date:

	2010		2009	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	12,911	5.0%	9,865	5.0%
Loans & Advances - Fixed Interest Rate	5,152	6.3%	5,678	6.8%
Loans & Advances - Variable Interest Rate	1,743	5.8%	3,030	6.5%
	<u>19,806</u>		<u>18,573</u>	

Ku-ring-gai Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 09/10 was incorporated as part of its Management Plan and was adopted by the Council on 09 June 2009.

While the Income Statement included in this General Purpose Financial Statement must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

Note that for Variations: F = Favourable Budget Variation, U = Unfavourable Budget Variation

\$ '000	2010 Budget	2010 Actual	2010 Variance*	
REVENUES				
Interest & Investment Revenue	1,618	3,168	1,550	96% F
The variation in investment revenue has been caused by actual earning rates being higher than forecast and additional funds invested throughout the year due to increase in Section 94 revenue and underruns in capital expenditure.				
Other Revenues	2,747	4,030	1,283	47% F
Other revenue is up by \$1.28 million due to parking fine income, rental income, legal costs recovery and other various revenue being budgeted lower than anticipated.				
Capital Grants & Contributions	5,519	15,698	10,179	184% F
Capital Grants and Contributions is up by \$10.17 million on budget mainly due to a lower than anticipated budget for Section 94 income and contributions to works.				
Net Gains from Disposal of Assets	-	11,839	11,839	0% F
Net Gains from the disposal of assets is up due to the book value of assets that were disposed being lower than anticipated, primarily relating to the sale of depot in Carlotta Avenue, Gordon.				

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 17. Statement of Developer Contributions

\$ '000

Council recovers contributions, raises levies & enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in their future use.

SUMMARY OF CONTRIBUTIONS & LEVIES

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Traffic Facilities	379	70	-	14	-	-	463	17,652	(34,022)	(15,907)	-
Parking	2,303	-	-	75	-	-	2,378	-	(2,378)	-	-
Open Space	43,045	11,953	-	1,548	(3,797)	-	52,749	22,269	(93,745)	(18,727)	-
Community Facilities	10,598	1,348	-	359	(640)	-	11,665	4,068	(80,881)	(65,148)	-
Access & Transport Facility	(526)	-	-	(17)	-	-	(543)	5,186	(12,101)	(7,458)	-
Other	680	354	-	25	(275)	-	784	181	(1,063)	(98)	-
S94 Contributions - under a Plan	56,479	13,725	-	2,004	(4,712)	-	67,496	55,340	(234,075)	(111,239)	-
S94A Levies - under a Plan	-	-	-	-	-	-	-	-	-	-	-
Total S94 Revenue Under Plans	56,479	13,725	-	2,004	(4,712)	-	67,496				-
S94 not under Plans	-	-	-	-	-	-	-	-	-	-	-
Total Contributions	56,479	13,725	-	2,004	(4,712)	-	67,496	55,340	(234,075)	(111,239)	-

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NUMBER 2 - 1993 Plan

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Traffic Facilities	1	-	-	-	-	-	1	-	(1)	-	-
Parking	2,303	-	-	75	-	-	2,378	-	(2,378)	-	-
Community Facilities	283	-	-	9	-	-	292	-	(292)	-	-
Other	2	-	-	-	-	-	2	-	(2)	-	-
Total	2,589	-	-	84	-	-	2,673	-	(2,673)	-	-

CONTRIBUTION PLAN NUMBER 3 - 2000 to 2003 Residential Plan

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Open Space	8,368	33	-	246	(1,781)	-	6,866	-	(6,866)	-	-
Community Facilities	2,261	-	-	65	(535)	-	1,791	-	(1,791)	-	-
Other	20	-	-	1	-	-	21	-	(21)	-	-
Total	10,649	33	-	312	(2,316)	-	8,678	-	(8,678)	-	-

CONTRIBUTION PLAN NUMBER 4 - Ku-ring-gai SEPP 5 Plan

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Open Space	465	-	-	15	-	-	480	-	(480)	-	-
Total	465	-	-	15	-	-	480	-	(480)	-	-

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NUMBER 5 - 2004/2009 Residential Plan

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Traffic Facilities	378	70	-	14	-	-	462	-	-	462	-
Open Space	34,212	11,920	-	1,287	(2,016)	-	45,403	7,009	(56,008)	(3,596)	-
Community Facilities	8,054	1,348	-	285	(105)	-	9,582	334	(20,953)	(11,037)	-
Other	658	354	-	24	(275)	-	761	86	(858)	(11)	-
Total	43,302	13,692	-	1,610	(2,396)	-	56,208	7,429	(77,819)	(14,182)	-

CONTRIBUTION PLAN NUMBER - Town Centre Plan

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Access & Transport Facility	(526)	-	-	(17)	-	-	(543)	5,186	(12,101)	(7,458)	-
Roads	-	-	-	-	-	-	-	5,984	(9,885)	(3,901)	-
Traffic Facilities	-	-	-	-	-	-	-	17,652	(34,021)	(16,369)	-
Open Space	-	-	-	-	-	-	-	15,260	(30,391)	(15,131)	-
Community Facilities	-	-	-	-	-	-	-	3,734	(57,845)	(54,111)	-
Other	-	-	-	-	-	-	-	95	(182)	(87)	-
Total	(526)	-	-	(17)	-	-	(543)	47,911	(144,425)	(97,057)	-

Ku-ring-gai Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Local Government Superannuation Scheme

Council contributes to the Local Government Superannuation Scheme which has a closed section where a portion of member entitlements are defined as a multiple of salary. Member councils bear the responsibility of ensuring there are sufficient monies available to pay out benefits as these members cease employment.

The Scheme has a deficit of assets over liabilities totalling \$286 million as at 30 June 2010.

Effective from 1 July 2009, employers are required to contribute at twice the "notional" or long term cost for a period of up to ten years on order to rectify this deficit.

The share of this deficit that can be broadly attributed to Council was estimated to be in the order of \$2,521,836 as at 30 June 2010.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to Local Government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the Net Assets or Liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the Fund Years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW Local Government Industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the Company's capital base as a result of the company's past performance and/or claims experience or as a of any increased prudential requirements of APRA.

These future equity contributions would be required to maintain the company's minimum level of Net Assets in accordance with its Licence Requirements.

(iv) Other Guarantees

Council has provided no other Guarantees other than those listed above.

Ku-ring-gai Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

LIABILITIES NOT RECOGNISED (continued):

2. Other Liabilities

(i) S94 Plans

Council levies Section 94 Contributions upon various development across the Council area through the required Contributions Plans.

As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Councils intention to spend funds in the manner and timing set out in those Plans.

(ii) Remediation works Council Depot-Carlotta Avenue, Gordon

In accordance with the contract of sale of 1-7 Carlotta Avenue, Gordon, the Council has entered into a Remediation Deed, relating to the remediation of the property and other works to be carried out by Council. Council must complete the remediation of the land in accordance with the provisions contained in the Remediation Deed.

Remediation works are being undertaken in two stages. Stage 1 will be completed in 2010/2011 and Stage 2 completed within 12 months of vacating depot site.

A security deposit in the amount of \$1.5M has been provided to the Purchaser as a guarantee that remediation works are completed in accordance with the Remediation Deed.

The security amount is invested with the purchaser's solicitor, on trust for the Council, but on condition that no amount can be withdrawn from the Deposit without the consent of the purchaser. Once the purchaser receives independent audit sign-off on the remediation works the \$1.5M will be released by the purchaser to the Vendor.

ASSETS NOT RECOGNISED:

(i) Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

Council has no interest in any Controlled Entities, Associated Entities or Joint Ventures.

Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2010	Actual 2009
a. Retained Earnings			
Movements in Retained Earnings were as follows:			
Balance at beginning of Year (from previous years audited accounts)		1,691,529	1,674,225
a. Correction of Prior Period Errors	20 (c)	41,972	41,972
b. Changes in Accounting Policies (Prior Period Effects)	20 (d)	(1,142,617)	(1,142,617)
c. Other Comprehensive Income (excl. direct to Reserves transactions)		-	-
d. Net Operating Result for the Year		35,897	17,304
e. Distributions to/(Contributions from) Minority Interests		-	-
Balance at End of the Reporting Period		626,781	590,884

b. Reserves

(i) Reserves are represented by:

- Infrastructure, Property, Plant & Equipment Revaluation Reserve	173,625	26,659
Total	173,625	26,659

(ii) Reconciliation of movements in Reserves:

Infrastructure, Property, Plant & Equipment Revaluation Reserve

- Opening Balance	26,659	26,659
- Revaluations for the year	146,966	-
- Balance at End of Year	173,625	26,659

TOTAL VALUE OF RESERVES

173,625	26,659
----------------	---------------

(iii) Nature & Purpose of Reserves

Infrastructure, Property, Plant & Equipment Revaluation Reserve

- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.

Ku-ring-gai Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2010	Actual 2009
c. Correction of Error/s relating to a Previous Reporting Period			
<p>As part of Council's transition to measuring all its I,PP&E at Fair Values, Council this year reviewed and brought to account Fair Values for the following Asset Classes:</p> <p>Roads Stormwater Drainage</p> <p>As part of that evaluation & measurement process, the remaining useful life of each asset has been reassessed to actual.</p> <p>This reassessment has resulted in a material difference as to where some assets actually sit in relation to their asset life cycle relative to what the value of accumulated depreciation in Council's Financial Reports had previously indicated.</p> <p>Council does not have sufficient and reliable information that will allow the restatement of information prior to 30/6/09 (the closing date for the comparative figures in this report).</p> <p>As a result, Council has adjusted the accumulated depreciation for the following asset classes as at 30/6/09 to reflect the correct value of accumulated depreciation;</p> <p>Roads 24,888 Stormwater Drainage 17,084</p> <p>This adjustment resulted in net increase / (decrease) in Council's Accumulated Surplus as at 30/6/09.</p> <p>In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.</p> <p>These amounted to the following Equity Adjustments:</p> <p>- Adjustments to Opening Equity - 1/7/08 41,972 - (relating to adjustments for the 30/6/08 reporting year end and prior periods)</p> <p>- Adjustments to Closing Equity - 30/6/09 - - (relating to adjustments for the 30/6/09 year end)</p> <p>Total Prior Period Adjustments - Prior Period Errors 41,972 -</p>			

Ku-ring-gai Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2010	Actual 2009
d. Voluntary Changes in Accounting Policies			
Council has revalued its Infrastructure, Property, Plant & Equipment (IPP&E) to fair value at 30 June 2010. In revaluing the IPP&E Council has used "brownfield rates" as opposed to "greenfield rates" used in the previous revaluation of IPP&E in 1996.			
The change in valuation rates has resulted in a loss of :		(1,142,617)	
This amount has been adjusted under AASB 108 against the opening balance of accumulated retained earnings as at 1 July 2008.			
In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above changes in Accounting Policy have been recognised retrospectively.			
These amounted to the following Equity Adjustments:			
- Adjustments to Opening Equity - 1/7/08 (relating to adjustments for the 30/6/08 reporting year end and prior periods)		(1,142,617)	-
- Adjustments to Closing Equity - 30/6/09 (relating to adjustments for the 30/6/09 year end)		-	-
Total Prior Period Adjustments - Accounting Policy Changes		(1,142,617)	-

Note 21. Financial Result & Financial Position by Fund

Council funds it's operations & activities from General Fund only.

Ku-ring-gai Council

Notes to the Financial Statements
for the financial year ended 30 June 2010

Note 22. "Held for Sale" Non Current Assets & Disposal Groups

\$ '000	2010		2009	
	Current	Non Current	Current	Non Current
(i) Non Current Assets & Disposal Group Assets				
Non Current Assets "Held for Sale"				
Land	-	-	3,928	-
Buildings	-	-	1,899	-
<u>TOTAL NON CURRENT ASSETS CLASSIFIED AS "HELD FOR SALE"</u>	<u>-</u>	<u>-</u>	<u>5,827</u>	<u>-</u>

\$ '000	Assets "Held for Sale"		Disposal Groups	
	2010	2009	2010	2009
(iv) Reconciliation of Non Current Assets "Held for Sale" & Disposal Groups - i.e. Discontinued Operations				
Opening Balance	5,827	3,187	-	-
less: Carrying Value of Assets/Operations Sold	<u>(5,827)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance still unsold after 12 months:	<u>-</u>	<u>3,187</u>	<u>-</u>	<u>-</u>
plus New Transfers in:				
Assets "Held for Sale"	<u>-</u>	<u>2,640</u>	<u>-</u>	<u>-</u>
Closing Balance of "Held for Sale" Non Current Assets & Operations	<u>-</u>	<u>5,827</u>	<u>-</u>	<u>-</u>

Ku-ring-gai Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 23. Events occurring after Balance Sheet Date

\$ '000

Events that occur after the reporting date of 30 June 2010, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 15/09/10.

Events that occur after the Reporting Date represent one of two types:

(i) Events that have provided evidence of conditions that existed at the Reporting Date

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2010.

(ii) Events that have provided evidence of conditions that arose after the Reporting Date

These financial statements (and figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2010 and which are only indicative of conditions that arose after 30 June 2010.

Council is unaware of any material or significant "non adjusting events" that should be disclosed.

Note 24. Discontinued Operations

Council has not classified any of its Operations as "Discontinued".

Note 25. Intangible Assets

Intangible Assets represent identifiable non-monetary asset without physical substance.

Council is unaware of any control over Intangible Assets that warrant recognition in the Financial Statements, including either internally generated and developed assets or purchased assets.

Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

Council has no outstanding obligations to make, restore, rehabilitate or reinstate any of its assets/operations.

KU-RING-GAI COUNCIL
GENERAL PURPOSE FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying *general purpose financial statements* of **Ku-ring-gai Council**, which comprises the Balance Sheet as at 30 June 2010, Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management. The financial statements include the consolidated financial statements of the economic entity and the entities it controlled at year end or from time to time during the year.

Responsibility of Council for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1993. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. Our audit responsibility does not extend to the original budget information disclosed in the Income Statement, Statement of Cash Flows, and Note 2(a) or the budget variation explanations disclosed in Note 16. Nor does our responsibility extend to the additional commentary in Note 13 or the projected future developer contributions and costs disclosed in Note 17. Accordingly, no opinion is expressed on these matters.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting

Assurance Partners

T. +61 2 9232 5111
F. +61 2 9233 7950

Level 5, 1 Chifley Square
Sydney NSW 2000 Australia

GPO Box 7066
Sydney NSW 2001

www.hr-ss.com.au
info@hr-ss.com.au

Practising as Hill Rogers Spencer
Steer Assurance Partners

ABN 56 435 338 966

Hill Rogers
Spencer Steer

policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion,

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13 part 3 Division 2; and
- (b) the financial statements:
 - (i) have been presented in accordance with the requirements of this Division;
 - (ii) are consistent with the Council's accounting records;
 - (iii) present fairly the Council's financial position, the results of its operations and its cash flows; and
 - (iv) are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia.
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that have we have become aware of during the course of the audit.

Emphasis of Matter

Without qualification to the opinion expressed above, we draw attention to following matter.

Since July 2007, global financial markets have experienced a period of high volatility led by events in the US housing market, particularly sub-prime loans, which has impacted the value, recoverability, liquidity, cash flows and rates of return of most financial assets including Collateralised Debt Obligations (CDOs) and some Managed Funds.

At 30 June 2010, Council's investment portfolio totalled \$106.366 million and included securities that have been impacted by this market volatility. The impact on individual securities varies depending on their degree of exposure to affected markets. Some of these securities do not have market values that are independently quoted and they are not widely traded. Independent market valuations are not readily available and in many cases, values have been assessed based on estimates from issuers and/or other available market information. Based on available information, Council has restated the carrying amount of some of these investments as at 30 June 2010, resulting in a write down of \$2.961 million. The limited availability of reliable market values and the ongoing volatility of financial markets introduce

Hill Rogers
Spencer Steer

uncertainty to the valuation process. Accordingly, further changes to the carrying values, recoverability, liquidity, cash flows and rates of return may arise as investments are disposed of and/or new information comes to hand.

As a consequence of the above, and the continuing instability of the current investment environment, there is some uncertainty regarding the value, recoverability, liquidity, cash flow and rates of return, the resolution of which is dependent upon future events and which may materially affect the financial statements.

HILL ROGERS SPENCER STEER



BRETT HANGER
Partner

Dated at Sydney this 15th day of September 2010

15 September 2010

The Mayor
Ku-ring-gai Council
818 Pacific Highway
GORDON NSW 2072

Mayor,

Audit Report - Year Ended 30 June 2010

We are pleased to advise completion of the audit of Council's books and records for the year ended 30 June 2010 and that all information required by us was readily available. We have signed our reports as required under Section 417(1) of the Local Government Act, 1993 and the Local Government Code of Accounting Practice and Financial Reporting to the General and Special Purpose Financial Statements.

Our audit has been conducted in accordance with Australian Auditing Standards so as to express an opinion on both the General and Special Purpose Financial Statements of the Council. We have ensured that the accounts have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) and the Local Government Code of Accounting Practice and Financial Reporting.

This report on the conduct of the audit is also issued under Section 417(1) and we now offer the following comments on the financial statements and the audit;

1. RESULTS FOR THE YEAR

1.1 *Operating Result*

The operating result for the year was a Surplus of \$35.897 million as compared with \$17.304 million in the previous year.

Assurance Partners

T. +61 2 9232 5111
F. +61 2 9233 7950

Level 5, 1 Chifley Square
Sydney NSW 2000 Australia

GPO Box 7066
Sydney NSW 2001

www.hr-ss.com.au
info@hr-ss.com.au

Practising as Hill Rogers Spencer
Steer Assurance Partners

ABN 56 435 338 966

The following table sets out the results for the year and the extent (%) that each category of revenue and expenses contributed to the total.

	2010 \$000	% of Total	2009 \$000	% of Total	Increase (Decrease) \$000
Revenues before capital items					
Rates & annual charges	59,614	60%	54,948	67%	4,666
User charges, fees & other revenues	31,696	32%	17,738	22%	13,958
Grants & contributions provided for operating purposes	5,048	5%	6,593	8%	(1,545)
Interest & investment revenue	3,168	3%	2,790	3%	378
	99,526	100%	82,069	100%	17,457
Expenses					
Employee benefits & costs	33,763	43%	30,892	40%	2,871
Materials, contracts & other expenses	37,233	47%	37,886	49%	(653)
Depreciation, amortisation & impairment	7,824	10%	7,430	10%	394
Borrowing costs	507	1%	576	1%	(69)
	79,327	100%	76,784	100%	2,543
Surplus(Deficit) before capital items	20,199		5,285		14,914
Grants & contributions provided for capital purposes	15,698		12,019		3,679
Net Surplus(Deficit) for the year	35,897		17,304		18,593

The table above shows an overall increase over the previous year of \$18.593 million and can largely be attributed to the profit on the sale of the depot site (\$11.673 million), increased Section 94 capital contributions (\$4.344 million) and increased rates and annual charges (\$4.666 million).

As referred to above, levies of rates, domestic waste management charges and stormwater management charges increased by \$4.666 million and accounted for 60% of Council's operating revenue before capital receipts.

Interest and revenue on investments amounted to \$3.168 million after allowing for unrealised losses of \$1.507 million and impairment write downs (2009 - \$2.790 million after unrealised losses of \$3.595 million).

1.2 Funding Result

The operating result does not take into account all revenues and all expenditures and in reviewing the overall financial performance of Council it is useful to take into account the total source of revenues and where they were spent during the year which is illustrated in the table below.

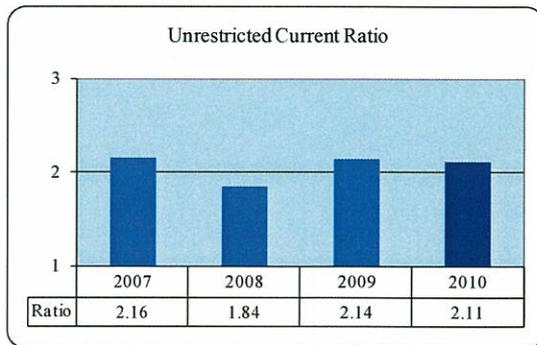
	2010	2009
<i>Funds were provided by:-</i>	\$000	\$000
Operating Result (as above)	35,897	17,304
Add back non funding items:-		
- Depreciation, amortisation & impairment	7,824	7,430
- Book value of non current assets sold	660	753
	<u>44,381</u>	<u>25,487</u>
New loan borrowings	0	1,000
Transfers from externally restricted assets (net)	7,114	0
Transfers from internal reserves (net)	566	0
Net Changes in current/non current assets & liabilities	577	2,758
	<u>52,638</u>	<u>29,245</u>
<i>Funds were applied to:-</i>		
Purchase and construction of assets	(21,395)	(16,527)
Increase/Purchase in Non Current Investments	(27,852)	(7,489)
Principal repaid on loans	(1,813)	(1,880)
Transfers to externally restricted assets (net)	0	(1,814)
Transfers to internal reserves (net)	0	(387)
	<u>(51,060)</u>	<u>(28,097)</u>
Increase(Decrease) in Available Working Capital	1,578	1,148

2. FINANCIAL POSITION

2.1 Unrestricted Current Ratio

The Unrestricted Current Ratio is a financial indicator specific to local government and represents Council's ability to meet its debts and obligations as they fall due.

After eliminating externally restricted assets and current liabilities not expected to be paid within the next 12 months net current assets amounted to \$16.808 million representing a factor of 2.11 to 1.



2.2 Available Working Capital – (Working Funds)

A more meaningful financial indicator specific to local government is the level of **Available Working Capital**. Net Current Assets are adjusted by eliminating both external and internal reserves held for future purposes. At the close of the year the Available Working Capital of Council stood at \$2.885 million as detailed below;

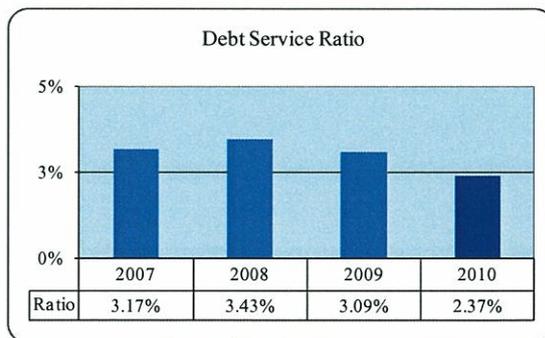
	2010	2009	Change
	\$000	\$000	\$000
Net Current Assets (Working Capital) as per Accounts	22,796	29,266	(6,470)
<i>Add:</i> Payables & provisions not expected to be realised in the next 12 months included above	8,555	7,145	1,410
Adjusted Net Current Assets	31,351	36,411	(5,060)
<i>Add:</i> Budgeted & expected to pay in the next 12 months			
- Borrowings	1,651	1,813	(162)
- Employees leave entitlements	2,831	3,511	(680)
- Deposits & retention moneys	500	700	(200)
<i>Less:</i> Externally restricted assets	(14,543)	(21,657)	7,114
<i>Less:</i> Internally restricted assets	(18,905)	(19,471)	566
Available Working Capital as at 30 June	2,885	1,307	1,578

The balance of Available Working Capital should be at a level to manage Council's day to day operations including the financing of hard core debtors, stores and to provide a buffer against unforeseen and unbudgeted expenditures. Internally restricted assets (Reserves) include reserves for a number of contingencies and assets expected to be realised in the ensuing year. When taking into consideration the nature and amount of those Reserves the Available Working Capital as at 30 June 2010 was, in our opinion, adequate.

2.3 Debt

Operating revenue (excluding special purpose grants and contributions) required to service (loan repayments) debt was 2.37%.

After repaying principal and interest of \$2.320 million, total debt as at 30 June 2010 stood at \$6.895 million (2009 - \$8.708 million).



2.4 Summary

Subject to the possibility of further investment write downs (as discussed below) Council's overall financial position, when taking into account the above financial indicators was, in our opinion, satisfactory.

3. CASH ASSETS

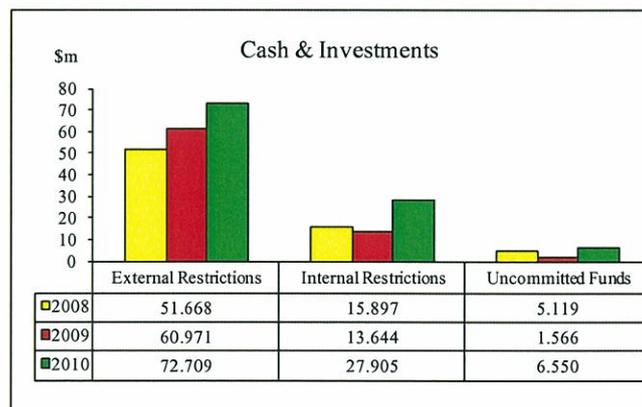
3.1 Cash & Investments

Cash and investments securities amounted \$107.164 million at the close of the year as compared with \$76.181 million in 2009 and \$72.684 million in 2008.

At Fair Value investments amounted to \$16.700 million (2009 - \$15.253 million) after write downs during the year of \$1.507 million (2009 - \$3.595 million) which were recognised through the Income Statement.

Held to maturity investments and securities (including CDO's - Collateralised Debt Obligations of \$5.546 million) totalling \$89.666 million (2009 - \$59.814 million) have been disclosed in the accounts at face value less impairment write downs. The fair value of these securities amounted to \$86.319 million based on information provided by brokers as disclosed in Note 15. The unrealised losses of these investments of \$3.347 million have not been recognised in the accounts.

The table alongside summarises the purposes for which cash and investments were held.



Externally restricted cash and investments are restricted in their use by externally imposed requirements and consisted of unexpended development contributions under Section 94 (\$67.496 million), domestic waste management charges (\$2.174 million), special levies (\$1.671 million) and specific purpose grants (\$1.368 million).

Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect forward plans, identified programs of works, and are, in fact, Council's "**Reserves**". These Reserves totalled \$27.905 million and their purposes are more fully disclosed in Note 6 of the financial statements.

Unrestricted cash and investments amounted to \$6.550 million.

3.2 Cash Flows

The Statement of Cash Flows illustrates the flow of cash (highly liquid cash and investments) moving in and out of Council during the year and reveals that cash decreased by \$316,000 million to \$798,000 at the close of the year.

In addition to operating activities which contributed net cash of \$38.842 million were the proceeds from the redemption of investments securities (\$6.974 million) and the sale of assets (\$18.351 million). Cash outflows other than operating activities were used to repay loans (\$1.813 million), purchase investment securities (\$41.234 million) and to purchase and construct assets (\$21.436 million).

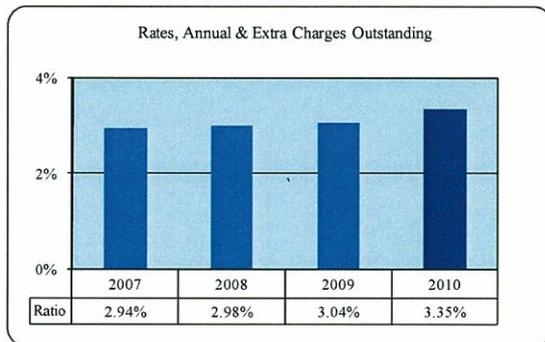
4. RECEIVABLES

4.1 Rates & Annual Charges

Net rates and annual charges levied during the year totalled \$59.614 million and represented 51.74% of Council's total revenues. Including arrears, the total rates and annual charges collectible was \$61.170 million of which \$59.273 million (96.90%) was collected.

4.2 Rates, Annual & Extra Charges

Arrears of rates, annual & extra charges stood at \$2.067 million at the end of the year & represented 3.35% of those receivables.



4.3 Other Receivables

Receivables (other than rates & annual charges) totalled \$4.110 million and mainly consisted of user charges and fees (\$1.292 million), accrued interest on investments (\$1.137 million) and amounts due from government departments (\$1.333 million). Those considered to be uncertain of collection have been provided for as doubtful debts and this provision amounted to \$256,000.

Hill Rogers
Spencer Steer

5. PAYABLES

5.1 *Employees Leave Entitlements*

Council's provision for its liability toward employees leave entitlements and associated on costs amounted to \$9.148 million. A cash reserve of \$1.921 million was held at year end representing 21% of this liability and was, in our opinion, sufficient to enable Council to meet unbudgeted and unanticipated terminations.

5.2 *Deposits, Retentions & Bonds*

Deposits, Retentions and Bonds held at year end amounted to \$2.998 million. A cash reserve of \$944,000 was held at year end representing 31.49% of this liability.

6. REVALUATION OF ASSETS

The valuation at 'fair value' of Council's infrastructure, property, plant and equipment is being introduced in a staged approach. In previous years several asset categories, including operational land and buildings, water and sewerage assets, plant and equipment have been valued.

This year saw the revaluation of roads, bridges, footpaths and drainage. The revaluation process resulted in a net increase to the asset revaluation reserve of \$146.966 million and was credited directly to Equity. Notes 1(j) & 9 of the financial statements provide further details.

Fair valuation of the remaining asset categories, including community land and other structures, will be required in the 2010/11 financial year.

7. CONCLUSION

We wish to record our appreciation to your General Manager and his staff for their ready co-operation and the courtesies extended to us during the conduct of the audit.

Yours faithfully,

HILL ROGERS SPENCER STEER



BRET HANGER

Partner

Ku-ring-gai Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2010

"...a creative, vibrant place where citizens respect each other and conserve the magnificent environment and society for our children and our grandchildren"



Ku-ring-gai Council

Special Purpose Financial Statements

for the financial year ended 30 June 2010

Contents	Page
1. Statement by Councillors & Management	2
2. Special Purpose Financial Statements:	
- Income Statement of Water Supply Business Activity	n/a
- Income Statement of Sewerage Business Activity	n/a
- Income Statement of Other Business Activities	3
- Balance Sheet of Water Supply Business Activity	n/a
- Balance Sheet of Sewerage Business Activity	n/a
- Balance Sheet of Other Business Activities	8
3. Notes to the Special Purpose Financial Statements	13
4. Auditor's Report	16

Background

(i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.

(ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

(iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and **(b)** those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

(iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).

Ku-ring-gai Council

Special Purpose Financial Statements

for the financial year ended 30 June 2010

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

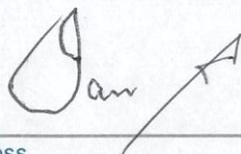
- The NSW Government Policy Statement "Application of National Competition Policy to Local Government"
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality"
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

To the best of our knowledge and belief, these Financial Statements:

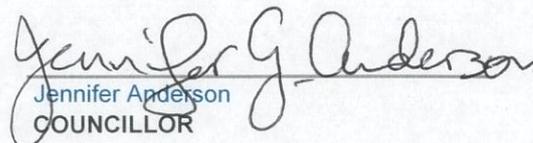
- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

We are not aware of any matter that would render these Statements false or misleading in any way.

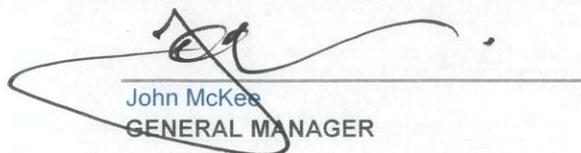
Signed in accordance with a resolution of Council made on 14 September 2010.



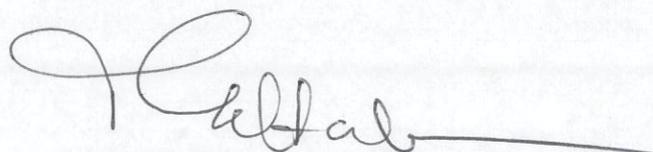
Ian Cross
MAYOR



Jennifer Anderson
COUNCILLOR



John McKee
GENERAL MANAGER



Tino Caltabiano
RESPONSIBLE ACCOUNTING OFFICER

Ku-ring-gai Council

Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2010

\$ '000	Thomas Carlyle Children's Centre		Art Centre	
	Actual 2010	Actual 2009	Actual 2010	Actual 2009
Income from continuing operations				
Access charges	-	-	-	-
User charges	808	793	496	499
Fees	-	-	-	-
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	110	80	-	-
Profit from the sale of assets	-	-	-	-
Other income	-	-	12	8
Total income from continuing operations	918	873	508	507
Expenses from continuing operations				
Employee benefits and on-costs	770	693	533	502
Borrowing costs	-	-	-	-
Materials and contracts	70	75	50	50
Depreciation and impairment	25	25	43	44
Loss on sale of assets	-	-	-	-
Calculated taxation equivalents	-	-	-	-
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	86	60	62	88
Total expenses from continuing operations	951	853	688	684
Surplus (deficit) from Continuing Operations before capital amounts	(33)	20	(180)	(177)
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(33)	20	(180)	(177)
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	(33)	20	(180)	(177)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	(6)	-	-
SURPLUS (DEFICIT) AFTER TAX	(33)	14	(180)	(177)
plus Opening Retained Profits	751	785	1,664	1,678
plus/less: Prior Period Adjustments	-	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	-	-	-	-
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	-	6	-	-
add:				
- Subsidy Paid/Contribution To Operations	-	-	179	163
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	(46)	(54)	-	-
Closing Retained Profits	672	751	1,663	1,664
Return on Capital %	-4.4%	2.4%	-10.6%	-10.4%
Subsidy from Council	71	27	266	271

Ku-ring-gai Council

Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2010

\$ '000	Trade Waste		Gordon Golf Club	
	Actual 2010	Actual 2009	Actual 2010	Actual 2009
Income from continuing operations				
Access charges	-	-	-	-
User charges	1,699	1,616	718	763
Fees	-	-	-	-
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	-	-	-	-
Profit from the sale of assets	-	-	-	-
Other income	81	82	-	-
Total income from continuing operations	1,780	1,698	718	763
Expenses from continuing operations				
Employee benefits and on-costs	51	48	301	321
Borrowing costs	-	-	-	-
Materials and contracts	1,298	1,249	180	162
Depreciation and impairment	-	-	5	3
Loss on sale of assets	-	-	-	-
Calculated taxation equivalents	-	-	-	-
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	1	7	228	172
Total expenses from continuing operations	1,350	1,304	714	658
Surplus (deficit) from Continuing Operations before capital amounts	430	394	4	105
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from Continuing Operations after capital amounts	430	394	4	105
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	430	394	4	105
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(129)	(118)	(1)	(32)
SURPLUS (DEFICIT) AFTER TAX	301	276	3	74
plus Opening Retained Profits	(28)	(25)	2,187	2,213
plus/less: Prior Period Adjustments	-	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	-	-	-	-
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	129	118	1	32
add:				
- Subsidy Paid/Contribution To Operations	-	-	24	262
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	(533)	(397)	-	(393)
Closing Retained Profits	(131)	(28)	2,215	2,187
Return on Capital %	n/a	n/a	0.2%	4.7%
Subsidy from Council	-	-	110	20

Ku-ring-gai Council

Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2010

\$ '000	Turramurra Golf Course		Tennis Courts	
	Actual 2010	Actual 2009	Actual 2010	Actual 2009
Income from continuing operations				
Access charges	-	-	-	-
User charges	836	765	279	256
Fees	-	-	-	-
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	-	-	-	-
Profit from the sale of assets	-	-	-	-
Other income	-	-	8	4
Total income from continuing operations	836	765	287	260
Expenses from continuing operations				
Employee benefits and on-costs	281	201	-	-
Borrowing costs	-	-	-	-
Materials and contracts	154	206	52	51
Depreciation and impairment	14	14	44	41
Loss on sale of assets	-	-	-	-
Calculated taxation equivalents	-	-	-	-
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	212	220	36	56
Total expenses from continuing operations	661	641	132	148
Surplus (deficit) from Continuing Operations before capital amounts	175	124	155	112
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from Continuing Operations after capital amounts	175	124	155	112
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	175	124	155	112
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(53)	(37)	(47)	(34)
SURPLUS (DEFICIT) AFTER TAX	123	87	109	78
plus Opening Retained Profits	4,422	4,386	3,588	3,697
plus/less: Prior Period Adjustments	-	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	-	-	-	-
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	53	37	47	34
add:				
- Subsidy Paid/Contribution To Operations	-	-	-	-
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	(224)	(88)	(262)	(221)
Closing Retained Profits	4,373	4,422	3,481	3,588
Return on Capital %	4.0%	2.8%	4.5%	3.1%
Subsidy from Council	51	-	23	-

Ku-ring-gai Council

Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2010

\$ '000	Swimming Pool		Nursery	
	Actual 2010	Actual 2009	Actual 2010	Actual 2009
Income from continuing operations				
Access charges	-	-	-	-
User charges	-	-	96	115
Fees	-	-	-	-
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	-	-	-	-
Profit from the sale of assets	-	-	-	-
Other income	-	-	32	37
Total income from continuing operations	-	-	128	152
Expenses from continuing operations				
Employee benefits and on-costs	-	-	173	167
Borrowing costs	-	-	-	-
Materials and contracts	8	4	36	34
Depreciation and impairment	85	35	9	9
Loss on sale of assets	-	-	-	-
Calculated taxation equivalents	-	-	-	-
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	23	21	46	-
Total expenses from continuing operations	116	60	264	210
Surplus (deficit) from Continuing Operations before capital amounts	(116)	(60)	(136)	(58)
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(116)	(60)	(136)	(58)
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	(116)	(60)	(136)	(58)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	-	-
SURPLUS (DEFICIT) AFTER TAX	(116)	(60)	(136)	(58)
plus Opening Retained Profits	1,044	1,093	77	116
plus/less: Prior Period Adjustments	-	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	-	-	-	-
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	-	-	-	-
add:				
- Subsidy Paid/Contribution To Operations	66	11	152	19
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	-	-	-	-
Closing Retained Profits	994	1,044	93	77
Return on Capital %	-11.7%	-5.7%	-116.2%	-46.8%
Subsidy from Council	116	60	136	58

Ku-ring-gai Council

Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2010

\$ '000	Commercial Leasing	
	Actual 2010	Actual 2009
Income from continuing operations		
Access charges	-	-
User charges	990	1,073
Fees	-	-
Interest	-	-
Grants and contributions provided for non capital purposes	-	-
Profit from the sale of assets	-	-
Other income	182	31
Total income from continuing operations	1,172	1,104
Expenses from continuing operations		
Employee benefits and on-costs	358	295
Borrowing costs	-	-
Materials and contracts	20	39
Depreciation and impairment	329	324
Loss on sale of assets	-	-
Calculated taxation equivalents	-	-
Debt guarantee fee (if applicable)	-	-
Other expenses	507	478
Total expenses from continuing operations	1,214	1,136
Surplus (deficit) from Continuing Operations before capital amounts	(42)	(32)
Grants and contributions provided for capital purposes	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(42)	(32)
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	(42)	(32)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-
SURPLUS (DEFICIT) AFTER TAX	(42)	(32)
plus Opening Retained Profits	1,221	1,315
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	-
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	-
add:		
- Subsidy Paid/Contribution To Operations	-	-
less:		
- TER dividend paid	-	-
- Dividend paid	(4)	(62)
Closing Retained Profits	1,175	1,221
Return on Capital %	-3.4%	-2.5%
Subsidy from Council	42	32

Ku-ring-gai Council

Balance Sheet of Council's Other Business Activities

as at 30 June 2010

\$ '000	Thomas Carlyle Children's Centre Category 2		Art Centre Category 2	
	Actual 2010	Actual 2009	Actual 2010	Actual 2009
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	-	-	-	-
Non-Current Assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	747	841	1,692	1,695
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
Total Non-Current Assets	747	841	1,692	1,695
TOTAL ASSETS	747	841	1,692	1,695
LIABILITIES				
Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	75	90	29	31
Total Current Liabilities	75	90	29	31
Non-Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
TOTAL LIABILITIES	75	90	29	31
NET ASSETS	672	751	1,663	1,664
EQUITY				
Retained earnings	672	751	1,663	1,664
Revaluation reserves	-	-	-	-
Council equity interest	672	751	1,663	1,664
Minority equity interest	-	-	-	-
TOTAL EQUITY	672	751	1,663	1,664

Ku-ring-gai Council

Balance Sheet of Council's Other Business Activities

as at 30 June 2010

\$ '000	Trade Waste		Gordon Golf Club	
	Category 2		Category 2	
	Actual 2010	Actual 2009	Actual 2010	Actual 2009
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	-	-	-	-
Non-Current Assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	-	-	2,243	2,250
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
Total Non-Current Assets	-	-	2,243	2,250
TOTAL ASSETS	-	-	2,243	2,250
LIABILITIES				
Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	131	28	28	63
Total Current Liabilities	131	28	28	63
Non-Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
TOTAL LIABILITIES	131	28	28	63
NET ASSETS	(131)	(28)	2,215	2,187
EQUITY				
Retained earnings	(131)	(28)	2,215	2,187
Revaluation reserves	-	-	-	-
Council equity interest	(131)	(28)	2,215	2,187
Minority equity interest	-	-	-	-
TOTAL EQUITY	(131)	(28)	2,215	2,187

Ku-ring-gai Council

Balance Sheet of Council's Other Business Activities

as at 30 June 2010

\$ '000	Turramurra Golf Course		Tennis Courts	
	Category 2		Category 2	
	Actual 2010	Actual 2009	Actual 2010	Actual 2009
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	-	-	-	-
Non-Current Assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	4,426	4,436	3,481	3,588
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
Total Non-Current Assets	4,426	4,436	3,481	3,588
TOTAL ASSETS	4,426	4,436	3,481	3,588
LIABILITIES				
Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	53	14	-	-
Total Current Liabilities	53	14	-	-
Non-Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
TOTAL LIABILITIES	53	14	-	-
NET ASSETS	4,373	4,422	3,481	3,588
EQUITY				
Retained earnings	4,373	4,422	3,481	3,588
Revaluation reserves	-	-	-	-
Council equity interest	4,373	4,422	3,481	3,588
Minority equity interest	-	-	-	-
TOTAL EQUITY	4,373	4,422	3,481	3,588

Ku-ring-gai Council

Balance Sheet of Council's Other Business Activities

as at 30 June 2010

\$ '000	Swimming Pool		Nursery	
	Category 2		Category 2	
	Actual 2010	Actual 2009	Actual 2010	Actual 2009
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	-	-	-	-
Non-Current Assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	994	1,044	117	124
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
Total Non-Current Assets	994	1,044	117	124
TOTAL ASSETS	994	1,044	117	124
LIABILITIES				
Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	24	47
Total Current Liabilities	-	-	24	47
Non-Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
TOTAL LIABILITIES	-	-	24	47
NET ASSETS	994	1,044	93	77
EQUITY				
Retained earnings	994	1,044	93	77
Revaluation reserves	-	-	-	-
Council equity interest	994	1,044	93	77
Minority equity interest	-	-	-	-
TOTAL EQUITY	994	1,044	93	77

Ku-ring-gai Council

Balance Sheet of Council's Other Business Activities

as at 30 June 2010

\$ '000	Commercial Leasing	
	Category 2	
	Actual 2010	Actual 2009
ASSETS		
Current Assets		
Cash and cash equivalents	-	-
Investments	-	-
Receivables	-	-
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	-	-
Non-Current Assets		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	1,248	1,289
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total Non-Current Assets	1,248	1,289
TOTAL ASSETS	1,248	1,289
LIABILITIES		
Current Liabilities		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	73	68
Total Current Liabilities	73	68
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
Other Liabilities	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	73	68
NET ASSETS	1,175	1,221
EQUITY		
Retained earnings	1,175	1,221
Revaluation reserves	-	-
Council equity interest	1,175	1,221
Minority equity interest	-	-
TOTAL EQUITY	1,175	1,221

Ku-ring-gai Council

Special Purpose Financial Statements

for the financial year ended 30 June 2010

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	14
2	Water Supply Business Best Practice Management disclosure requirements	n/a
3	Sewerage Business Best Practice Management disclosure requirements	n/a

Ku-ring-gai Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2010

Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Division of Local Government.

For the purposes of these statements, the Council's business activities (reported herein) are not reporting entities.

These special purpose financial statements, unless otherwise stated, have been prepared in accordance with;

- applicable Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board,
- Australian Accounting Interpretations,
- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis. They are based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & Costing for Council Businesses A Guide to Competitive Neutrality" issued by the Division of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These

disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Nil

Category 2

(where gross operating turnover is less than \$2 million)

a. Thomas Carlyle Children's Centre

Comprising the whole of the operations and assets of Thomas Carlyle Children's Centre.

b. Art Centre

Comprising the whole of the operations and assets of the Art Centre.

c. Trade Waste

Comprising the whole of the operations and assets of Trade Waste.

d. Gordon Golf Course

Comprising the whole of the operations and assets of the Gordon Golf Course.

e. Turramurra Golf Course

Comprising the whole of the operations and assets of Turramurra Golf Course.

f. Tennis Courts

Comprising the whole of the operations and assets of Council's Tennis Courts.

g. Swimming Pool

Comprising the whole of the operations and assets of Council's Swimming Pool.

h. Plant Nursery

Comprising the whole of the operations and assets of Council's Plant Nursery.

Ku-ring-gai Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2010

Note 1. Significant Accounting Policies (continued)

i. Commercial Leasing

Comprising the whole of the operations and assets of Commercial Leasing.

there is no need for disclosure of internal charges in Council's GPFS.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars.

Loan & Debt Guarantee Fees

There are no loans applicable to the business activities in the operating statement.

(i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations.

Income Tax

An income tax equivalent has been applied on the profits of the business.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved.

Since this taxation equivalent is notional - that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly,

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of Business Activities.

(iii) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses or to any external entities.

KU-RING-GAI COUNCIL
SPECIAL PURPOSE FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying *special purpose financial statements* of *Ku-ring-gai Council*, which comprises the Balance Sheet as at 30 June 2010, Income Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management.

Responsibility of Council for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance the Local Government Act 1993 and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the financial reporting requirements of the Division of Local Government. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

The financial statements have been prepared for distribution to the Council and the Division of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the

Assurance Partners

T. +61 2 9232 5111
F. +61 2 9233 7950

Level 5, 1 Chifley Square
Sydney NSW 2000 Australia

GPO Box 7066
Sydney NSW 2001

www.hr-ss.com.au
info@hr-ss.com.au

Practising as Hill Rogers Spencer
Steer Assurance Partners

ABN 56 435 338 966

Division of Local Government, or for any purpose other than that for which they were prepared.

Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the special purpose financial statements of the Council are presented fairly in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting.

HILL ROGERS SPENCER STEER



BRETT HANGER
Partner

Dated at Sydney this 15th day of September 2010

Ku-ring-gai Council

SPECIAL SCHEDULES

for the year ended 30 June 2010

"...a creative, vibrant place where citizens respect each other and conserve the magnificent environment and society for our children and our grandchildren"



Ku-ring-gai Council

Special Schedules

for the financial year ended 30 June 2010

Contents

Page

Special Schedules¹

- Special Schedule No. 1	Net Cost of Services	2
- Special Schedule No. 2(a)	Statement of Long Term Debt (all purposes)	4
- Special Schedule No. 7	Condition of Public Works	5
- Special Schedule No. 8	Financial Projections	7

¹ Special Purpose Schedules are not audited.

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water,
 - the Department of Environment, Climate Change and Water, and
 - the Division of Local Government (DLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Ku-ring-gai Council

Special Schedule No. 1 - Net Cost of Services
for the financial year ended 30 June 2010

\$'000

Function or Activity	Expenses from continuing operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Administration	20,299	24,933	216	4,850
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	2,812	362	-	(2,450)
Beach Control	-	-	-	-
Enforcement of Local Govt Regs	1,159	175	-	(984)
Animal Control	191	85	-	(106)
Other	-	-	-	-
Total Public Order & Safety	4,162	622	-	(3,540)
Health	435	101	-	(334)
Environment				
Noxious Plants and Insect/Vermin Control	10	7	-	(3)
Other Environmental Protection	1,350	1,699	-	349
Solid Waste Management	10,908	12,297	70	1,459
Street Cleaning	1,044	-	-	(1,044)
Drainage	1,546	12	214	(1,320)
Stormwater Management	2,225	143	-	(2,082)
Total Environment	17,083	14,158	284	(2,641)
Community Services and Education				
Administration & Education	2,330	2,896	170	736
Social Protection (Welfare)	-	-	-	-
Aged Persons and Disabled	563	506	29	(28)
Childrens Services	2,243	1,893	50	(300)
Total Community Services & Education	5,136	5,295	249	408
Housing and Community Amenities				
Public Cemeteries	-	-	-	-
Public Conveniences	52	-	-	(52)
Street Lighting	1,524	261	-	(1,263)
Town Planning	1,862	289	-	(1,573)
Other Community Amenities	135	182	-	47
Total Housing and Community Amenities	3,573	732	-	(2,841)

Ku-ring-gai Council

Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2010

\$'000

Function or Activity	Expenses from continuing operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Recreation and Culture				
Public Libraries	3,929	337	137	(3,455)
Museums	-	-	-	-
Art Galleries	667	516	1	(150)
Community Centres and Halls	1,218	608	-	(610)
Other Cultural Services	447	93	328	(26)
Sporting Grounds and Venues	2,752	721	29	(2,002)
Swimming Pools	112	2	112	2
Parks & Gardens (Lakes)	5,262	1,624	12,525	8,887
Other Sport and Recreation	335	151	857	673
Total Recreation and Culture	14,722	4,052	13,989	3,319
Fuel & Energy	-	-	-	-
Agriculture	-	-	-	-
Mining, Manufacturing and Construction				
Building Control	5,437	2,066	-	(3,371)
Other Mining, Manufacturing & Construction	-	-	-	-
Total Mining, Manufacturing and Const.	5,437	2,066	-	(3,371)
Transport and Communication				
Urban Roads (UR) - Local	6,900	3,106	470	(3,324)
Parking Areas	632	1,726	-	1,094
Footpaths	890	44	182	(664)
Other Transport & Communication	1	-	308	307
Total Transport and Communication	8,423	4,876	960	(2,587)
Economic Affairs				
Other Economic Affairs	57	-	-	(57)
Total Economic Affairs	57	-	-	(57)
Totals – Functions	79,327	56,835	15,698	(6,794)
General Purpose Revenues⁽¹⁾		42,691	-	42,691
Share of interests - joint ventures & associates using the equity method	-	-	-	-
NET OPERATING RESULT FOR YEAR	79,327	99,526	15,698	35,897

(1) Includes: Rates & Annual Charges (incl. Ex Gratia), Untied General Purpose Grants & Interest on Investments (excl. Restricted Assets)

Ku-ring-gai Council

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose) for the financial year ended 30 June 2010

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
Loans (by Source)											
Commonwealth Government	-	-	-							-	-
Treasury Corporation	-	-	-							-	-
Other State Government	-	-	-							-	-
Public Subscription	-	-	-							-	-
Financial Institutions	1,813	6,895	8,708	-	1,813	-	-	507	1,651	5,244	6,895
Other	-	-	-							-	-
Total Loans	1,813	6,895	8,708	-	1,813	-	-	507	1,651	5,244	6,895
Other Long Term Debt											
Ratepayers Advances	-	-	-							-	-
Government Advances	-	-	-							-	-
Finance Leases	-	-	-							-	-
Deferred Payments	-	-	-							-	-
Total Long Term Debt	-	-	-	-	-	-	-	-	-	-	-
Total Debt	1,813	6,895	8,708	-	1,813	-	-	507	1,651	5,244	6,895

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the Face Value of debt obligations, rather than Fair Value (as per the GPFS's).

Ku-ring-gai Council

Special Schedule No. 8 - Financial Projections

as at 30 June 2010

\$'000	Actual ⁽¹⁾ 09/10	Forecast 10/11	Forecast 11/12	Forecast ⁽³⁾ 12/13	Forecast ⁽³⁾ 13/14
(i) RECURRENT BUDGET					
Income from continuing operations	115,224	90,003	93,257	96,734	100,425
Expenses from continuing operations	79,327	79,225	82,725	85,981	88,295
Operating Result from Continuing Operations	<u>35,897</u>	<u>10,778</u>	<u>10,532</u>	<u>10,753</u>	<u>12,130</u>
(ii) CAPITAL BUDGET					
New Capital Works ⁽²⁾	10,769	30,565	24,882	16,877	17,266
Replacement/Refurbishment of Existing Assets	10,473	12,820	10,436	7,079	7,242
Total Capital Budget	<u>21,242</u>	<u>43,385</u>	<u>35,318</u>	<u>23,956</u>	<u>24,508</u>
Funded by:					
– Loans	-	4,768	8,178	569	-
– Asset sales	-	-	-	-	-
– Reserves	16,798	15,417	4,063	5,608	69
– Grants/Contributions	2,729	2,093	793	500	1,162
– Recurrent revenue	1,715	21,107	22,284	17,279	23,277
	<u>21,242</u>	<u>43,385</u>	<u>35,318</u>	<u>23,956</u>	<u>24,508</u>

Notes:

(1) From 09/10 Income Statement.

(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.

(3) If Council has only adopted 3 years of projections then only show 3 years.

POLICY FOR THE PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO COUNCILLORS

EXECUTIVE SUMMARY

PURPOSE OF REPORT:	To recommend the adoption of a revised Policy for the Payment of Expenses and Provision of Facilities to Councillors.
BACKGROUND:	On 10 August 2010 Council resolved that the revised Policy for the Payment of Expenses and Provision of Facilities to Councillors be endorsed for placing on public exhibition.
COMMENTS:	The revised Policy was exhibited in the period 27 August 2010 to 24 September 2010.
RECOMMENDATION:	That the revised Policy for the Payment of Expenses and Provision of Facilities to Councillors be adopted.

PURPOSE OF REPORT

To recommend the adoption of a revised Policy for the Payment of Expenses and Provision of Facilities to Councillors.

BACKGROUND

On 10 August 2010 Council resolved that the revised Policy for the Payment of Expenses and Provision of Facilities to Councillors be endorsed for placing on public exhibition.

COMMENTS

The revised Policy was exhibited in the period 27 August 2010 to 24 September 2010.

The Policy is **attached**.

CONSULTATION

Section 253 of the Local Government Act 1993 requires that the Policy be placed on public exhibition inviting submissions for at least 28 days.

An advertisement was placed in the North Shore Times on 27 August 2010 and the Policy was available on Council's website during the exhibition period with copies available at the Council Chambers and libraries.

No submissions were received.

FINANCIAL CONSIDERATIONS

None.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

The General Manager was involved in the preparation of the revised Policy.

Item 5

S03779
29 September 2010

SUMMARY

The revised Policy for the Payment of Expenses and Provision of Facilities to Councillors has been exhibited and no submissions were received. The Policy may now be adopted.

RECOMMENDATION

That the revised Policy for the Payment of Expenses and Provision of Facilities to Councillors be adopted.

John Clark
Director Corporate

Attachments: Policy for the Payment of Expenses and Provision of Facilities to Councillors - Draft August 2010 - 2010/143682



Ku-ring-gai Council

Policy for the Payment of Expenses and Provision of Facilities to Councillors

Draft August 2010

Contents	Page
<u>Part 1 - Introduction</u>	
1.1 Title and Commencement of the Policy	3
1.2 Purpose of the Policy	3
1.3 Objectives and Scope of the Policy	3
1.4 Making and Adoption of the Policy	4
1.5 Reporting Requirements	5
1.6 Legislative Provisions	5
1.7 Other Government Policy Provisions	9
<u>Part 2 - Payment of Expenses</u>	
GENERAL PROVISIONS	
2.1 Payment of Allowances and Expenses Generally	10
2.2 Establishment of Monetary Limits and Standards	12
2.3 Spouse and Partner Expenses	12
EXPENSES FOR COUNCILLORS	
2.4 Attendance at Seminars, Conferences and Other Training and Educational Expenses	14
2.5 Local Travel Arrangements, Attendance at Dinners and Other Non-Council Functions	16
2.6 Travel Outside the Sydney Metropolitan Area including Interstate and Overseas Travel	17
2.7 Telephone Costs and Expenses	17
2.8 Internet	18
2.9 Care and Other related Expenses	18
2.10 Insurance Expenses and Obligations	19
2.11 Legal Expenses and Obligations	19
ADDITIONAL EXPENSES FOR THE MAYOR	
2.12 Allowances and Expenses	22
<u>Part 3 - Provision of Facilities</u>	
GENERAL PROVISIONS	
3.1 Provision of Facilities Generally	23
3.2 Private Use of Equipment and Facilities	23
EQUIPMENT AND FACILITIES FOR COUNCILLORS	
3.3 Equipment and Facilities at Council Administration Building	24
3.4 Equipment and other Items Required to be Returned	25
3.5 Other Items Not Required to be Returned	25
ADDITIONAL EQUIPMENT AND FACILITIES FOR THE MAYOR	
3.6 Equipment and Facilities at Council Administration Building	27
3.7 Equipment and other Items Required to be Returned	27
3.8 Other Items Not Required to be Returned	28
<u>Part 4 - Other Matters</u>	
4.1 Acquisition and Returning of Facilities and Equipment by Councillors	29

Doc distribution	Internal/external	Doc status	Draft	File No	S03779
Document owner	Dir Corporate	Contact officer/s	Director Corporate, Senior Governance Officer		
Approval date		Approved by			
Effective date		Review period	1 year	Review date	
History of approved versions					
Version	Effective date	Summary of changes			
1.0	08/03/05	Original			
2.0	27/02/07	Major revision following DLG Circular 06-57			
2.1	30/07/08	Annual revision following DLG Circulars 07-22 and 08-03			
2.2	13/10/09	Annual revision			
3.0	13/02/10	Revision following DLG Circular 09-36			
4.0		Annual review (CPI only)			

POLICY FOR THE PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO COUNCILLORS

Part 1 - INTRODUCTION

Title and Commencement of the Policy

- 1.1 This is the Policy for the Payment of Expenses and Provision of Facilities to Councillors of Ku-ring-gai Council.

In this Policy, unless otherwise stated, the expression “Councillor” refers to all Councillors of Ku-ring-gai Council including the Mayor and Deputy Mayor.

In this Policy the expression “year of term” means the twelve (12) month period commencing on the date of election to Council of a Councillor and every subsequent twelve (12) month period of the term of office.

Purpose of the Policy

- 1.2 The purpose of this Policy is to ensure that Councillors receive adequate and reasonable expenses and facilities to enable them to carry out their civic duties and that these expenses and facilities are provided in an accountable and transparent manner.

Objectives and Scope of the Policy

- 1.3 The objective of this Policy is to describe those expenses incurred or to be incurred by, and the facilities provided to, the Councillors the cost of which shall be met by Council.

This Policy also aims to uphold and demonstrate the following key principles:

- **Conduct.** Councillors must act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying out their functions under the *Local Government Act 1993* (“the Act”) or any other Act. This is reinforced in Council’s *Code of Conduct*.

- **Participation, equity and access.** The provisions of the Policy are to be non-discriminatory and used in an equitable manner to enable the full participation by Councillors from different walks of life. The provisions of the Policy shall also be at an appropriate level to encourage members of the community, particularly under-represented groups such as those in primary caregiver roles, to seek election to Council by ensuring that they would not be financially or otherwise disadvantaged in undertaking the civic functions of a Councillor.

The Policy shall also take into account and make reasonable provision for the special needs of Councillors to allow access to the appropriate parts of Council premises, and facilities, and maximise participation in the civic functions and business of Council.

- **Accountability and transparency.** The details and range of benefits provided to the Councillors are to be clearly stated and be fully transparent and acceptable to the local community.
- **Reasonable expenses.** Councillors shall only be reimbursed for expenses reasonably incurred in the performance of their role as a Councillor.

Only those entitlements specifically described in this Policy shall be provided by Council.

Making and Adoption of the Policy

- 1.4 This Policy is made pursuant to Sections 252 - 254 of the Local Government Act 1993. These sections are set out in clause 1.6.

The Policy is to be adopted by Council annually, within 5 months after the end of each financial year.

Prior to adoption public notice must be given and public submissions invited for 28 days. Council must then consider all submissions received and make any appropriate changes to the Policy.

Public notice is not necessary if the proposed changes are insubstantial, i.e. if there are only minor changes to the wording of the Policy, changes to monetary provisions or rates that are less than 5% or minor changes to the standard of equipment and facilities to be provided. Public notice, however, is required prior to each annual adoption process even if there is no proposed change to the Policy.

Reporting Requirements

- 1.5 Section 428 of the Act and clause 217 of the *Local Government (General) Regulation 2005* ("the Regulation") require Council to include in each Annual Report a copy of this Policy and details of the cost of implementing the Policy. Copies of this legislation are set out in clause 1.6.

Legislative Provisions

- 1.6 The relevant legislative provisions are set out below. In this legislation the expression "year" means the period from 1 July to the following 30 June.

Local Government Act 1993

252 *Payment of expenses and provision of facilities*

- (1) *Within 5 months after the end of each year, a council must adopt a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the mayor, the deputy mayor (if there is one) and the other councillors in relation to discharging the functions of civic office.*
- (2) *The policy may provide for fees payable under this Division to be reduced by an amount representing the private benefit to the mayor or a councillor of a facility provided by the council to the mayor or councillor.*
- (3) *A council must not pay any expenses incurred or to be incurred by, or provide any facilities to, the mayor, the deputy mayor (if there is one) or a councillor otherwise than in accordance with a policy under this section.*
- (4) *A council may from time to time amend a policy under this section.*
- (5) *A policy under this section must comply with the provisions of this Act, the regulations and any relevant guidelines issued under section 23A.*

253 *Requirements before policy concerning expenses and facilities can be adopted or amended*

- (1) *A council must give public notice of its intention to adopt or amend a policy for the payment of expenses or provision of facilities allowing at least 28 days for the making of public submissions.*
- (2) *Before adopting or amending the policy, the council must consider any submissions made within the time allowed for submissions and make any appropriate changes to the draft policy or amendment.*

- (3) Despite subsections (1) and (2), a council need not give public notice of a proposed amendment to its policy for the payment of expenses or provision of facilities if the council is of the opinion that the proposed amendment is not substantial.*
- (4) Within 28 days after adopting a policy or making an amendment to a policy for which public notice is required to be given under this section, a council is to forward to the Director-General:
 - (a) a copy of the policy or amendment together with details of all submissions received in accordance with subsection (1), and*
 - (b) a statement setting out, for each submission, the council's response to the submission and the reasons for the council's response, and*
 - (c) a copy of the notice given under subsection (1).**
- (5) A council must comply with this section when proposing to adopt a policy each year in accordance with section 252 (1) even if the council proposes to adopt a policy that is the same as its existing policy.*

254 Decision to be made in open meeting

The council or a council committee all the members of which are councillors must not close to the public that part of its meeting at which a policy for the payment of expenses or provision of facilities is adopted or amended, or at which any proposal concerning those matters is discussed or considered.

428(pt) Annual reports

- (1) Within 5 months after the end of each year, a council must prepare a report as to its achievements with respect to the objectives and performance targets set out in its management plan for that year.*
- (2) A report must contain the following:
 - (f) the total amount of money expended during the year on mayoral fees and councillor fees, the council's policy on the provision of facilities for use by councillors and the payment of councillors' expenses, together with a statement of the total amount of money expended during that year on the provision of such facilities and the payment of such expenses,**

Local Government (General) Regulation 2005

217(pt) Additional information for inclusion in annual reports

- (1) *For the purposes of section 428(2)(r) of the Act, an annual report of a council is to include the following information:*
- (a) details (including the purpose) of overseas visits undertaken during the year by councillors, council staff or other persons representing the council (including visits sponsored by other organisations),*
 - (a1) details of the total cost during the year of the payment of the expenses of, and the provision of facilities to, councillors in relation to their civic functions (as paid by the council, reimbursed to the councillor or reconciled with the councillor), including separate details on the total cost of each of the following:*
 - (i) the provision during the year of dedicated office equipment allocated to councillors on a personal basis, such as laptop computers, mobile telephones and landline telephones and facsimile machines installed in councillors' homes (including equipment and line rental costs and internet access costs but not including call costs),*
 - (ii) telephone calls made by councillors, including calls made from mobile telephones provided by the council and from landline telephones and facsimile services installed in councillors' homes,*
 - (iii) the attendance of councillors at conferences and seminars,*
 - (iv) the training of councillors and the provision of skill development for councillors,*
 - (v) interstate visits undertaken during the year by councillors while representing the council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses,*
 - (vi) overseas visits undertaken during the year by councillors while representing the council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses,*
 - (vii) the expenses of any spouse, partner or other person who accompanied a councillor in the performance of his or her civic functions, being expenses payable in accordance with the Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors for Local Councils in NSW prepared by the Director-General from time to time,*
 - (viii) expenses involved in the provision of care for a child of, or an immediate family member of, a councillor, to allow the councillor to undertake his or her civic functions,*

403 *Payment of expenses and provision of facilities*

A policy under section 252 of the Act must not include any provision enabling a council:

- (a) to pay any councillor an allowance in the nature of a general expense allowance, or*
- (b) to make a motor vehicle owned or leased by the council available for the exclusive or primary use or disposition of a particular councillor other than a mayor.*

Also, under Section 248A of the Act Council must not, unless otherwise permitted, pay an annual fee to a Councillor for any period during which the Councillor is suspended from civic office or the right to be paid any fee is suspended.

Under Section 254A of the Act Council may resolve that an annual fee not be paid to a Councillor or the amount reduced if the Councillor is absent, with or without leave, from meetings of the Council for a period not more than 3 months or in any circumstances prescribed by regulation. A fee must not be paid if the period of absence exceeds 3 months.

Under clause 404 of the Regulation a prescribed circumstance for non-payment or reduction of a Councillor's annual fee is where payment would adversely affect the Councillor's entitlement to a pension, benefit or allowance and the Councillor is agreeable to the non-payment or reduction.

A Councillor may elect not to accept any entitlement under this Policy, except that the Mayor and every Councillor must be paid the appropriate minimum fees determined by the Local Government Remuneration Tribunal (unless the provisions of Section 254A of the Act apply). Payment of the appropriate minimum fees determined by the Remuneration Tribunal is a requirement of Sections 248 (4) and 249 (4) of the Act.

Other Government Policy Provisions

- 1.7 This Policy has been prepared with reference to other Government and Council Policy provisions as follows:
- Department of Premier and Cabinet, Division of Local Government Circular No. 09-36, 7 October 2009, *Release of Revised Councillor Expenses and Facilities Guidelines*
 - Department of Local Government Circular No. 08-03, 18 January 2008, *Findings from Review of Councillor Expenses and Facilities Policies*
 - Department of Local Government Circular No. 07-22, 28 May 2007 *Updated Guidelines for the Payment of Expenses and Provision of Facilities to Mayors and Councillors*
 - Department of Local Government Circular No. 05/08, 9 March 2005 *Legal Assistance for Councillors and Council Employees*
 - ICAC Publication *No Excuse for Misuse*, November 2002
 - Ku-ring-gai Council *Code of Conduct*.

DRAFT

Part 2 - PAYMENT OF EXPENSES

GENERAL PROVISIONS

Payment of Allowances and Expenses Generally

- 2.1 An annual fee is paid to each Councillor by Council. The fee is the amount fixed by Council under Division 5 of Part 2 of Chapter 9 of the Act in accordance with the appropriate determination of the Local Government Remuneration Tribunal.

This Policy is intended to cover most situations where a Councillor reasonably incurs expenses in discharging the functions of civic office. The annual fee paid to each Councillor is generally not intended to offset those costs.

The payment of allowances and reimbursement of expenses under this Policy shall only be in respect of costs directly associated with discharging the functions of civic office, i.e. civic functions that Councillors are required to undertake to fulfil their legislated role and responsibilities for the Council that should result in a direct benefit for the Council and/or the Ku-ring-gai local government area.

No allowance shall be paid to a Councillor in the form of a general expense allowance, i.e. a sum of money to expend on an item or service that is not required to be receipted and/or otherwise reconciled.

All travel by Councillors shall be by the most direct route and the most practical and economical mode of transport, subject to any personal medical considerations.

Reimbursement and reconciliation of expenses

Claims for reimbursement of expenses shall be submitted no later than 12 months after the expenses were incurred. Claims shall be submitted to the General Manager or delegate in a form and manner acceptable to the General Manager in the circumstances to enable full assessment of the claim. Tax invoices and receipts are to be supplied when available to support claims. The level of the supporting documentation is to be commensurate with the nature of the expenditure.

Claims for travelling expenses under this Policy shall include details of:

- Date and place of departure
- Date and place of arrival

- Distance travelled
- Fares and parking fees paid
- Amount claimed as travelling allowances
- Total amount of claim

The rate of calculation of the amount payable for travel in a Councillor's own car shall be the rate payable for claims by staff in the Local Government (State) Award.

Where travel out of the Sydney metropolitan area can be undertaken by air, the amount payable for travel in a Councillor's own car shall be no more than the corresponding air fare and taxi fares to and from the airport.

Council shall, where possible pay expenses directly by account or through the corporate credit card. However it shall be necessary for Councillors to pay unexpected expenses and then seek reimbursement.

Once expenses of attending a conference, seminar or training course have been finalised, accounts shall be forwarded to Councillors for any expenses payable by them. Such accounts are to be repaid in full within Council's normal terms, i.e. 30 days. Any arrangements to finalise an account by periodic payment may only be approved by Council.

An employee delegated by the General Manager shall assess all claims made under this Policy. The employee shall review a claim against the provisions of this Policy and make a recommendation to the General Manager. The General Manager shall then determine the claim. Approved claims, in part or in whole, shall be paid within seven (7) days.

Should a determination be made that a claim should not be paid, the General Manager shall explain such decision to the Councillor and should the Councillor still believe that the claim should be paid, in part or in full, it shall be considered that a dispute exists.

In the event of a dispute at any time regarding this Policy, the parties to the dispute shall provide a written report on the nature of the dispute. The General Manager shall submit such reports to the next meeting of Council to have the dispute determined by a resolution of Council having regard to this Policy, the Act and any other relevant law. The decision of Council shall be binding on all of the parties.

Payment in advance

Councillors may request payment in advance in anticipation of expenses to be incurred in attending conferences, seminars and training courses. Councillors may also request an advance payment for the cost of any other

service or facility covered by the policy, where the service or facility is not ordinarily acquired by Council. However, Councillors must fully reconcile all expenses against the cost of the advance. Within one (1) week of incurring the cost and/or returning home the Councillor shall submit the details to the General Manager for verification and pay back to Council any unspent money. The level of the supporting documentation is to be commensurate with the nature of the expenditure. The maximum value of a cash advance is \$534.

Establishment of Monetary Limits and Standards

- 2.2 Monetary limits prescribed in this Policy set out the maximum amount payable in respect of any facility or expense. Any additional cost incurred by a Councillor in excess of any limit set shall be considered a personal expense that is the responsibility of the Councillor. All monetary amounts stated are **exclusive of GST**.

Unless otherwise stated, any annual limits will be adjusted on a pro-rata basis where only part of a year of term applies.

Where applicable the standard of any equipment, facility or service to be provided shall be to the maximum standard prescribed in this Policy.

Spouse and Partner Expenses

- 2.3 In this clause *accompanying person* means *a person who has a close personal relationship with a Councillor and/or provides carer support to the Councillor*.

In limited circumstances Council shall meet certain costs incurred by a Councillor on behalf of their spouse, partner or accompanying person that are properly and directly related to the role of the Councillor, such as costs associated with attendance at functions that are of a formal or ceremonial nature when accompanying Councillors within metropolitan Sydney. Examples include, but are not limited to, Australia Day award ceremonies, citizenship ceremonies, civic receptions and functions for charities, community service and sporting groups supported by Council.

Costs and expenses incurred by the Councillor on behalf of their spouse, partner or accompanying person shall be reimbursed if the cost or expense relates specifically to the ticket, meal and/or direct cost of attending the function. Each Councillor is entitled to a maximum of \$427 per year of term for external payments in respect of these types of expenses.

In addition Council shall meet limited expenses of spouses, partners or accompanying persons associated with attendance at the Local Government and Shires Associations' annual conferences. These expenses are limited to the cost of registration and the official conference dinner. Expenses such as travel expenses, any additional accommodation expenses and the cost of any accompanying persons program shall not be met by Council.

Costs associated with spouses, partners or accompanying persons attending other conferences, seminars and training courses shall not be met by Council.

Also, Council shall meet limited expenses of spouses, partners or accompanying persons of the Mayor, or a Councillor representing the Mayor, when attending an official function of Council or carrying out an official ceremonial duty while accompanying the Mayor or the Mayor's representative outside Council's area, but within New South Wales. Such circumstances could include charitable functions or award ceremonies to which the Mayor has been invited to attend. These expenses are limited to the ticket, meal and/or direct cost of attending the function.

In all cases under this clause peripheral expenses of spouses, partners or accompanying persons such as grooming, special clothing and transport are not considered reimbursable expenses.

EXPENSES FOR COUNCILLORS

Attendance at Conferences, Seminars and other Training Expenses

- 2.4 Council shall provide an annual budget for Councillor training and development based on a skills analysis and assessment of professional development needs of Councillors.

Council shall meet expenses incurred by Councillors attending conferences, seminars and training courses in any of the following circumstances:

- Attendance authorised by resolution of Council
- Attendance at conferences which are included in Council's Annual Program of Conferences and funds are provided in the adopted Management Plan and where the prior authority of the Mayor and General Manager has been obtained
- Attendance on a study tour involving domestic travel where the study forms part of a Task Force project plan and funds are available in the Task Force budget to be established and where the prior authority of the Mayor and General Manager has been obtained
- Attendance at day long industry seminars or workshops as the need arises subject to the availability of funds and only where local or domestic travel is involved and where the prior authority of the Mayor and General Manager has been obtained.

Where the Mayor is seeking approval to attend a conference, seminar or training course the authority of the Deputy Mayor and the General Manager is required where applicable.

Requests from individual Councillors for attendance at conferences, seminars and training courses shall be in writing outlining the benefits for Council and the community.

After return from a conference, the Councillor/s or an accompanying staff member shall provide a written report to Council on the aspects of the conference relevant to Council business and/or the community. Such a report is not required for the Annual Conferences of the Local Government and Shires Associations.

If requested Council shall make all necessary arrangements for the attendance of Councillors at the conference, seminar or training course. Where the Councillor is being accompanied by another person, Council shall also make all of the necessary arrangements for that person. Council shall meet only those costs relating to the attendance of that person as set out in clause 2.3.

Council shall meet the following costs for attendance at approved conferences, seminars and training courses:

Registration fees

Council shall meet the cost of the registration fee set by the organiser, including costs of related official lunches and dinners, and associated tours where they are relevant to the business and interests of Council.

Accommodation

Councillors shall be accommodated in the hotel where the conference, seminar, or training course is being held or the nearest hotel to it that is of a similar standard, or as authorised by the host organiser where the conference is not located within the Sydney metropolitan area. Accommodation shall be provided at the rate of a double room.

Transportation

Councillors attending a conference, seminar or training course shall travel by the most direct route and the most practical and economical mode of transport, subject to any personal medical considerations. Any time and costs incurred in undertaking activities not related to attendance at the conference, seminar or training course shall not be included in any expenses paid by Council.

For conferences, seminars and training courses out of the Sydney metropolitan area Council shall meet the cost of an economy class air ticket or Council shall reimburse transportation expenses as detailed below whichever is the lesser amount.

Council shall reimburse transportation expenses by a Councillor with the Councillor's own vehicle. For travel within a Council-owned vehicle, actual costs incurred shall be reimbursed.

Council shall meet the cost of transferring Councillors from their place of residence to the airport and return or meet the cost of taxi fares, whichever is the lesser amount.

Council shall meet the cost of transferring Councillors from the airport to the hotel and return at the conclusion of the conference, seminar or training course, such costs not to exceed the cost of taxi fares.

Should a Councillor be accommodated in a hotel not being the site of the conference, seminar or training course, and the Councillor is travelling in a non Council-owned vehicle, Council shall meet the cost of the Councillor travelling from the hotel to the site of the conference, seminar or training course and return each day, such costs not to exceed the cost of taxi fares.

Where in conjunction with attendance at a conference, seminar or training course a Councillor visits another Council in the course of discharging the functions of civic office or to further knowledge of local government, and the Councillor is travelling in a non Council-owned vehicle, Council shall meet the cost of transfer of the Councillor from the hotel to the Council premises visited and return, such costs not to exceed the cost of taxi fares.

Meals

Council shall meet the cost of breakfast, lunch and dinner for Councillors where any of the meals are not provided as part of the conference, seminar or training course. Council shall also meet the reasonable cost of drinks accompanying the meals.

Bar Service

Council shall meet the cost of any expenses incurred at a bar located within the conference hotel or the accommodation hotel only when special guests have been invited for drinks at the request of the Mayor or the leader of Council's delegation.

Other costs

Council shall meet other reasonable out of pocket or incidental expenses associated with attending conferences, seminars or training courses, such as telephone or facsimile calls, refreshments, other meals, internet charges, laundry and dry cleaning, newspapers, taxi fares and parking fees up to a maximum amount of \$54 per day.

Local Travel Arrangements, Attendance at Dinners and Other Non-Council Functions

- 2.5** Travelling expenses shall be paid for travel on official business of Council in the Sydney metropolitan area. Transport to and from the Council administration building or other sites for meetings when the Councillor's own mode of transport is not available may be provided. Councillors may, where necessary, be provided with a taxi voucher for transportation purposes on Council business.

Council shall meet the cost of parking fees and road tolls but not the cost of traffic or parking fines. Claims for reimbursement under this provision shall be supported with an explanation of the need for the travel in relation to official Council business.

Council shall meet the cost of Councillors' attendance at functions that are of a formal or ceremonial nature within the Sydney metropolitan area, including functions for charities, community service and sporting groups supported by Council or of which Council is a financial member. Council shall also meet the cost of Councillors' attendance at dinners and other non-council functions which provide briefings to Councillors from key members of the community, politicians and business where the function is relevant to Council's interest. Council shall meet the cost of any component of the ticket to the function that is a donation to a registered charity but shall not meet the cost of any component of the ticket that is a donation to a political party, candidate's electoral fund or other private benefit. Each Councillor is entitled to a maximum of \$427 per year of term for external payments in respect of the types of expenses described in this paragraph.

Council will also meet the cost of the Mayor or a Councillor representing the Mayor attending a function or carrying out a ceremonial duty when undertaking the role of the Mayor within New South Wales. This includes functions or award ceremonies for charities, community service and sporting groups to which the Mayor has been invited to attend. These expenses are limited to the ticket, meal and/or direct cost of attending the function.

Travel Outside the Sydney Metropolitan Area including Interstate and Overseas Travel

- 2.6 For any proposed travel by a Councillor on Council related business not otherwise addressed in clauses 2.4 and 2.5 the approval of Council in non-confidential session of a Council meeting is required. Approval shall be granted subject to any conditions Council so determines. Council shall meet only those expenses that Council so determines.

Telephone Costs and Expenses

2.7 Telephone/Facsimile

Council shall meet the cost of providing a telephone landline for any telephone/facsimile machine provided under this Policy. Council shall meet the cost of landline rental and all Council business outgoing calls, to a maximum cost of \$106 per month.

Mobile telephone

Council shall meet the cost of a mobile telephone either:

- a Council provided mobile telephone (including vehicle kit) and mobile telephone service to the value of \$1067, for which Council shall pay rental and calls charged against that service, to a limit of \$214 per month for Council business calls and \$21 per month for incidental personal calls, provided that the number is available to be given out for general public information; or
- if the Councillor provides their own mobile telephone and mobile telephone service, Council shall reimburse the cost of rental plus the cost of those calls certified by the Councillor as being Council business calls charged against that service, to a limit of \$214 per month for calls.

In addition Council shall meet data costs in respect of mobile telephones up to a limit of 100 megabytes per month. For Councillor-owned mobile telephones the amount payable by Council under this provision shall not exceed the amount paid under contracts entered into by Council for Council-owned mobile telephones.

Internet

- 2.8 Council shall meet the cost of providing and maintaining an internet connection at the residence of the Councillor as well as a wireless broadband connection.

Care and Other Related Expenses

2.9 Care of relatives

In this clause, *relative* shall have the same meaning as set out in the Dictionary in the Act;

Relative, in relation to a person, means any of the following:

- (a) the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child of the person or of the person's spouse;*
- (b) the spouse or de facto partner of the person or of a person referred to in paragraph (a).*

Where a Councillor has responsibilities for the care and support of any relative, Council shall reimburse the actual cost incurred by the Councillor to engage professional care for the relative whenever considered necessary by the Councillor in order for the Councillor to discharge the functions of civic office.

The total amount paid to a Councillor under this provision shall not exceed \$2,135 per year of term.

Special requirements of Councillors

Council shall meet reasonable expenses associated with any special requirements of a Councillor, such as disability and access needs, in order to discharge the functions of civic office.

The total amount paid to a Councillor under this provision shall not exceed \$2,135 per year of term.

Insurance Expenses and Obligations

2.10 Council shall meet the cost of providing the following insurance cover for Councillors on a 24 hour basis while discharging the functions of civic office including attendance at meetings of external bodies as Council's representative:

- Public Liability insurance (for matters arising out of a Councillor's performance of their civic duties and/or exercise of their Council functions)
- Professional Indemnity insurance (for matters arising out of a Councillor's performance of their civic duties and/or exercise of their functions)
- Personal Accident insurance (while on Council business)
- Travel insurance (for approved interstate and overseas travel on Council business)

Council shall pay the insurance policy excess in respect of any claim made against a Councillor arising from Council business where any claim is accepted by Council's insurers, whether defended or not.

Legal Expenses and Obligations

2.11 Council shall, if requested, indemnify or reimburse the reasonable legal expenses properly incurred of:

- a Councillor defending an action arising from the performance in good faith of a function under the Act, or

- a Councillor defending an action in defamation provided the statements complained of were made in good faith in the course of exercising a function under the Act and provided that the outcome of the legal proceedings is favourable to the Councillor.

Council shall, if requested, indemnify or reimburse the reasonable legal expenses properly incurred in respect of any inquiry, investigation or hearing into a Councillor's conduct by an appropriate investigative review body including:

1. Local Government Pecuniary Interest and Disciplinary Tribunal
2. Independent Commission Against Corruption
3. Office of the Ombudsman
4. Division of Local Government, Department of Premier and Cabinet
5. NSW Police Force
6. Director of Public Prosecutions
7. Council's Conduct Review Committee/Reviewer

provided that the subject of the inquiry, investigation or hearing arises from the performance in good faith of a councillor's functions under the Act and the matter before the investigative or review body has proceeded past any initial assessment phase to a formal investigation or review. In the case of a conduct complaint made against a Councillor, legal costs shall only be made available where a matter has been referred by the General Manager to a conduct reviewer/conduct review committee to make formal enquiries into that matter in accordance with the procedures in the *Code of Conduct*. In the case of a pecuniary interest or misbehaviour matter legal costs shall only be made available where a formal investigation has been commenced by the Division of Local Government.

In addition, legal costs shall only be provided where the investigative or review body makes a finding that is not substantially unfavourable to the Councillor. This may include circumstances in which a matter does not proceed to a finding. In relation to a Councillor's conduct, a finding by an investigative or review body that an inadvertent minor technical breach had occurred may not necessarily be considered a substantially unfavourable outcome.

Council shall not meet the legal costs of legal proceedings initiated by a Councillor in any circumstance.

Council shall not meet the legal costs of a Councillor seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation.

Council shall not meet any legal costs for legal proceedings that do not involve a Councillor performing their role as a Councillor.

The maximum amount payable by Council under this clause in respect of any one action is \$213,478. Council may obtain insurance cover against the risk of having to meet the reasonable legal costs of a Councillor, or to reimburse those costs, provided that the costs or reimbursements are ones that the Council is authorised to meet.

Any Councillor seeking to obtain any entitlement under this clause shall make written application to the General Manager and make this application prior to the legal expenses being incurred where possible. The General Manager shall refer the application to a Council Meeting with any advice and recommendations for determination by Council.

DRAFT

ADDITIONAL EXPENSES FOR THE MAYOR

Allowances and expenses

- 2.12 An additional annual fee is paid to the Mayor by Council. The fee is the amount fixed by Council under Division 5 of Part 2 of Chapter 9 of the Act in accordance with the appropriate determination of the Local Government Remuneration Tribunal.

In accordance with section 249 of the Act, should Council determine that an annual fee is to be paid to the Deputy Mayor, the Deputy Mayor's annual fee shall be deducted from the Mayor's annual fee.

This Policy is intended to cover most situations where the Mayor reasonably incurs additional expenses in discharging the functions of Mayoral office. The annual fee paid to the Mayor is generally not intended to offset those costs.

There are no other Mayoral allowances and expenses in this Part.

DRAFT

Part 3 - PROVISION OF FACILITIES

GENERAL PROVISIONS

Provision of Facilities Generally

- 3.1 Unless otherwise stated, where a facility may be provided by Council in accordance with this Policy and a Councillor chooses to accept the facility, it shall be provided by Council with all establishment, routine maintenance, operating, training, replacement and insurance costs being met by Council, subject to any limits specified and adequate funds being allocated and available in Council's adopted Management Plan.

All facilities provided shall be of adequate capacity and functionality to allow the role of Councillor to be fully undertaken.

Private Use of Equipment and Facilities

- 3.2 Councillors shall not generally obtain private benefit from the provision of equipment and facilities, including intellectual property. This includes receipt of a travel bonus or other benefit arising from a loyalty scheme. Councillors must avoid any action or situation that could create the appearance that Council resources are being used inappropriately.

However, incidental personal use of Council equipment and facilities may occur from time to time without requiring reimbursement of the cost by a Councillor. No entitlement under this Policy shall be treated as being a private benefit that requires a reduction in the Mayoral fee or the Councillors fee.

Unless otherwise authorised in this Policy, if a Councillor does obtain a private benefit for the use of a facility provided by Council the Councillor shall be invoiced for the amount of the private benefit with repayment to be in accordance with Council's normal terms. The value of the private benefit shall be determined by Council in non-confidential session of a Council meeting.

Equipment, facilities, materials, funds and services provided under this Policy shall not be used to produce election material or for any other political purposes, including political fundraising activities and events.

EQUIPMENT AND FACILITIES FOR COUNCILLORS

Equipment and Facilities at the Council Administration Building

3.3 Councillors shall be provided with equipment and facilities at the Council administration building. Equipment provided under this clause remains the property of Council. The following equipment and facilities shall be provided at the Council administration building:

Councillors' Room and resources

A room furnished for use by all Councillors shall be provided by Council. Included in the Councillors' Room shall be:

- A computer, printer and peripherals for use by all Councillors
- A website directory of relevant local government internet sites
- A technical library
- Councillors' robes for official, civic and ceremonial use.

Executive Assistant

A qualified and experienced Executive Assistant shall be provided to support all Councillors. The Executive Assistant shall be responsible to the General Manager.

Correspondence Processing

Council shall post all correspondence for Councillors relative to the discharge of the functions of civic office. Council shall provide letterhead for use by Councillors in replying to correspondence.

Council shall provide follow up procedures for correspondence by Councillors. Such follow-up for correspondence is to be carried out by the General Manager or delegate.

Copies of all correspondence by Councillors including facsimile transmission sheets shall be placed in folders in the Councillors' Room for reference by all Councillors.

Correspondence by Councillors relative to the discharge of the functions of civic office is considered official correspondence of Council where the matter is referred to the General Manager for attention. The correspondence shall be attached to the appropriate Council file for registration, attention and reply.

Meals and Refreshments

Prior to, during or after Council, Forum and Committee meetings the Councillors shall be provided with a suitable meal including refreshments. The standard of the meal provided shall be determined by the Mayor in consultation with the General Manager.

Car Parking

Three (3) car parking spaces shall be provided for Councillors in the Council car park at the Council administration building except on Committee meeting nights, public meetings and Council meeting nights when a further six (6) car parking spaces shall be allotted in the same car park.

Equipment and Other Items Required to be Returned

3.4 Upon election to office Councillors shall be provided with certain equipment and other items that shall be returned when the Councillor ceases to hold office. The following equipment and other items shall be provided under this clause:

- Facsimile/telephone machine to the maximum cost of \$534
- Personal computer, peripherals and software to the maximum cost of \$4269
- Security card to enable entry to Council's administration building
- Car parking stickers to enable the Councillor to park in any Council car park at any time for an unlimited period when discharging the functions of civic office. A list of Council's car parks shall be supplied also. No time restriction shall be imposed on an identified Councillor's private vehicle whilst parked in a parking space located at the Council administration building and the adjacent car parking area.

Other Items Not Required to be Returned

3.5 Upon election to office and where applicable throughout the term of office Councillors shall be provided with items of a consumable nature or which otherwise are not required to be returned when the Councillor ceases to hold office. The following items shall be provided under this clause:

- Name badge
- Minor items of stationery to the maximum cost of \$106 each year of term
- 100 Christmas cards each year of term
- A copy of clippings (weekly) from the newspapers relating to matters affecting local government in general and Ku-ring-gai in particular

- 500 business cards each year of term
- Corporate attire and presentation gifts for use in connection with civic functions, eg tie, scarf, spoon, etc
- Street Directory
- Refreshments/meals when undertaking official Council business (satisfactory explanation of official Council business required to support claims)
- Facsimile transmission sheets
- A raincoat and one pair of protective footwear for site inspections during inclement weather
- Replacement consumables, such as tapes, inks, and toner (not including paper) for the continued operation of the equipment provided in clause 3.4
- 5,000 sheets of plain white paper per year of term
- Printed copy of the current relevant Local Government and Planning Legislation
- Briefcase to the maximum cost of \$214
- Dictaphone (either hand held or desk variety) and cassettes to the maximum cost of \$214
- Filing cabinet for Council Business Papers and other Council correspondence to the maximum cost of \$320
- Bookcase to the maximum cost of \$214

DRAFT

ADDITIONAL EQUIPMENT AND FACILITIES FOR THE MAYOR

Equipment and Facilities at the Council Administration Building

- 3.6 The Mayor shall be provided with additional equipment and facilities at the Council administration building. Equipment provided under this clause remains the property of Council. The following equipment and facilities shall be provided at the Council administration building:

Mayoral Office and resources

Council shall provide:

- A furnished office
- A computer, printer and peripherals
- Mayoral letterhead
- Mayoral robes for official, civic and ceremonial use
- Mayoral Chain of Office for official, civic and ceremonial use.

Executive Assistant

A qualified and experienced Executive Assistant shall be provided with equivalent experience, responsibilities and skills to that of the General Manager's Executive Assistant. The Executive Assistant shall provide support to the Deputy Mayor in the absence of the Mayor.

Car parking

An allocated parking space shall be provided at the Council administration building.

Equipment and Other Items Required to be Returned

- 3.7 Upon election to office the Mayor may be provided with certain equipment and other items that shall be returned when the Mayor ceases to hold office. The following equipment and facilities shall be provided under this clause:

- Mayoral vehicle up to the standard of a Holden Statesman Caprice. The Mayoral vehicle shall be fully maintained by Council for the use by the Mayor for official, civic and ceremonial functions and appropriate use arising out of or in the course of the Mayor's official, civic and ceremonial functions. A petrol card shall be supplied to fuel the Mayoral vehicle at Council's cost for official use only.

- Mobile telephone costs additional to that provided under clause 2.7. The call limits referred to in clause 2.7 shall be increased by \$106 per month, making a total of \$320 per month and the data allowance shall be increased by 100 megabytes per month, making a total of 200 megabytes per month.

Other Items Not Required to be Returned

3.8 Upon election to the office and where applicable throughout the term of office the Mayor shall be provided with items of a consumable nature or which otherwise are not required to be returned when the Mayor ceases to hold office. The Mayor shall receive all of the items listed for Councillors under clause 3.5 and the following:

- Name badge
- Refreshments/meals when undertaking the role of Mayor (satisfactory explanation of official Mayoral business required to support claims)
- An additional 100 Christmas cards each year of mayoralty, making a total of 200 cards during each year of mayoralty.
- An additional 250 Business cards each year of mayoralty, making a total of 750 cards during each year of mayoralty.
- Additional corporate attire and presentation gifts e.g. Council ties, scarves, spoons, cuff links, etc for own use and presentations as appropriate and gifts suitable for younger persons.

Part 4 - OTHER MATTERS

Acquisition and Returning of Facilities and Equipment by Councillors

- 4.1 Upon ceasing to hold office a Councillor may purchase any Council equipment held by the Councillor at the depreciated value of the equipment as recorded in the Council's books of accounts at the time of ceasing to hold office if, in the opinion of the General Manager, the item is not required for Council purposes. This clause does not include a vehicle.

DRAFT

LOCAL GOVERNMENT URBAN PLANNING & DEVELOPMENT SUMMIT

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

To advise Council of the Local Government Urban Planning & Development Summit 2010.

BACKGROUND:

The Summit is to be held on Tuesday 19 and Wednesday 20 October 2010 at the Dockside Convention Centre, Darling Harbour, Sydney.

COMMENTS:

The program and registration form is **attached**.

RECOMMENDATION:

That Council determine if it wishes to send delegates to the Local Government Urban Planning & Development Summit 2010.

PURPOSE OF REPORT

To advise Council of the Local Government Urban Planning & Development Summit 2010.

BACKGROUND

The Summit is to be held on Tuesday, 19 and Wednesday, 20 October 2010 at the Dockside Convention Centre, Darling Harbour, Sydney.

COMMENTS

The theme of the Summit will be local government planning practices and analysis of future planning reforms.

CONSULTATION

None undertaken or required.

FINANCIAL CONSIDERATIONS

The cost of attending the Summit is \$895 for 2-days or \$500 for a 1 day pass.

Accommodation and travel expenses are additional.

There are sufficient funds available in the conference budget for Councillors.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

None necessary.

SUMMARY

This report has been prepared to advise Council of the Local Government Urban Planning & Development Summit 2010.

The Summit is to be held on Tuesday, 19 and Wednesday, 20 October 2010 at the Dockside Convention Centre, Darling Harbour, Sydney.

Item 6

S07223
29 September 2010

The theme of the Summit will be local government planning practices and analysis of future planning reforms.

RECOMMENDATION

That Council determine if it wishes to send delegates to the Local Government Urban Planning & Development Summit 2010.

John Clark
Director Corporate

Attachments: Local Government Urban Planning & Development Summit Program - 2010/185473



LOCAL GOVERNMENT URBAN PLANNING & DEVELOPMENT SUMMIT 2010



Tuesday, October 19 to Wednesday, October 20, 2010
Dockside Convention Centre, Darling Harbour, Sydney
Summit website: www.halledit.com.au/urbanplan2010

The national **Local Government Urban Planning & Development Summit** will provide high-quality case studies of leading-edge local government planning practices and analysis of future planning reforms and how they will impact councils.

To be staged in the wake of the Federal Election, this important summit meeting of local government planning staff, senior managers and councillors from across Australia will analyse the current direction of legislative reform and the future role of councils in planning and approving development in existing suburbs and towns, as well as greenfield areas.

Case study presentations will detail leading local government practices in areas such as: **strategic planning** for urban growth; **community consultation** in planning processes; **urban renewal** and **activity centre development**; improving **development assessment** processes; and addressing **climate change** and other environmental issues councils must address in their planning decisions.

Speakers will include representatives of the summit's supporting local government organisations the **National Growth Areas Alliance** and the **National Sea Change Taskforce** as well as:

- **Nick Vass-Bowen**, Ipswich City Council Strategic Planning Manager.

- **Brydon King**, Surf Coast Shire's Planning and Development Manager.
- **Stephen Fairham**, Gosford City Council's Manager of The Gosford Challenge urban development project.
- **Jill Gaynor**, Manager of Strategic Planning Services at Newcastle City Council.
- **Andrea Kenafake**, Manager of Development Assessment at Brisbane City Council.
- **Teresa Dominik**, Manager Economic and Environmental Planning at Manningham City Council.
- **Dr Ian Winter**, Executive Director, Australian Housing and Urban Research Institute.
- **Jane Blackmore**, Research Leader Coastal Vulnerability and Planning for the CSIRO.

With councils across Australia under increasing pressure to adequately plan for urban growth, optimise development approval systems and fund infrastructure that supports growing populations, this summit meeting will provide local government planners, managers and councillors with high-quality advice, leading-edge case studies and excellent networking opportunities that will help them plan sustainable community growth and generate successful planning outcomes within their own municipalities.

Delegate attendance enquiries:

Denise McQueen Hallmark Conferences + Events

Phone: (03) 8534 5021 **Fax:** (03) 8534 5121

Email: denise.mcqueen@halledit.com.au

Sponsorship & Exhibition Opportunities/Enquiries:

Ben Hutchison Summit Director

Phone: (03) 8534 5025 **Fax:** (03) 8534 5125

Email: benh@halledit.com.au

Gold Sponsor



Supporting Organisations



NATIONAL SEA CHANGE TASKFORCE

For more information about the summit, including online registration, visit the summit website www.halledit.com.au/urbanplan2010

LOCAL GOVERNMENT URBAN PLANNING & DEVELOPMENT SUMMIT 2010

DAY ONE: Tuesday, October 19, 2010

8:30 REGISTRATION & MORNING COFFEE

9:00 SUMMIT WELCOME

SESSION 1: ANALYSING THE FUTURE OF LOCAL GOVERNMENT URBAN PLANNING

9:05 ADDRESSING LOCAL GOVERNMENT'S URBAN PLANNING CHALLENGES

Ruth Spielman, *National Growth Areas Alliance Executive Officer.*

The Executive Officer of an alliance representing some of Australia's fastest-growing municipalities, Ruth Spielman was also appointed earlier this year by the Federal Government to the national Demographic Change and Liveability Panel. Ruth will discuss how councils and other levels of government will need to address Australia's many urban planning and growth management issues.

9:35 ANALYSING THE FUTURE DIRECTION OF PLANNING REFORMS AND MANAGEMENT OF RESIDENTIAL GROWTH
Planning Institute of Australia (Invited).

10:05 MANAGING URBAN GROWTH IN WESTERN SYDNEY
Cr Alison McLaren, *President of the Western Sydney Regional Organisation of Councils.*

10:35 MODERATED DISCUSSION

10:50 MORNING TEA

SESSION 2: PLANNING AND MANAGING COMMUNITY GROWTH

11:20 STRATEGIC PLANNING FOR RAPID COMMUNITY GROWTH IN THE CITY OF IPSWICH

Nick Vass-Bowen, *Ipswich City Council Strategic Planning Manager.*

South-east Queensland's Ipswich City Council is facing rapid long-term population growth. This presentation will analyse how the council has installed sophisticated planning frameworks for managing this growth.

11:50 WORKING WITH THE COMMUNITY TO DEVELOP GROWTH MANAGEMENT PLANS

Brydon King, *Surf Coast Shire's Planning and Development Manager.*

Victoria's Surf Coast Shire is undertaking extensive community consultation to develop leading-edge growth management plans that consider the environment, a "sense of place" and community views.

12:20 MANAGING URBAN GROWTH AT TOWNSVILLE

Angelo Licciardello, *Townsville City Council's Director of Planning and Development.*

Townsville City Council has been earmarked as a key focal point for residential growth in Queensland in an effort to divert growth away from the state's south-east. This presentation will detail how the council is responding to the challenge of planning for rapid population growth.

12:50 MODERATED DISCUSSION

1:10 LUNCH BREAK

SESSION 3: URBAN RENEWAL AND REVITALISATION

2:10 THE GOSFORD CHALLENGE: WORKING WITH THE COMMUNITY TO STRATEGICALLY PLAN FOR A CITY'S GROWTH

Stephen Fairham, *Gosford City Council's Manager of The Gosford Challenge.*

The Gosford Challenge Project has involved a highly successful community consultation process that has seen the council gather strong community support for long-term strategic planning efforts to ensure Gosford becomes a world-class waterfront city and regional population centre. This has included extensive masterplanning work.

2:40 FACILITATING SUSTAINABLE DEVELOPMENT IN A METROPOLITAN ACTIVITY CENTRE: A CASE STUDY OF MELBOURNE'S DONCASTER HILL

Teresa Dominik, *Manager Economic and Environmental Planning, Manningham City Council.*

Located in the City of Manningham, Doncaster Hill is a designated focal point for development – and is now well on its way to becoming a sustainable urban village.

The City of Manningham has taken a lead role in assisting the translation of previously complex planning controls to promote a more streamlined development facilitation approach for Doncaster Hill. The council has also assisted in place making by clearly promoting the outcome of encouraging a mix of uses to facilitate business, shopping, working, housing, leisure and community facilities. A message has also been sent to the development community that the area is development-ready.

3:10 MODERATED DISCUSSION

3:30 AFTERNOON TEA

3:50 THE RENEWAL OF THE MINTO ESTATE

Landcom (Invited).

The Minto Renewal Project will involve the complete renewal of the Minto public housing area in Sydney's south-west, resulting in a strengthened and vibrant local community and dramatically improved physical environment. The project is being undertaken by a partnership of Campbelltown City Council, Housing NSW and Landcom.

4:20 TBA

4:50 MODERATED DISCUSSION

5:00 NETWORKING DRINKS

LOCAL GOVERNMENT URBAN PLANNING & DEVELOPMENT SUMMIT 2010

DAY TWO: Wednesday, October 20, 2010

9:00 OPENING DAY TWO

9:05 ADDRESS: POPULATION GROWTH AND CLIMATE CHANGE ON COLLISION COURSE



Alan Stokes, *Executive Officer of the National Sea Change Taskforce of Councils.*

This presentation will focus on the major challenges facing coastal councils and their communities. Population growth and climate change are two of the major challenges, and Alan will describe why Australia needs a management growth strategy to prevent people being placed at particular risk in vulnerable coastal areas.

9:35 CASE STUDY: NEWCASTLE PLANS FOR URBAN GROWTH



Jill Gaynor, *Manager of Strategic Planning Services at Newcastle City Council.*

Jill will describe the innovative urban growth management strategies and systems that Newcastle City Council has successfully implemented to ensure the city is a sustainable regional population centre, including promoting existing neighbourhoods as mixed use centres with higher employment and housing densities.

10:05 MODERATED DISCUSSION

10:20 MORNING TEA

SESSION 4: DEVELOPMENT ASSESSMENT IMPROVEMENT AND TECHNOLOGY IMPLEMENTATION

10:50 PURSUING DEVELOPMENT ASSESSMENT REFORM: AN UPDATE ON THE WORK OF THE DEVELOPMENT ASSESSMENT FORUM

Paul Waterhouse, *Chair of the Development Assessment Forum and Executive Director of National Policy at the Property Council of Australia. (Invited).*

11:20 IMPROVING DEVELOPMENT ASSESSMENT PROCESSES AT BRISBANE CITY COUNCIL



Andrea Kenafake, *Manager of Development Assessment, Brisbane City Council.*

Brisbane City Council has implemented a range of initiatives that are improving its development assessment efficiencies. Andrea's presentation will describe how the council has driven these improvements, including the implementation of electronic development assessment systems, website improvements, and improving internal processes.

11:50 DEVELOPERS AND COUNCILS: NEGOTIATING THE CONDITIONS OF RESIDENTIAL DEVELOPMENT

Dr Kristian Ruming, *Macquarie University.*

Dr Ruming will describe the findings of research that has explored the informal associations of development assessment and approval across New South Wales, including the tendency of developers and council staff to negotiate conditions of residential development.

12:20 TBA.

12:50 MODERATED DISCUSSION

1:15 LUNCH

2:00 INTEGRATING AFFORDABLE HOUSING ISSUES INTO URBAN PLANNING PROCESSES



Dr Ian Winter, *Executive Director, Australian Housing and Urban Research Institute.*

This presentation will illustrate the planning strategies and mechanisms that can increase the supply of affordable housing, and make explicit the social values and objectives that underpin such an approach to urban planning.

2:20 SCIENCE MEETS PLANNING: PREPARING FOR A CLIMATE-ADAPTED FUTURE

Jane Blackmore, *Research Leader Coastal Vulnerability and Planning for the CSIRO's Urban Systems Group.*

Jane will describe how planners can make best use of new scientific understanding to address challenges ranging from sea-level rise and coastal inundation to the development of building regulations.

2:50 URBAN PLANNING AND ENVIRONMENTAL MANAGEMENT

Geoff Withycombe, *Executive Officer, Sydney Coastal Councils Group. (Invited).*

3:20 DISCUSSION & SUMMARY OF SUMMIT PROCEEDINGS

4:00 END OF SUMMIT

FOR PROGRAM UPDATES PLEASE
VISIT THE SUMMIT WEBSITE

www.halledit.com.au/urbanplan2010

To register: phone (03) 8534 5000, fax (03) 9530 8911,
register online www.halledit.com.au/urbanplan2010 or email registration@halledit.com.au

LOCAL GOVERNMENT URBAN PLANNING & DEVELOPMENT SUMMIT 2010

Tuesday, October 19 to Wednesday, October 20, 2010 Dockside Convention Centre, Darling Harbour, Sydney

FIVE EASY WAYS TO REGISTER: online, fax, phone, email, mail

Online: www.halledit.com.au/urbanplan2010 Phone: (03) 8534 5000 Fax: (03) 9530 8911

Email: registration@halledit.com.au Mail: PO Box 84, Hampton, Vic 3188

ATTENDEES

Delegate 1: Name

Full Summit Day 1 Day 2

Position

Email

Delegate 2: Name

Full Summit Day 1 Day 2

Position

Email

Delegate 3: Name

Full Summit Day 1 Day 2

Position

Email

Delegate 4: Name

Full Summit Day 1 Day 2

Position

Email

Special dietary requirements

CONTACT DETAILS Please fill in this section as well as the above

Organisation

Address

Suburb

Postcode

Ph

Fax

 **PLEASE NOTE:** THIS REGISTRATION FORM SERVES AS A TAX INVOICE WHEN COMPLETED. PLEASE RETAIN A COPY FOR YOUR RECORDS.

SUMMIT FEES (Please indicate number of attendees for each of the below:)

STANDARD RATE

[] x 2-day Summit \$895 = []

[] x 1 day pass \$500 = []

TOTAL AMOUNT = []

PAYMENT METHODS Payment must be received before the event

CHEQUE ENCLOSED

All cheques crossed and payable to Hallmark Editions Pty Ltd
(Hallmark Editions Pty Ltd is GST registered, ABN 43 102 605 434)

Mail cheques to: Hallmark Conferences + Events, PO Box 84,
Hampton, Vic 3188. **Please enclose your registration form.**

PLEASE DEBIT MY CREDIT CARD

VISA Mastercard

Card Holder's Name

Card Number

Exp

PLEASE FORWARD ME AN INVOICE

Purchase Order No: _____

SUBSTITUTING DELEGATES

If you are unable to attend on both days, you are welcome to share your registration with ONE OTHER colleague from the same organisation. An Administration Fee of \$100 will apply. Entry to the Conference will be by delegate badge only. You must inform Hallmark Conferences + Events if you are substituting delegates. Maximum two delegates may attend from the one registration.

CONFIRMATION DETAILS An invoice to Government agencies only will be sent within 5 working days after registration. Places for registered attendees are not confirmed until payment of invoice is received. Once payment is received, confirmation details will be sent within 10 business days. Please contact the Registration Officer at Hallmark Conferences + Events on 03 8534 5000 if invoice or confirmation has not been received within this time.

CANCELLATION POLICY A substitute delegate is always welcome. Otherwise, a full refund, less a \$50 admin service charge, will be received for cancellations received in writing (fax or letter) up to ten working days before the event. Documentation and a 50% refund will be sent for cancellations received five working days prior to the event. No refunds can be given for cancellations within five working days of the event. The prices above are based on one person per registration, however if you are unable to attend both days, you are welcome to share your registration with one other delegate. Maximum two delegates may attend from the one registration (a \$100 administration fee applies). Every effort will be made to contact each attendee should an event be rescheduled or cancelled by Hallmark Conferences + Events for any reason.

ACCOMMODATION: For accommodation details please go to www.halledit.com.au/urbanplan2010/accommodation

VENUE: Dockside Convention Centre, Sydney. For further information visit www.halledit.com.au/urbanplan2010/venue

CAR PARKING: For further information visit www.halledit.com.au/urbanplan2010/venue

PUBLIC TRANSPORT: For further information visit www.halledit.com.au/urbanplan2010/venue

INDEMNITY Hallmark Conferences + Events reserves the right to change the venue and/or speakers of any event due to circumstances beyond our control. In the event of changes to venue or speakers, or cancellation of the event, Hallmark Conferences + Events is indemnified against any or all costs, damages, expenses, including legal fees, which are incurred by the attendee/s. In the case of venue change, all reasonable efforts will be made to inform attendees.

PRIVACY DISCLOSURE The collection of your personal information is governed by privacy laws. Your information is collected for the purposes of processing your registration or to respond to your request to receive information about this Convention and other events by Hallmark Conferences + Events, and to market the products and services of the Convention and our business associates. You may request to gain access to any of your personal information that we have collected. If you do not wish to have your information used for marketing purposes, please contact 03 8534 5000 or tick the following box

DEVELOPMENT APPLICATION

SUMMARY SHEET

REPORT TITLE:	1 KALANG AVENUE, KILLARA - ALTERATIONS AND ADDITIONS
WARD:	Gordon
DEVELOPMENT APPLICATION N^o:	0533/10
SUBJECT LAND:	1 Kalang Avenue, Killara
APPLICANT:	Mr Robert Acres
OWNER:	Mr R R Acres & Mrs J E Acres
DESIGNER:	NKT Architecture
PRESENT USE:	Residential Dwelling
ZONING:	Residential 2(b)
HERITAGE:	No
PERMISSIBLE UNDER:	Ku-ring-gai Planning Scheme Ordinance
COUNCIL'S POLICIES APPLICABLE:	KPSO, DCP 38 - Residential Design Manual, DCP 40 - Waste Management, DCP 43- Car parking, DCP 47 - Water Management, DCP 56 - Notification, Riparian Policy
COMPLIANCE WITH CODES/POLICIES:	Yes
GOVERNMENT POLICIES APPLICABLE:	SEPP 1 – Development Standards, SEPP 55 – Remediation of Land, SEPP Building Sustainability Index (2004), SREP (Sydney Harbour Catchment) 2005
COMPLIANCE WITH GOVERNMENT POLICIES:	Yes
DATE LODGED:	28 July 2010
40 DAY PERIOD EXPIRED:	6 September 2010
PROPOSAL:	Alterations and additions
RECOMMENDATION:	Deferred commencement

Item 7

DEVELOPMENT APPLICATION N^o 0533/10
PREMISES: 1 KALANG AVENUE, KILLARA
PROPOSAL: ALTERATIONS AND ADDITIONS
APPLICANT: MR ROBERT ACRES
OWNER: MR R R ACRES & MRS J E ACRES
DESIGNER: NKT ARCHITECTURE

PURPOSE FOR REPORT

To determine development application No.0533/10, which seeks consent for alterations and additions to the existing dwelling.

The matter is referred to a full Council meeting to consider a variation to a development standard of greater than 10%.

Councillor's attention is directed to Circular PS 08-014 from the NSW Department of Planning concerning the determination by Council of Development Applications where a variation of a development standard is sought under the provisions of SEPP No. 1. The Circular requires all development applications which involve a variation greater than 10% under the provisions of SEPP No. 1 to be determined by full Council and not under Council staff delegation. The proposed variation to the building height development standard of Clause 46 (2) is 13.25%.

EXECUTIVE SUMMARY

Issues:	Bulk and scale, height, setbacks, overshadowing, building height plane
Submissions:	Two
Land & Environment Court Appeal:	Not applicable
Recommendation:	Deferred commencement

HISTORY

Site history

685/07 – alterations and additions

The development application was approved by Council on 17 September 2007. An extension of time was granted (EXT0032/09), determined on 26 August 2009.

The application proposed alterations and extensions of the existing dwelling, the details of which are as follows:

- new flat roofed carport attached to the rear (north-western) corner of the dwelling within the side setback of the property
- new access stairs leading from the existing covered carport to the upper level of the dwelling
- enclosure of the existing balcony attached to the rear of the dwelling's ground floor to allow for the introduction of a bedroom and bathroom
- new first floor terrace / balcony to the rear of the dwelling

Item 7

Given that DA0685/07 and the current proposal could be undertaken simultaneously it is considered that the cumulative impacts of the combined developments will result in an overdevelopment of the site. In this regard, it is recommended that DA0685/07 be surrendered and a deferred commencement condition is included (**Condition 1**).

662/09 – alterations and first floor addition

The development application was withdrawn on 23 December 2009

Development application history

28 July 2010	Application lodged
6 August 2010	Application referred to NSW Rural Fire Service
6 August 2010	Application notified to surrounding properties
23 August 2010	Comments received from the NSW Rural Fire Service
8 September 2010	Council requested that the applicant provide the following: <ul style="list-style-type: none">• amendments to address solar access requirements• amended vertical shadow diagrams, including confirmation that true north and correct azimuth and altitude angles were utilised• amended SEPP 1 objection quantifying the height non-compliance• long section• copies of survey plan• accurate depiction of the building height plane
22 September 2010	The applicant submits amended plans

THE SITE AND SURROUNDING AREA

The site

Zoning:	Residential 2(b)
Visual Character Study Category:	1945-1968
Lot Number:	6
DP Number:	22592
Area:	1204.1m ²
Side of Street:	Western
Cross Fall:	East to West
Stormwater Drainage:	To street
Heritage Affected:	No
Required Setback:	9-11 metres
Integrated Development:	No
Bush Fire Prone Land:	Yes – Category 1 and buffer
Endangered Species:	Yes – Sydney Turpentine Ironbark Forest. No impact.
Urban Bushland:	No
Contaminated Land:	No

Item 7

SITE DESCRIPTION

The subject site is legally described as Lot 6 in DP 22592 and is known as 1 Kalang Avenue, Killara. The site is slightly irregular in shape but is primarily rectangular with a 18.29m frontage to Kalang Avenue, a maximum depth of 68.51m and a total area of 1204.1m². The site is located on the western and lower side of Kalang Avenue. The site is affected by a significant slope with a fall from the front to the rear of approximately 11 metres. Council's Riparian Policy has identified a Category 2 Corridor running along the rear of the property. As the proposed development is to take place over the existing building footprint, no existing vegetation will be disturbed.

The site is occupied by a part one and two storey flat roof dwelling configured to step with the slope of the site. This dwelling is primarily of sandstone construction. Parking is currently provided by an integrated carport attached to the rear of the building.

Surrounding development:

The properties surrounding the site are generally zoned for residential purposes except for Council reserves which are located opposite the site and at the rear. The surrounding residential properties are developed with one and two storey dwellings.

THE PROPOSAL

The alterations and additions to the existing dwelling include the following:

- new entry and internal staircase
- enclosure of existing elevated ground floor balcony to extend the existing dining room
- new first floor to accommodate a main bedroom, ensuite and robe, bedroom 3 and ensuite and entry void

Amended plans dated 17 September 2010 and received by Council on 22 September 2010

The following amendments were undertaken:

- reduction of the first floor (western elevation)
- SEPP 1 objection amended to quantify the proposed breach
- confirmation that true north and the correct altitude and azimuth's were utilised to prepare the shadow diagrams
- additional long section provided
- eastern elevation amended to reflect the correct building height plane

CONSULTATION - COMMUNITY

In accordance with Council's Notification DCP, adjoining owners were given notice of the application. Two submissions were received:

1. *P. Williams, 1A Kalang Avenue, Killara*
2. *Symons Goodyer on behalf of R. and T. Laybutt, 3 Kalang Avenue, Killara*

Item 7

The submissions raised the following issues:

building height plane non compliance and the consequential loss of sunlight to a kitchen window

The original plans have been amended, reducing the length of bedroom 3 by 900mm and deleting the projecting robe and ensuite. As a result, an increase in the amount of solar access to the affected kitchen window has been achieved. Notwithstanding the amendments, non compliances with side setbacks, height and building height plane are proposed and are largely a result of the sloping site topography. The non compliance with the side setbacks, height and building height plane have been addressed within the body of the report and found to be acceptable.

Solar access has been discussed within the body of the report and was found to be acceptable.

contravention of Clause 4.2.2 of DCP 38, the proposal exceeds two storeys in height

These breaches are discussed within the body of the report and found to be acceptable.

solar access diagrams provided by the applicant do not accurately depict overshadowing

The amended plans have reduced the amount of overshadowing to the north facing kitchen window at No. 1 Kalang Avenue. Amended shadow diagrams have been provided which demonstrates true north as well as correct altitudes and azimuths.

size, bulk, and closeness of the proposed addition to the north boundary

The proposed alterations and additions have been assessed against the provisions of the Ku-ring-gai Planning Scheme Ordinance and Development Control Plan 38 – Residential Design Manual. The proposed development is compliant with the side setbacks along the northern elevation. Whilst it is acknowledged that there are non compliances it is considered that these are mainly due to the constrained nature of the site. Significant articulation and design measures will ensure the proposed development, is of an appropriate built form. The proposed development is considered of an appropriate size, bulk and scale with no unreasonable impacts on the streetscape or neighbouring properties.

incorrect building height plane shown on the architectural drawings

Council is satisfied that the amended architectural plans now reflects the building height plane more accurately.

Amended plans dated 17 September 2010 and received by Council on 22 September 2010

The length of the proposed first floor addition was reduced adjacent to the southern neighbour to address Council's concerns with overshadowing. The amended plans were not notified to surrounding residents as the proposed amendments result in an improved environmental impact compared to the original proposal.

CONSULTATION - INTERNAL

Due to a Category 2 Riparian Corridor (Council's Riparian Policy) to the west of the site, the application was referred to Council's Ecologist, John Whyte, who provided the following comments:

I have reviewed the site plans, bushfire report and the RFS comments and conclude that the proposed development is unlikely to impact upon native vegetation nor is it likely to pose a threat to the integrity of the riparian vegetation to the south. The 15m APZ is situated wholly within a managed area which will not require the removal/modification of native vegetation.

CONSULTATION – OUTSIDE COUNCIL

Rural Fire Services

In accordance with the provisions of section 79BA of the Environmental Planning and Assessment Act 1979, Council consulted with the Commissioner of the NSW Rural Fire Service, concerning measures to be taken with respect to the protection of persons, property and the environment from danger that may arise from a bush fire. The comments provided by the Rural Fire Service are as follows:

I refer to your letter dated 6 August 2010 seeking advice regarding bush fire protection for the above Land Use Application in accordance with Section 79BA of the 'Environmental Planning and Assessment Act 1979'.

The Service provides the following recommended conditions:

General Conditions

1. The Service endorses the recommendations in the bushfire Assessment Report by Stuart McMonnies of Bushfire Hazard Solutions ref No. 1 Kalang Ave Killara dated September 2009.

STATUTORY PROVISIONS

State Environmental Planning Policy No. 55 - Remediation of Land

The provisions of SEPP 55 require consideration of the potential for a site to be contaminated. The subject site has a history of residential use and, as such, it is unlikely to contain any contamination and further investigation is not warranted in this case.

State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004

A valid BASIX certificate has been submitted. The certificate demonstrates compliance with the provisions of the SEPP.

SREP (Sydney Harbour Catchment) 2005

Matters for consideration under SREP 2005 include biodiversity, ecology and environmental protection, public access to scenic qualities of foreshore and waterways, maintenance of views, control of boat facilities and maintenance of a working harbour. The proposal is not in close proximity to, or within view, of a waterway or wetland and is considered satisfactory.

Item 7

Ku-ring-gai Planning Scheme Ordinance

Part A: Development Standards

Permissibility

The site is zoned Residential 2(b). The proposed works for alterations and additions to an existing dwelling are permissible with development consent pursuant to Clause 23(b) of the Ku-ring-gai Planning Scheme Ordinance.

Development standard	Proposed	Complies
Site area: 1204.1m ²		
Minimum size allotments	N/A	N/A
Building height 8m (max)	9.06m	NO
Built upon areas 60%(722.46m ²)(max)	47.06% (566.59m ²)	YES

State Environmental Planning Policy (SEPP) No. 1 - Development Standards

Clause 46(2) of the KPSO states that a person shall not erect a dwelling-house with a height in excess of 8 metres.

The proposed first floor addition will result in a total building height of 9.06m metres (13.25% variation). Accordingly, a SEPP No. 1 objection has been lodged which is considered below.

whether the planning control to be varied is a development standard

Clause 46 of the KPSO restricts the height of dwellings to 8 metres. As the KPSO is a statutory planning instrument, this control is identified to be a development standard as defined under Section 4 of the Environmental Planning & Assessment Act, 1979.

the underlying objective or purpose of the standard

There are no specifically stated purposes or objectives expressed in Clause 46 of the KPSO. Notwithstanding this Schedule 9 of the Ku-ring-gai Planning Scheme Ordinance provides aims and objectives for residential zones.

The general aims of Schedule 9 are as follows:

- *To maintain and, where appropriate, improve the existing amenity and environmental character of residential zone; and*
- *To permit new residential development only where it is compatible with the existing environmental character of the locality and has a sympathetic and harmonious relationship with adjoining development.*

The specific objectives of Schedule 9 are as follows:

- *All new dwelling-houses and additions to dwelling-houses maintain a reasonable level of sunlight to neighbours' living area and recreation space between 9am and 3pm during the winter solstice on 22 June; and*

Item 7

- *All new dwelling and additions to dwelling-houses are sited and designed so as to minimise overlooking of neighbours' living areas and recreation space; and*
- *Any building or development work shall maintain or encourage replacement of tree cover whenever possible to ensure the predominant landscape quality of the Municipality is maintained and enhanced; and*
- *Any building or development work on a site avoids total or near total site utilisation by maintaining a reasonable proportion of the site as a soft landscaping area; and*
- *All new dwelling houses and additions to existing dwelling houses are of a height, size and bulk generally in keeping with that of neighbouring properties and where larger building area proposed, they are designed so as not to dominate and so far as possible to harmonise with neighbouring development; and*
- *In areas where one period, style or genre of architecture predominates, the new dwelling-house reflects either that style of or the main stylistic features such as roof pitch, materials, proportions, setbacks, etc, and additions to existing dwelling-houses reflect the style of and continue the main stylistic features of the existing structure; and*
- *All new dwelling-houses and additions provide reasonable space on the site for the forward entrance and exit of vehicles.*

The objectives from section 4.2 (Building Form) of Development Control Plan 38 and the assessment criteria as outlined in clause 4.2.2 (Height of Building) should also be considered. The intention of the two storey height limit and 8m maximum (subject to site slope) height is to:

- *Limit the height of dwellings so that they do not dominate the treed landscape of Kuring-gai.*
- *Limit the extent of overshadowing and visual and aural intrusion on the private open space of neighbouring properties.*
- *Ensure significant views from neighbouring dwellings are not unduly compromised.*
- *Maintain the integrity of existing streetscapes.*

whether compliance with the development standard is consistent with the aims of the SEPP1 policy and in particular, whether compliance with the development standard hinders the attainment of the objectives specified in Section 5(a)(i) and (ii) of the Environmental Planning and Assessment Act 1979

The aim of SEPP 1 is to:

Provide flexibility in the application of planning controls operating by virtue of development standards in circumstances where strict compliance with those standards would, in any particular case, be unreasonable or unnecessary or tend to hinder the attainment of the objects specified in Section 5(a) (i) and (ii) of the Act.

In this regard, the objectives of Section 5(a)(i) and (ii) of the Act are:

(a) To encourage:

1. *the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities,*

Item 7

- towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment;*
- 2. the promotion and co-ordination of the orderly and economic use and development of land.*

It has been concluded that the non-compliance with the development standard is consistent with the aims of SEPP 1 as it is unreasonable and unnecessary in this instance (as discussed in detail below) to comply with the requirement. In this particular circumstance, compliance with the development standard would hinder the attainment of the objectives specified in Section 5(a) (i) and (ii) of the Act.

whether compliance with the development standard unreasonable or unnecessary in the circumstances of the case

The applicant submits that strict compliance with the height standard, based on Clause 46(2) of the KPSO is unreasonable and unnecessary in the circumstances on the following grounds:

The maximum height of a dwelling in residential 2(b) should be 2 storeys above natural ground level. The proposed alterations and additions to the subject dwelling seek to create a two storey appearance at the front façade of the property. This is proposed for two main reasons:

- 1. There is already a two storey element to the rear of the existing dwelling.*
- 2. The amenity of the adjoining property, streetscape and area generally would be compromised by adding another storey to the rear of the dwelling which would create significant non-compliances.*

Therefore, it was decided that the majority of the required alterations and additions are to be located to the front of the existing dwelling and above the existing single storey section.

A majority of the proposed second storey addition falls well within the 8m maximum height plane. However, due to the steeply sloping nature of the site, non-compliance near the centre (rear of the proposed addition) and sides exist in the form of minimal point encroachment over the maximum 8 metre height plane (refer to drawings DA201, 202, 301, and 302). These point intrusions have created variances to the height plane requirements between 200mm and 960mm, which is predominately less than 10%.

An attempt has been successfully undertaken to locate all of the proposed additions to the front of the existing dwelling.

The variances to the standards are predominately less than 10%.

The applicant further argues:

- The land to the rear of the dwelling falls steeply and therefore creates a small non-compliance to the standard, without impacting on the adjoining properties.*
- The design of the proposed additions limits fenestration to the sides of the dwelling. The rear deck is surrounded on both sides. The rear adjoining properties are a significant distance away with many trees in between. Overlooking therefore is*

Item 7

negligible. As such, the proposed additions are sited and designed so as to minimise overlooking of neighbours' living areas and recreation space.

- *The site is oriented east – west with north located to the side of the subject dwelling. As a result, all shadows created are to the front of the existing dwelling. The design decision to not add additional bulk to the front of the dwelling has created a negligible difference between existing and proposed shadow to the front of the property. In some areas, the amount of overshadowing has been reduced.*
- *All significant views from neighbouring dwellings have not been unduly compromised. The siting of the additions along the front section of the existing dwelling has created little view reduction to neighbouring properties;*
- *The integrity of the existing streetscape has been maintained.*
- *Kalang Avenue and the area has quite distinct styles and genres of architecture. The proposed additions reflects this style and main stylistic features such as roof pitch, materials, proportions, setbacks, etc.*

It is noted that non-compliance with the prescribed standard is largely manifested by the design of functional additions to the existing dwelling over an area of the site that is substantially constrained in terms of topographical variation. In this particular case, strict compliance with the development standard would unreasonably restrict the opportunity to extend the dwelling in a manner that is practical and functional. It is further noted that if the additions were to be constructed on a level allotment, the non-compliance would not occur. The dwelling presents largely as a two storey structure of a suitable bulk and scale when viewed from Kalang Avenue consequently the visual scale of the dwelling is acceptable in the streetscape and character of the area. The objection has satisfactorily demonstrated that the proposed breach is not contradictory to any of the relevant objectives contained within the KPSO or DCP 38.

Therefore, for the reasons raised by the applicant, the topographical constraints and the absence of any unreasonable impacts upon the streetscape character or the amenity of neighbouring properties, it is concluded that the proposed breach can be supported in this instance.

whether the objection is well founded

In considering the SEPP 1 objection including the arguments raised by the applicants, it is considered the objection is well founded and the development will achieve the underlying objectives of the control. It is also concluded strict compliance with the prescribed development standard would unnecessarily hinder the attainment of the objectives specified by Section 5(a) (i) & (ii) of the EP&A Act, 1979.

Part B: Aims and objectives for residential zones:

The development is considered to achieve the aims and objectives of Part B of the KPSO for the following reasons:

- the development provides satisfactory levels of solar access and privacy to surrounding properties
- the development is of a bulk, scale and design, characteristic of the area

Item 7

- the development maintains adequate levels of soft landscaping
- the development maintains the landscape quality of the municipality

Consequently, the aims and objectives for residential development as outlined by Schedule 9 have been satisfied.

Part C: Heritage /conservation areas:

The subject site is not a listed heritage item, is not within a gazetted conservation area nor is the site within the vicinity of a heritage item. The subject site is listed on the RAIA list of significant 20th Century buildings. In this regard, there are no statutory regulations with regards to the building’s heritage significance and the works are to be assessed on their merits.

The application has been discussed with Council’s Heritage Advisor who advised that there are no objections on heritage grounds.

The proposal is therefore satisfactory with regard to the aims of Part C of the KPSO.

Aesthetic appearance (clause 33)

The subject site is located to the west of a public reserve and the proposed additions will be visible from the entry to this area. In addition, the site is bounded to the rear by a riparian corridor. The proposed addition is considered to be of an appropriate bulk and scale, integrated well with the existing built form. In this regard, the resultant development will be of an acceptable visual presentation to the nearby public reserve and consistent with the character of surrounding built forms. The proposal is therefore considered satisfactory.

POLICY PROVISIONS

Development Control Plan No. 38 - Ku-ring-gai Residential Design Manual

Development Control	Proposed	Complies
4.1 Streetscape:		
Building setbacks (s.4.1.3) Front setback: 11m (Ave) -75% front elevation 9m (min) – 25% front elevation Side setback: Ground floor: 2m(min) 1 st floor: 2.75m (min)	FF/ Dwelling wall – 6.85 - 11.95m	NO
	Entry roof – 6.0m	NO
	N (F/F) – 3.7 – 6.15m	YES
	N(GF) add – 8.05m	YES
	S (F/F) – 1.818m – 3.9m	NO
	S(G/F) – 3.8m	YES

Item 7

Development Control	Proposed	Complies
Rear setback: 12m(min)	49.1m	YES
4.2 Building form:		
FSR (s.4.2.1) 0.34:1 (410.8m ²) (max)	0.47:1 (570.92m ²)	NO
Height of building (s.4.2.2) 2 storey (max) and 8m (site >20° slope) or 7m (site <20° slope)	3 storey & 9.06m	NO NO
Building height plane (s.4.2.3) 45° from horizontal at any point 3m above boundary	south/west-1.55m (max) north - 3.2m (max)	NO NO
First floor (s.4.2.4) FSR: < 40% total FSR	13.72%	YES
Roof Line (s.4.2.6) Roof height (5m - single storey) (3m - two+ storey) Roof pitch 35° (max)	Skillion roof 2°	YES YES
Built-upon area (s.4.2.7) 50% (602.05m ²) (max)	47.06% (566.59m ²)	YES
Unrelieved wall length (s.4.2.8) 12m (min) where wall <4m high 8m where wall >4m high	E- 10.8m (max) W - 10.35m	NO YES
Solar access (4.2.11) 4h solar access to adjoining properties between 9am to 3pm	Refer to discussion below	Refer to discussion below
4.3 Open space & landscaping:		
Soft landscaping area (4.3.3) 50% (602.05m ²) (max)	52.9% (637.51m ²)	YES
Tree replenishment (s.4.3.6) 7 Trees required	2 trees provided	Refer to discussion
Useable open space (s.4.3.8) Min depth 5m and min area 50m ²	Depth > 5m Area >50m ²	YES YES
4.4 Privacy & security:		
Refer discussion below.		

Item 7

Development Control	Proposed	Complies
4.5 Access & parking:		
No. of car parking spaces (s.4.5.1) 2 spaces behind building line	1 spaces behind building line	N/A(no change)
Driveway width (s.4.5.6) 3.5m	4.2m	N/A(no change)
4.6 Ancillary facilities:		
Swimming pools (s.4.6.1)	Existing	N/A(no change)

Part 3.1.8 – Heritage and conservation areas

Part 3.1.8 of DCP 38 requires that new dwellings in a conservation area or in close proximity to a heritage item, maintain the heritage significance of the surrounding area and any affected heritage item.

The application is not a listed heritage item, is not within a gazetted conservation area nor is the site within the vicinity of a heritage item. The subject is listed on the RAIA list of significant 20th Century buildings. In this regard, there are no statutory regulations with regards to the buildings heritage significance and the works are to be assessed on their merits.

The application has been discussed with Council’s Heritage Advisor who advised that there are no objections on heritage grounds.

The proposal is therefore satisfactory with regard to the aims of Part 3.1.8 of DCP 38.

Part 4.1 – Streetscape

The following are the objectives of Part 4.1:

- (a) To ensure that the development is sensitive to the landscape setting, environmental conditions and established character of the street and locality.*
- (b) To ensure that the appearance of new development is of a high visual quality, enhances the streetscape and complements good quality surrounding development.*
- (c) To conserve the natural, built and cultural significance of streetscapes of heritage value.*

The proposed development will not detract from the streetscape or adjacent properties and is acceptable.

Front setback (s.4.1.3)

The site is located at the end of Kalang Avenue, a cul-de-sac which has resulted in an irregular subdivision pattern. The properties on the west side of Kalang Avenue also slope steeply away from the street. As a consequence some of the building footprint are sited closer to the street than the prescribed 9-11 metres.

Item 7



Plate 1: aerial photograph

Subject site

The proposed first floor is located directly above the existing ground floor with setbacks ranging between 6.85 metres and 11.95 metres. The ground floor entry projection is set back 6 metres from Kalang Avenue and does not comply with the setback requirement of 9-11 metres.

The proposed alterations and additions have been well integrated into the design of the existing dwelling. The design is responsive to the existing development, the streetscape character and the topography of the site.

The proposed alterations and additions do not result in any unreasonable loss of landscaped area within the front setback, does not result in any unreasonable amenity impact upon adjoining properties and does not adversely impact on the streetscape character of the area. The proposal is considered to meet the intent of section 4.1.3 of DCP 38 and is satisfactory.

Side setback (s.4.1.3)

Section 4.1.3 of DCP 38 states that development should be appropriately located to maintain streetscape character, ensure the amenity of neighbouring properties is maintained or enhanced, allow for the provision of landscaping and provide room for additional tree plantings to grow to maturity, facilitate solar access, protect significant vegetation and facilitate efficient use of the site.

The required side setbacks for the ground and first floor are 2 metres and 2.75 metres, respectively.

Item 7

Southern boundary

The development proposes setbacks ranging between 1.818 - 3.9 metres at first floor, and is thereby non-compliant with DCP 38. The variation relates to the southern wall of bedroom 3 which extends for a length of 3.45 metres. It is noted that the first floor wall of the adjoining property No. 3 Kalang Avenue also has a reduced set back of between 1 and 2.15 metres to the boundary with the subject site.

The proposal is well articulated, with adequate separation between the development and the neighbouring properties. This results in an acceptable bulk and scale when viewed from adjacent properties and the streetscape. Given the steeply sloping site topography, redevelopment of the site is constrained.

As discussed within the body of the report, the non compliance will not result in undue overshadowing impact on any internal or external living area on the adjacent property. Under these circumstances, the non compliance is considered to be acceptable.

Part 4.2 – Building form

Floor space ratio (s4.2.1)

The intent of the floor space ratio control is to ensure the scale of new development is not excessive, relates well to the local context and the streetscape, to minimise the impact of development on significant views and to maintain adequate privacy and solar access to adjoining residential properties. DCP 38 specifies a maximum FSR of 0.34:1 (410.8m²) for a site of this size and the proposal will result in a floor space ratio of 0.47:1 (570.92m²), a 160.12m² variation. It is noted that the floor space ratio calculation includes the lower basement garden shed and lower level raised concrete deck and swimming pool of 203.89m². Whilst this area is required to be technically included in the floor space ratio calculation, the area does not add to the bulk and scale of the development, nor does it provide floor area that is linked with the main living areas.

Despite the variation, the proposed development achieves the objectives of the FSR control for the following reasons:

- The intent of the FSR control is to limit the scale of dwellings and thereby internal habitable areas which may potentially impact the amenity of surrounding properties. The design of the dwelling has been articulated, through varied setbacks, to negate any unreasonable bulk and scale impacts upon the amenity of neighbouring properties and is acceptable.
- As stated above the floor space ratio calculation includes the lower basement garden shed and lower level raised concrete deck and swimming pool equating to an area of 203.89m². Whilst this area is required to be technically included in the floor space ratio calculation, the area does not add to the bulk and scale of the development. The development would be well below the prescribed maximum if this area was not included.
- The proposal is of an acceptable bulk and scale.
- The proposed dwelling has been well articulated to reduce bulk and scale impacts. The alterations and additions have been designed to complement the original dwelling to ensure the design integrates well with the existing development. In this regard, it is noted that the

Item 7

front façade of the dwelling incorporates substantial measures that contributes to “breaking up” the visual impacts of this elevation of the building and minimises bulk and scale impacts upon the streetscape and neighbouring properties.

- The proposed development maintains an appropriate landscape area to built upon area ratio.
- The proposed built upon area is 47.06% and is compliant with the maximum 50% built upon area control of DCP 38 and the 60% maximum built upon area development standard of the KPSO.
- The proposed dwelling is appropriately set back from the front, side and rear boundaries.
- There will be no undue impacts on the privacy of any neighbouring properties.

Height of building (S4.2.2)

Section 4.2.2 of the DCP states that a dwelling must not exceed two storeys in height. However, the DCP states that Council may consider an additional floor on sloping sites where the height is not evident from public areas or adjoining properties and where excavation is not excessive.

The site has a significant slope and while the existing dwelling is already two storeys in height, its apparent height from the street is generally that of a single storey structure.

The proposal results in a height of 9.06 metres and does not comply with the prescribed requirement of 8 metres. The proposal has been supported by a SEPP 1 objection which is considered satisfactory.

The height non-compliance has been addressed under the SEPP 1 discussion and deemed to be satisfactory.

Building height plane (4.2.3)

The proposal results in a breach of the building height plane along both the northern and southern elevations. The height and setback non-compliances, contribute to the breach of the building height plane. Both the height and setback non-compliances have been addressed and are considered satisfactory. The proposal does not result in any unreasonable adverse impacts upon the amenity of adjoining properties or the streetscape. The proposal is considered acceptable in this regard.

Unrelieved wall length (s.4.2.8)

The aim of this control is to introduce architectural relief and modulation into a design to reduce bulk. The control restricts walls less than 4 metres in height to a maximum unrelieved wall length of 12 metres. The proposed development breaches the control by 2.8 metres, with a wall length along the eastern elevation of 10.8 metres. The encroachment is at ground floor/first floor level. The front elevation has incorporated a range of architectural treatments to ensure that the elevation is suitably articulated and responds appropriately to the existing dwelling. Thereby, the breach identified would not result in any significant bulk and scale issues.

Item 7

Solar access (s4.2.11)

Section 4.2.11 of DCP 38 states: ...' 4 hours of solar access is to be maintained to north facing windows and living areas and the principal open space recreation areas such as swimming pools on 22 June 2009'...

The proposal will have no material overshadowing impact between 9am and 3pm on No. 35 and 37 Illeroy Avenue, given that this property is sited north of the subject site.

The property to be most affected by the proposed development is No. 3 Kalang Avenue, which is sited south of the subject site and on a similar building footprint. The owners of No. 3 Kalang Avenue raised concern regarding overshadowing of their property.

The elevation and kitchen window affected by this proposal face north. Vertical shadow diagrams provided by the applicant demonstrate the following;

- The kitchen window along the north elevation will receive a small amount of solar access at 9am.
- 50% of the window (top half) will receive solar access by 11am.
- From midday shadows from the proposed development are largely clear of the kitchen window at No. 3 Kalang Avenue.
- At 1pm, a small corner of the window is overshadowed.
- The window is clear from shadows at approximately 1.30pm.
- In excess of 4 hours of solar access is provided to the private open space.

Based on the above information, it is concluded that the proposed development does not significantly impact on the adjacent northern kitchen window. At 11am a minimum of 50% of the top half of the window will receive solar access. Given the solar access strikes the top half of the window, providing useable solar access to the kitchen, the window is considered to receive 4 hours of solar access between 11am and 3.00pm. In addition, the proposal is acceptable for the following reasons:

- Given the unusual architectural design of the existing dwelling's internal floor layout, enlargement of the existing dwelling in a functional and responsive manner is difficult to achieve. In this respect, it is noted that the most practical manner in which to introduce additional floor area is through the creation of a first floor addition (as the introduction of new floor area to the existing lower levels of the dwelling will be largely impractical in terms of movement between rooms and general functionality).
- While the proposed development will result in increased overshadowing impacts upon the north facing kitchen window of the adjacent dwelling, this window will continue to receive approximately 4 hours of useable sunlight between 11:00am and 3:00pm during the winter solstice. Given that this window is located along the side elevation of the neighbouring dwelling and is directly due south of the logical location development on the subject site is likely to take place, the retention of 4 hours of usable solar access is deemed to be reasonable.
- The private open space and balcony at the rear of No. 3 Kalang will maintain a minimum of 4 hours of solar access.

Item 7

Additionally, the application has been considered against the relevant Planning Principle developed in the NSW Land & Environment Court *The Benevolent Society v Waverley Council [2010] NSWLEC 1082*.

The Benevolent Society v Waverley Council [2010] NSWLEC 1082 identified the following key principles;

- The ease with which sunlight can be protected is inversely proportional to the density of development. It is however noted, that even at low densities there are sites and buildings that are highly vulnerable to being overshadowed.
- Amount of sunlight lost should be taken into account as well as the amount of sunlight retained.
- Overshadowing arising from poor design is not acceptable;
- For a window, door or glass wall to be assessed as being in sunlight, regard should be had not only to the proportion of the glazed area in sunlight but also the size of the glazed area itself.
- Overshadowing by fences, roof overhangs and changes in level should be taken into consideration;
- Overshadowing by vegetation should be ignored, except that vegetation may be taken into account in a qualitative way.
- The impact on what is likely to be built on adjoining sites (areas undergoing change).

The site is zoned for low density residential development. The neighbouring site is vulnerable to overshadowing given the solar orientation and relationship between both the adjacent site (No. 3 Kalang Avenue) and the subject site.

While it is acknowledged that a development that retains the existing solar access to No.3 Kalang Avenue could be constructed on the subject site, such a development would be unlikely to provide reasonable functionality.

Overshadowing from roof overhangs and slope has been taken into account in the assessment. Any overshadowing from the existing fence is considered inconsequential.

The proposed additions and alterations have been amended significantly to reduce the overshadowing impacts on the adjacent property. The amended design is well considered and is an appropriate response to the constraints of the site.

Part 4.3 – Open space

Tree replenishment (s.4.3.6)

For a site of this area 7 trees are required, with only two provided. In consultation with Council's Ecologist, **condition 9** is recommended to satisfy the intent of section 4.3.6 of DCP 38.

Part 4.4 – Privacy

Due to the steep topography of the subject site a degree of overlooking to the neighbouring properties is inevitable. The proposed alterations and additions will not unreasonably impact on

Item 7

the amenity levels of the neighbouring properties. The part enclosure of the existing balcony will not increase overlooking to adjoining properties.

The proposed first floor addition accommodates low use rooms with windows oriented largely to the rear or front of the site. A single window is located to the south (side) is off set from windows on the adjoining property.

In this regard, the proposed development achieves the objectives of part 4.4 of DCP 38.

Development Control Plan 40 - Construction and Demolition Waste Management

The applicant has submitted a waste management plan and it is considered, through conditions of development consent, the proposal will comply with DCP 40.

Development Control Plan 43 - Car Parking Code

No changes are proposed to site access or existing parking arrangements.

Development Control Plan 47 - Water Management

Matters for assessment under DCP 47 have been taken into account in the assessment of this application against DCP 38 and the proposal is acceptable in this respect.

Section 94 Plan

The proposed alterations and additions are to an existing dwelling and in this regard a section 94 contribution is not required.

LIKELY IMPACTS

All likely impacts have been considered and are acceptable, subject to conditions of consent.

SUITABILITY OF THE SITE

The site is considered to be suitable for the proposed development.

ANY SUBMISSIONS

All submissions received have been considered in the assessment of this application.

PUBLIC INTEREST

The approval of the application is considered to be in the in the public interest.

ANY OTHER RELEVANT MATTERS

Riparian zone

The subject site is identified by Council's Riparian Policy as being affected by a Category 2 –

Item 7

Terrestrial and Aquatic Habitat corridor. This corridor traverses the rear of the site, aligning the rear property boundary. The proposed development occurs within the 30m separation zone specified by the Policy. However, as the proposed development is above existing BUA and will not alter the building area platform, the works will not impact the Riparian Corridor. Council's Ecologist has reviewed the proposed development including the NSW Rural Fire Service conditions and raises no objections to the proposed development. Furthermore, conditions of consent are to be imposed to ensure that all waste materials generated during construction are managed in a manner that will not adversely impact the corridor.

There are no other matters for discussion.

UNAUTHORISED WORKS

None identified.

CONCLUSION

Having regard to the provisions of section 79C of the Environmental Planning and Assessment Act 1979, the proposed development is considered to be satisfactory. Therefore, it is recommended that the application be approved.

RECOMMENDATION

That the Council, as the consent authority, is of the opinion that the objection under State Environmental Planning Policy No. 1 – Development Standards to the height standard in clause 46 of the Ku-ring-gai Planning Scheme Ordinance is well founded. The Council is also of the opinion that strict compliance with the development standard is unreasonable and unnecessary in the circumstances of this case.

That the Council, as the consent authority, being satisfied that the objection under SEPP No. 1 is well founded and also being of the opinion that the granting of consent to DA0533/10 is consistent with the aims of the Policy, grant development consent to DA0533/10 for alterations and additions on land at No. 1 Kalang Avenue, Killara, for a period of five (5) years from the date of the Notice of Determination, subject to the following conditions:

SCHEDULE A - Deferred commencement conditions

Evidence required to satisfy the following condition must be submitted to Council within twelve (12) months of the date of this consent.

This consent does not operate until the following deferred commencement conditions have been satisfied:

1. Surrender of development consent (deferred commencement)

The applicant must surrender the following development consent to Council by in accordance with Clause 97 of the Environmental Planning and Assessment Regulation 2000:

Item 7

Development Consent No.	Dated	For:
DA: 0685/07	17 December 2007	Alterations and additions

This consent will not operate until the above development consent has been surrendered.

Reason: To ensure that there is certainty as to the consent applying to the subject land.

Upon receipt of written notification from Council that the abovementioned condition has been satisfied, the following conditions will apply:

SCHEDULE B - The standard conditions of consent are set out as follows:

CONDITIONS THAT IDENTIFY APPROVED PLANS:

1. Approved architectural plans and documentation (alterations and additions)

The development must be carried out in accordance with the following plans and documentation listed below and endorsed with Council's stamp, except where amended by other conditions of this consent:

Plan no.	Drawn by	Dated
DA001, revision E, site plan and site plan analysis	NKT Architecture	21 September 2010 and received by Council on 22 September 2010
DA099, revision A, lower basement (garden room), plan	NKT Architecture	29 June 2010 and received by Council on 28 July 2010
DA100, revision A, basement plan	NKT Architecture	29 June 2010 and received by Council on 28 July 2010
DA101, revision D, ground floor plan	NKT Architecture	29 June 2010 and received by Council on 28 July 2010
DA102, revision G, first floor plan	NKT Architecture	21 September 2010 and received by Council on 22 September 2010
DA103, revision F, roof plan	NKT Architecture	21 September 2010 and received by Council on 22 September 2010
DA201, revision G, north and east elevations	NKT Architecture	21 September 2010 and received by Council on 22 September 2010
DA202, revision G, south and west elevation	NKT Architecture	21 September 2010 and received by Council on 22 September 2010

Item 7

Plan no.	Drawn by	Dated
DA301, revision E, sections A-A & D-D	NKT Architecture	17 September 2010 and received by Council on 22 September 2010
DA302, revision E, sections B-B & C-C	NKT Architecture	17 September 2010 and received by Council on 22 September 2010

Document(s)	Dated
BASIX certificate No. A96203	5 October 2010

Reason: To ensure that the development is in accordance with the determination.

2. Inconsistency between documents

In the event of any inconsistency between conditions of this consent and the drawings/documents referred to above, the conditions of this consent prevail.

Reason: To ensure that the development is in accordance with the determination.

3. No demolition of extra fabric

Alterations to, and demolition of the existing building shall be limited to that documented on the approved plans (by way of notation). No approval is given or implied for removal and/or rebuilding of any portion of the existing building which is shown to be retained.

Reason: To ensure compliance with the development consent.

CONDITIONS TO BE SATISFIED PRIOR TO DEMOLITION, EXCAVATION OR CONSTRUCTION:

4. Road opening permit

The opening of any footway, roadway, road shoulder or any part of the road reserve shall not be carried out without a road opening permit being obtained from Council (upon payment of the required fee) beforehand.

Reason: Statutory requirement (Roads Act 1993 Section 138) and to maintain the integrity of Council's infrastructure.

5. Notice of commencement

At least 48 hours prior to the commencement of any development (including demolition, excavation, shoring or underpinning works), a notice of commencement of building or subdivision work form and appointment of the principal certifying authority form shall be submitted to Council.

Reason: Statutory requirement.

Item 7

6. Notification of builder's details

Prior to the commencement of any development or excavation works, the Principal Certifying Authority shall be notified in writing of the name and contractor licence number of the owner/builder intending to carry out the approved works.

Reason: Statutory requirement.

7. Structural adequacy (alterations and additions)

Prior to commencement of any development or excavation works, the Principal Certifying Authority shall be satisfied that those components of the building to be retained and/or altered will be structurally sound and able to withstand the excavation and demolition process.

C1. Note: Evidence from a qualified practising structural engineer, demonstrating compliance with the above and detailing, where relevant, means of support for those parts of the retained building shall be provided to the Principal Certifying Authority.

Reason: To ensure that the development can be undertaken in accordance with accepted construction practices as indicated on the endorsed development plans, without the need for modification of the consent.

8. Access through public reserve not permitted

Access for construction purposes shall not be gained through the adjoining public reserve. Should no alternative access exist, an application for access to the construction site via the public reserve shall be submitted to Council for consideration and approval prior to the commencement of works.

Reason: To protect public reserves.

9. Tree replenishment

Seven trees are to be planted within the rear of the site-two *Angophora costata* (Smooth-barked Apple), two *Syncarpia glomulifera* (Sydney Turpentine) and three *Elaeocarpus reticulatus* (Blueberry Ash). Trees to be planted shall be maintained in a healthy and vigorous condition until they attain a height of 5.0 metres whereby they will be protected by Council's Tree Preservation Order. Any of the trees found faulty, damaged, dying or dead shall be replaced with the same species.

Reason: To maintain the treed character of the area and enhance riparian area.

10. Construction waste management plan

Prior to the commencement of any works, the Principal Certifying Authority shall be satisfied that a waste management plan, prepared by a suitably qualified person, has been prepared in accordance with Council's DCP 40 – Construction and Demolition Waste Management.

The plan shall address all issues identified in DCP 40, including but not limited to: the estimated volume of waste and method for disposal for the construction and operation phases of the development.

Note: The plan shall be provided to the Certifying Authority.

Reason: To ensure appropriate management of construction waste.

CONDITIONS TO BE SATISFIED PRIOR TO THE ISSUE OF THE CONSTRUCTION CERTIFICATE:

11. NSW Rural Fire Service

The works are to be undertaken in accordance with the recommendations in the bushfire Assessment Report by Stuart McMonnies of Bushfire Hazard Solutions ref No. 1 Kalang Ave Killara dated September 2009.

Details are to be provided to the Principal Certifying Authority prior to the issue of the Construction Certificate.

Reason: To protect against bushfire

12. Long service levy

In accordance with Section 109F(i) of the Environmental Planning and Assessment Act a Construction Certificate shall not be issued until any long service levy payable under Section 34 of the Building and Construction Industry Long Service Payments Act 1986 (or where such levy is payable by instalments, the first instalment of the levy) has been paid. Council is authorised to accept payment. Where payment has been made elsewhere, proof of payment is to be provided to Council.

Reason: Statutory requirement.

13. Builder's indemnity insurance

The applicant, builder, developer or person who does the work on this development, must arrange builder's indemnity insurance and submit the certificate of insurance in accordance with the requirements of Part 6 of the Home Building Act 1989 to the Certifying Authority for endorsement of the plans accompanying the Construction Certificate.

It is the responsibility of the applicant, builder or developer to arrange the builder's indemnity insurance for residential building work over the value of \$12,000. The builder's indemnity insurance does not apply to commercial or industrial building work or to residential work valued at less than \$12,000, nor to work undertaken by persons holding an owner/builder's permit issued by the Department of Fair Trading (unless the owner/builder's property is sold within 7 years of the commencement of the work).

Reason: Statutory requirement.

14. Excavation for services

Prior to the issue of the Construction Certificate, the Principal Certifying Authority shall be satisfied that no proposed underground services (ie: water, sewerage, drainage, gas or other service) unless previously approved by conditions of consent, are located beneath the canopy of any tree protected under Council's Tree Preservation Order, located on the subject allotment and adjoining allotments.

Note: A plan detailing the routes of these services and trees protected under the Tree Preservation Order shall be submitted to the Principal Certifying Authority.

Reason: To ensure the protection of trees.

CONDITIONS TO BE SATISFIED PRIOR TO THE ISSUE OF THE CONSTRUCTION CERTIFICATE OR PRIOR TO DEMOLITION, EXCAVATION OR CONSTRUCTION (WHICHEVER COMES FIRST):

15. Infrastructure restorations fee

To ensure that damage to Council Property as a result of construction activity is rectified in a timely matter:

- a) All work or activity taken in furtherance of the development the subject of this approval must be undertaken in a manner to avoid damage to Council Property and must not jeopardise the safety of any person using or occupying the adjacent public areas.
- b) The applicant, builder, developer or any person acting in reliance on this approval shall be responsible for making good any damage to Council Property, and for the removal from Council Property of any waste bin, building materials, sediment, silt, or any other material or article.
- c) The Infrastructure Restoration Fee must be paid to the Council by the applicant prior to both the issue of the Construction Certificate and the commencement of any earthworks or construction.
- d) In consideration of payment of the Infrastructure Restorations Fee, Council will undertake such inspections of Council Property as Council considers necessary and also undertake, on behalf of the applicant, such restoration work to Council Property, if any, that Council considers necessary as a consequence of the development. The provision of such restoration work by the Council does not absolve any person of the responsibilities contained in (a) to (b) above. Restoration work to be undertaken by the Council referred to in this condition is limited to work that can be undertaken by Council at a cost of not more than the Infrastructure Restorations Fee payable pursuant to this condition.

Item 7

e) In this condition:

“Council Property” includes any road, footway, footpath paving, kerbing, guttering, crossings, street furniture, seats, letter bins, trees, shrubs, lawns, mounds, bushland, and similar structures or features on any road or public road within the meaning of the Local Government Act 1993 (NSW) or any public place; and

“Infrastructure Restoration Fee” means the Infrastructure Restorations Fee calculated in accordance with the Schedule of Fees & Charges adopted by Council as at the date of payment and the cost of any inspections required by the Council of Council Property associated with this condition.

Reason: To maintain public infrastructure.

CONDITIONS TO BE SATISFIED DURING THE DEMOLITION, EXCAVATION AND CONSTRUCTION PHASES:

16. Prescribed conditions

The applicant shall comply with any relevant prescribed conditions of development consent under clause 98 of the Environmental Planning and Assessment Regulation. For the purposes of section 80A (11) of the Environmental Planning and Assessment Act, the following conditions are prescribed in relation to a development consent for development that involves any building work:

- The work must be carried out in accordance with the requirements of the Building Code of Australia
- In the case of residential building work for which the Home Building Act 1989 requires there to be a contract of insurance in force in accordance with Part 6 of that Act, that such a contract of insurance is in force before any works commence.

Reason: Statutory requirement.

17. Hours of work

Demolition, excavation, construction work and deliveries of building material and equipment must not take place outside the hours of 7.00am to 5.00pm Monday to Friday and 8.00am to 12 noon Saturday. No work and no deliveries are to take place on Sundays and public holidays.

Excavation or removal of any materials using machinery of any kind, including compressors and jack hammers, must be limited to between 7.30am and 5.00pm Monday to Friday, with a respite break of 45 minutes between 12 noon 1.00pm.

Where it is necessary for works to occur outside of these hours (ie) placement of concrete for large floor areas on large residential/commercial developments or where building processes require the use of oversized trucks and/or cranes that are restricted by the RTA from travelling during daylight hours to deliver, erect or remove

Item 7

machinery, tower cranes, pre-cast panels, beams, tanks or service equipment to or from the site, approval for such activities will be subject to the issue of an "outside of hours works permit" from Council as well as notification of the surrounding properties likely to be affected by the proposed works.

Note: Failure to obtain a permit to work outside of the approved hours will result in on the spot fines being issued.

Reason: To ensure reasonable standards of amenity for occupants of neighbouring properties.

18. Approved plans to be on site

A copy of all approved and certified plans, specifications and documents incorporating conditions of consent and certification (including the Construction Certificate if required for the work) shall be kept on site at all times during the demolition, excavation and construction phases and must be readily available to any officer of Council or the Principal Certifying Authority.

Reason: To ensure that the development is in accordance with the determination.

19. Statement of compliance with Australian Standards

The demolition work shall comply with the provisions of Australian Standard AS2601: 2001 The Demolition of Structures. The work plans required by AS2601: 2001 shall be accompanied by a written statement from a suitably qualified person that the proposal contained in the work plan comply with the safety requirements of the Standard. The work plan and the statement of compliance shall be submitted to the satisfaction of the Principal Certifying Authority prior to the commencement of any works.

Reason: To ensure compliance with the Australian Standards.

20. Site notice

A site notice shall be erected on the site prior to any work commencing and shall be displayed throughout the works period.

The site notice must:

- be prominently displayed at the boundaries of the site for the purposes of informing the public that unauthorised entry to the site is not permitted
- display project details including, but not limited to the details of the builder, Principal Certifying Authority and structural engineer
- be durable and weatherproof
- display the approved hours of work, the name of the site/project manager, the responsible managing company (if any), its address and 24 hour contact phone number for any inquiries, including construction/noise complaint are to be displayed on the site notice
- be mounted at eye level on the perimeter hoardings/fencing and is to state that

unauthorised entry to the site is not permitted

Reason: To ensure public safety and public information.

21 Dust control

During excavation, demolition and construction, adequate measures shall be taken to prevent dust from affecting the amenity of the neighbourhood. The following measures must be adopted:

- physical barriers shall be erected at right angles to the prevailing wind direction or shall be placed around or over dust sources to prevent wind or activity from generating dust
- earthworks and scheduling activities shall be managed to coincide with the next stage of development to minimise the amount of time the site is left cut or exposed
- all materials shall be stored or stockpiled at the best locations
- the ground surface should be dampened slightly to prevent dust from becoming airborne but should not be wet to the extent that run-off occurs
- all vehicles carrying spoil or rubble to or from the site shall at all times be covered to prevent the escape of dust
- all equipment wheels shall be washed before exiting the site using manual or automated sprayers and drive-through washing bays
- gates shall be closed between vehicle movements and shall be fitted with shade cloth
- cleaning of footpaths and roadways shall be carried out daily

Reason: To protect the environment and amenity of surrounding properties.

22. Use of road or footpath

During excavation, demolition and construction phases, no building materials, plant or the like are to be stored on the road or footpath without written approval being obtained from Council beforehand. The pathway shall be kept in a clean, tidy and safe condition during building operations. Council reserves the right, without notice, to rectify any such breach and to charge the cost against the applicant/owner/builder, as the case may be.

Reason: To ensure safety and amenity of the area.

23. Guarding excavations

All excavation, demolition and construction works shall be properly guarded and protected with hoardings or fencing to prevent them from being dangerous to life and property.

Reason: To ensure public safety.

24. Toilet facilities

During excavation, demolition and construction phases, toilet facilities are to be provided, on the work site, at the rate of one toilet for every 20 persons or part of 20 persons employed at the site.

Reason: Statutory requirement.

25. Protection of public places

If the work involved in the erection, demolition or construction of the development is likely to cause pedestrian or vehicular traffic in a public place to be obstructed or rendered inconvenient, or building involves the enclosure of a public place, a hoarding or fence must be erected between the work site and the public place.

If necessary, a hoarding is to be erected, sufficient to prevent any substance from, or in connection with, the work falling into the public place.

The work site must be kept lit between sunset and sunrise if it is likely to be hazardous to persons in the public place.

Any hoarding, fence or awning is to be removed when the work has been completed.

Reason: To protect public places.

26. Recycling of building material (general)

During demolition and construction, the Principal Certifying Authority shall be satisfied that building materials suitable for recycling have been forwarded to an appropriate registered business dealing in recycling of materials. Materials to be recycled must be kept in good order.

Reason: To facilitate recycling of materials.

27. Construction signage

All construction signs must comply with the following requirements:

- are not to cover any mechanical ventilation inlet or outlet vent
- are not illuminated, self-illuminated or flashing at any time
- are located wholly within a property where construction is being undertaken
- refer only to the business(es) undertaking the construction and/or the site at which the construction is being undertaken
- are restricted to one such sign per property
- do not exceed 2.5m²
- are removed within 14 days of the completion of all construction works

Reason: To ensure compliance with Council's controls regarding signage.

28. Road reserve safety

All public footways and roadways fronting and adjacent to the site must be maintained in a safe condition at all times during the course of the development works. Construction materials must not be stored in the road reserve. A safe pedestrian circulation route and a pavement/route free of trip hazards must be maintained at all times on or adjacent to any public access ways fronting the construction site. Where public infrastructure is damaged, repair works must be carried out when and as directed by Council officers. Where pedestrian circulation is diverted on to the roadway or verge areas, clear directional signage and protective barricades must be installed in accordance with AS1742-3 (1996) "Traffic Control Devices for Work on Roads". If pedestrian circulation is not satisfactorily maintained across the site frontage, and action is not taken promptly to rectify the defects, Council may undertake proceedings to stop work.

Reason: To ensure safe public footways and roadways during construction.

29. Services

Where required, the adjustment or inclusion of any new utility service facilities must be carried out by the applicant and in accordance with the requirements of the relevant utility authority. These works shall be at no cost to Council. It is the applicants' full responsibility to make contact with the relevant utility authorities to ascertain the impacts of the proposal upon utility services (including water, phone, gas and the like). Council accepts no responsibility for any matter arising from its approval to this application involving any influence upon utility services provided by another authority.

Reason: Provision of utility services.

30. Erosion control

Temporary sediment and erosion control and measures are to be installed prior to the commencement of any works on the site. These measures must be maintained in working order during construction works up to completion. All sediment traps must be cleared on a regular basis and after each major storm and/or as directed by the Principal Certifying Authority and Council officers.

Reason: To protect the environment from erosion and sedimentation.

31. Drainage to existing system

Stormwater runoff from all new impervious areas and subsoil drainage systems shall be piped to the existing site drainage system. The installation of new drainage components must be completed by a licensed contractor in accordance with AS3500.3 (Plumbing Code) and the BCA. No stormwater runoff is to be placed into the Sydney Water sewer system. If an illegal sewer connection is found during construction, the drainage system must be rectified to the satisfaction of Council and Sydney Water.

Reason: To protect the environment.

32. No storage of materials beneath trees

No activities, storage or disposal of materials shall take place beneath the canopy of any tree protected under Council's Tree Preservation Order at any time.

Reason: To protect existing trees.

33. Removal of refuse

All builders' refuse, spoil and/or material unsuitable for use in landscape areas shall be removed from the site on completion of the building works.

Reason: To protect the environment.

34. On site retention of waste docket

All demolition, excavation and construction waste dockets are to be retained on site, or at suitable location, in order to confirm which facility received materials generated from the site for recycling or disposal.

- Each docket is to be an official receipt from a facility authorised to accept the material type, for disposal or processing.
- This information is to be made available at the request of an Authorised Officer of Council.

Reason: To protect the environment.

CONDITIONS TO BE SATISFIED PRIOR TO THE ISSUE OF AN OCCUPATION CERTIFICATE:

35. Compliance with BASIX Certificate

Prior to the issue of an Occupation Certificate, the Principal Certifying Authority shall be satisfied that all commitments listed in BASIX Certificate No. A96203 have been complied with.

Reason: Statutory requirement.

36. Infrastructure repair

Prior to issue of the Occupation Certificate, the Principal Certifying Authority must be satisfied that any damaged public infrastructure caused as a result of construction works (including damage caused by, but not limited to, delivery vehicles, waste collection, contractors, sub contractors, concrete vehicles) is fully repaired to the satisfaction of Council Development Engineer and at no cost to Council.

Reason: To protect public infrastructure.

37. Swimming pool (part 1)

Prior to the issue of the Occupation Certificate, the Principal Certifying Authority shall be satisfied that:

- C1 1. Access to the pool/spa shall be restricted by a child resistant barrier in accordance with the regulations prescribed in the Swimming Pools Act, 1992:
- (a) The pool shall not be filled with water or be allowed to collect stormwater until the child resistant barrier is installed; and
 - (b) The barrier is to conform to the requirements of AS 1926-1 2007 Fences and Gates for Private Swimming Pools.

Reason: To ensure the safety of children.

38. Removal of noxious plants & weeds

The following noxious and/or environmental weed species shall be removed from the property prior to completion of building works:

Schedule

Plant species

Asparagus densiflorus (Asparagus Fern)
Bryophyllum spp. (Mother of Millions)
Bidens pilosa (Cobblers Peg)
Cinnamomum camphora (Camphor laurel)
Delairea odorata (Cape Ivy)
Hedychium gardnerianum (Ginger Lily)
Nephrolepis cordifolia (Fishbone fern)
Ochna serrulata (Ochna)
Senna pendula (Cassia)
Tradescantia albiflora

Reason: To protect the environment.

CONDITIONS TO BE SATISFIED AT ALL TIMES:

39. NSW Rural Fire Service

The works and property are to be maintained in accordance with the recommendations in the Bushfire Assessment Report by Stuart McMonnies of Bushfire Hazard Solutions ref No. 1 Kalang Ave Killara dated September 2009.

Reason: To protect against bushfire

40. Noise control – plant and machinery

All noise generating equipment associated with any proposed mechanical ventilation

Item 7

system/s shall be located and/or soundproofed so the equipment is not audible within a habitable room in any other residential premises before 7am and after 10pm Monday to Friday and before 8am and after 10pm Saturday, Sunday and public holidays. The operation of the unit outside these restricted hours shall emit a noise level of not greater than 5dbA above the background when measured at the nearest boundary.

Reason: To protect the amenity of surrounding residents.

41. Swimming pool (part 2)

At all times:

1. Access to the swimming pool must be restricted by fencing or other measures as required by the Swimming Pools Act 1992.

Reason: Health and amenity.

B Newell
Senior Development Assessment Officer

S Garland
**Team Leader
Development Assessment - South**

C Swanepoel
**Manager
Development Assessment Services**

M Miotic
**Director
Development & Regulation**

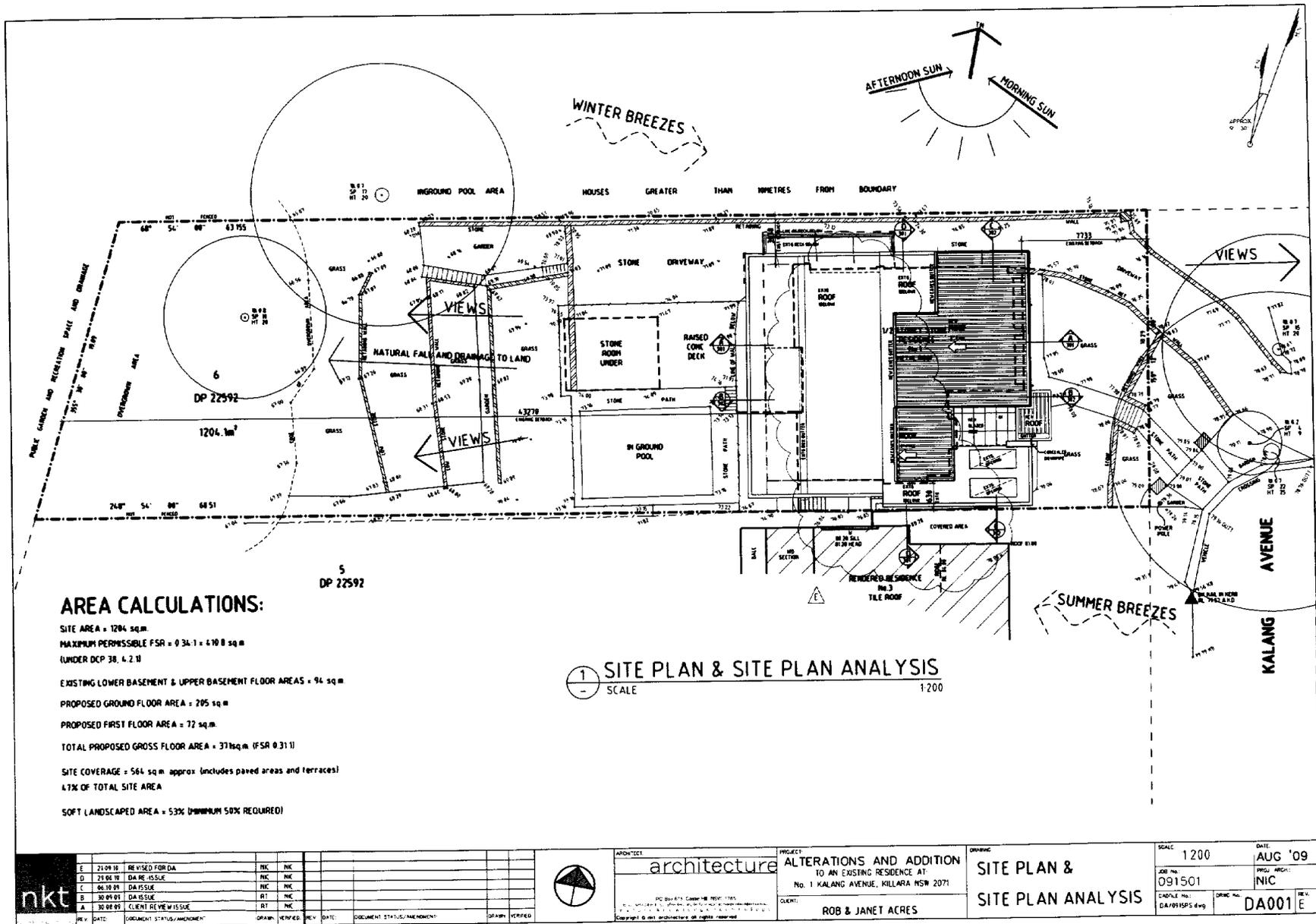
- Attachments:**
1. Location sketch – 2010/189691
 2. Zoning extract – 2010/189708
 3. Site plan and site plan analysis - 2010/18970
 4. Lower basement plan - 2010/189693
 5. Basement plan - 2010/189683
 6. Ground floor plan - 2010/189689
 7. First floor plan - 2010/189686
 8. Roof plan - 2010/189697
 9. North and east elevations - 2010/189696
 10. South and west elevations - 2010/189701
 11. Sections A-A & D-D - 2010/189698
 12. Sections B-B & C-C - 2010/189699
 13. Winter shadow diagrams - 2010/189707
 14. Winter shadow diagram - June 9am - 2010/189704
 15. Winter shadow diagram - June 12 noon - 2010/189706
 16. Winter shadow diagram - June 3pm - 2010/189702
 17. No.3 north facade shadow study - 2010/189694
 18. Department of Planning Circular - 2010/189685

Ku-ring-gai Planning Scheme Zoning Extract

1 Kalang Avenue, KILLARA



ZONES	RESERVATIONS	GENERAL
<p>2. RESIDENTIAL</p> <p>(a) RESIDENTIAL A </p> <p>(b) RESIDENTIAL B </p> <p>(c) RESIDENTIAL C </p> <p>(c1) RESIDENTIAL C1 </p> <p>(c2) RESIDENTIAL C2 </p> <p>(d) RESIDENTIAL D </p> <p>(d3) RESIDENTIAL D3 </p> <p>(e) RESIDENTIAL E </p> <p>(f) RESIDENTIAL F </p> <p>(g) RESIDENTIAL G </p> <p>(h) RESIDENTIAL H </p>	<p>3. BUSINESS</p> <p>(a) RETAIL SERVICES </p> <p>FLOOR SPACE RATIOS</p> <p>A1 2:0:1 </p> <p>A2 1:0:1 </p> <p>A3 0.75:1 </p> <p>(d) COMMERCIAL SERVICES </p> <p>FLOOR SPACE RATIOS</p> <p>B1 1:0:1 </p> <p>B2 1:0:1 </p>	<p>5. SPECIAL USES</p> <p>(a) SPECIAL USES A (Schools etc) </p> <p>(a1) SPECIAL USES A1 </p> <p>(b) SPECIAL USES (Railway) </p> <p>6. OPEN SPACE</p> <p>(a) RECREATION EXISTING </p> <p>(b) RECREATION PRIVATE </p> <p>(c) RECREATION PROPOSED </p>
	<p>RESERVATIONS</p> <p>OPEN SPACE</p> <p>(a) OPEN SPACE </p> <p>(b) COUNTY OPEN SPACE </p> <p>SPECIAL USES</p> <p>SPECIAL USES (Parking) </p> <p>ROADS</p> <p>(a) COUNTY ROAD WIDENING </p> <p>(b) COUNTY ROAD PROPOSED </p> <p>(c) LOCAL ROAD PROPOSED </p> <p>(d) LOCAL ROAD WIDENING </p>	<p>GENERAL</p> <p>OTHER</p> <p>EXISTING COUNTY ROAD </p> <p>OTHER PLANNING INSTRUMENT </p> <p style="text-align: center;"></p> <p>Scale 1:2000</p> <p>Date 30/09/10</p> <p style="text-align: right;"></p>



AREA CALCULATIONS:

SITE AREA = 1204 sq.m
 MAXIMUM PERMISSIBLE FSR = 0.34-1 = 410.8 sq.m
 (UNDER DCP 38, 4.2.1)

EXISTING LOWER BASEMENT & UPPER BASEMENT FLOOR AREAS = 94 sq.m
 PROPOSED GROUND FLOOR AREA = 295 sq.m
 PROPOSED FIRST FLOOR AREA = 72 sq.m
 TOTAL PROPOSED GROSS FLOOR AREA = 377sq.m (FSR 0.311)

SITE COVERAGE = 564 sq.m approx (includes paved areas and terraces)
 47% OF TOTAL SITE AREA

SOFT (LANDSCAPED) AREA = 53% (MINIMUM 50% REQUIRED)

1 SITE PLAN & SITE PLAN ANALYSIS
 SCALE 1:200

nkt	E	21.09.10	REVISED FOR DA	NY	NY				
	D	23.08.10	DA RE-ISSUE	NY	NY				
	E	06.10.09	DA ISSUE	NY	NY				
	D	30.09.09	DA ISSUE	RT	NY				
	A	30.08.09	CLIENT REVIEW ISSUE	RT	NY				
REV	DATE	DOCUMENT STATUS/AMENDMENT	DRAWN	VERIFIED	REV	DATE	DOCUMENT STATUS/AMENDMENT	DRAMA	VERIFIED

architecture

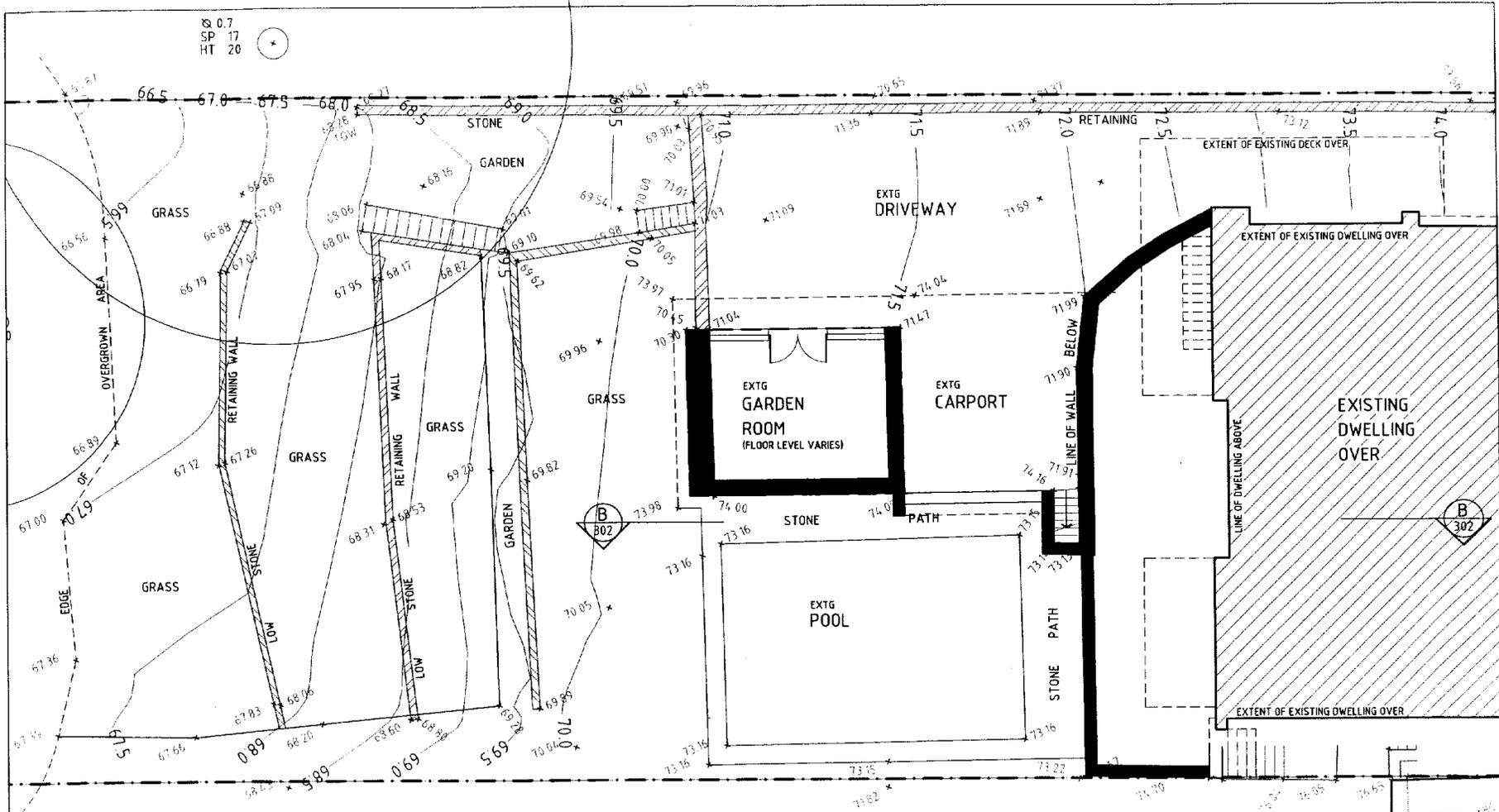
PG 004/013 - Copyright © 2007

PROJECT: ALTERATIONS AND ADDITION TO AN EXISTING RESIDENCE AT No. 1 KALANG AVENUE, KILLARA NSW 2071

CLIENT: ROB & JANET ACRES

DRAWING: SITE PLAN & SITE PLAN ANALYSIS

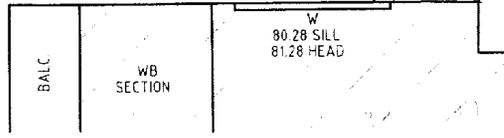
SCALE	DATE
1200	AUG '09
JOB NO.	PROJ. ARCH.
091501	NYC
DRAWN BY	DATE
DA/AN/SPS dmg	DA001



5
DP 22592

1
SCALE 1:100

LOWER BASEMENT PLAN



nkt nkt architecture	REV	DATE	DOCUMENT STATUS/AMENDMENT	DRAWN	CHECKED
	A	29/04/10	QA RE-ISSUE	RT	NIC

ARCHITECTURE

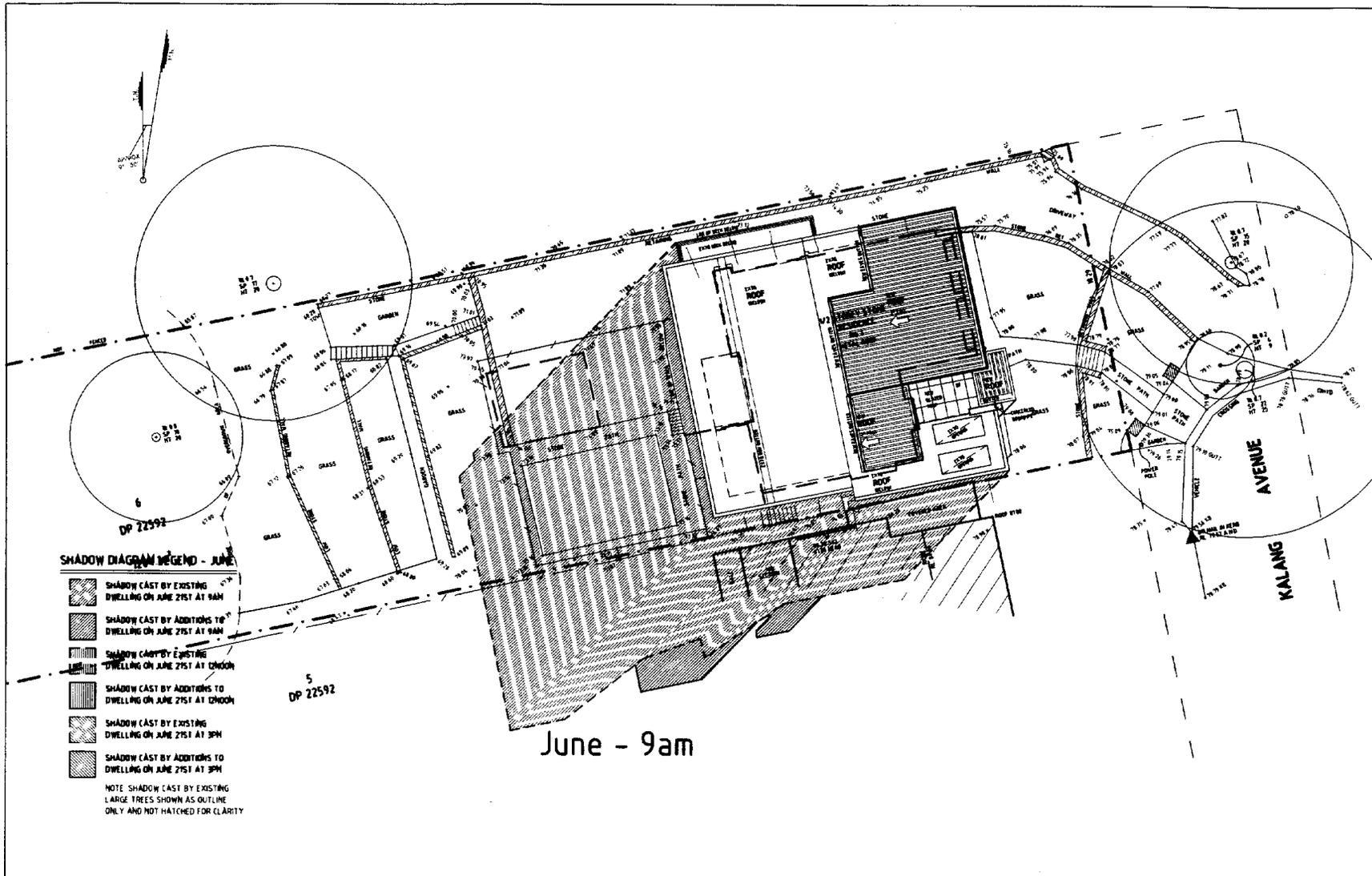
PO Box 673, Cherry Hill NSW 1765
 110-112/114-116/118-120/122-124/126-128/130-132/134-136/138-140/142-144/146-148/150-152/154-156/158-160/162-164/166-168/170-172/174-176/178-180/182-184/186-188/190-192/194-196/198-200/202-204/206-208/210-212/214-216/218-220/222-224/226-228/230-232/234-236/238-240/242-244/246-248/250-252/254-256/258-260/262-264/266-268/270-272/274-276/278-280/282-284/286-288/290-292/294-296/298-300/302-304/306-308/310-312/314-316/318-320/322-324/326-328/330-332/334-336/338-340/342-344/346-348/350-352/354-356/358-360/362-364/366-368/370-372/374-376/378-380/382-384/386-388/390-392/394-396/398-400/402-404/406-408/410-412/414-416/418-420/422-424/426-428/430-432/434-436/438-440/442-444/446-448/450-452/454-456/458-460/462-464/466-468/470-472/474-476/478-480/482-484/486-488/490-492/494-496/498-500/502-504/506-508/510-512/514-516/518-520/522-524/526-528/530-532/534-536/538-540/542-544/546-548/550-552/554-556/558-560/562-564/566-568/570-572/574-576/578-580/582-584/586-588/590-592/594-596/598-600/602-604/606-608/610-612/614-616/618-620/622-624/626-628/630-632/634-636/638-640/642-644/646-648/650-652/654-656/658-660/662-664/666-668/670-672/674-676/678-680/682-684/686-688/690-692/694-696/698-700/702-704/706-708/710-712/714-716/718-720/722-724/726-728/730-732/734-736/738-740/742-744/746-748/750-752/754-756/758-760/762-764/766-768/770-772/774-776/778-780/782-784/786-788/790-792/794-796/798-800/802-804/806-808/810-812/814-816/818-820/822-824/826-828/830-832/834-836/838-840/842-844/846-848/850-852/854-856/858-860/862-864/866-868/870-872/874-876/878-880/882-884/886-888/890-892/894-896/898-900/902-904/906-908/910-912/914-916/918-920/922-924/926-928/930-932/934-936/938-940/942-944/946-948/950-952/954-956/958-960/962-964/966-968/970-972/974-976/978-980/982-984/986-988/990-992/994-996/998-1000

PROJECT
ALTERATIONS AND ADDITION
TO AN EXISTING RESIDENCE AT
No. 1 KALANG AVENUE, KILLARA NSW 2071

CLIENT
ROB & JANET ACRES

DRAWING
**LOWER BASEMENT
(GARDEN RM) PLAN**

SCALE	1:100 (@A3)	DATE	AUG '09
JOB No.	091501	DRAWN BY	NIC
CADFILE No.	DA/0915P80.dwg	DWG No.	DA099
REV	A		



nkt		DATE: 11/11/09		DRAWN BY: []		CHECKED BY: []		DATE: 11/11/09	
PROJECT NO: 091501		JOB NO: 091501		DATE: 11/11/09		DRAWN BY: []		CHECKED BY: []	

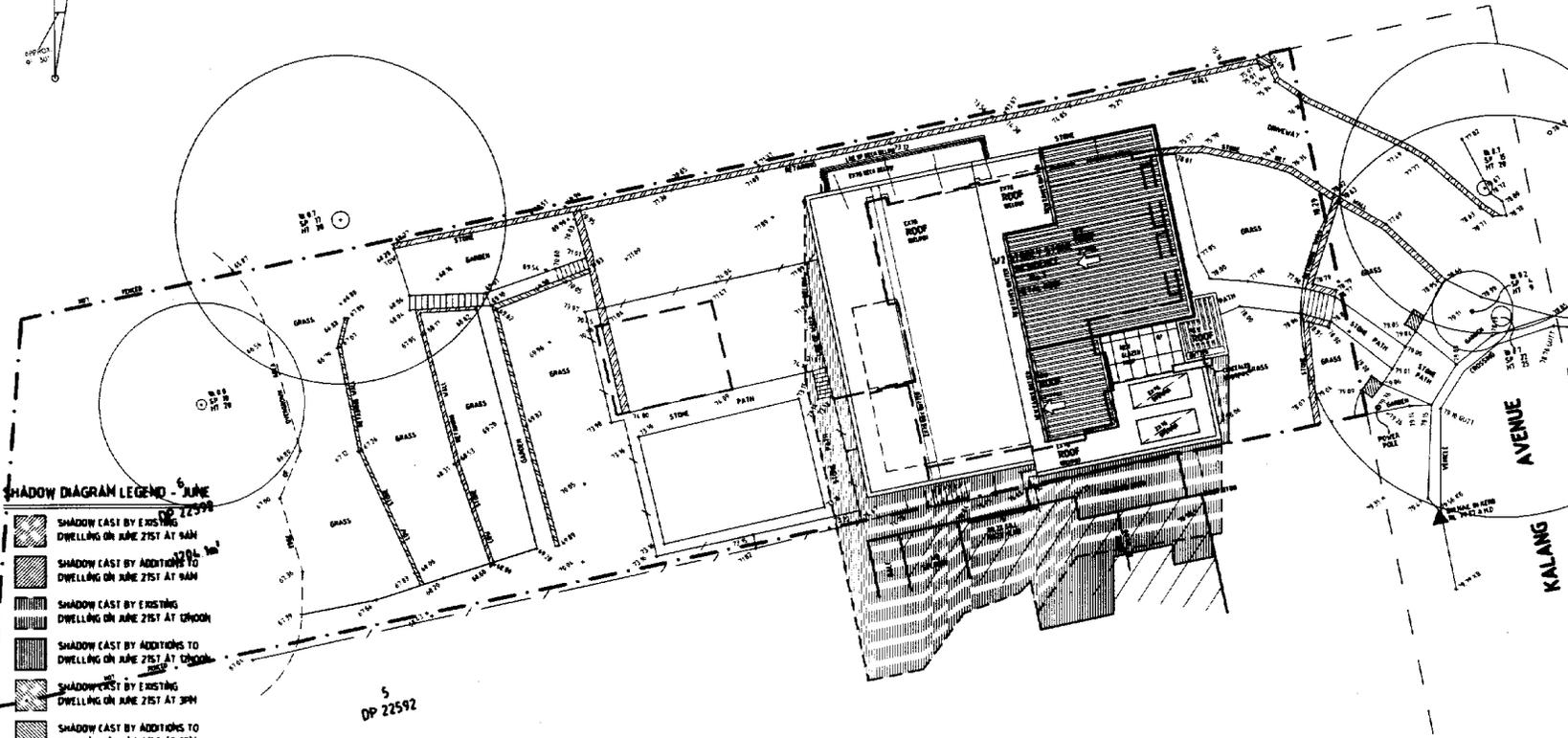
ARCHITECT: **architecture**

PROJECT: **ALTERATIONS AND ADDITION TO AN EXISTING RESIDENCE AT No. 1 KALANG AVENUE, KILLARA NSW 2071**

DATE: 11/11/09

DRAWING: **WINTER SHADOW DIAGRAMS**

SCALE: 1:200	DATE: AUG '09
JOB NO: 091501	PROJ. MGR: NIC
DRAWN BY: []	CHECKED BY: []



SHADOW DIAGRAM LEGEND - JUNE

-  SHADOW CAST BY EXISTING DWELLING ON JUNE 21ST AT 9AM
-  SHADOW CAST BY ADDITIONS TO DWELLING ON JUNE 21ST AT 9AM
-  SHADOW CAST BY EXISTING DWELLING ON JUNE 21ST AT 12NOON
-  SHADOW CAST BY ADDITIONS TO DWELLING ON JUNE 21ST AT 12NOON
-  SHADOW CAST BY EXISTING DWELLING ON JUNE 21ST AT 3PM
-  SHADOW CAST BY ADDITIONS TO DWELLING ON JUNE 21ST AT 3PM

NOTE: SHADOW CAST BY EXISTING LARGE TREES SHOWN AS OUTLINE ONLY AND NOT HATCHED FOR CLARITY

June - 12noon

nkt	REV	DATE	DOCUMENT STATUS/AMENDMENT	DRAWN	VERIFIED	REV	DATE	DOCUMENT STATUS/AMENDMENT	DRAWN	VERIFIED
	A	21/09/10	ISSUED FOR DA	NIC	NIC					

ARCHITECT
architecture

100 RIVER ST, SYDNEY NSW 2010
PH: (02) 9232 4600
WWW.Architecture.com.au

PROJECT
ALTERATIONS AND ADDITION TO AN EXISTING RESIDENCE AT: No. 1 KALANG AVENUE, KILLARA NSW 2071

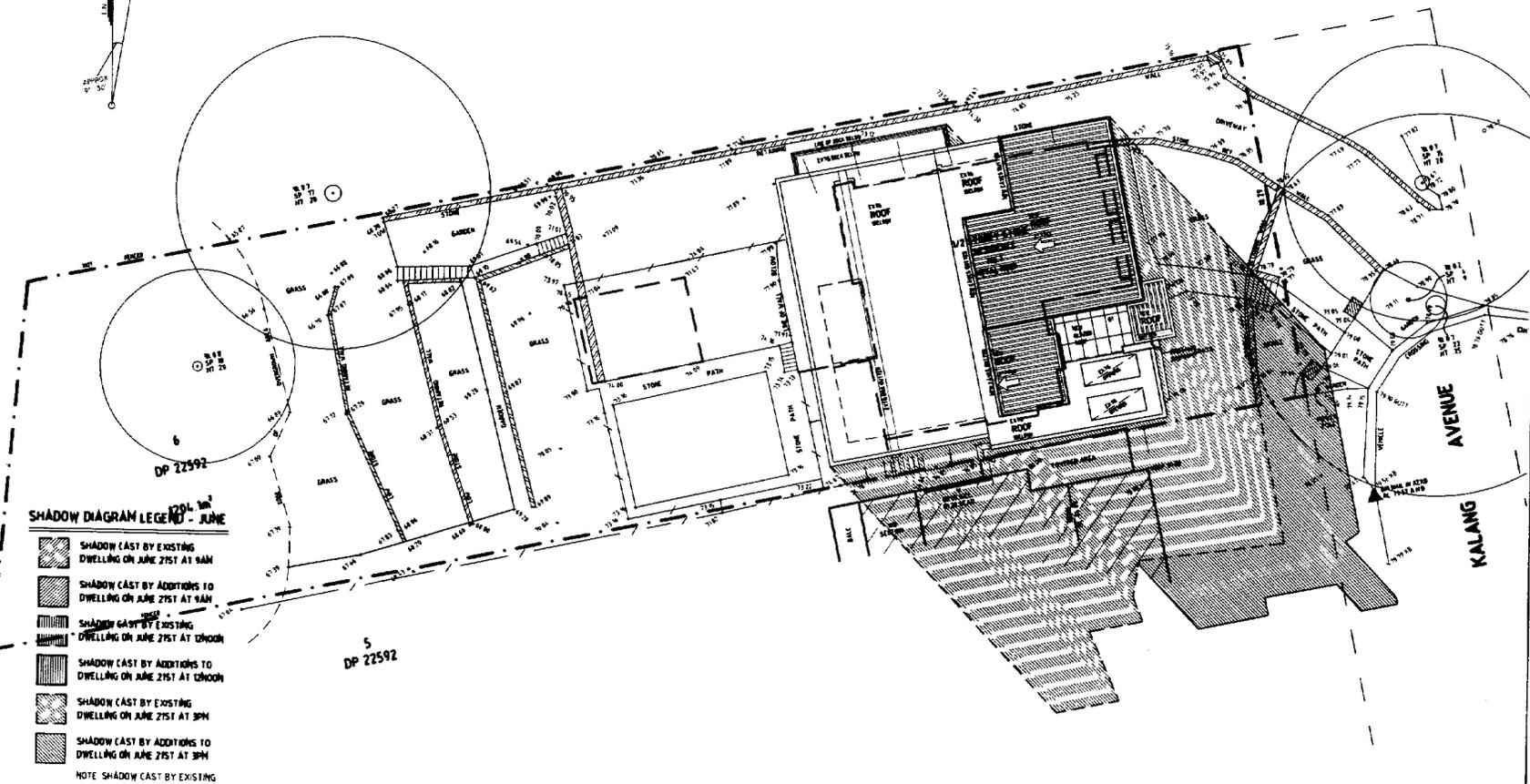
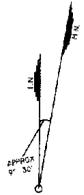
CLIENT
ROB & JANET ACRES

DRAWING
WINTER SHADOW DIAGRAMS

SCALE: 1200
DATE: AUG '09

JOB No: 091501
PROJ ARCH: NIC

DRAWING No: 091501/WINTER.dwg
Dwg No: DA405A



SHADOW DIAGRAM LEGEND - JUNE

- SHADOW CAST BY EXISTING DWELLING ON JUNE 21ST AT 3PM
- SHADOW CAST BY ADDITIONS TO DWELLING ON JUNE 21ST AT 3PM
- SHADOW CAST BY EXISTING DWELLING ON JUNE 21ST AT 12NOON
- SHADOW CAST BY ADDITIONS TO DWELLING ON JUNE 21ST AT 12NOON
- SHADOW CAST BY EXISTING DWELLING ON JUNE 21ST AT 9PM
- SHADOW CAST BY ADDITIONS TO DWELLING ON JUNE 21ST AT 9PM

NOTE SHADOW CAST BY EXISTING LARGE TREES SHOWN AS OUTLINE ONLY AND NOT HATCHED FOR CLARITY

June - 3pm

nkt	REV. DATE	DOCUMENT STATUS/AMENDMENT	DRAWN / CHECKED	REV. DATE	DOCUMENT STATUS/AMENDMENT	DRAWN / CHECKED
	A	2199 H ISSUED FOR DA	NIC / NIC			



ARCHITECT
architecture
PO Box 672, Castle Hill NSW 2158
110/112 WINDSOR ROAD, WINDSOR NSW 2127
Copyright © 2001 architecture all rights reserved

PROJECT: ALTERATIONS AND ADDITION TO AN EXISTING RESIDENCE AT No. 1 KALANG AVENUE, KILLARA NSW 2071
CLIENT: ROB & JANET ACRES

DRAWING: WINTER SHADOW DIAGRAMS

SCALE: 1:200 DATE: AUG '09
JOB No.: C91501 PROJ. APOR: NIC
DRAFT No.: DATE: 8/15/2009 DWFAC No.: DA406 A
REV. DATE: 8/15/2009



PLANNING SYSTEM

State environmental planning policies

Circular	PS 08-014
Issued	14 November 2008
Related	PS 08-003 May 2008

Reporting variations to development Standards

The purpose of this circular is to remind councils of their responsibilities to complete quarterly returns on variations to development standards under delegations using State Environmental Planning Policy No. 1 - Development Standards or similar provisions under the Standard Instrument. The returns for the past two quarters – 1 April to 30 June 2008 and 1 July to 30 September 2008 – are to be forwarded to the Department by no later than 4 weeks from the date of this circular.

Introduction

Circular PS 08-003 reminded councils of their responsibilities to monitor the use of the Director-General's assumed concurrence under State Environmental Planning Policy No. 1 – Development Standards (SEPP 1) or under clause 4.6 of the Standard Instrument (or similar provision) on a quarterly basis.

Councils were reminded of the need to keep accurate records of the use of SEPP 1, or the relevant provision of the Standard Instrument and to report quarterly from the April to June 2008 quarter.

Reports due 4 weeks from date of this Circular

Despite the previous circular, a number of councils have not submitted their responses to the Department for the period 1 April to 30 June, which were due on 31 July 2008.

Councils are now advised that they are to forward their reporting of the use of SEPP 1 or clause 4.6 of the Standard Instrument (or similar provision) for the periods 1 April to 30 June and 1 July to 30 September **within 4 weeks from the date of this circular**. Where a council has not exercised its concurrence in a particular quarter, then a nil return is to be forwarded.

Quarterly reports are to be emailed to developmentstandards@planning.nsw.gov.au

If a council does not respond to this request by 15 December 2008, then the Director-General will commence the process of revocation of the concurrence.

Councils are to then report quarterly within one month of the end of the quarter. Failure to do so will trigger a review into the need to revoke of the concurrence.

Further Requirements

In response to the findings of the recent ICAC investigation into corruption allegations affecting Wollongong City Council, councils are required to adopt the following four measures:

- 1) Establish a register of development applications determined with variations in standards under SEPP 1;
- 2) Require all development applications where there has been a variation greater than 10% in standards under SEPP 1 to be determined by full council (rather than general manager or nominated staff member);
- 3) Provide a report to each council meeting on the development applications determined where there had been a variation in standards under SEPP 1;
- 4) Make the register of development applications determined with variations in standards under SEPP 1 available to the public on the council's website.

Further information

The Department will also be undertaking a number of random audits in 2009 on SEPP 1 decisions based on the data received this year.

Links to SEPP 1 and the Standard Instrument can be found on the Department of Planning's website at: <http://www.planning.nsw.gov.au>

If you have further enquiries, please phone the Planning Information Centre 02 9228 6333 or email information@planning.nsw.gov.au

Note: This and other Department of Planning circulars are published on the web at www.planning.nsw.gov.au/planningsystem

Authorised by:

Sam Haddad,
Director-General
NSW Department of Planning

Important note: This circular does not constitute legal advice. Users are advised to seek professional advice and refer to the relevant legislation, as necessary, before taking action in relation to any matters covered by this circular.

© State of New South Wales through the Department of Planning
www.planning.nsw.gov.au

Disclaimer: While every reasonable effort has been made to ensure that this document is correct at the time of publication, the State of New South Wales, its agencies and employees, disclaim any and all liability to any person in respect of anything or the consequences of anything done or omitted to be done in reliance upon the whole or any part of this document.

PLANNING PROPOSAL FOR KU-RING-GAI PRINCIPAL LOCAL ENVIRONMENTAL PLAN

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

To have Council consider a Planning Proposal for the Ku-ring-gai Principal Local Environmental Plan.

BACKGROUND:

On 25 May 2010 Council resolved that a Planning Proposal for the Ku-ring-gai Local Environmental Plan (LEP) be prepared based on the revised work program presented to Council's Planning Committee on 12 May 2010.

COMMENTS:

A Planning Proposal for Ku-ring-gai's Principal LEP based on the work timetable and program endorsed by Council has been prepared for submission to the Minister for Planning for a gateway determination. It is intended that the Principal LEP will largely be a translation of the Ku-ring-gai Planning Scheme Ordinance (KPSO) into the Standard Instrument format and apply to all land in Ku-ring-gai that is not subject to the Town Centres LEP.

RECOMMENDATION:

That Council submit the Planning Proposal for the Ku-ring-gai Principal Local Environmental Plan to the Department of Planning, as provided at Attachment 1, to seek a gateway determination.

PURPOSE OF REPORT

To have Council consider a Planning Proposal for the Ku-ring-gai Principal Local Environmental Plan.

BACKGROUND

On 31 March 2006 the State Government gazetted the *Standard Instrument (Local Environmental Plan) Order 2006* under section 33A of the *Environmental Planning and Assessment Act 1979* (EP&A Act). The Order sets out a Standard Instrument LEP template and mandates provisions that are to be included in all future LEPs. All Councils across the State were required to prepare a new principal LEP in conformity with the standard Instrument within 2 to 5 years of gazettal of the Order. The Ku-ring-gai Town Centres LEP prepared by the Ku-ring-gai Planning Panel and which came into effect on 25 May 2010 is in the standard instrument format.

On 10 August 2009, Council was advised by the Department of Planning that they were no longer a priority Council for finalising its principal LEP by March 2011. However, the Department have advised that, whilst Ku-ring-gai is not a priority Council, the NSW Government will continue to work with Council to have its principal LEP in place as soon as practicable.

As a result of this and the delay in finalising the draft Town Centres LEP, a revised work timetable and program was presented to the Council's Planning Committee on 12 May 2010 and adopted by Council on 25 May 2010, viz:

- A. *That a Planning Proposal based on the report to the Ku-ring-gai Planning Committee 12 May 2010 for Ku-ring-gai's Principal Local Environmental Plan be prepared for consideration by Council and submission to the Department of Planning.*

The adopted work program takes into consideration the need to integrate the Principal LEP (PLEP) with the finalised Town Centres LEP. It seeks to build on the strategic planning work that has been undertaken in the preparation of the Town Centres LEP as well as earlier work undertaken by Council in developing its residential strategy and 2006 draft town centres LEP.

Relationship to the Ku-ring-gai Local Environmental Plan (Town Centres) 2010

At the time the of writing the Ku-ring-gai Planning Panel retains the plan making functions under part 3 of the EP&A Act for all land within the Town Centres. As such Council has no authority to adopt a resolution to submit a Planning Proposal for its Principal LEP if it includes land within the Town Centres boundary. As a result, the PLEP will include all land in the local government area that is not subject to the Town Centres LEP.

Given that the Town Centres LEP is in the standard instrument format, it is proposed that the PLEP will largely take the same format of the Town Centres LEP, including adopting the relevant local provisions such as those for biodiversity and riparian lands. This will facilitate greater ease in amalgamating the two LEPs in the future to form a single LEP applying to the whole local government area at a future point in time.

Item 8

S06413
14 September 2010

However, it should be noted that, while it is proposed that the PLEP take on largely the same format of the Town Centres LEP, this will not extend to increasing heights and densities of commercial centres not currently covered by the Town Centres LEP. It has already been demonstrated that the Town Centres LEP, in conjunction with LEP 194/200 before it, will deliver Ku-ring-gai's housing and employment targets under the Metropolitan Strategy and, consequently, any further up zonings are not considered justified or warranted (other than those to address zone interface issues). The above approach has been discussed and confirmed with officers from the Department of Planning.

LEP Gateway Process

In July 2009, the NSW Government changed the way that local environmental plans (LEPs) are developed and approved. This system is known as the 'gateway' plan-making process. These changes are intended to streamline the process so that LEPs can be prepared, considered and approved in a much shorter timeframe. Ku-ring-gai's Principal LEP will need to be made under this new system.

The initial step under the new process is for Council to prepare a planning proposal which details the justification and indented outcomes of the proposed LEP. The planning proposal is then to be reviewed by the Minister for Planning at an early stage, to test whether it is a viable LEP and should pass through the 'gateway' to be further developed. After reviewing a planning proposal, the Minister for Planning will determine:

- whether the proposal will proceed, with or without variation, and whether it should be re-submitted;
- the level of community consultation required;
- input from State and Commonwealth authorities;
- the necessity for a public hearing by the Planning Assessment Commission or other body; and
- the appropriate timeframes for the various stages of the proposal.

COMMENTS

Principal LEP Planning Proposal

A draft Planning Proposal for the Principal LEP (PLEP) is included as **Attachment 1**.

It is intended that the PLEP will largely be a translation of the KPSO into the Standard Instrument format. This process was undertaken in preparing the Town Centres LEP in those areas which were not subject to up zoning and it is anticipated that the PLEP will follow this same process.

Zoning and Development Standards

This will include converting existing zones and associated land uses to the standard instrument equivalent and retain the associated development standards including height, floor space ratio, and minimum subdivision requirements. This process was undertaken in preparing the Town Centres LEP in those areas which were not subject to up zoning and it is anticipated that the PLEP will follow this same process. The attached planning proposal includes a table of likely translations from the KPSO zones to the equivalent standard instrument zones.

Item 8

S06413
14 September 2010

As the development standards included in the standard instrument LEP are generally restricted to building height, floor space ratio and subdivision standards, certain other development standards currently included in the KPSO, such as 'built upon area' will not be transferred to the PLEP, but will rather be included in the Principal Development Control Plan (DCP).

However, it is expected that there will be some rezonings as part process in response to the additional planning studies that are currently being undertaken. These include the following:

1. The rezoning of interface sites to provide a solution to those low density housing areas adjoining land zoned for five storey apartment buildings or other higher zonings within the town centres.
2. The rezoning of certain existing residential and open space sites to an appropriate environmental zone having given consideration to the biodiversity, riparian and other natural resource assessment and mapping processes.
3. The zoning of certain sites currently zoned special uses in accordance with Department of Planning requirements. This will see the majority of these sites zoned the same as their immediate surrounding land uses.
4. The correction of existing zoning anomalies, e.g. where existing open space is currently zoned residential.
5. The removal of redundant road and open space reservations following consultation with relevant state agencies.

Heritage

The PLEP process also provides the opportunity for the identification and implementation of heritage conservation areas and heritage items within Ku-ring-gai. The heritage conservation work will build upon the work undertaken by the NSW National Trust and the subsequent work on specific areas by Godden McKay Logan as well as the other potential heritage item review in 2006 (Perumal Murphy Alessi Pty Ltd) and the work of Paul Davies Heritage Consultants in 2008/2009.

The assessment of heritage conservation areas outside the town centres is currently underway and will result in a number of new heritage conservation areas being included in the PLEP. Also the review of individual heritage items will result in some properties having their heritage status change, either through new listings or potential delisting.

Other additional provisions

In order to make the PLEP largely consistent with the Town Centres LEP, it will incorporate relevant provisions currently contained in the Town Centres LEP such as those for biodiversity and riparian lands and controls for miscellaneous permissible uses, for which there are no current equivalent provisions in the KPSO.

The KPSO contains a number of site specific provisions which were introduced to guide development of specific sites. As the development has occurred on these sites there is no need to carry these forward to the PLEP. Instead, these sites will be zoned so as to best reflect the existing

Item 8**S06413
14 September 2010**

development of the sites. There are also a number of 'special provisions' in Part VII of the KPSO for which there are no equivalent standard LEP clauses. Each of these will be considered to determine whether or not it is appropriate or necessary to incorporate an equivalent local provision in the PLEP.

Supporting studies

It is proposed that the development of the PLEP builds upon the significant number of planning studies and key work that have already been undertaken by Council in recent years. This information will be used to develop a series of consolidated local planning strategies that establish the planning principles, policy directions and strategic goals and objectives to align the PLEP with the seven strategy areas contained in the draft Subregional Strategy. This is considered the most efficient and resource effective approach and avoids duplication of existing relevant data.

A list of relevant completed studies has been included in the attached draft Planning Proposal. It also outlines which additional studies are proposed to be undertaken and provides a rationale for the studies and a timeframe for their completion.

The key additional planning studies currently underway include:

- Heritage conservation area review;
- Additional Heritage items assessment of arrears outside potential HCA's;
- Indigenous Heritage Study;
- Interface Study;
- Integrated Traffic and Transport Study;
- Biodiversity mapping and assessment;
- Riparian Lands Study;
- Flood risk and Management Study;
- Soil/Landslip risk assessment;
- Bushfire Hazard Study;
- Open Space and Recreational Needs Study; and
- Review of Council landholdings.

The Gateway process will determine whether any additional studies are required and an appropriate timeframe for completion.

Development of Planning Strategies to address draft Subregional Strategy

As directed by the NSW Department of Planning, all Principal LEPs and DCPs must be consistent with the Metropolitan Strategy and accompanying subregional strategies.

The draft North Subregional Strategy is broken down into seven sub-strategy areas, each containing a series of objectives and actions. The strategies are linked to those of the Metropolitan Strategy. The seven strategy areas are as follows:

1. Economy and Employment;
2. Centres and Corridors;
3. Housing;
4. Transport;

Item 8

S06413
14 September 2010

5. Environment, Heritage and Resources;
6. Parks, Public Places and Culture; and
7. Implementation and Governance.

The various studies and strategies to be undertaken under each of the draft NSS strategic areas were outlined in the report to the Planning Committee on 12 May 2010 (**Attachment 2**). The majority of these studies are well progressed and it is anticipated they could be reported to Council by the end of 2010.

Consultation Strategy

A separate consultation strategy is to be developed for the whole Principal LEP process. This strategy will establish a framework for appropriate consultation with all relevant stakeholders in the process. This consultation strategy will:

- identify who to engage – including residents, community groups, business groups State/ Federal agencies, non-government organisation's and other relevant stakeholder;
- ensure that all consultation is representative of the whole community;
- specify how to engage – identifying which appropriate processes and techniques are best used to engage various parties;
- set out the most efficient and effective processes in terms of time, resources and funding; and
- establish feedback and reporting techniques to keep all informed throughout the process.

Principal Development Control Plan

The Town Centres DCP prepared and adopted by Council is a single comprehensive DCP applying to all land covered by the Town Centres LEP, complying with the legislative requirements for DCPs that apply to principal LEPs. The Town Centres DCP integrates all relevant existing DCPs and covers most development types anticipated under the PLEP and it is proposed that it forms the basis of the Principal DCP moving forward.

While the development of the Town Centres DCP involved a review of most existing DCPs, there are still areas of additional work and review which needs to be undertaken in development of the Principal DCP. This includes:

- a review of the dwelling house controls to address any current issues being experienced with DCP 38;
- specific heritage conservation area controls for HCAs outside the Town Centres, new heritage items outside HCA's; and
- completion of detailed green web mapping for remaining areas of the LGA.

Council has resolved that the Town Centres DCP be subject to a 12 month review. The timing of this review will allow the findings to be incorporated into the Principal DCP.

Pecuniary Interest Exemptions under Section 458 of the Local Government Act 1993

The introduction of a standard template comprehensive LEP may see the need arise for a number of councillors to seek a section 458 exemption from the Minister for Local Government to allow

Item 8

S06413
14 September 2010

them to participate in the plan making process. Circumstances in which an exemption may be sought include where a councillor has a proprietary interest in a proposal relating to the making, altering or repealing of an environmental planning instrument (section 448(g) of the Act).

In this respect, section 458 of *the Local Government Act, 1993* provides:

458 Powers of Minister in relation to meetings

The Minister may, conditionally or unconditionally, allow a councillor or a member of a council committee who has a pecuniary interest in a matter with which the council is concerned to be present at a meeting of the council or committee, to take part in the consideration or discussion of the matter and to vote on the matter if the Minister is of the opinion:

- (a) that the number of councillors prevented from voting would be so great a proportion of the whole as to impede the transaction of business, or*
- (b) that it is in the interests of the electors for the area to do so.*

If Council forms the view that section 458 applications are required, the General Manager is to coordinate such application on behalf of affected councillors and must include:

- A covering letter indicating the background to the application demonstrating:
 - Council cannot form a quorum without the participation of the councillors that would otherwise be excluded from considering or voting on a LEP because of pecuniary interest obligations; and
 - it is in the interests of the electors for the Minister to grant the exemption.
- A signed application by each councillor applying for an exemption. The application must include:
 - full name and address of the applicant councillor;
 - address(es), lot(s) and deposited plan number(s) of all of the councillor's property likely to be affected by the council's considerations;
 - details (including property identification where known) of any associated person(s) affected by the councillor's participation in a meeting considering or voting on the LEP (see section 443 of the Act);
 - details of the type of pecuniary interest that the councillor may have; and
 - copy of the councillor's current return of interests as required by section 449.

CONSULTATION

The need to prepare a specific consultation strategy for the Principal LEP has been identified within the report to Planning Committee on 12 May 2010. There will be many projects running concurrently within the various themes outlined in the adopted work program. The community consultation strategy will address the co-ordination of feedback for this process. The Gateway

Item 8

S06413
14 September 2010

process will also determine the level of consultation required in the preparation of the PLEP. The consultation strategy will be subject to a further report to Council.

To date as part of the development of the various planning strategies, targeted consultation has occurred within key community and State Government stakeholders. Council's reference committees will also be used to provide feedback on an ongoing basis throughout the development of the Principal LEP and DCP.

A series of Councillor briefings on this project have been held over the past year including presentations to the Planning Committee.

FINANCIAL CONSIDERATIONS

The work program for the Principal LEP and DCP is covered by the Strategy and Environment operational budgets for 2009/10 and 2010/11.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

An integrated planning approach involving staff from all Council divisions is required for the preparation of a Principal LEP and DCP for Ku-ring-gai. The proposed program as outlined in this report has been developed with those staff currently working on the background studies.

SUMMARY

The Ku-ring-gai's Principal LEP will now need to be made under the new 'Gateway' plan-making process introduced by the NSW Government in July 2009.

A revised work program for the Principal LEP, consistent with the new LEP making system, has been developed which takes into consideration the need to be able to integrate the LEP with the Town Centres LEP and the requirement to submit the final LEP to the Department with sufficient time to be finalised in 2011. It is intended that the PLEP will largely be a translation of the KPSO into the Standard Instrument format and apply to all land in Ku-ring-gai that is not subject to the Town Centres LEP.

The revised work program was presented to Council's Planning Committee on 12 May 2010 and subsequently endorsed at its meeting on 25 May 2010. A Planning Proposal for Ku-ring-gai's Principal Local Environmental Plan based on the work timetable and program endorsed by Council has been prepared for submission to the Minister for Planning for a gateway determination.

RECOMMENDATION

- A. That Council, in accordance with section 458 of the *Local Government Act, 1993* determine if it is necessary to apply for pecuniary interest exemptions under the Act to allow Councillors to participate in the plan making process for the introduction of a comprehensive standard template Local Environmental Plan to replace the Ku-ring-gai Planning Scheme Ordinance.

Item 8

S06413
14 September 2010

- B. That Council, in accordance with Section 56 of the *Environmental Planning and Assessment Act 1979*, submit the Planning Proposal for the Ku-ring-gai Principal Local Environmental Plan to the Department of Planning, as provided at Attachment 1, to seek a gateway determination.
- C. That upon the receipt of any gateway determination, a further report be brought back to Council on the conditions of the determination and any implication for Council's adopted process and timetable for the completion of the Principal LEP.

Craige Wyse
Team Leader Urban Planning

Antony Fabbro
**Manager Urban & Heritage
Planning**

Andrew Watson
**Director Strategy &
Environment**

Attachments:

- 1. Planning Proposal - 2010/184846**
- 2. Planning Committee Report 12 May 2010 - 2010/079632**

Ku-ring-gai Council

Planning Proposal

Ku-ring-gai Principal Local Environmental Plan

October 2010

Background

The KPSO was initially gazetted in 1971 and has been subject to a significant number (over 200) of ad-hoc changes over the subsequent 36 years. The development of the Metropolitan Strategy and associated sub regional planning process provides the strategic framework in which now local land-use planning can be undertaken in a integrated and strategic manner. Land use planning issues to be addressed by the LEP includes sustainability, physical and social Infrastructure provision, natural and built environment, housing and employment.

The *Ku-ring-gai Local Environmental Plan (Town Centres) 2010* (Town Centres LEP) was prepared by the Ku-ring-gai Planning Panel and came into effect on 25 May 2010. At this point in time the Ku-ring-gai Planning Panel has the plan making functions under part 3 of the Act for all land within the Town Centres. As such, Council has no authority to prepare a planning proposal for its principal LEP (PLEP) if it includes land within the Town Centres boundary. As a result, the PLEP will include all land in the local government area that is not subject to the Town Centres LEP.

Given that the Town Centres LEP is in the standard instrument format, it is proposed that the PLEP will largely take the same format of the town centres LEP, including adopting the relevant local provisions such as those for biodiversity and riparian lands. This will facilitate greater ease in amalgamating the two LEPs in the future to form a single LEP applying to the whole local government area.

A work program for the PLEP has been developed which takes into consideration the need to be able to integrate the LEP with the Town Centres LEP and the requirement to submit the final LEP to the Department with sufficient time to be finalised in 2011. The work program was presented to Council's Planning Committee on 12 May 2010 and subsequently endorsed at its meeting on 25 May 2010 (refer to **Attachment A**). This Planning Proposal is based on the work timetable and program endorsed by Council and in discussion with the NSW Department of Planning Sydney West team.

Planning Proposal

1. A statement of the objectives or intended outcomes of the proposed local environmental plan.

The intended outcome of the planning proposal is to implement an LEP following the Standard Instrument format to apply to the Ku-ring-gai local government area (except for land subject to the Ku-ring-gai Local Environmental Plan (Town Centres) 2010), that replaces but maintains the general effect of the existing Ku-ring-gai Planning Scheme Ordinance (KPSO) applying to the land, except where it is intended to:

1. Rezone unzoned land to same as adjoining zoning.
2. Rezone land covered by Interim Development Orders to standard instrument equivalent.
3. Rezone certain interface sites to provide a solution to those low density housing areas adjoining land zoned for five storey apartment buildings or other higher zonings within the town centres.
4. Rezone certain existing residential and open space sites to an appropriate environmental zone having given consideration to the biodiversity, riparian and other natural resource assessment and mapping processes.
5. Include heritage conservation areas and add or delete heritage items
6. Include 'natural resource sensitivity' provisions and mapping layers to address biodiversity and riparian lands issues, consistent with Ku-ring-gai Town Centres LEP. Investigation will also be undertaken to consider the potential application of additional local provisions for flood planning areas and landslide risk.
7. Rezone certain sites currently zoned Special uses in accordance with Department of Planning PN 08-002 – zoning infrastructure.
8. Correct existing zoning anomalies, e.g. where existing open space is currently zoned residential.
9. Remove redundant road and open space reservations following consultation with relevant public authority.
10. Include new road and open space reservations where necessary following consultation with relevant public authority.

2. An explanation of the provisions that are to be included in the proposed local environmental plan.

It is intended that the LEP will be a translation of the KPSO into the Standard Instrument format consistent with the Town Centres LEP and will incorporate relevant provisions currently contained in the Town Centres LEP including zoning, land use table such as those for biodiversity and riparian lands and controls for miscellaneous permissible uses, for which there are no current equivalent provisions in the KPSO. This will facilitate greater ease in amalgamating the two LEPs in the future to form a single LEP applying to the whole local government area.

There are also a number of 'special provisions' in Part VII of the KPSO for which there are no equivalent standard LEP clauses. Each of these will be considered to determine whether or not it is appropriate or necessary to incorporate an equivalent local provision in the PLEP.

The KPSO contains a number of site specific provisions which were introduced to guide development of specific sites. As the development has occurred on these sites there is no need to carry these forward to the PLEP. Instead, these sites will be zoned so as to best reflect the existing development of the sites

Zoning and Development Standards

This will included converting existing zones and associated land uses to the standard instrument equivalent and retain the associated development standards including height, floor space ratio, and minimum subdivision requirements. The table below identifies the likely translations from the KPSO zones to the equivalent standard instrument zones.

Existing KPSO Zone	Proposed Standard Instrument Equivalent Zone	Comment
<i>Residential Zones</i>		
Residential 2(a), 2(b), 2(c),	R2 – Low Density Residential	General low density residential
Residential 2(a), 2(b), 2(c),	E4 – Environmental Living	To be identified as part of natural resource sensitivity studies
Residential 2(c1), 2(c2)	R2 – Low Density Residential	Sites where detached dual occupancy currently permitted - include in Schedule 1
Residential 2(c1), 2(c2)	E4 – Environmental Living	To be identified as part of natural resource sensitivity studies
Residential 2(d)	R4 – High Density Residential	Existing key development standards to be retained
Residential 2(d3)	R4 – High Density Residential	Existing key development standards to be retained
Residential 2(e)	R4 – High Density Residential	Existing key development standards to be retained
Residential 2(f)	R4 – High Density Residential	Existing key development standards to be retained
Residential 2(g)	R5 – Large Lot Residential	Existing key development standards to be retained
Residential 2(h)	R4 – High Density Residential	Existing key development standards to be retained
<i>Business Zones</i>		
Business - Retail Services 3(a)-(A1)	B2 – Local Centre	Existing key development standards to be retained
Business - Retail Services 3(a)-(A2)	B2 – Local Centre	Existing key development standards to be retained
Business - Retail Services 3(a)-(A3)	B1 – Neighbourhood Centre	Existing key development standards to be retained
Business - Commercial	B4 – Mixed Use	Land other than Pymble business Park

Existing KPSO Zone	Proposed Standard Instrument Equivalent Zone	Comment
Services 3(b)-(B1)		
Business - Commercial Services 3(b)-(B1)	B7 - Business Park	Land in Pymble Business Park
Business - Commercial Services 3(b)-(B2)	B2 - Local Centre	Existing key development standards to be retained
Special uses Zones		
Special Uses 5(a)	SP2 – Infrastructure or same as the adjacent zone	As per PN 08-002
Special Uses 5(a1)	SP1 – Special Activities or same as the adjacent zone	As per PN 08-002
Special Uses 5(b) (Railways)	SP2 – Infrastructure	
Open Space Zones		
Open space Recreation existing 6(a)	RE1 - Public Recreation	Recreational uses on public land
Open space Recreation existing 6(a)	E1 - National Parks and Reserves	Land in national parks
Open space Recreation existing 6(a)	E2 - Environmental Conservation	Land with high ecological, scientific, cultural or aesthetic values outside national parks and nature reserves, as per PN 09-002. To be identified as part of natural resource sensitivity studies.
Open space Recreation existing 6(a)	E3 – Environmental Management	Land where there are special ecological, scientific, cultural or aesthetic attributes, as per PN 09-002. To be identified as part of natural resource sensitivity studies.
Open space Recreation private 6(b)	RE2 - Private Recreation	Recreational uses on private land
Reservations		
<i>Open Space</i>		
(a) Open Space (Public Parks & Recreation)	RE1 - Public Recreation or same as adjoining zone if reservation no longer required.	To confirm ongoing reservation requirement. Also to be included on Land reservation acquisition map.
(b) County Open Space	RE1 - Public Recreation or same as adjoining zone if reservation no longer required.	To confirm ongoing reservation requirement with LPMA. Also to be included on Land reservation acquisition map.
<i>Roads</i>		
(a) County Road Proposed	SP2 – Infrastructure or same as adjoining zone if reservation no longer required.	To confirm ongoing reservation requirement with RTA. Also to be included on Land reservation acquisition map.
(b) County Road Widening	SP2 – Infrastructure or same as adjoining zone if reservation no longer required.	To confirm ongoing reservation requirement with RTA. Also to be included on Land reservation acquisition map.
Interim Development Orders		
IDO 29	RE2 - Private Recreation	Include educational establishment and function centre as permissible uses on site include in Schedule 1
IDO 78	R2 – Low Density Residential	Same uses and development standards as general low density residential.

As the development standards included in the standard instrument LEP are generally restricted to building height, floor space ratio and subdivision standards, certain other development standards currently included in the KPSO, such as 'built upon area' will not be transferred to the LEP, but will rather be included in the associated DCP.

However, it should be noted that, while it is proposed that the PLEP take on largely the same format of the Town Centres LEP, this will not extend to increasing heights and densities of commercial centres not currently covered by the Town Centres LEP. It has already been demonstrated that the Town Centres LEP, in conjunction with LEP 194/200 before it, will deliver Ku-ring-gai's housing and employment targets under the Metropolitan Strategy and, consequently, any further up zonings are not considered justified or warranted (other than those to address zone interface issues).

Other additional provisions

In order to make the PLEP largely consistent with the Town Centres LEP, it will incorporate relevant local or optional provisions currently contained in the Town Centres LEP including the following:

2.6AA Demolition requires consent

2.6BB Temporary use of land

5.3 Development near zone boundaries

5.4 Controls relating to miscellaneous permissible uses

6.1 Particular site requirements for multi dwelling housing and residential flat buildings

6.2 Ground floor development in business zones

6.3 Minimum building street frontage in business zones

6.4 Urban design excellence for Key Sites

6.5 Natural resources sensitivity—biodiversity

6.6 Natural resources sensitivity—riparian lands

6.7 Restrictions on consent for particular sex services premises

The KPSO contains a number of site specific provisions which were introduced to guide development of specific sites. As the development has occurred on these sites there is no need to carry these forward to the PLEP. Instead, these sites will be zoned so as to best reflect the existing development of the sites. There are also a number of 'special provisions' in Part VII of the KPSO for which there are no equivalent standard LEP clauses. Each of these will be considered to determine whether or not it is appropriate or necessary to incorporate an equivalent local provision in the PLEP.

3. Justification for those objectives, outcomes and provisions and the process for their implementation.

A. Need for the planning proposal.

A1. Is the planning proposal a result of any strategic study or report?

It is proposed that the development of the PLEP builds upon the significant number of planning studies and key work that have already been undertaken by Council in recent years. This information, along with the additional studies outlined below, will be used to develop a series of consolidated local planning strategies that establish the planning principles, policy directions and strategic goals and objectives to align the PLEP with the seven strategy areas contained in the Draft Subregional Strategy. This is considered the most efficient and resource effective approach and avoids duplication of existing relevant data.

Completed studies that will inform the process include:

- Ku-ring-gai Retail Centres Study (2006) – Hill PDA
- Town centres Heritage conservation Area review – (2009) Paul Davies Pty Ltd
- Potential heritage items identified in the review in 2006 - Perumal Murphy Alessi Pty Ltd
- Ku-ring-gai Development & Demographic Forecasts (2008) - SGS Economics and Planning
- Hornsby – Ku-ring-gai Employment Lands Study (2008) – SGS Economics and Planning
- Ku-ring-gai Open space acquisition strategy (2006) - Environmental Partnership and Recreation Planning
- Town Centres Traffic and Parking Studies (various)
- People, Parks and Bushland – Open Space Strategy for Ku-ring-gai, (2005)
- Ku-ring-gai Community Facilities Strategy (2009) - Elton Consulting

The table below outlines which additional studies are currently underway or proposed to be undertaken and provides a rationale for the studies and a timeframe for their completion.

Name of study	Purpose	Intended outcomes for LEP	Current status	Completion date
Interface Study	To investigate and assess the potential impacts of future development on low density housing areas adjoining land zoned for five storey apartment buildings or other higher zonings within the town centres.	Identification of appropriate zoning and development standards for sites adversely affected.	Significant study completed in 2006 for initial draft Town Centres LEP. A review of sites currently being conducted following gazettal of Town Centres LEP 2010	Reported to Council in December 2010
Affordable housing issues paper	It will examine the issue of housing affordability in Ku-ring-gai. This paper will identify any potential policy mechanisms or planning options Council may wish to consider to address the issue.	In all likelihood these initiatives, if taken up by Council, will sit outside the new LEP.	The study is nearing completion.	October 2010

Name of study	Purpose	Intended outcomes for LEP	Current status	Completion date
Heritage conservation area review	To refine the boundaries and description of heritage conservation by through the review of previous Council commissioned heritage studies and historical data and detailed fieldwork.	The identification and mapping of heritage conservation areas for inclusion within the LEP Development of detailed conservation area provisions for the DCP	Consultants currently engaged to review 14 areas in the North of the LGA. In the process of engaging consultants to review southern areas.	March 2010
Additional Heritage item assessment	To undertake an assessment of the potential heritage items identified in the review in 2006 (Perumal Murphy Alessi Pty Ltd) and the work of Paul Davies Heritage Consultants for the town centres LEP in 2008/2009.	This work will identify additional heritage items to be included and any existing items to be removed,	List of items being finalised in consultation with Heritage Reference Committee. Priority will be given to assessment of those items outside of the proposed HCAs.	March 2010
Indigenous Heritage study	To undertake a review of the extent of existing indigenous heritage and investigate appropriate planning mechanisms to address issues and sensitive nature of the matter.	Unknown at this stage – will be subject to findings of the study and liaison with relevant agencies.	Mapping completed. Further consultation required with Aboriginal Heritage Office and other relevant agencies.	March 2010
Integrated Traffic and Transport Strategy	To develop a framework and strategies to guide planning for improved transport options in Ku-ring-gai to manage growth and reduce dependence on the private motor vehicle.	While this strategy is largely aimed at identifying broader Traffic and Transport action plans for Council, the project brief also requests the development of recommendations for the Principal LEP and DCP.	In the process of engaging consultants to prepare the study. This strategy will pick up on the significant baseline data already compiled by Council in the 2000 RDS baseline study and the Town Centres LEP traffic studies.	December 2010
Biodiversity mapping and assessment	To identify those areas with in the LGA that are of biodiversity significance and identify appropriate planning mechanisms to address issues.	Incorporation of existing biodiversity provisions and mapping layer from Town Centres LEP and DCP.	LGA wide vegetation mapping has been completed. Currently finalising detailed assessment fro 'green web' mapping for the DCP.	December 2010
Riparian lands study	To identify riparian lands with in the LGA develop appropriate	Incorporation of existing riparian lands provisions and	Substantially completed. Final ground truthing of	December 2010

Name of study	Purpose	Intended outcomes for LEP	Current status	Completion date
	planning mechanisms to address issues.	mapping layer from Town Centres LEP and DCP.	maps currently being undertaken.	
Flood risk and management study	<p>To identify the extent of potential flood planning areas within the LGA so as to implement planning mechanisms.</p> <p>To reduce the impact of flooding and flood liability on individual owners and occupiers of a flood prone property, and to reduce private and public losses resulting from floods. (<i>Floodplain Development Manual (DIPNR 2005)</i>)</p> <p>To ensure compliance with the section 117 Direction 4.3 Flood Prone Land.</p>	<p>To inform appropriate zoning and land uses.</p> <p>The development of a “Flood Planning Area” map</p> <p>Determine whether or not it is appropriate to incorporate the “Flood Planning” model local provision within the LEP.</p> <p>Investigate whether provisions are required in a DCP to address more detailed issues</p>	Currently investigating GIS and software requirements to complete in house. If in-house completion is not possible consultants could be engaged to complete on time - dependant upon funding.	Completion by December 2010
Soil/Landslip risk assessment	<p>To identify those areas within the LGA that may be subject to land slip risk due to soil and slope conditions and identify appropriate planning mechanisms to address issues.</p> <p>To ensure compliance with section 117 direction 4.2 - Mine Subsidence and Unstable Land</p>	<p>Identification of appropriate zoning land uses and appropriate principal development standards for at risk areas</p> <p>The development of a ‘Landslip Risk Area’ map</p> <p>Determine whether or not it is appropriate to incorporate ‘Landslip Risk’ local provision within the LEP.</p> <p>Investigate whether provisions are required in a DCP to address more detailed issues</p>	LGA wide slope and soil maps have already been prepared. Overlaying maps to identify at risk areas and development of appropriate provisions still need to be completed. Study to be prepared in house.	Completion by December 2010
Bushfire hazard study	To update planning for bushfire risk in Ku-ring-gai, including the consideration of the potential impact of climate change on	Guidance for zoning, land uses and development standards in high risk areas, including evacuation risk areas	Write up of analysis of the existing situation, and of the potential climate change impacts almost completed.	December 2010

Name of study	Purpose	Intended outcomes for LEP	Current status	Completion date
	bushfire risk in the LGA To ensure compliance with section 117 direction 4.4 Planning for Bushfire Protection		Exhibition of climate change adaptation strategy has been completed. The major part of the work still to be undertaken is the detailed development and analysis of the options for incorporation in the LEP.	
Open Space and Recreational Needs Strategy	To address the current gaps in recreation and open space needs of the community and to identify and planning mechanisms in response.	This strategy is largely aimed at identifying broader Open Space and Recreational Needs for Council, it will also potentially guide zoning and identification of potential land to be reserved for open space.	Substantive studies that document key issues have already been completed by both DoP and Council. Strategy will synthesis findings of these to identify gaps and future planning mechanisms	December 2010

A2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

Yes, this is the best means by which Ku-ring-gai can have standard template LEP provisions applying to the entire local government area.

At this point in time the Ku-ring-gai Planning Panel has the plan making functions under part 3 of the Act for all land within the Town Centres. As such Council has no authority to prepare a planning proposal for a comprehensive LEP if it includes land within the Town Centres boundary. As a result, the planning proposal will include all land in the local government area that is not subject to the Town Centres LEP.

A3. Is there a net community benefit?

A Principal Local Environmental Plan for Ku-ring-gai and will provide a significant opportunity to update our planning controls, retain the values of Ku-ring-gai's built and natural heritage whilst also providing for the future implementation of plans to respond to the Metropolitan Strategy and sub-regional planning. The principal LEP will also address a range of issues including sustainability, physical and social Infrastructure provision, natural and built environment, housing and employment.

B. Relationship to strategic planning framework.

B1. Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy?

As outlined in 3 - A1 above, the planning strategies will be developed from a synthesis of the existing studies and updated data as they apply to the Subregional Strategy areas in order to establish appropriate policy directions and strategic goals and objectives.

The North Subregional Strategy is broken down into seven sub-strategy areas, each containing a series of objectives and actions. The strategies are linked to those of the Metropolitan Strategy.

The seven strategy areas are as follows:-

- Economy and Employment.
- Centres and Corridors.
- Housing.
- Transport.
- Environment, Heritage and Resources.
- Parks, Public Places and Culture.
- Implementation and Governance.

The various studies and strategies to be undertaken are outlined below under each of the draft NSS strategic areas. The majority of these studies are well progressed and it is anticipated they could be reported to Council by the end of 2010.

Economy and Employment

A subregional Employment Lands Study was undertaken jointly with Hornsby Council in 2008. This study identifies appropriate responses and recommendations for both Councils principal LEPs to address subregional employment targets. The relevant recommendations of this study were used to inform the development of the draft Town Centres LEP and will also inform the Ku-ring-gai Principal LEP and DCP.

Centres and Corridors

The Metropolitan Strategy is based around a “centres policy”, with the Subregional Strategy identifying a centres hierarchy for each local government area. The Town Centres LEP and Town Centres DCP largely establishes a centres hierarchy consistent with that of the Subregional Strategy. The key background study informing the centres hierarchy in the Town Centres LEP was the Ku-ring-gai Retail Centres study adopted by Council in 2005 and the Employment Lands Study in 2008.

It is proposed that a final comprehensive Ku-ring-gai Centres strategy be developed based on the outcomes of these studies.

Housing

The draft NSS sets a future dwelling target for Ku-ring-gai of 10,000 additional dwellings by 2031. It also sets a number of goals and actions regarding the provision of housing mix and housing choice and addresses the issue of housing affordability. With this existing yield included in the LEP 194/200 and the Town Centres LEP, combined additional potential yield provided by the UTS and Sydney Adventist Hospital State significant sites outside the town centres, it is considered that the 10,000 dwelling target under the draft Subregional Strategy should be able to be met. This would then negate the need for Council to provide any significant additional yield through the Principal LEP beyond that already discussed. In this

respect, it is largely intended to translate remaining Ku-ring-gai Planning Scheme Ordinance (KPSO) residential and business zones and provisions into the Standard Template equivalent

To address the draft NSS housing requirements it is proposed to prepare a consolidated 'Housing Strategy' that brings together considerable work Council has undertaken in the development plans to deliver the required housing through its previous residential strategy, housing needs study, LEP 194 and 200 and the Town Centres LEP. It will also incorporate the outcomes of the interface study and the affordable housing issues paper. This will lead to a clear and coherent documented strategy which aligns with the draft NSS.

Transport

In order to address the objectives and actions of the subregional transport strategy an Integrated Transport and Access Strategy is being developed for Ku-ring-gai. This strategy will pick up on the significant baseline data already compiled by Council in the 2000 RDS baseline study and the Town Centres LEP traffic studies. It will also incorporate the Town Centres Parking Management Plan which is currently being developed.

This strategy will not only inform the development of the Principal LEP and DCP, but also identify broader action plans for Council in the areas of:-

- Public transport.
- Walking and cycling.
- Accessibility.
- Road management.
- Transport and land use.
- Parking management, and
- Travel demand management.

Environment and Natural Resource Management

Planning for the protection of natural resources, including threatened species and environmentally sensitive areas and indigenous heritage in the LGA is well progressed with the a number of studies commenced to cover the areas of vegetation, fauna, bushfire, indigenous heritage and soil and water. The studies will enable Council to address the objectives of regional and subregional plans, such as:-

- the protection of Sydney's unique plants and animals;
- improvement of the health of waterways;
- improvement in the sustainable use of resources;
- addressing and responding to climate change;
- management of bushfire risk;
- the protection of indigenous heritage.

The Town Centres LEP and DCP include specific provisions and mapping layers which address biodiversity and riparian issues. It is intended to extend these principles and provisions to also apply under the Principal LEP and DCP.

Heritage Planning (Heritage Conservation Areas and Heritage Items)

The Principal LEP /DCP process will also provide an opportunity for the identification and implementation of heritage conservation areas and heritage items within Ku-ring-gai. The

proposed heritage conservation work will build upon the work undertaken by the NSW National Trust and the subsequent work on specific areas by Godden McKay Logan as well as the other potential heritage item review in 2006 (Perumal Murphy Alessi Pty Ltd) and the work of Paul Davies Heritage Consultants in 2008/2009.

There is also a requirement for this work to link into the interface study as there are many identified potential interface impacts on existing heritage items and proposed urban conservation areas.

This work will also identify additional heritage items to be included and any existing items to be removed,

Open Space and Recreation Strategy

A number of studies have been undertaken recently by both the Department of Planning and Council that document key issues related to open space and recreation in Ku-ring-gai. This strategy will address the current gaps through planning for the following:-

- new local parks to address current undersupply of areas for passive recreation and to cater for new population;
- new urban and civic spaces within each of the town centres to fulfil community and cultural needs;
- additional sportsfields to address the current undersupply;
- multi-activity sites on the fringes of bushland areas to provide regional park facilities similar to those of Bicentennial Park for example;
- provision of special recreation facilities to cater for youth and elderly people who are not currently well catered for in terms of recreation;
- opportunities for tourism and cultural activities including heritage walking trails; and
- walking tracks and trails linking with regional routes and providing local walks linking key facilities.

Implementation and Governance

In addition to the statutory consultation with state agencies, it is envisaged that ongoing dialogue will need to take place with specific state agencies and instrumentalities with land holdings in Ku-ring-gai. The purpose of this consultation would be to determine the future intention of specific sites eg. RTA County Road Reservations, County Open Space Reservations, Sydney Water lands, Energy Australia; Department of Education sites and to establish future infrastructure requirements. It will also include liaison with NSW land and Property Management Authority (LPMA) on matters to deal with crown land.

B2. Is the planning proposal consistent with the local council's Community Strategic Plan, or other local strategic plan?

Yes, Council adopted the Community Strategic Plan 2030 on 13 October 2009. This Strategic Plan is based around the following principle activity areas:

- community development
- urban environment
- natural environment
- planning and development
- civic leadership and corporate services

- financial sustainability

The planning proposal is not inconsistent with this Strategic Plan, specifically the following objectives:

- *Comprehensive Integrated Principal LEP and Development Control Plan (DCP) completed for the local government area (LGA) that addresses the Metropolitan Strategy and North Subregion objectives*
- *Protect, enhance and where appropriate increase local biodiversity and terrestrial, habitats and connectivity between reserves*
- *Council planning systems apply the principles of sustainability, best practice urban design and place making to meet the needs of the community*

B3. Is the planning proposal consistent with applicable state environmental planning policies?

The following table identifies the key applicable SEPPs and outlines the planning proposal's consistency with those SEPPs. A checklist of compliance with all SEPPs is contained at **Attachment B**

SEPP	Comment on Consistency
SEPP19 Bushland in Urban Areas	<p>When preparing draft local environmental plans for any land to which SEPP 19 applies, other than rural land, the council shall have regard to the general and specific aims of the Policy, and give priority to retaining bushland, unless it is satisfied that significant environmental, economic or social benefits will arise which outweigh the value of the bushland.</p> <p>Compliance with SEPP 19 will be a on of the consideration addressed in the outcomes of the biodiversity mapping project. This will guide the implementation of appropriate zoning and planning provisions of SEPP 19 bushland.</p>
SEPP 53 Metropolitan Residential Development	<p>The SEPP applies to Councils that have not prepared a suitable residential development strategy that addresses local housing needs while contributing to the metropolitan objective of more compact cities. The policy contains development controls dual occupancy development and powers for the Minister to alter local planning provisions to facilitate multi-unit redevelopment of sites that are well located in relation to transport, jobs and services.</p> <p>Ku-ring-gai is the only Council to which the SEPP still applies, although it has gained exemption for land in the 2(c1), 2(c2) and 2(d3) zones of the Ku-ring-gai Planning Scheme Ordinance (KPSO). Also excluded from the dual occupancy provisions of the SEPP are lands identified on the bushfire evacuation risk map, or category 1 land on the Ku-ring-gai Bushfire Prone Land map.</p> <p>One of the functions of the Ku-ring-gai Planning panel was to determine a planning instrument for dual occupancy development. Following its investigations, the planning has recommended to the Minister that Ku-ring-gai should be granted an immediate exemption from SEPP53 dual occupancy provisions on the basis that there is no longer a need for these dual occupancy provisions, given the new Affordable Rental Housing SEPP and the meeting of Council's housing yields under the Town Centres LEP provisions and the new housing</p>

SEPP	Comment on Consistency
	<p>choice opportunities it provides. It also recommended that dual occupancy provisions be provided for in the Principal LEP in appropriate locations in the vicinity of the neighbourhood centres and strategic bus corridors.</p> <p>The Minister has agree in-principle with the justification for exemption from SEPP 53 provided by the Ku-ring-gai Planning Panel and has asked the Department of Planning to make arrangements fro the minister to consider a report to implement an exemption. Should the exemption be forthcoming, then the planning proposal will be amended to address any conditions on regarding the inclusion of dual occupancy provisions in the Principal LEP.</p>
SEPP No. 44 - Koala Habitat Protection	<p>In order to give effect to the aims of this Policy, a council should survey the land within its area so as to identify areas of potential koala habitat and core koala habitat, and make or amend a local environmental plan to include land identified as a core koala habitat within an environmental protection zone, or to identify land that is a core koala habitat and apply special provisions to control the development of that land.</p> <p>The biodiversity mapping project that is currently being undertaken is also investigating the potential presence of core Koala habitat in Ku-ring-gai. Should any such habitat be identified, appropriate planning provision will be incorporated into the LEP.</p>
SEPP55 Remediation of Land	<p>SEPP 55 requires a planning authority to give consideration to contamination issues when rezoning land which allows a change of use that may increase the risk to health or the environment from contamination and requires consideration of a report on a <i>preliminary investigation</i> where a rezoning allows a change of use that may increase the risk to health or the environment from contamination..</p> <p>As the planning proposal is largely a translation exercise to equivalent standard instrument zones which generally will not result in a change to permissible uses. However, potential contamination matters will need to be considered as part of the process of rezoning special uses land to surrounding zones in accordance with PN 08-002 - Zoning for infrastructure in LEPs.</p>
SEPP Infrastructure 2007	<p>To complement the provisions of the SEPP Infrastructure 2007, the planning proposal will zone public infrastructure land in accordance with LEP practice note PN 08-002 - Zoning for infrastructure in LEPs.</p> <p>No exempt or complying development provisions will be included that are inconsistent with the SEPP Infrastructure 2007</p>
SEPP Exempt and Complying Development Codes 2008	<p>The planning proposal will not included exempt or complying development provisions that are inconsistent with the SEPP Exempt and Complying Development Codes 2008</p>
SREP20 Hawkesbury-Nepean River	<p>The SREP requires consideration be given to the impact of future land use in Hawkesbury-Nepean River catchment in a regional context. The plan covers water quality and quantity, environmentally sensitive areas, riverine scenic quality, agriculture, and urban and rural residential development.</p> <p>Considerations under the SEPP will be taken into account when developing provisions for identified environmentally sensitive lands within the Hawkesbury-Nepean River catchment.</p>

SEPP	Comment on Consistency
SREP (Sydney Harbour Catchment) 2005	<p>The SREP aims to establish a balance between promoting a prosperous working harbour, maintaining a healthy and sustainable waterway environment and promoting recreational access to the foreshore and waterways. It establishes planning principles and controls for the catchment as a whole.</p> <p>The planning proposal is consistent with the Sydney Harbour Catchment SREP as it aims to protect identified environmentally sensitive land and implement appropriate planning provisions.</p>

B4. Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

The following table identifies applicable Section 117 Directions and outlines the planning proposal's consistency with those directions. A checklist of compliance with all Section 117 Directions is contained at Attachment B

Directions under S117	Objectives	Consistency
1.1 Business and Industrial Zones	The objectives of this direction are to: <ul style="list-style-type: none"> (a) Encourage employment growth in suitable locations, (b) protect employment land in business and industrial zones, and (c) support the viability of identified strategic centres. 	Yes. As the planning proposal will retain the areas and locations of existing business and will not reduce the total potential floor space area for employment uses and related public services in business zones.
2.1 Environment Protection Zones	The objective of this direction is to protect and conserve environmentally sensitive areas.	<p>Yes. It is proposed that the LEP include provisions that facilitate the protection and conservation of environmentally sensitive areas.</p> <p>The planning proposal proposes to introduce environment protection zones and provisions with improved environmental protection standards applying to the land.</p>
2.3 Heritage Conservation	The objective of this direction is to conserve items, areas, objects and places of environmental Heritage significance and indigenous heritage significance.	Yes. The LEP will include the provisions to conserve items, areas, objects and places of environmental heritage significance and indigenous heritage significance. This will take the form of the standard instrument heritage conservation clause and will also include the introduction of heritage conservation areas.
3.1 Residential Zones	The objectives of this direction are: <ul style="list-style-type: none"> (a) to encourage a variety and choice of housing types to provide for existing and future housing needs, (b) to make efficient use of existing 	Yes. The planning proposal seeks to translate the existing residential zones under the KPSO to the standard instrument equivalents while maintaining the existing residential densities on these sites.

Directions under S117	Objectives	Consistency
	<p>infrastructure and services and ensure that new housing has appropriate access to infrastructure and services, and</p> <p>(c) to minimise the impact of residential development on the environment and resource lands.</p>	<p>There will potentially be some minor reductions in FSR standards for residential development on land proposed to be zoned E4 – Environmental living. This will be consistent with the approach taken in the Town centres LEP and objective (c) of the Direction.</p>
3.2 Caravan Parks and Manufactured Home Estates	<p>The objectives of this direction are:</p> <p>(a) to provide for a variety of housing types, and</p> <p>(b) to provide opportunities for caravan parks and manufactured home estates.</p>	<p>Yes. The planning proposal will retain provisions that permit development for the purposes of a caravan park to be carried out on land in the existing 6(a) and 6(b) open space zones.</p>
3.3 Home Occupations	<p>The objective of this direction is to encourage the carrying out of low-impact small businesses in dwelling houses</p>	<p>Yes. The planning proposals will permit home occupations to be carried out in dwelling houses without the need for development consent.</p>
3.4 Integrating Land Use and Transport.	<p>The objective of this direction is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following planning objectives:</p> <p>(a) improving access to housing, jobs and services by walking, cycling and public transport, and</p> <p>(b) increasing the choice of available transport and reducing dependence on cars, and</p> <p>(c) reducing travel demand including the number of trips generated by development and the distances travelled, especially by car, and</p> <p>(d) supporting the efficient and viable operation of public transport services, and</p> <p>(e) providing for the efficient movement of freight.</p>	<p>Yes. The planning proposal is largely a translation exercise and will not create, alter or remove a zone or a provision relating to urban land.</p>
4.1 Acid Sulfate Soils	<p>The objective of this direction is to avoid significant adverse environmental impacts from the use of land that has a probability of containing acid sulfate soils.</p>	<p>Yes. There are minimal little known land in Ku-ring-gai that has a probability of containing acid sulfate soils. The planning proposal does not propose an intensification of land uses on this land.</p>
4.2 Mine Subsidence and Unstable Land	<p>The objective of this direction is to prevent damage to life, property and</p>	<p>Yes. The planning proposal will involve a study to identify areas of</p>

Directions under S117	Objectives	Consistency
	the environment on land identified as unstable or potentially subject to mine subsidence.	land slip risk and appropriate zoning, land uses and appropriate principal development standards for any at risk areas.
4.3 Flood Prone Land	The objectives of this direction are: (a) to ensure that development of flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005, and (b) to ensure that the provisions of an LEP on flood prone land is commensurate with flood hazard and includes consideration of the potential flood impacts both on and off the subject land	Yes. The planning proposal will involve a study to identify the extent of potential flood planning areas within the LGA to inform appropriate zoning and land uses, develop a "Flood Planning Area" map and determine whether or not it is appropriate to incorporate the "Flood Planning" model local provision within the LEP.
4.4 Planning for Bushfire Protection	The objectives of this direction are: (a) to protect life, property and the environment from bush fire hazards, by discouraging the establishment of incompatible land uses in bush fire prone areas, and (b) to encourage sound management of bush fire prone areas.	Yes. The planning proposal will involve a study to update planning for bushfire risk in Ku-ring-gai, including the consideration of the potential impact of climate change on bushfire risk in the LGA this will provide guidance for zoning, land uses and development standards in high risk areas, including evacuation risk areas. The NSW rural fire service will be consulted in the process.
6.1 Approval and Referral Requirements	The objective of this direction is to ensure that LEP provisions encourage the efficient and appropriate assessment of development.	Yes, the planning proposal does not seek to incorporate additional provisions that require the concurrence, consultation or referral of development applications to a Minister or public authority, or identify development as designated development.
6.2 Reserving Land for Public Purposes	The objectives of this direction are: (c) to facilitate the provision of public services and facilities by reserving land for public purposes, and (d) to facilitate the removal of reservations of land for public purposes where the land is no longer required for acquisition	Yes. The planning proposal includes consultation with public authorities on the status of existing reservations for public purposes. Where there is an identified requirement to remove a reservation or put in place a new or revised reservation, it will be done in accordance with the requirements of this direction.
7.1 Implementation of the Metropolitan Strategy	The objective of this direction is to give legal effect to the vision, land use strategy, policies, outcomes and actions contained in the Metropolitan Strategy	Yes. The planning proposal is consistent with the NSW Government's Metropolitan Strategy and the related Draft North

Directions under S117	Objectives	Consistency
		Subregional Strategy. Details are contained under Section 3- B1 above.

C. Environmental, social and economic impact.

C1. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

As the planning proposal is largely a direct translation of the KPSO to the standard instrument format, it is unlikely to have an adverse affect on critical habitat or threatened species, populations or ecological communities, or their habitats.

The planning proposal will actually have a positive affect on the protection of critical habitat or threatened species, populations or ecological communities, or their habitats, through the extension of the *'Natural resource sensitivity – biodiversity'* provisions to the whole local government area.

C2. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

As the planning proposal is largely a direct translation of the KPSO to the standard instrument format it is not expected to result in any additional negative environmental effects.

C3. How has the planning proposal adequately addressed any social and economic effects?

As the planning proposal is largely a direct translation of the KPSO to the standard instrument format it is not expected to result in any significant additional social and economic effects. By implementing the standard instrument there will be potential positive economic and ongoing positive social effects by the introduction of certain clarity and consistency within the planning framework.

D. State and Commonwealth interests.

D1. Is there adequate public infrastructure for the planning proposal?

As the planning proposal is for what is essentially a translation LEP that will result in minimal increases in residential density or intensity of land uses, it is considered that there will be negligible additional demands or pressures placed on existing infrastructure.

The purpose of this consultation would be to determine the future intention of specific sites eg. RTA County Road Reservations, County Open Space Reservations, Sydney Water lands, Energy Australia; Department of Education sites and to establish future infrastructure requirements.

D2. What are the views of State and Commonwealth Public Authorities consulted in accordance with the gateway determination, and have they resulted in any variations to the planning proposal?

The views of State and Commonwealth Public Authorities will not be known until after the initial gateway determination. It is proposed that the following State and Commonwealth Public Authorities will be consulted:

- Department of Environment, Climate Change and Water
- NSW Roads and Traffic Authority
- Ministry of Transport
- State Transit Authority
- Railcorp
- Land and Property Management Authority
- Department of Water and Energy
- NSW Rural Fire Service
- Department of Education and Training
- Department of Housing
- Department of Health
- National Parks & Wildlife Service
- NSW Heritage Office
- Aboriginal Heritage Office
- Sydney Water Corporation
- Energy Australia
- Hornsby Shire Council
- Ryde City Council
- Warringah Council
- Willoughby City Council

As the planning proposal involves land that contains critical habitat or threatened species, populations or ecological communities, or their habitats which may be adversely affected, Director-General of the Department of Environment, Climate Change and Water will be consulted under section 34A of the EP&A Act.

4. Details of the community consultation that is to be undertaken on the planning proposal.

A separate consultation strategy is to be developed for the Principal LEP. This strategy will establish a framework for appropriate consultation with all relevant stakeholders in the process.

At a minimum, community consultation will be conducted in accordance with the publication “A guide to preparing local environmental plans” released by the Department of Planning. Based on instructions in this guide the planning proposal is not considered a low impact planning proposal as it relates to the production of a principal LEP

The planning proposal will also be exhibited in accordance with the requirements of section 57 of the EP&A Act and/ or any other requirements as determined by the Gateway process under section 56 of the EP&A Act.

ATTACHMENT A

PRINCIPAL LEP WORK PROGRAM AND TIMETABLE

<i>Project element of milestone</i>	<i>Target date for Completion</i>
PRINCIPAL LEP	
Preparation of Planning Proposal and submission to DoP	June 2010.
Local Environmental Studies/Strategies	
Economy and Employment <ul style="list-style-type: none"> • Employment Lands Study 	Completed June 2008.
Centres and Corridors <ul style="list-style-type: none"> • Consolidated Centres Strategy 	December 2010
Housing <ul style="list-style-type: none"> • Interface Study • Affordable Housing Issues Paper • Consolidated Housing Strategy 	December 2010.
Transport <ul style="list-style-type: none"> • Integrated Transport and Access Strategy 	December 2010.
Environment, Heritage and Resources <ul style="list-style-type: none"> • Natural Resource Management • Vegetation mapping • Riparian lands/soil and water management • Heritage/HCAs 	December 2010.
Parks, Public Places and Culture <ul style="list-style-type: none"> • Open Space and Recreation Strategy 	December 2010.
Implementation and Governance <ul style="list-style-type: none"> • State Agency Land/Infrastructure Requirements 	September 2010.
Consultation with State agencies	
Report final planning Strategies to Council – Council adopt draft principles for LEP to address findings of studies.	March 2011.
Formal Exhibition/Community Consultation of Detailed Planning proposal and associated Planning Strategies	May 2011
Council considers community and agency submissions	June 2011
Final Planning proposal submitted to DoP	July 2011
PRINCIPAL DCP	
Finalise green web mapping for DCP	December 2010
Review of DCP38 dwelling house controls	March 2011
Finalise specific HCA controls	March 2011
12 month review of Town Centres DCP	June 2011
Public exhibition of draft Principal DCP	July 2011

ATTACHMENTB

ASSESSMENT OF PLANNING PROPOSAL CONSISTENCY WITH SECTION 117 DIRECTION AND STATE ENVIRONMENTAL PLANNING POLICIES

PART A: STATE ENVIRONMENTAL PLANNING POLICIES		Not relevant	Consistent
SEPP1	Development Standards	✓	
SEPP4	Development Without Consent	✓	
SEPP6	Number of Storeys in a Building	✓	
SEPP19	Bushland in Urban Areas		✓
SEPP21	Caravan Parks	✓	
SEPP22	Shops and Commercial Premises	✓	
SEPP30	Intensive Agriculture	✓	
SEPP32	Urban Consolidation (Redevelopment of Urban Land)	✓	
SEPP33	Hazardous and Offensive Development	✓	
SEPP44	Koala Habitat Protection		✓
SEPP53	Metropolitan Residential Development		✓
SEPP55	Remediation of Land	✓	
SEPP60	Exempt and Complying Development	✓	
SEPP62	Sustainable Aquaculture	✓	
SEPP64	Advertising and Signage	✓	
SEPP65	Design Quality of Residential Flat Development		✓
SEPP70	Affordable Housing (Revised Schemes)	✓	
SEPP	(Housing for Seniors or People with a Disability) – 2004		✓
SEPP	Building Sustainability Index : Basix 2004		✓
SEPP	Major Development	✓	
SEPP	Mining, Petroleum Production and Extractive Industries	✓	
SEPP	Temporary Structures 2007	✓	
SEPP	Infrastructure 2007		✓
SEPP	Affordable Rental Housing 2009	✓	
SEPP	Exempt and Complying Development Codes 2008	✓	

PART B: REGIONAL ENVIRONMENTAL PLANS		Not relevant	Consistent
SYDNEY REP20	Hawkesbury-Nepean River		✓
SYDNEY REP	(Sydney Harbour Catchment) 2005		✓

PART C: DIRECTIONS UNDER S117(2)	Not relevant	Consistent
PART 1 – GENERAL DIRECTIONS		
1. Employment and Resources		
1.1 Business and Industrial Zones		✓
1.2 Rural Zones	✓	
1.3 Mining, Petroleum production and Extractive Industries	✓	
1.4 Oyster Aquaculture	✓	
1.5 Rural Lands	✓	
2. Environment and Heritage		
2.1 Environment Protection Zones		✓
2.2 Coastal Protection	✓	
2.3 Heritage Conservation		✓
2.4 Recreation Vehicle Areas	✓	
3. Housing, Infrastructure and Urban Development		
3.1 Residential Zones		✓
3.2 Caravan Parks and Manufactured Home Estates		✓
3.3 Home Occupations		✓
3.4 Integrating Land Use and Transport	✓	
3.5 Development Near Licensed Aerodromes	✓	
4. Hazard and Risk		
4.1 Acid Sulfate Soils		✓
4.2 Mine Subsidence and Unstable Land		✓
4.3 Flood Prone Land		✓
4.4 Planning for Bushfire Protection		✓
5. Regional Planning		
5.1 Implementation of Regional Strategies	✓	
5.2 Sydney Drinking Water Catchments	✓	
5.3 Farmland of State and Regional Significance on the NSW Far North Coast	✓	
5.4 Commercial and Retail Development along the Pacific Highway, North Coast	✓	
5.5 Development in the vicinity of Ellalong, Paxton and Millfield (Cessnock LGA)	✓	
5.6 Sydney to Canberra Corridor (Revoked 10 July 2008. See amended Direction 5.1)	✓	
5.7 Central Coast (Revoked 10 July 2008. See amended Direction 5.1)	✓	
5.8 Second Sydney Airport: Badgerys Creek	✓	
6. Local Plan Making		
6.1 Approval and Referral Requirements		✓
6.2 Reserving Land for Public Purposes		✓
6.3 Site Specific Provisions	✓	
7. Metropolitan Planning		
7.1 Implementation of the Metropolitan Strategy		✓

KU-RING-GAI PRINCIPAL LOCAL ENVIRONMENTAL PLAN / DEVELOPMENT CONTROL PLAN - STRUCTURE AND TIMING

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

To provide the Planning Committee with a revised work program for the Principal Local Environmental Plan (LEP) and Development Control Plan (DCP).

BACKGROUND:

Council adopted a proposed work timetable and program to complete the Principle LEP in April 2008. As a result of the delay in finalising the Town Centres LEP and Council not being a priority Council for completion of its Principal LEP, a revised work timetable and program needs to be prepared and submitted to the Department of Planning as a Planning Proposal.

COMMENTS:

A revised work program for the Principal LEP and DCP has been developed which takes into consideration the need to integrate the LEP with the finalisation of the Town Centres LEP and the requirement to submit the final LEP to the Department with sufficient time to be finalised in 2011.

RECOMMENDATION:

That a Planning Proposal for the Ku-ring-gai Principal LEP be prepared for consideration by Council.

PURPOSE OF REPORT

To provide Council with a revised work program for the Principal Local Environmental Plan (LEP) and Development Control Plan (DCP).

BACKGROUND

On 31 March 2006 the State Government gazetted the *Standard Instrument (Local Environmental Plan) Order 2006* under section 33A of the *Environmental Planning and Assessment Act 1979* (EP&A Act). The Order sets out a Standard Instrument LEP template and mandates provisions that are to be included in all future LEPs. All Councils across the State were required to prepare a new principal LEP in conformity with the standard Instrument within 2 to 5 years of gazettal of the Order.

In line with the LEP reforms, legislative changes have been made with respect to DCPs with a view to ensuring that, eventually, not more than one DCP will apply to any single area of land in NSW. This requires the development of a comprehensive DCP to accompany the principal LEP.

The draft Ku-ring-gai Town Centres LEP adopted by the Ku-ring-gai Planning Panel is in the standard instrument format. The draft Town Centres DCP prepared by Council is a single comprehensive DCP to apply all land covered by the Town Centres LEP, complying with the legislative requirements for future DCPs.

On 29 April 2008, Council adopted a work timetable and program to complete the Principle LEP prior to March 2011. The adopted work program took into consideration the need to integrate the principal LEP with the finalisation of the Town Centres LEP and the requirement to submit the final LEP to the Department of Planning with sufficient time to be gazetted prior to March 2011. The work program sought to build on the strategic planning work that has been undertaken in the preparation of the Town Centres LEP as well as earlier work undertaken by Council in developing its residential strategy and 2006 draft town centres LEP.

On 10 August 2009, Council was advised by the Department of Planning that they were no longer a priority Council for finalising its principal LEP by March 2011. However, the Department have advised that, whilst Ku-ring-gai is not a priority Council, the NSW Government will continue to work with Council to have its principal LEP in place as soon as practicable.

As a result of this and the delay in finalising the draft Town Centres LEP, a revised work timetable and program needs to be prepared and submitted to the Department of Planning as a Planning Proposal under the Department's new "gateway" process.

Metropolitan Strategy

The Sydney Metropolitan Strategy was released in December 2005 and provides a broad framework to facilitate and manage the growth of Sydney until 2031. The Draft North Subregional Strategy (NSS), which covers Ku-ring-gai and Hornsby, translates objectives of the NSW Government's Metropolitan Strategy and State Plan to the local level and will be used to guide the preparation of the Ku-ring-gai Principal LEP. The Department of Planning requires Principal LEPs

Item 1

**S06413
6 October 2010**

to be consistent with the objectives and actions of the Subregional Strategy, as well as those of the Metropolitan Strategy.

The Metropolitan Strategy is currently under a five year review by the State Government. The principal LEP will need to be cognisant of any subsequent amendments to the Metropolitan Strategy as a result of the review.

LEP Gateway Process

In July 2009, the NSW Government changed the way that local environmental plans (LEPs) are developed and approved. This system is known as the 'gateway' plan-making process. These changes are intended to streamline the process so that LEPs can be prepared, considered and approved in a much shorter timeframe.

The initial step under the new process is for Council to prepare a planning proposal which details the justification and indented outcomes of the proposed LEP. The planning proposal is then to be reviewed by the Minister for Planning at an early stage, to test whether it is a viable LEP and should pass through the 'gateway' to be further developed. After reviewing a proposal, the Minister for Planning will determine:

- whether the proposal will proceed, with or without variation, and whether it should be re-submitted;
- the level of community consultation required;
- input from State and Commonwealth authorities;
- the necessity for a public hearing by the Planning Assessment Commission or other body; and
- the appropriate timeframes for the various stages of the proposal.

Ku-ring-gai's Principal LEP will need to be made under this new system.

COMMENTS

Development of Planning Strategies to address Draft Subregional Strategy

All Principal LEPs and DCPs must be consistent with the Metropolitan Strategy and accompanying subregional strategies.

It is proposed that the development of the Ku-ring-gai Principal LEP builds upon the significant number of planning studies and key work that have already been undertaken by Council in recent years. This information would be used to develop a series of consolidated local planning strategies that establish the planning principles, policy directions and strategic goals and objectives to align the final LEP with the seven strategy areas contained in the Draft Subregional Strategy. This is considered the most efficient and resource effective approach and avoids duplication of existing relevant data.

The draft North Subregional Strategy is broken down into seven sub-strategy areas, each containing a series of objectives and actions. The strategies are linked to those of the Metropolitan Strategy.

Item 1

**S06413
6 October 2010**

The seven strategy areas are as follows:-

- Economy and Employment;
- Centres and Corridors;
- Housing;
- Transport;
- Environment, Heritage and Resources;
- Parks, Public Places and Culture; and
- Implementation and Governance.

The various studies and strategies to be undertaken are outlined below under each of the draft NSS strategic areas. The majority of these studies are well progressed and it is anticipated they could be reported to Council by the end of 2010.

Economy and Employment

A subregional Employment Lands Study was undertaken jointly with Hornsby Council in 2008. This study identifies appropriate responses and recommendations for both Councils principal LEPs to address subregional employment targets. The relevant recommendations of this study were used to inform the development of the draft Town Centres LEP and will also inform the Ku-ring-gai Principal LEP and DCP.

Centres and Corridors

The Metropolitan Strategy is based around a "centres policy", with the Subregional Strategy identifying a centres hierarchy for each local government area. The draft Town Centres LEP and Town Centres DCP largely establishes a centres hierarchy consistent with that of the Subregional Strategy. The key background study informing the centres hierarchy in the Town Centres LEP was the Ku-ring-gai Retail Centres study adopted by Council in 2005 and the Employment Lands Study in 2008.

It is proposed that a final comprehensive Ku-ring-gai Centres strategy be developed based on the outcomes of these studies to reinforce the existing established hierarchy.

Housing

The draft NSS sets a future dwelling target for Ku-ring-gai of 10,000 additional dwellings by 2031. It also sets a number of goals and actions regarding the provision of housing mix and housing choice and addresses the issue of housing affordability. With this existing yield included in the LEP 194/200 and the Town Centres LEP, combined additional potential yield provided by the UTS and Sydney Adventist Hospital State significant sites outside the town centres, it is considered that the 10,000 dwelling target under the draft Subregional Strategy will be met. This would then negate the need for Council to provide any significant additional yield through the Principal LEP. Consequently, it is intended to largely translate remaining Ku-ring-gai Planning Scheme Ordinance (KPSO) residential and business zones and provisions into the Standard Template equivalent.

Item 1

**S06413
6 October 2010**

To address the draft NSS housing requirements, the following studies are proposed.

a) Interface Sites

In relation to interface sites, the planning strategy will include special research and planning for the interface sites including those created by LEP 194 and 200 and the Town Centres LEP. The purpose of having these examined under this process is to provide a strategic context for considering a range of factors, including the interface study, urban design, heritage, streetscape, housing choice etc, for the purpose of developing appropriate zoning and development standards for these sites within the Principal LEP.

The rezoning of interface sites would provide a solution to those housing areas adjoining land zoned for five storey apartment buildings. An appropriate interface zone will also provide the opportunity for additional yield in the form of medium density housing (eg. townhouses) through the introduction of additional R3 zones on the interface of existing high density and low density areas.

b) Affordable Housing

An affordable housing issues paper is to be developed which will examine the issue of housing affordability in Ku-ring-gai. This paper will identify any potential policy mechanisms or planning options Council may wish to consider to address the issue. In all likelihood these initiatives, if taken up by Council, will sit outside the new LEP.

c) A Consolidated Housing Strategy

To date, Council has undertaken considerable work in the development plans to deliver the required housing through its previous residential strategy, housing needs study, LEP 194 and 200 and the draft Town Centres LEP. The Planning Panel has now finalised the Town Centres LEP and it is proposed that a consolidated housing strategy be developed which brings together all the various plans developed to date and the outcomes of the interface study and the affordable housing issues paper. This will lead to a clear and coherent documented strategy which aligns with the draft NSS.

Transport

In order to address the objectives and actions of the subregional transport strategy an Integrated Transport and Access Strategy is being developed for Ku-ring-gai. This strategy will pick up on the significant baseline data already compiled by Council in the 2000 RDS baseline study and the Town Centres LEP traffic studies. It will also incorporate the Town Centres Parking Management Plan which is currently being finalised.

This strategy will not only inform the development of the Principal LEP and DCP, but also identify broader action plans for Council in the areas of:-

- public transport;
- walking and cycling;
- accessibility;
- road management;

Item 1

**S06413
6 October 2010**

- transport and land use;
- parking management; and
- travel demand management.

Environment and Natural Resource Management

Planning for the protection of natural resources, including threatened species and environmentally sensitive areas and indigenous heritage in the LGA is well progressed with the establishment of cross departmental teams in the areas of: vegetation, fauna, bushfire, indigenous heritage and soil and water. The studies will enable Council to address the objectives of regional and subregional plans, such as:-

- the protection of Sydney's unique plants and animals;
- improvement of the health of waterways;
- improvement in the sustainable use of resources;
- addressing and responding to climate change;
- management of bushfire risk; and
- the protection of indigenous heritage.

The draft Town Centres LEP and DCP include specific provisions and mapping layers which address biodiversity and riparian issues. It is intended to extend these principles and provisions to also apply under the Principal LEP and DCP.

Heritage Planning (Heritage Conservation Areas and Heritage Items)

The Principal LEP /DCP process will also provide an opportunity for the identification and implementation of heritage conservation areas and heritage items within Ku-ring-gai. The proposed heritage conservation work will build upon the work undertaken by the NSW National Trust and the subsequent work on specific areas by Godden McKay Logan as well as the other potential heritage item review in 2006 (Perumal Murphy Alessi Pty Ltd) and the work of Paul Davies Heritage Consultants in 2008/2009.

There is also a requirement for this work to link into the interface study as there are many identified potential interface impacts on existing heritage items and proposed urban conservation areas.

Open Space and Recreation Strategy

A number of studies have been undertaken recently by both the Department of Planning and Council that document key issues related to open space and recreation in Ku-ring-gai. This study will address the current gaps through planning for the following:-

- new local parks to address current undersupply of areas for passive recreation and to cater for new population;
- new urban and civic spaces within each of the town centres to fulfil community and cultural needs;
- additional sportsfields to address the current undersupply;
- multi-activity sites on the fringes of bushland areas to provide regional park facilities similar to those of Bicentennial Park for example;

Item 1

**S06413
6 October 2010**

- provision of special recreation facilities to cater for youth and elderly people who are not currently well catered for in terms of recreation;
- opportunities for tourism and cultural activities including heritage walking trails; and
- walking tracks and trails linking with regional routes and providing local walks linking key facilities.

Implementation and Governance

In addition to the statutory consultation with State agencies under the EP&A Act, it is envisaged that ongoing dialogue will need to take place with specific State agencies and instrumentalities with land holdings in Ku-ring-gai. The purpose of this consultation would be to determine the future intention of specific sites eg. RTA County Road Reservations, County Open Space Reservations, Sydney Water lands, Energy Australia; Department of Education sites and to establish future infrastructure requirements.

Principal Development Control Plan

The draft Town Centres DCP prepared by Council is a single comprehensive DCP to apply all land covered by the Town centres LEP, complying with the legislative requirements for future DCPs. It is proposed that this form the basis for the of the Principal DCP moving forward.

The draft Town Centres DCP integrates all relevant existing DCPs and covers most development types anticipated under the Principal LEP. While the development of the draft Town Centres DCP involved a review of most existing DCPs, there is still areas of additional work and review which needs to be undertaken in development of the Principal DCP. This includes:

- a review of the dwelling house controls to address any current issues being experienced with DCP 38;
- specific heritage conservation area controls for HCAs outside the Town Centres; and
- completion of detailed green web mapping for remaining areas of the LGA.

It is also intended that the Town Centres DCP, once completed, be subject to a 12 month review. The timing of this review will allow the findings to be incorporated into the Principal DCP.

Role of Council's Community Strategic Plan 2030

Council adopted its Ku-ring-gai Community Strategic Plan 2030 in October 2009. This involved a significant amount of community consultation in identifying key sustainability indicators and targets for the LGA. Relevant information, data and strategic goals stemming from the Community Strategic Plan will be utilised in the development of the Principal LEP and DCP. It is envisaged that the various plans will be closely aligned, if not fully integrate.

Consultation Strategy

A separate consultation strategy is to be developed for the whole Principal LEP process. This strategy will establish a framework for appropriate consultation with all relevant stakeholders in the process. This consultation strategy will:-

Item 1

S06413
6 October 2010

- identify who to engage – including residents, community groups, business groups State / Federal agencies, non-government organisation’s and other relevant stakeholder;
- ensure that all consultation is representative of the whole community;
- specify how to engage – identifying appropriate processes and techniques are used to best engage various parties;
- set out the most efficient and effective processes in terms of time, resources and funding; and
- establish feedback and reporting techniques to keep all informed throughout the process.

The consultation strategy will need to be included in the Planning Proposal submitted to DoP and ultimately endorsed by DoP to proceed to the gateway process.

Revised Timeframes for Delivery of Principal LEP and Comprehensive DCP

Below is an overview of the revised key stages and timeframes for the completion of the Principal LEP and DCP:

<i>Project element of milestone</i>	<i>Target date for Completion</i>
PRINCIPAL LEP	
Preparation of Planning Proposal and submission to DoP	June 2010.
Local Environmental Studies/Strategies	
Economy and Employment	Completed June 2008.
• Employment Lands Study	
Centres and Corridors	
• Consolidated Centres Strategy	December 2010
Housing	
• Interface Study	December 2010.
• Affordable Housing Issues Paper	
• Consolidated Housing Strategy	
Transport	
• Integrated Transport and Access Strategy	December 2010.
Environment, Heritage and Resources	
• Natural Resource Management	December 2010.
• Vegetation mapping	
• Riparian lands/soil and water management	
• Heritage/HCAs	
Parks, Public Places and Culture	
• Open Space and Recreation Strategy	December 2010.
Implementation and Governance	
• State Agency Land/Infrastructure Requirements	September 2010.
Consultation with State agencies	
Report final planning Strategies to Council – Council adopt draft principles for LEP to address findings of studies.	March 2011.

Item 1

S06413
6 October 2010

<i>Project element of milestone</i>	<i>Target date for Completion</i>
Formal Exhibition/Community Consultation of Detailed Planning proposal and associated Planning Strategies	May 2011
Council considers community and agency submissions	June 2011
Final Planning proposal submitted to DoP	July 2011
PRINCIPAL DCP	
Finalise green web mapping for DCP	December 2010
Review of DCP38 dwelling house controls	March 2011
Finalise specific HCA controls	March 2011
12 month review of Town Centres DCP	June 2011
Public exhibition of draft Principal DCP	July 2011

CONSULTATION

The need to prepare a specific consultation strategy for the Principal LEP has been identified within this report. There will be many projects running concurrently within the various themes outlined in this report. The community consultation strategy will address the co-ordination of feed back for this process. The consultation strategy will be subject to a further report to Council.

To date as part of the development of the various planning strategies, targeted consultation has occurred within key community and State Government stakeholders. Council's reference committees will also be used to provide feedback on an ongoing basis throughout the development of the Principal LEP and DCP.

FINANCIAL CONSIDERATIONS

The work program for the Principal LEP and DCP is covered by the Strategy and Environment operational budgets for 2009/10 and 2010/11.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

An integrated planning approach involving staff from all Council divisions is required for the preparation of a Principal LEP and DCP for Ku-ring-gai. The proposed program as outlined in this report has been developed with those staff currently working on the background studies.

SUMMARY

Council adopted a proposed work timetable and program to complete the Principle LEP in April 2008. As a result of the delay in finalising the draft Town Centres LEP and Council not being a priority Council for completion of its Principal LEP, a revised work timetable and program needs to be prepared and submitted to the Department of Planning as a Planning Proposal.

Ku-ring-gai's Principal LEP will now need to be made under the new 'gateway' plan-making process introduced by the NSW Government in July 2009.

Item 1

S06413
6 October 2010

A revised work program for the Principal LEP and DCP, consistent with the new LEP making system, has been developed which takes into consideration the need to integrate the LEP with the finalisation of the Town Centres LEP and the requirement to submit the final LEP to the Department with sufficient time to be finalised in 2011.

It is recommended that a Planning Proposal based on this report for Ku-ring-gai's Principal Local Environmental Plan be prepared for Council.

RECOMMENDATION

That a Planning Proposal based on this report for Ku-ring-gai's Principal Local Environmental Plan be prepared for consideration by Council and submission to the Department of Planning.

Craig Wyse
Team Leader Urban Planning

Antony Fabbro
Manager Urban & Heritage
Planning

Andrew Watson
Director Strategy &
Environment

URBAN DESIGN EXCELLENCE PANEL (UDEP) TERMS OF REFERENCE - FINAL REPORT

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

For Council to adopt the Urban Design Excellence Panel (UDEP) Terms of Reference, and to adopt the new fees and charges associated with the Urban Design Excellence process.

BACKGROUND:

The UDEP Terms of Reference, and the fees and charges have been exhibited for the required 28 days. Changes have been incorporated into the *Urban Design Excellence Panel (UDEP) Terms of Reference* and this is now put forward for adoption.

COMMENTS:

Adoption of the Urban Design Excellence Panel (UDEP) Terms of Reference will enable the advertising for the expression of interest (EOI) from prospective UDEP members. Without the UDEP in place the Urban Design Excellence (UDE) process cannot be utilised for key site applications. Implementation of the UDE process will have associated costs. These costs are to be covered by the applicant in their application fees. Council's Schedule of Fees and Charges requires an amendment to incorporate these new fees and charges.

RECOMMENDATION:

That Council adopt the Urban Design Excellence Panel (UDEP) Terms of Reference; that Council adopts the EOI selection process for the UDEP members; that Council adopt the new charges for the urban design excellence process; that Council resolve to amend Council Fees and Charges Schedule to include the new charges.

PURPOSE OF REPORT

For Council to adopt the Urban Design Excellence Panel (UDEP) Terms of Reference, and to adopt the new fees and charges associated with the Urban Design Excellence process.

BACKGROUND

Ku-ring-gai Local Environmental Plan (Town Centres) 2010 (KLEP 2010) was made on 25 May 2010. The KLEP 2010 requires Council to establish an Urban Design Excellence Panel (UDEP) to determine if development on key sites demonstrate urban design excellence and therefore qualify for additional height and floor space ratio (FSR) as per clause 6.4 (**Attachment 1**).

In accordance with the resolution of the Council meeting of 10 August 2010, the *Urban Design Excellence Panel (UDEP) Terms of Reference* was amended and exhibited for the required 28 days. The public were invited to comment on the Urban Design Excellence (UDE) process, the UDEP membership and selection, and the fees and charges associated with the UDE process.

COMMENTS

No submissions or enquiries about the *Urban Design Excellence Panel (UDEP) Terms of Reference* were received during the exhibition period. The document now submitted to Council has been reviewed by staff following exhibition. Minor amendments have been made to improve the clarity of the document.

Amendments to the Urban Design Excellence Panel (UDEP) Terms of Reference

Following the exhibition period, two main changes have been made to the document. Changes to the *Urban Design Excellence Panel (UDEP) Terms of Reference* are as follows:

1) *Section 3.0 – Membership*

The exhibited document has the following clause:

Clause 3.1.1

The UDEP shall comprise 3 members appointed by Council who have qualifications and professional expertise in one or more of the following:

- *architecture*
- *urban design*
- *landscape architecture*
- *social or cultural planning (public art)*
- *experience working in heritage areas and experience with sustainable innovation*

The amendments consist of the following clauses:

Clause 3.1.1 – amended clause

The UDEP shall comprise 3 members appointed by Council who have qualifications and professional expertise in one or more of the following:

Item 9

S08367
30 September 2010

- *architecture*
- *urban design*
- *landscape architecture*

Clause 3.1.4 - new clause

In addition, Members must have a demonstrated understanding of at least one of the following:

- *social planning*
- *cultural planning*
- *public art planning*
- *experience working in heritage areas*
- *experience with sustainable innovation*

The reason for this change is to make distinct the professional qualifications required, and to clarify what areas of knowledge are required alongside the professional qualifications.

2) *Section 6.0 – Procedures For Meetings*

A new clause has been added to this section. This is as follows:

Clause 6.1.4 - new clause

Panel Members are required to chair the UDEP meetings on a rotational basis. The Facilitator will maintain a roster for the chair, and inform the Panel through the Agenda circulated prior to the meeting.

The reason for this change is to improve the efficiency of UDEP meetings.

The amended *Urban Design Excellence Panel (UDEP) Terms of Reference (Attachment 2)* is now put forward to Council for adoption. The adoption of the document will enable the commencement of the UDEP selection process. In addition it enables the associated fees and charges, delineated within the UDEP Terms of Reference, to be incorporated into Council's Fee Schedule.

The UDEP Selection Process

Adoption of the *Urban Design Excellence Panel (UDEP) Terms of Reference* will enable the advertising for expressions of interest (EoI) from professionals keen to be a UDEP Member. Without the UDEP in place the UDE process cannot be utilised for Key Site applications.

Details on the operation of the UDEP, duration of Member appointment, Role and Responsibilities, Conditions of Office, Procedure for Meetings, and Code of Conduct for the UDEP Members are provided in the UDEP Terms of Reference.

The UDEP will consist of three (3) Members who together form the UDEP quorum, and two (2) Alternate Members who are called upon to substitute where a Member cannot form a part of the quorum.

The recruitment and appointment of all UDEP members will be through an EoI process conducted by the Director Strategy and Environment with recommendations to Council on the final panel membership.

Item 9

S08367
30 September 2010

The selection process will involve the following:

- 1) *Advertisement*
Expressions of interest will be invited through general advertisements in the Sydney Morning Herald, North Shore Times and through the Australian Institute of Architects.
- 2) *Shortlist*
All applications will be considered by the Director Strategy and Environment and a shortlist of no more than 10 responders will be drawn up. Selection will be made against the requirements of the UDEP Terms of Reference.
- 3) *Interview and Selection*
Shortlist candidates will be interviewed by a panel of three (3), consisting of the Director Strategy and Environment, Manager Urban & Heritage Planning, and Urban Design Team Leader. Particular emphasis will be given to consideration of the synergy between the Members and their ability to work together in a team for the best outcome for the town centres.
- 4) *Selection*
The interview panel will be responsible for the final selection of five (5) people, three (3) Members for the UDEP and two (2) Alternate Members. In addition, two (2) reserve candidates will be selected in the event the primary candidates are unable to take up the offer.
- 5) *Council Approval*
The list of selected candidates and their resumes will be presented to Council for final approval.
- 6) *Appointment*
Candidates will be offered the position and accordingly appointed. The appointment letter will provide dates for their training and signing of contracts including *Urban Design Excellence Panel (UDEP) Terms of Reference*, Ku-ring-gai Code of Conduct, and Confidentiality Agreement.

CONSULTATION

The preparation of the *Urban Design Excellence Panel (UDEP) Terms of Reference* involved considerable consultation with relevant stakeholders both internally and externally. Discussions with other Councils, namely Randwick, Waverley and City of Sydney, provided a research base of practical issues involved with creating and functioning of panels.

Councillors were provided with an overview of the UDEP process during the preparation of the Development Control Plan (Town Centres) 2010. A Councillor briefing on the final version of the UDEP process was held on 3 August 2010 and the *Urban Design Excellence Panel (UDEP) Terms of Reference* was considered by Council on 10 August 2010, following which the amended document was exhibited.

Public comment on the draft *Urban Design Excellence Panel (UDEP) Terms of Reference* was invited during the 28 day exhibition period. No comments were received.

Item 9

S08367
30 September 2010

Where enquiries have been made for development on key sites, the developer was directed to the exhibited *Urban Design Excellence Panel (UDEP) Terms of Reference* and comment invited. No comment was received.

FINANCIAL CONSIDERATIONS

It is proposed that the operation of the UDEP be cost neutral to Council and that the cost of the UDE assessment process and operations of the UDEP be borne by the applicant. This UDE application fee would be in addition and separate to the standard development application fee, and to the standard pre-development application fee.

All charges associated with the UDEP and the UDE process were advertised concurrently with the public exhibition of the draft *Urban Design Excellence Panel (UDEP) Terms of Reference*. No comment was received from the public in relation to the proposed fees.

All the fees and charges are covered in section 4.2 of the attached UDEP Terms of Reference.

Due to a minor omission the recent exhibition did not include GST. The levying of the UDE application fee will require a further amendment to Council's Fees and Charges 2010-2011 to include GST.

Therefore it is proposed to exhibit a further amendment to Council's Fees and Charges Schedule, for the required statutory period, with the new charges plus GST. The revised fees will be as follows:

- A standard application fee - \$15,000.00 + GST
- Second UDE Presentation Meeting by the Applicant - \$1,500.00 + GST
- reconvening of UDEP - \$2,000.00 + GST

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

Council's Development and Regulation Department have been integral in creating a UDEP process that is in synergy with the development application process. In addition, Council's Internal Ombudsman and Corporate Lawyer have overseen contractual issues and have contributed towards making the UDEP process transparent and creating accountability of all staff involved in the UDEP process.

SUMMARY

The urban design excellence process and procedures and *Urban Design Excellence Panel (UDEP) Terms of Reference*, are the result of considerable inter-departmental consultation as well as discussions with other local authorities. They are in line with the KLEP 2010 requirements and provide the necessary mechanism for the effective and transparent assessment of urban design excellence within applications seeking the additional Height/FSR under Clause 6.4 of KLEP 2010.

Item 9

S08367
30 September 2010

Extensive consultation has been conducted to ensure the UDEP process is aligned with Council's overall objectives and to ensure that there is a high level of transparency, accountability and consistency in application in the process; further, the UDEP process has been designed to enable its integration into existing planning procedures.

It is important that Council's adopted process of implementing the Urban Design Excellence provisions is consistent with the provisions of Clause 6.4 and not so overly onerous so as to deter or prevent achievement of the development potential under the Clause. Also, the establishment of the process and the UDEP should occur in a timely and efficient manner so that Council is not perceived as hindering the process for development of the Town Centre Key Sites.

Having been exhibited and amended, the *Urban Design Excellence Panel (UDEP) Terms of Reference* is now put forward for adoption by Council so that the selection process for the UDEP may commence. In addition, the adoption will enable the amendment to Council's Fees and Charges 2010-2011 to incorporate fees associated with the Urban Design Excellence process.

Due to a minor omission the recent exhibition did not include GST. The levying of the Urban Design Excellence application fee will require a further amendment and re-exhibition of Council's Fees and Charges 2010-2011 to include GST.

RECOMMENDATION

- A. That Council adopt the *Urban Design Excellence Panel (UDEP) Terms of Reference* as attached to this report.
- B. That Council adopt the Expression of Interest (EoI) selection process for the Urban Design Excellence Panel members as set out in this report.
- C. That Council adopt the new charges for the Urban Design Excellence process as set out in this report and in the *Urban Design Excellence Panel (UDEP) Terms of Reference*.
- D. That Council resolve to exhibit a revision to Council's Fees and Charges Schedule, for the required statutory period, incorporating the adopted Urban Design Excellence Panel charges plus GST.

Rthna Gill
Urban Planner

Bill Royal
Acting Manager Urban &
Heritage Planning

Andrew Watson
Director Strategy &
Environment

Attachments: 1. Ku-ring-gai Local Environmental Plan (Town Centres) 2010 - excerpt - 2010/114904
2. Terms of Reference - 2010/153924

Ku-ring-gai Local Environmental Plan (Town Centres) 2010 - EXCERPT

6.4 Urban design excellence for Key Sites

- (1) The objectives of this clause are as follows:
 - (a) to deliver the highest standard of urban and architectural design outcomes for Key Sites in the Ku-ring-gai town centres,
 - (b) to encourage the amalgamation of sites to provide opportunities for the expansion of, or improvements to, the public domain.
- (2) This clause applies to land that is a Key Site.
- (3) A development proposal for the erection of a new building on land that is a Key Site may be eligible for additional height and floor space ratio in accordance with subclause (5) if the land:
 - (a) has an area of 2,000 square metres or more, or
 - (b) has a primary street frontage of 36 metres or more.
- (4) In deciding whether a development proposal is eligible for additional height and floor space ratio, the Urban Design Excellence Panel must be satisfied that:
 - (a) the proposal demonstrates urban design excellence, and
 - (b) the site planning, building form and external appearance of the proposed development will improve the quality and amenity of the public domain on and surrounding the site, and
 - (c) a very high standard of architectural design, materials and detailing, appropriate to the building type and location, will be achieved, and
 - (d) the proposal addresses the following matters:
 - (i) environmental impacts such as sustainable design, overshadowing, wind and reflectivity,
 - (ii) the achievement of the principles of ecologically sustainable development,
 - (iii) pedestrian, cycle, vehicular and service access and circulation requirements, and
 - (e) the proposal allows the development of adjoining sites in a way that is consistent with this Plan.
- (5) If the Urban Design Excellence Panel is satisfied the proposal meets the requirements of subclause (4), the consent authority may grant development consent in accordance with the following:
 - (a) despite clause 4.3, if the maximum height (the standard height) for the building as specified for the land on *the Height of Buildings Map* is not more than a standard height specified in Column 1 of the Table to this paragraph, the maximum height (the new height) of the building may be up to the new height specified in Column 2 of the Table opposite the standard height,

Table

Column 1	Column 2
Standard height	New height
17.5 metres	20.5 metres
20.5 metres	23.5 metres
23.5 metres	26.5 metres
26.5 metres	29.5 metres
29.5 metres	32.5 metres

- (b) despite clause 4.4, if the maximum floor space ratio (the standard ratio) for the building as specified for the land on the *Floor Space Ratio Map* is not more than a standard ratio specified in Column 1 of the Table to this paragraph, the maximum floor space ratio (the new ratio) for the building may be up to the new ratio specified in Column 2 of the Table opposite the standard ratio.

Table

Column 1	Column 2
Standard ratio	New ratio
2.0:1	2.3:1
2.5:1	3.0:1
3.0:1	3.5:1
3.5:1	4.0:1

- (5) In this clause:

Key Site means land identified as a Key Site on the Key Sites Map.

urban design excellence means providing urban design features that will benefit the broader community as part of the design of development on a site.

Urban Design Excellence Panel means a panel of at least 3 planning and design experts appointed by the Council.

urban design features includes building forecourts and court yards, view corridors, building setbacks, pedestrian arcades and walk ways through a site, and improved traffic and cycle access through a site.

Urban Design Excellence Panel (UDEP)
Terms of Reference

Department of Strategy and Environment
Ku-ring-gai Council
OCTOBER 2010

CONTENTS

1.0 INTRODUCTION

2.0 PURPOSE

2.1 General

3.0 MEMBERSHIP

3.1 UDEP Selection

3.2 Alternate Members

4.0 CONDITIONS OF OFFICE

4.1 Attendance

4.2 Fees and Charges

5.0 ROLE AND RESPONSIBILITIES

5.1 General

6.0 PROCEDURES FOR MEETINGS

6.1 General

7.0 CODE OF CONDUCT

7.1 General Conduct

7.2 Relationship Between UDEP Members, Council And Council Staff

7.3 Protection and Use Of Information

8.0 CONFLICT OF INTEREST; PECUNIARY AND NON-PECUNIARY INTEREST; OTHER INTERESTS

8.1 General

9.0 DONATIONS AND GIFTS

9.1 General

10.0 BREACH OF CODE OF CONDUCT

11.0 URBAN DESIGN EXCELLENCE PROCESS

11.1 Applicant Responsibilities

11.2 Facilitator Responsibilities

11.3 DA Officer Role

11.4 UDE Process and Council *Development Application Process*

12.0 URBAN DESIGN EXCELLENCE DOCUMENTATION

12.1 UDE Submission

12.2 UDE Report

12.3 The UDE Certificate

12.4 The Letter of Refusal

13.0 DECLARATION

13.1 General

13.2 Agreement

1.0 INTRODUCTION

The *Urban Design Excellence Panel (UDEP) Terms of Reference* establishes the following:

- the procedure for the formation of the Urban Design Excellence Panel (UDEP)
- the scope of works for the UDEP
- the operation of the UDEP
- the process, on privately owned land, for the implementation of urban design excellence on Town Centre Key Sites. (A separate procedure will be developed for Council owned sites.)

2.0 PURPOSE

2.1 General

- 2.1.1** To contribute to the development of buildings of high urban design quality across the different Town Centres within the Ku-ring-gai local government area.
- 2.1.2** To provide guidance and assessment of development proposals on Key Sites that seek the additional height and FSR in accordance with clause 6.4 of the Ku-ring-gai LEP (Town Centres) 2010.
- 2.1.3** To provide consistency of decision making across all Town Centre Key Sites.

3.0 MEMBERSHIP

3.1 UDEP Selection

- 3.1.1** The UDEP shall comprise 3 members appointed by Council who have qualifications and professional expertise in one or more of the following:
 - architecture
 - urban design
 - landscape architecture
- 3.1.2** The membership of the UDEP must include a mix of the above disciplines with at least two Members having urban design experience.
- 3.1.3** All Members must have a demonstrated expertise and experience in town centre planning and design.
- 3.1.4** In addition, Members must have a demonstrated understanding of at least one of the following:
 - social planning
 - cultural planning
 - public art planning
 - experience working in heritage areas
 - experience with sustainable innovation

- 3.1.5** An employee of Ku-ring-gai Council is not permitted to be a Member of the UDEP. This includes council officers and contracted consultants employed on an ongoing basis.
- 3.1.6** Elected Councilors are not permitted to be Members of the UDEP.
- 3.1.7** Members of any other Panel or Committee within Ku-ring-gai Council, or that has any dealings with Ku-ring-gai Council are not permitted to be members of the UDEP.
- 3.1.8** The appointment of any person as a Member of the UDEP shall be for a maximum of 2 years, however Council may reappoint any person to the UDEP at the end of any term of appointment.
- 3.1.9** Council may review and alter the membership of the UDEP at any time at its absolute discretion.

3.2 Alternate Members

- 3.2.1** Two Alternate UDEP Members are to be selected and appointed by the same process and at the same time as the UDEP Member selection.
- 3.2.2** The Alternate Members are to act in place of any Member of the UDEP who for any reason
- has to be absent from a UDEP meeting
 - has declared any type of interest in the proposal
- 3.2.3** The appointment of any person to be an Alternate Member of the UDEP shall be for a maximum of 2 years, however Council may reappoint any person to the UDEP at the end of any term of appointment.
- 3.2.4** Council may review the appointment of Alternate Members of the UDEP at any time at its absolute discretion.

4.0 CONDITIONS OF OFFICE

4.1 Attendance

- 4.1.1.** A mandatory review of UDEP membership is to be undertaken every 2 years from commencement of term; however, Council reserves the right to review UDEP membership and replace a Member at any time.
- 4.1.2.** UDEP Members are required to attend all UDE meetings to do with each proposal they are assessing. Where this is not possible, the Member is to inform the

Facilitator well in advance so that an Alternate Member may be selected for that proposal.

4.1.3. Ku-ring-gai Council may replace Members where it considers their attendance at UDE meetings is inadequate.

4.1.4. Prior to the UDE Presentation of an application, it is expected that each UDEP Member commenting on the application will have received copies of the development proposal, be familiar with the proposal and will have attended a site visit of the subject site.

4.2 Fees and Charges

4.2.1. The Fees for a UDE Assessment Application will accompany the UDE Application and be a standard sum of \$15,000.00+GST per application.

4.2.2. All costs for the UDE process, including UDEP Members, Facilitator, development assessment referrals, will be covered by the Application fee.

4.2.3. All costs involved with the production of the UDE Report will be covered by the Application fee.

4.2.4. All costs associated with the Pre-DA meeting and with the Development Application are not included in the UDE application fee.

4.2.5. Where the UDEP is requested to attend a second UDE Presentation Meeting by the Applicant, the Applicant will be required to pay a secondary fee of \$1,500.00 for that additional meeting and any associated preparation.

4.2.6. Where the UDEP is required to reconvene to consider the potential extension of the *UDE Certificate* beyond the standard 18 months, the Applicant will be charged \$2000.00 to cover UDEP Member fees and administrative costs.

4.2.7. Where a specialist consultant is required, those services will be additional to the UDE fees and will be charged to the Applicant separately.

4.2.8. Each Member of the UDEP will be paid a maximum of \$2,500 per person per application.

4.2.9. Any variations to UDEP Members' fees will be considered on an individual basis and in line with these *UDEP Terms of Reference* and any other contractual agreements.

4.2.10. UDEP time includes, but is not limited to the following:

-
- preparation and ongoing reviews of proposal including consideration of the proposal prior to attending the UDE site meeting
 - attending a group site meeting at least one day prior to the Presentation Meeting
 - attending the Presentation Meeting
 - attending Deliberation Meetings (maximum 2 meetings)
 - consideration of the proposal and decision on issuing the UDE Certificate
 - signing and issue of the UDE Certificate, or the UDE Letter of Refusal (including reasons for refusal)

4.2.11. Provision will be made to reimburse the UDEP Members reasonable travel expenses to and from meetings.

5.0 ROLE AND RESPONSIBILITIES

5.1 General

5.1.1. The UDEP is both an advisory group and a decision-making body and deals with any Town Centre Key Site proposal seeking an additional Height/FSR.

5.1.2. The UDEP advises on the Design Excellence of urban, landscape and architectural design to develop successful schemes that exhibit a high standard of urban design excellence.

5.1.3. Each UDEP Member must attend all UDE process meetings as far as is possible, and allow the necessary time to prepare for meetings.

5.1.4. Each UDEP Member may be provided with equipment and other resources to perform UDEP functions. All such equipment and resources are to be used only for UDEP purposes and are to be returned to Council at the end of the Member's term.

5.1.5. The UDEP makes the decision on whether the proposal's Urban Design Excellence warrants the additional Height/FSR in accordance with cl.6.4 Ku-ring-gai LEP (Town Centres) 2010.

5.1.6. Evaluation of design quality will be based on the Urban Design Excellence Criteria, having regard to the relevant LEPs, draft LEPs, DCPs, Draft DCPs, and other relevant plans/policies.

5.1.7. Where the UDEP agrees that the Urban Design Excellence of the proposal warrants the Height/FSR, it issues a *UDE Certificate* (stating the approved Height/FSR and listing Urban Design Excellence elements that have secured the

UDE Certificate) enabling the proposal to include the Height/FSR in the development application.

- 5.1.8.** The UDEP is to ensure that the agreed urban design excellence provided in the proposal is maintained throughout the Development Application process. Where the Development Application process requires changes to the proposal, the UDEP is to determine whether the modifications retain the urban design excellence originally approved for the Height/FSR allowance.
- 5.1.9.** Where the UDEP consider that changes to the proposal as a result of the Development Application process continue to uphold the UDE criteria, an *UDE Certificate Amendment* is to be attached to the referral document package, indicating the UDEP's consideration and approval of the changes.
- 5.1.10.** Where the amendments are considered to be a substantial alteration and no longer uphold the UDE criteria, an *UDE Certificate Cancellation* is to be attached to the referral document package. At this stage the Applicant has the choice of withdrawing the Development Application and entering the UDE process again with a new application, or proceeding with the Development Application process without the additional Height/FSR.
- 5.1.11.** If requested by Ku-ring-gai Council, the UDEP are to call for additional expert assistance in the assessment of a particular proposal. This additional expert may advise the UDEP, but may not vote on recommendations.

6.0 PROCEDURES FOR MEETINGS

6.1 General

- 6.1.1** UDE meetings including Site Meetings, Presentation Meetings, Deliberation Meetings will be conducted on an as needed basis. All meetings will be arranged by the Facilitator.
- 6.1.2** A quorum of 3 UDEP Members is required for every meeting, where this is not possible due to unforeseen circumstances, the meeting will be postponed.
- 6.1.3** Prior to the meeting, an agenda will be drawn up and circulated to the UDEP Members by the Facilitator.
- 6.1.4** Panel Members are required to chair the UDEP meetings on a rotational basis. The Facilitator will maintain a roster for the chair, and inform the Panel through the Agenda circulated prior to the meeting.

- 6.1.5** The Facilitator will ensure time keeping and will record all proceedings during meetings.
- 6.1.6** UDEP Members are to be familiar with the proposal and issues surrounding it at each stage of the UDE process and be prepared for each meeting.
- 6.1.7** As a guide and to ensure the efficient use of UDEP time and resources, the Presentation Meeting will take a maximum of 90 minutes: the Applicant/Architect will have up to 30 minutes to present, followed by up to 60 minutes of discussion.
- 6.1.8** As a guide and to ensure the efficient use of UDEP time and resources, the UDEP will have up to 90 minutes following the Presentation Meeting to deliberate and list their design excellence requirements in order for the proposal to merit the Height/FSR provision sought.

7.0 CODE OF CONDUCT

7.1 General Conduct

- 7.1.1** It is the personal responsibility of each UDEP Member and Alternate Member to comply with:
- the Ku-ring-gai Code of Conduct (2009)
 - the UDE Code of Conduct stated in this section.
- 7.1.2** UDEP Members are obligated to attend Code of Conduct training and sign agreement with the Code of Conduct.
- 7.1.3** The Codes will be kept under review and may be subject to changes. In particular, changes to the UDE Code of Conduct may be required to reflect the experience of the implementation and operation of the UDEP.
- 7.1.4** The Codes set out the minimum requirements of behaviour for UDEP Members in carrying out their functions. The Codes have been developed to ensure UDEP Members
- understand the standards of conduct expected of them
 - enable them to act honestly, ethically and responsibly
 - enable them to exercise a reasonable degree of care and diligence
 - act in a way that enhances public confidence in the integrity of role of the UDEP
- 7.1.5** Where personnel other than Council staff, such as external consultants, undertake functions to support the UDE process, they must ensure that they comply with both Codes.

7.1.6 Council staff responsible for preparing assessment reports and/or otherwise assisting the UDEP in the exercise of its functions are subject to the Ku-ring-gai Code of Conduct (2009).

7.1.7 All UDEP Members are subject to the Independent Commission Against Corruption Act 1988 and the Ombudsman Act 1974.

7.2 Relationship Between UDEP Members, Council And Council Staff

7.2.1 Each UDEP Member has a responsibility to promote and support effective and co-operative working relationship with the Council, General Manager and Council staff and consultants.

7.2.2 UDEP Members must not engage in inappropriate interactions when exercising their functions.

7.2.3 In relation to Council staff UDEP Members must not:

- approach, make requests of, make enquiries or issue instructions to Council staff other than through official channels and in accordance with the Codes Of Conduct
- be overbearing or threatening to Council staff
- make personal attacks on Council staff in a public forum
- direct or pressure Council staff in the performance of their work or recommendations they make
- influence or attempt to influence staff in the preparation of Development Assessment reports or other information to be submitted to the UDEP

7.2.4 Members must not hold private meetings, briefings or discussions in respect of the matter in the absence of other UDEP Members or without the UDE Facilitator being in attendance.

7.2.5 Members must not attend site visits unless they have been formally arranged by the UDE Facilitator and conducted as a group comprising other UDEP Members and the Facilitator.

7.2.6 Where meetings, briefings or site visits occur, Members should not express any preliminary views in relation to the UDEP's ultimate determination of the matter. All discussions are to be in the Facilitator's presence for recording in the UDE Report.

7.3 Protection and Use Of Information

7.3.1 Further to the *Ku-ring-gai Code of Conduct (2009)*, UDEP Members must comply with this part of the *UDEP Terms of Reference* document with regard to disclosure of information.

7.3.2 All information regarding Key Site Proposals is confidential until the Application has been submitted for Development Assessment. Therefore, UDEP Members must:

- protect confidential information
- only release confidential information if specifically given the authority to do so by the General Manager of Ku-ring-gai Council
- only use confidential information for the purpose it is intended to be used
- not use confidential information gained through the position as a UDEP Member for the purpose of securing a private benefit for themselves or for any other person
- not use confidential information with the intention to cause harm or detriment to the UDEP or any other person or body
- not disclose any information discussed during the UDEP meetings and discussions

7.3.3 UDEP Members must not provide public comment or media interviews in relation to any UDE applications. The General Manager, Ku-ring-gai Council is solely responsible for speaking to the media on behalf of Council.

7.3.4 Where a Member is not participating in the UDE Process due to identified Interest or any other reason, that Member continues to be bound by all the Codes requirements of information use and protection.

8.0 CONFLICT OF INTEREST; PECUNIARY AND NON-PECUNIARY INTEREST; OTHER INTERESTS

8.1 General

8.1.1 Further to the *Ku-ring-gai Code of Conduct (2009)*, UDEP Members must comply with this part of the *UDEP Terms of Reference* document.

8.1.2 To uphold the probity of UDEP decision making, each UDEP Member has a duty to disclose any form of interest in an UDE application. The onus is on the Member to identify the type of interest and take appropriate action if at any time during the UDE process any interest does arise. (When considering whether or not a Member has an Interest they should consider how others would view their situation.)

- 8.1.3** A Member of the UDEP who has any Interest in the Key Site:
- must disclose the nature of the Interest to the Facilitator as soon as practicable
 - must make the declaration in the form of a letter stating the conflict
 - must not take part in the consideration or discussion of the matter
 - must not vote on any question relating to the matter
- 8.1.4** Where a UDEP Member has an Interest, they are not permitted to have any participation in the UDE process for that application. An Alternate Member will be called upon to replace them and be a part of the quorum for that proposal.

9.0 DONATIONS AND GIFTS

9.1 General

- 9.1.1** Further to the Ku-ring-gai Code of Conduct (2009), UDEP Members must comply with this part of the *UDEP Terms of Reference* document.
- 9.1.2** Each UDEP Member must be aware that political contributions or donations may give rise to a pecuniary or non-pecuniary interest. It is the responsibility of UDEP Member to declare all political donations regardless of type or size.
- 9.1.3** Each UDEP Member must make a disclosure where an interest arises because of a political donation.
- 9.1.4** Each UDEP Member must ensure that any outside employment or business they engage in will not:
- conflict with their functions as a UDEP Member
 - involve using confidential information or resources obtained through their role as a UDEP Member
 - discredit or disadvantage the UDEP
- 9.1.5** A UDEP Member may have reason to have private dealings with Ku-ring-gai Council (for example as a ratepayer). The Member must not expect or request preferential treatment in relation to any matter in which they have a private interest because of their role as a UDEP Member. The Member must avoid any action that could lead the public to believe that the Member is seeking preferential treatment.
- 9.1.6** A UDEP Member must not accept any gift, token or donation including:
- bribes or other improper inducement
 - gifts or benefits of any kind, token or value
 - offer of money, regardless of the amount

-
- gift or benefit that may create a sense of obligation on their part, or may be perceived to be intended or likely to influence them in carrying out their duty
 - gift or benefit, regardless of size or value, where the other party may have an interest in the proceedings of the UDEP with regards to current proposals on Key Sites

9.1.7 Where a UDEP Member has accepted any gifts/tokens from persons who at a later date enter or are party to an application into the UDE process, that Member must disclose the past relationship as a Conflict of Interest and decline participation in the UDE process for that application.

10.0 BREACH OF CODE OF CONDUCT

10.1 General

10.1.2 Further to the Ku-ring-gai Code of Conduct (2009), UDEP Members must comply with this section.

10.1.3 UDEP Members are required to report suspected breaches of this Code. The Protected Disclosures Act 1994 provides protection to public officials who voluntarily report suspected corrupt conduct. A UDEP Member can make a report concerning suspected corrupt conduct to the General Manager, Ku-ring-gai Council.

10.1.4 The General Manager, Ku-ring-gai Council may take such steps as he thinks appropriate to investigate and take action in respect of the alleged breach.

10.1.5 A person who is alleged to have breached the Code must be given:

- the full particulars of the alleged breach
- an opportunity to respond to the allegations
- the right to have a legal or other representative present during any meetings/discussions in respect of the matter

10.1.6 Proven breaches of the Code may require removal of the UDEP Member from office.

11.0 URBAN DESIGN EXCELLENCE PROCESS

11.1 Applicant Responsibilities

11.1.2 The Applicant is to have sole responsibility for the organization of the UDE process on Key Sites, from the preparation of the Design Brief for their Architect through to meeting with the UDEP and throughout the Development Application process where alterations to the agreed UDE design are necessary.

- 11.1.3** The Applicant is responsible for all costs associated with the UDE Process
- 11.1.4** The Applicant is to provide details regarding his architect including:
- name and contact information
 - RAIA registration and insurance details
 - list and photos of completed projects that illustrate expertise in mixed use buildings in similar urban contexts
- 11.1.5** The formal presentation of the proposal is to be made to the UDEP by the design architect in the presence of the applicant.
- 11.1.6** The UDE application submission is to include a *Design Verification Statement* confirming that the proposal complies with:
- KLEP Town Centres 2010
 - controls of the Town Centres DCP 2010, in particular the specific requirements stipulated within Part 2
 - recommendations from the Pre-DA meeting

11.2 Facilitator Responsibilities

- 11.2.1** The Facilitator is a member of the Ku-ring-gai Strategy and Environment Urban Planning team with detailed understanding of the Town Centre Key Sites.
- 11.2.2** The Facilitator is the point of contact for the Applicant throughout the UDE process, and oversees the administration of the UDE process.
- 11.2.3** The Facilitator is responsible for arranging dates/times of:
- compulsory site visit for UDEP
 - presentation meeting by Applicant to the UDEP
 - other meetings as required
- 11.2.4** The role of the Facilitator includes the following:
- Receiving and checking Applicant documentation/form/fees
 - Issuing documents to Development Assessment Officer for Development Application referral (check inclusion of Pre-DA meeting recommendations)
 - Issuing all documents, including Applicant's submission, Development Application referral, proposal summary, and the Notice of Conflict/Pecuniary/Other Interest to UDEP
 - Informing Applicant of date/time/location/procedure of Presentation
- 11.2.5** In addition the Facilitator is responsible for:
- Briefing Alternate UDEP Members if needed
 - Attending, co-ordinating, briefing, minuting and facilitating the UDEP site visit

-
- Recording all proceedings at all UDEP meetings for inclusion in UDE Report
 - Receiving the Applicant's re-submission and forwarding it to the Development Assessment Officer for referral
 - Sending the new proposal and new Development Application Referral to UDEP Members and arranging discussion meeting date and time
 - Where a proposal has been approved by the UDEP, ensuring the *UDE Certificate* is endorsed by the UDEP prior to issuing to the Applicant
 - Where a proposal has failed to achieve the criteria, ensuring a UDEP endorsed *Letter of Refusal* is sent to the Applicant with reasons why urban design excellence has not been achieved
 - Checking compliance of the *UDE Certificate* through the Development Application process; where alterations to the design are made, sending the proposal to the UDEP for comment and decision on the UDE compliance of the proposal
 - Informing the Development Assessment Officer whether the amended Development Application proposal does/does not comply with the issued *UDE Certificate*, and whether the *UDE Certificate* is valid (*UDE Certificate – Amendment*) or revoked (*UDE Certificate – Cancelled*).

11.2.6 The Facilitator is responsible for the preparation of a UDE Report for each UDE proposal. The report is to contain the following:

- proposal summary
- pre-DA issues
- DA referrals
- UDEP site visit notes
- All UDEP meeting discussions
- UDEP/Applicant presentation and discussion
- UDEP decision and *UDE Certificate/Letter of Refusal* issue
- Copies of all drawings and correspondence
- Any other issues that are a result of the UDE process

11.3 Development Assessment Officer Role

11.3.1 The Facilitator is to provide the UDE application documents to the Development Assessment Officer and request a referral on the proposal's compliance with the Pre-DA recommendations. Where the Development Assessment Officer considers the requested pre-DA changes have not been incorporated into the UDE proposal, their referral will indicate that the proposal is unlikely to be approved at Development Application stage.

11.3.2 During the Development Application Process, the Development Assessment Officer is to send the Facilitator all the submitted Development Application

drawings and any further amendments resulting from the Development Application Process. The UDEP will check the compliance of the Development Application proposal against the issued *UDE Certificate* and inform the Development Assessment Officer on the validity of that Certificate. Where the *UDE Certificate* is revoked due to significant changes in the proposal, the Development Assessment Officer may refuse the application due to the lack of a *UDE Certificate* validating the additional Height/FSR.

11.4 UDE Process and Council Development Application Process

- 11.4.1** All Applicants must arrange and attend a Pre-DA meeting prior to the Urban Design Excellence Process.
- 11.4.2** All documentation submitted for the UDE process will be referred to the Development Assessment Officer to check for compliance with the Pre-DA recommendations.
- 11.4.3** In making the Development Application submission, the applicant must provide the *UDE Certificate* (with certified design drawings, signed by the UDEP Members, attached to it) stating the proposal's concurrence with the requirements of urban design excellence, and the Height/FSR allowance.
- 11.4.4** The *UDE Certificate* is to have signed copies of all the relevant documents and plans attached to it.
- 11.4.5** The issuing of a *UDE Certificate* will not fetter the Development Application process nor is it to be seen as a guarantee of Development Application approval.
- 11.4.6** During the *Development Application Process*, the application proposal and any amendments will be referred to the UDEP to check ongoing compliance with the UDE Certificate.

12.0 URBAN DESIGN EXCELLENCE DOCUMENTATION

12.1 UDE Submission

12.1.1 Development on Key Sites seeking additional development potential must:

- follow the UDE process for Key Sites
- satisfy the requirements of clause 6.4 of the KLEP (Town Centres) 2010
- meet the objectives and comply with the controls of the Key Site as identified in Part 2 of the Town Centres DCP 2010
- provide Urban Design Excellence principles identified for the particular site in Part 2 of the Town centres DCP 2010
- demonstrate consistency with the desired future character of the area or site as identified in Part 2 of the Town Centres DCP 2010

12.1.2 All proposals submitted for the UDE process must show the additional development potential in accordance with clause 6.4 of the KLEP Town Centres 2010.

12.1.3 Proposals must clearly demonstrate/annotate what elements of Urban Design Excellence are achieved by the proposal to warrant that additional Height/FSR development potential.

12.1.4 The UDE Application drawings are to include:

- 6 copies of the design proposal
- 6 copies of any supporting documents to be submitted at Council along with relevant forms and payment
- 1 soft copy (CD) of all submitted documentation

12.1.5 All drawings submitted with the UDE Application are to be clearly legible and at a scale of 1:100 or 1:200.

12.1.6 The UDE Application is to include:

- the contextual analysis and rationale for the design
- the manner in which Urban Design Excellence is achieved
- the Height/FSR incorporated into the proposal

12.1.7 The level of documentation required for the UDEP Presentation meeting should be sufficient to explain the design merits of the proposal and may include plans, elevations, models, montages and digital representations.

12.2 UDE Report

- 12.2.1** A UDE Report is to be produced by the Facilitator recording all documentation and proceedings of the UDE process. This includes but is not limited to all meetings, proceedings, decisions, conditions, changes resulting from the UDEP deliberation, Pre-DA and Development Application advice/changes through to the issue/refusal of the UDE Certificate.
- 12.2.2** The UDE Report is to be prepared by the Facilitator and is to document the following for a *Key Site proposal*:
- Key Site details, Applicant details, Architect details
 - summary page of the Applicant's proposal prepared by Facilitator
 - comments page noting Pre-DA meeting notes and requirements
 - account of UDEP site visit discussion
 - account of Presentation meeting, including discussions and meeting proceedings
 - minutes on UDEP deliberation meeting and changes/elements required for the Height/FSR allowance
 - notes on Development Application referrals
 - notes on any other consultation required
- 12.2.3** The Appendix to the UDE Report is to contain:
- a copy of the brief issued to the Applicant's architect
 - a copy of the Pre-DA meeting notes
 - A4 copies of all documents submitted by Applicant throughout the UDE Process from initial submission to *UDE Certificate* issue
 - A copy of the issued *UDE Certificate* with scaled copies (max A3 size) of agreed and signed documents of the proposal
- 12.2.4** The UDE Report is a public document produced to audit standards. Prior to issue, the report is to be circulated to the Development Application Officer and UDEP Members.
- 12.2.5** The UDE Report is to be agreed upon and finalized with signatures of each UDEP Member, then circulated to the Applicant, UDEP Members and Development Assessment Officer upon the issuing of the UDE Certificate/Letter of Refusal.
- 12.2.6** All costs related to the production of the UDE Report will be met by the Applicant. Standard changes are included within the UDE process fee, however should the scope of works for the Report extend beyond the standard requirements, then the Applicant is to be sent a further account.

12.3 The UDE Certificate

- 12.3.1** The *UDE Certificate* entitles the Applicant to submit a Development Application proposal that includes the UDEP approved additional Height/FSR, in line with the requirements of clause 6.4 of the KLEP (Town Centres) 2010.
- 12.3.2** The *UDE Certificate* comprises the following:
- a statement of the Height/FSR approved
 - a list of the Urban Design Excellence elements provided within the proposal
 - an attachment of signed UDEP drawings illustrating the stated elements of urban design excellence
- 12.3.3** The *UDE Certificate* is declared final when the signatures of the UDEP quorum complete it.
- 12.3.4** Changes made to the design proposal after the issue of the *UDE Certificate* render the Certificate null and void unless an *UDE Certificate - Amendment* is attached to it indicating consideration and approval of the changes by the UDEP.
- 12.3.5** The *UDE Certificate* is valid for a term of 18 months from the date of issue. The *UDE Certificate* is to state the date of expiry. The Applicant is to submit a Development Application proposal that includes the UDE Certificate's agreed additional Height/FSR within that 18 month period. After the 18 month period the *UDE Certificate* will be deemed null and void. Any Development Application thereafter will be unable to utilize its provisions.
- 12.3.6** In extremely exceptional cases the 18 month period may be extended by the UDEP, at its absolute discretion, following a written request to the General Manager received prior to the date of expiry. The Applicant will be charged \$2000.00 for the reconvening of the UDEP to consider the potential extension of the *UDE Certificate*. Agreement for the consideration of an extension does not guarantee an extension of time.
- 12.3.7** The *UDE Certificate* is bound to the specific proposal and site and may be transferred to a new owner of the land/property. The new owner must comply with the UDE conditions and obligations. Any changes to the original proposal must adhere to the UDE requirements and process.
- 12.3.8** Provision of the *UDE Certificate* does not guarantee Development Application consent. Proposals must comply with the relevant LEP, DCP and other documents and enter into the separate *Development Application Process* following the UDE application process.

12.3.9 The *UDE Certificate* is valid at the time of issue. Council and the UDEP are not liable for any external changes that render the *UDE Certificate* invalid.

12.4 The Letter of Refusal

12.4.1 Where a proposal does not warrant the design excellence additional Height/FSR, the UDEP is to issue a *Letter of Refusal*, stating reasons for the refusal.

12.4.2 Where a *Letter of Refusal* has been issued, the Applicant may choose one of two options:

- modify the proposal and enter the UDE Application process under a new application
- modify the proposal, removing the additional Height/FSR, and submit an application for DA. The removal of the additional Height/FSR means that the proposal no longer needs to abide by the UDE process.

13.0 DECLARATION

13.1 General

13.1.1 This declaration is a binding agreement between Ku-ring-gai Council and any person that is not an employee of Ku-ring-gai Council.

13.1.2 This declaration binds the signatory to the *UDEP Terms of Reference* and the *UDE application process* as stated within this document.

13.1.3 This declaration is an agreement that the signatory will attend the *Code of Conduct* training and sign *The Code of Conduct Agreement* prior to entering the UDE application process.

13.2 Agreement

I have read and agree to abide by these UDEP Terms of Reference during my employment with Ku-ring-gai Council.

NAME (in full):	SIGNATURE:
POSITION :	DATE:

HERITAGE REFERENCE COMMITTEE - NOTES OF MEETING HELD 16 AUGUST 2010

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

To advise Council of the notes of the Heritage Reference Committee meeting held 16 August 2010.

BACKGROUND:

The notes were taken at the meeting held 16 August 2010. Confirmation and acceptance of these notes was at the Heritage Reference Committee (HRC) meeting held 20 September 2010.

COMMENTS:

A range of issues were discussed at the Heritage Reference Committee's meeting of 16 August 2010 and a number of issues were raised for further consideration.

RECOMMENDATION:

That Council receive and note the Heritage Reference Committee meeting notes from 16 August 2010.

PURPOSE OF REPORT

To advise Council of the notes of the Heritage Reference Committee meeting held 16 August 2010.

BACKGROUND

The notes taken at the 16 August 2010 meeting were confirmed and accepted at the Heritage Reference Committee (HRC) meeting held on 20 September 2010.

COMMENTS

A range of heritage issues were discussed at the Heritage Reference Committee's meeting of 16 August 2010 and a number of issues were raised for further consideration as outlined below:

Item 1: Conservation Areas Review Northern Areas – Heritage Consultants

Chery Kemp from Paul Davies & Associates addressed the Heritage Reference Committee with an update on the review of the Heritage Conservation Areas (north), discussing the methodology for the fieldwork and research. It was noted that some of the potential National Trust Heritage Conservation Areas have undergone significant change since the early 1990s and as a result may not meet the threshold for listing. Comments from the Committee included the importance of making the study defensible.

Item 2: Public Domain Plan – Heritage and Character Areas

The Heritage Reference Committee again viewed the street furniture options presented during the public exhibition of the Ku-ring-gai Public Domain Plan. Council's Landscape Architect presented to the Committee a summary of responses from the survey group used to select the street furniture, with the Committee exhibiting similar preferences to the survey group. Additional comments by the Committee included the suggestion of painting the metal armrests of the benches.

CONSULTATION

The Heritage Reference Committee includes representatives from the community and nominated heritage organisations.

FINANCIAL CONSIDERATIONS

The cost of running the Heritage Reference Committee is covered by the Strategy and Environment Department budget.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

Where relevant, consultation with other Departments has occurred in the preparation of the report.

SUMMARY

The Heritage Reference Committee held its meeting on 16 August 2010. In particular the Committee reviewed and discussed the following key items:

- Conservation Areas Review Northern Areas – Heritage Consultants; and
- Public Domain Plan – Heritage and Character Areas.

The notes from the Heritage Reference Committee meeting of 16 August 2010 are **Attached** to this report.

RECOMMENDATION

- A. That Council receive and note the Heritage Reference Committee meeting notes of 16 August 2010.
- B. That Council thank Zeny Edwards for her contribution to the Heritage Reference Committee..

Andreana Kennedy
Heritage Planner Specialist

Antony Fabbro
**Manager Urban & Heritage
Planning**

Andrew Watson
**Director Strategy &
Environment**

Attachments: **Notes of meeting held 16 August 2010 - 2010/169879**

Heritage Reference Committee

Draft Notes of 16 August 2010 Ante Room

Meeting Commenced 6. 30pm

Attendance:

Councillor Jennifer Anderson (Chair)
Joanne Martens
Margaret Bergomi - Institute of Architects
Robert Moore - National Trust (NSW)
Zeny Edwards
Paul Davies (Consultant)
Chery Kemp (Consultant)

Staff Members:

Manager Urban & Heritage Planning – Antony Fabbro
Heritage Specialist Planner – Andreeana Kennedy
Heritage Advisor – Paul Dignam
Student Planner – Lara Goldstein
Landscape Architect – Alison Walker

Apologies:

Jennifer Harvey
Councillor Cheryl Szatow

Declarations of Interest

None.

Adoption of notes from the previous meeting

The notes from the 19 July 2010 Heritage Reference Committee meeting were accepted by the Committee as being correct.

Agenda Item 1: Conservation Areas Review Northern Areas – Heritage Consultants

Paul Davies from Paul Davies and Associates updated the Heritage Reference Committee on the success of the Yarabah Avenue court case in the Land and Environment Court.

Chery Kemp from Paul Davies and Associates then addressed the Committee with an update on the review of the Heritage Conservation Areas (north), discussing the methodology for the fieldwork and research. It was noted that some of the potential national trust HCAs have undergone significant change since the early 1990s and as a result may not meet the threshold for listing. The Committee commented on the importance of making the study defensible.

Agenda Item 2: Public Domain Plan – Heritage and Character Areas

The Committee again viewed the street furniture options presented during the public exhibition of the Ku-ring-gai Public Domain Plan. Council's Landscape Architect presented a summary of the survey group used to select the street furniture. The responses indicated a preference for the curved timber benches and the timber bins. The Committee exhibited similar preferences with the suggestion of painting the metal armrests of the benches.

Agenda Item 3: Update on Tulkiyan Interpretation Space

Council's Heritage Specialist Planner addressed the Committee with an update on the Tulkiyan Interpretation Space including the preferred design which had been altered in response to stakeholder comments.

Agenda Item 4: Naming of Monty's Walk, St Ives – historical information

Councillor Jennifer Anderson addressed the Committee on behalf of Jennifer Harvey with regards to the un-named walkway in St Ives. It was noted that Beaumont Walker is already acknowledged in the area through "Walker Avenue". A more appropriate alternative is "Willryse Walk", Willryse being the name of the Wilson poultry farm, which was one of the former uses of the land on which the walkway is situated.

Recommendation:

Item deferred to the next Heritage Reference Committee meeting.

General Business

Council's Heritage Specialist Planner Andreana Kennedy addressed the Committee with an update on 23 – 29 Telegraph Road, Pymble, with reference to the Tropman & Tropman heritage assessment. Zeny Edwards commented on the high possibility that the original bathrooms had been altered.

Recommendation:

That Council progress with the heritage assessment to see whether the site warrants a local listing.

Margaret Bergomi requested a copy of the Daubney Pavilion reference material.

Zeny Edwards informed the Committee that she has been appointed to give advice to the Heritage Council, and as such feels it necessary to resign from the Heritage Reference Committee due to the conflict of interest.

Meeting Closed: 8.30pm

WAHROONGA ESTATE - BUSHLAND OFFSET

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

To brief Council on the proposal to transfer two parcels of land zoned E2 - Environmental Conservation from private ownership into public ownership as part of the redevelopment of the Sydney Adventist Hospital site.

BACKGROUND:

The Minister for Planning declared the proposal to be a Major Project under part 3A of the *Environmental Planning and Assessment Act 1979* on 12 December 2007.

COMMENTS:

Areas of conservation lands (zoned E2) for potential transfer to a public authority are the Coups Creek corridor and the land to the east of Fox Valley Road.

RECOMMENDATION:

That Council confirms its preference that future ownership of the E2 sites within the Wahroonga Estate be dedicated to the Department of Climate Change & Water (DECCW).

PURPOSE OF REPORT

To brief Council on the proposal to transfer two parcels of land zoned E2 - Environmental Conservation from private ownership into public ownership as part of the redevelopment of the Sydney Adventist Hospital site.

BACKGROUND

On 16 October 2006, Johnson Property Group (JPG) sought approval from the NSW Department of Planning for inclusion in the Sydney Adventist Hospital (SAN) and surrounding land (known as the Wahroonga Estate) on the Register of State Significant Sites and in Schedule 3 of State Environmental Planning Policy (Major Projects) (SEPP) 2005.

On 18 December 2009, the SEPP was amended to include the Wahroonga Estate. The SEPP rezoned the site to allow expansion of current uses, including a major increase in floor area for the hospital. The zoning (refer to Map 1 - **Attachment 1**) includes four residential zones (R1, R2, R3 and R4), a B1 neighbourhood centre zone, an SP1 Special Activities zone for the health services facilities and two E2 - Environmental Conservation zones, namely the Coups Creek corridor and the bushland area to the east of Fox Valley Road (aka the eastern lands). The latter areas, zoned E2, contain the lands proposed for transfer to a public authority or an appropriate community organisation.

On 31 March 2010, the Minister approved concept plans for the redevelopment of the site in accordance with the SEPP and Part 3A of the *Environmental Planning and Assessment Act 1979*. The plans incorporate extensive redevelopment and the approval provided for a maximum of 500 new residential dwellings. Some of this development would impact on areas of high ecological significance and as a result, offsetting of these impacts is proposed through the protection and on-going management of the two E2 - Environmental Conservation zones within the site, as required through the Biodiversity Management Plan.

The approval included a Statement of Commitments. The Statement of Commitments requires the following:

An appropriate public authority or community based organisation must be identified, as part of environmental offset arrangements, for the transfer ownership of conservation lands within the Estate. In the event that negotiations for transferral of ownership fail, the land will be retained in private ownership.

In any case, the land owner will be responsible for the ongoing implementation of the biodiversity management plan.

Timing: Prior to or accompanying the first project/development application or bushfire management works affecting existing vegetation.

Item 11

S05913
14 September 2010

The concept plan approval also included specific conditions of consent in relation to the management of the bushland areas of the site (**Attachment 2**) in relation to:

- biodiversity;
- bushfire protection;
- preparation of a Biodiversity Management Plan, including land ownership and funding arrangements.

Controlled Action Approval was granted by the Federal Department of the Environment, Water, Heritage & the Arts (DEWHA) in June 2010 (**Attachment 3**). This approval further details Biodiversity Management Plan requirements in relation to the E2 lands, including a financial commitment for the long term management of the E2 zones. It also requires the preparation of a Conservation Interface Management Plan addressing direct impacts within the development site and indirect impact upon E2 lands. Approval by DEWHA is required for both of these plans.

As a result of the preceding, the proponent approached the NSW Department of Climate Change & Water (DECCW), who in turn approached Council staff to commence discussions regarding future ownership and management of the E2 Environment Conservation zones that are the basis of this report.

On 25 August 2010, staff presented to the Planning Committee a brief on the following:

- The current status of a proposed transfer of two areas of bushland within the Wahroonga Estate to a public authority.
- The consideration of whether to negotiate for dedication of conservation lands on the Wahroonga Estate, and if so, to consider which lands to negotiate for.
- The advantages and disadvantages of future ownership options for the site.

COMMENTS

The 'Wahroonga Estate' is situated approximately 18km north-west of the Sydney CBD, 1km south of the F3 Freeway interchange with Pacific Highway and Pennant Hills Road. The majority of the site is situated in the north-western corner of the Ku-ring-gai Local Government Area (LGA), with a small proportion within Hornsby LGA. The site is situated in an area generally surrounded by low density residential development, a small neighbourhood centre and bushland.

The site totals 62.07 hectares of which approximately 40.2% is dedicated to uses associated with the hospital, church, community, school and includes aged and staff/student accommodation. A total of 37.08 hectares is covered by native vegetation dissected by a number of watercourses and with topographical constraints. The topography of the site, combined with the bushland nature of land adjoining the hospital and proposed residential areas, presents a significant bushfire threat that will require ongoing management. The concept plan includes a number of Asset Protection Zones (APZ) within the development area, with some APZ's encroaching on the bushland areas.

The site connects to other areas of bushland via canopy, creeks or drainage reserves, (refer to Figure 1 and Map 2 in **Attachment 1**) linking to:

- Lane Cove National Park to the south, across the Comenarra Parkway;

Item 11

S05913
14 September 2010

- a public bushland reserve (Hornsby LGA) adjoining the site to the west and bordering the start of the Lane Cove River;
- a reserve at the rear of the neighbourhood shops (previously B2/B3 corridor) which is across the Comenarra to the south;
- bushland owned by the RTA to the north-east (the abandoned B2/B3 corridor);
- the north (the Mt Pleasant Avenue area) bushland that is part of Loreto Normanhurst;
- the east linking ultimately to Lane Cove National Park, via a creek/drainage reserve through the residential area and then through bushland reserves, zoned for Open Space (Public Recreation); and
- a public open space reserve (in Hornsby LGA), north of Coups Creek.



Figure1. Linkages to other areas of bushland

Lands to be transferred to a public authority

Areas of conservation lands (zoned E2) for potential transfer to a public authority are the Coups Creek corridor and the land to the east of Fox Valley Road (AKA the eastern lands) (See E2 lands - Map 1 within **Attachment 1**). The characteristics of these lands are further discussed below:

The Coups Creek corridor

This 19.66 hectare area of bushland is intersected by Coups Creek and bordered to the west by the head waters of Lane Cove River and to the north by Hornsby LGA. This includes 1.87ha located within Hornsby LGA, as identified within **Attachment 1**.

This corridor between the Mount Pleasant Avenue development and the hospital precinct consists of a bushland corridor with a steep gully and rock outcrops dividing Mount Pleasant from the hospital. The corridor cuts through the site in a north-east to south-west direction. The creek and riparian corridor crosses under the Comenarra Parkway and intersects with Lane Cove River to the south-west.

The vegetation in this corridor was assessed by the NSW Department of Planning under the Part 3A application as Sydney Sandstone Gully Forest with Blue Gum High Forest and Sydney Turpentine Ironbark Forest at the northern end, (refer to Map 3 in **Attachment 1**). Both Blue Gum High Forest and Sydney Turpentine Ironbark Forest communities are listed as threatened under state legislation with the area of Sydney Turpentine Ironbark Forest also being of sufficient condition to be listed under federal legislation. There is potential habitat for the threatened Grey Headed Flying Fox and Powerful Owl threatened species under State legislation within the corridor (including a large number of tree hollows). An item of Aboriginal heritage has also been identified within this area.

The vegetation condition in the north-eastern portion of this land is substantially modified. The existing canopy remains intact, however due to long term stormwater issues and increased nutrient and weed invasion, the mid-storey and ground layers are highly degraded and in poor condition.

The bushland directly north of the existing SAN hospital grounds, on the southern side of Coups Creek, is affected by weed infestation occurring down to the creek line. There has been a large amount of weed removal occurring on the steep slopes with the area exposed to potential erosion, further weed invasion requiring prompt action to remediate these issues.

There are existing informal bush walking and pedestrian access paths which connect the nursing home/retirement village on Mount Pleasant Avenue to the SAN Hospital site traversing the ridgeline from Mount Pleasant to Coups Creek then to Fox Valley road on the opposite ridge. Pedestrian access through the site from Elizabeth Street is available via another walking track through bushland to the grassed area behind the staff cottages fronting Fox Valley Road. Additionally, there is a network of informal tracks that have been created throughout the area.

These lands are in poor condition and will require substantial and ongoing rehabilitation and restorative works to provide any form of community use. All of the tracks listed above will require extensive remediation works either to formalise the tracks or to close unsuitable tracks. Noting however, the tracks provide an important pedestrian link between Wahroonga and Thornleigh outside The Comenarra Parkway that does not have a formal footpath.

The Coups Creek corridor requires a high level of long term maintenance, due to past disturbance, steepness of much of the land, stormwater and drainage issues, weed invasion and access tracks. There is potential for issues to arise in the future in regard to the management of fire hazard in relation to existing development.

The eastern lands

This 11.5 hectare area located behind the SAN buildings to the east of Fox Valley Road, includes moderate to steep slopes towards the south flowing creek.

This area was assessed under the Part 3A application as bordered by patches of Blue Gum High Forest, and including extensive areas of moderate to high quality Sydney Turpentine Ironbark Forest listed under both state and federal legislation, with Sydney Sandstone Gully Forest to the east on the steeper sandstone areas (refer to Map 3 in **Attachment 1**). These lands retain a high level of ecological integrity over much of the area and include a nesting hollow occupied by a Powerful Owl. It also contains numerous tree hollows and is potential habitat for a range of threatened and non-threatened fauna species.

Both areas of land are important ecologically, however, the eastern lands have a higher ecological value than the Coups Creek corridor due to their relative integrity, the significance and/or extent of threatened fauna and ecological communities and the unusual mix of communities within the site. Due to its ecological value, the eastern lands are unsuitable for extensive community use. An informal walking track starts parallel to the Comenarra from the residential area to the east, providing access to Fox Valley Road. This track will require formalisation and on-going maintenance.

Within the eastern lands there is potential for future requirements associated with the management of fire hazard in relation to surrounding development.

Future Ownership and Management of E2 – Conservation Lands

There are clear advantages to the dedication of the two E2 zones to a public authority rather than being retained in private ownership. The main advantage relates to security of the lands for protection and conservation purposes.

In relation to security, the highest level of protection would be achieved through the dedication of these lands as national park or nature reserve, that is, ownership by DECCW. From a conservation standpoint, ownership of the eastern lands in particular, would support the performance targets in the NSW Draft Biodiversity Strategy for establishing a comprehensive, adequate and representative (CAR) reserve system.

This is further support given that both E2 zones contain patches of threatened ecological communities. Coups Creek corridor contains a smaller degraded patch of a state listed critically endangered ecological community (Blue Gum High Forest) and Sydney Turpentine Ironbark Forest (state and federally listed), while the eastern lands contain substantially larger areas of a Sydney Turpentine Ironbark Forest (protected under federal legislation) and are in better condition.

Again, the case for DECCW ownership is strengthened when it is considered that both of these threatened ecological communities retain less than 5% of their original extent and much of this is on private land. Clearly, though the target of 5% representative sample of the original extent of highly cleared vegetation communities formally protected is not achievable, the dedication of these areas to the most secure form of protection available is critical, particularly where they include areas in good condition.

Item 11

S05913
14 September 2010

Given the above facts the best option for future ownership and management of the land is with DECCW.

The next best option for the lands to be transferred to a public authority would be for Council to consider ownership and classification as community land - natural area, with a conservation covenant on the land to protect them into the future. However in this regard there are several issues that Council needs to consider:

- DECCW have indicated that they only want the eastern land – therefore, it is more likely that the Coups Creek corridor will be offered to Council;
- the Coups Creek corridor is split between Ku-ring-gai and Hornsby LGAs. To date, Council does not have a clear position from Hornsby Council on their desire to assume management over this site;
- the Coups Creek corridor is significantly degraded and will require intensive rehabilitation, remediation and maintenance;
- the Coups Creek corridor will require substantial and ongoing restorative works to provide any community use and the existing tracks require extensive work to formalise or to close them;
- the Coups Creek corridor requires a high level of long term maintenance, due to past disturbance, steepness of much of the land, stormwater and other drainage issues, weed invasion; and
- issues are also expected to arise in the future in regard to the management of fire hazard in relation to existing and future development.

It is apparent that by taking over the ownership and management of the Coups Creek corridor significant financial expenditure will be required to ensure that this site is suitable for community use and to meet biodiversity protection requirements. It is further apparent that the fire hazard management of these sites may also form a significant financial burden on the future management of the lands. The future cost implications would be more apparent, once a draft Biodiversity Management Plan is available.

Council is not aware that the draft Biodiversity Management Plan by Johnson Property Group has been completed. In absence of this plan, staff have provided an early estimate of required works and associated costs. This estimate is based on a very basic site analysis, and would require a detailed site assessment to provide further accuracy in relation to the extent of works and financial expenditure. These estimates are provided in **Confidential Attachment 4**. The justification for the confidential status of this information is provided in the Financial Consideration of this report.

This then leaves the options of dedication to a suitable community organisation, or for the lands to be retained in private ownership.

In regards to dedication to a suitable community organisation, conservation status could be retained and managed through a conservation covenant on the land. However, the resources of such an organisation, once the financial commitment from ACA is fully expended is unpredictable. Further consideration would need to be given to what happens to the site(s) if the organisation winds up and if this was to happen then dedication to a public authority would need to be reconsidered. Furthermore, STEP Inc, which may be a suitable local community organisation, has indicated that they would prefer the sites to go to DECCW, because of the level of security/protection for the lands under DECCW's ownership.

Item 11

S05913
14 September 2010

The final option provided in the State Government's approval is for continuing ownership by ACA. Private ownership is obviously less secure for conservation purposes than public ownership. However, in order to improve long term security, a requirement for a conservation covenant could be included within the Biodiversity Management Plan.

Opportunities for unstructured recreational activity

The Biodiversity Management Plan is required to assess the management of impacts from public access and recreational use. Passive recreational opportunities would be available whether the land is owned by DECCW or Council. Maintenance of informal walking tracks and potential closure of unnecessary tracks would need to be addressed in any management of the two sites.

The SAN currently allows public access to these tracks, however, access to the tracks within the E2 Conservation zones is through the church/hospital/seniors living lands. It is expected that this would not change if these sites were retained in private ownership. However, anecdotally, certain activities, such as cycling, are discouraged along these tracks.

Given that Council has not yet seen the draft Biodiversity Management Plan, the degree of retention and maintenance of these tracks if retained in private ownership remains unclear.

Maintenance of pedestrian connectivity

The walking tracks also provide informal pedestrian connectivity through Coups Creek from:

- the seniors development on Mt Pleasant Avenue to the hospital, church and neighbourhood centre;
- the residential areas around and within the Wahroonga Estate to Loreto College and Normanhurst station;
- Elizabeth Street and the hospital/church and neighbourhood centre and through the eastern lands from Warwick Place to Fox Valley Road.

These tracks are likely to be maintained for bushwalking by DECCW. It is also likely that they would be maintained by the SAN if the lands were retained in private ownership, as is the current practice. There may be opportunities to improve the condition of the tracks, especially the connection between the hospital and the Normanhurst area through the Coups Creek corridor if Council owned this corridor.

Retention of public access through the Wahroonga Estate redevelopment to the tracks would need to be addressed in future development applications and Part 3A applications for the site.

Resources for long term management

As discussed earlier in this report, the consent for redevelopment of the Wahroonga Estate requires a financial commitment from ACA and a biodiversity management plan for the long term management of the two E2 Conservation zones.

However the consent did not specify the term of the Biodiversity Management Plan and/or the extent of the funds to be provided. It is expected that the plan will require review from time to time, and it is likely that the funds will not be adequate to cover the cost of conservation on these

Item 11

S05913
14 September 2010

sites in perpetuity. Therefore, any new owner will be required to expend resources in the review of the plan and the on-going management of the lands.

The costs of managing the Coups Creek corridor would be considerable and continue indefinitely. Management by council(s) would also be more complex due to the corridor falling within two LGAs. The costs associated with managing the eastern lands would be less, but nevertheless substantial.

Council's operational staff are currently involved in ecological restoration and management of a number of sites in Ku-ring-gai however resources are inadequate to achieve optimum outcomes for the 1,100 hectares of bushland in over 100 reserves managed by Council. Council's Environment Levy supplements these funds, although there are many existing Council owned sites and sites under Council's care and control, which require extensive ongoing work. The Environment Levy has a limited lifespan and cannot be guaranteed in perpetuity.

If Council were to seek ownership of either E2 Conservation zone site, it would need to consider how it would find the resources to manage the site following expenditure of agreed funds from the proponent, in accordance with the Biodiversity Management Plan and the reporting and auditing requirements of DEWHA.

More importantly, dedicated funding for the ongoing maintenance and management of any newly acquired bushland is unplanned in Council's Long Term Financial Plan, and further modelling would be required to better understand the full impact on the recurrent budget.

Ownership by site

The proponent has expressed interest in transferring the two E2 - Conservation land parcels to the NSW Department of Environment Climate Change and Water (DECCW).

In an initial meeting held between representatives from DECCW and Council, DECCW offered for Council to be a party to land transfer discussions. This meeting addressed future land ownership arrangements and the development of a collaborative approach to estimate the costs related to the future management, maintenance and operation of the land. However since this meeting, DECCW has expressed its position relating to proposed land ownership and their desire to move the process forward.

Based on the above assessment, the following options are presented for the long term conservation outcomes for these 2 sites:

Option 1. Eastern lands - ownership by DECCW

Council ownership is best from a strategic landholding perspective. However the combination of other considerations, especially security of significant habitat and ecological communities, indicate that a better outcome would be ownership by DECCW. Private ownership of this area is the least attractive option from a conservation perspective.

Option 2. Coups Creek corridor - Ownership by DECCW

Ownership by DECCW is the better option from a logical landholding and management perspective. The parcel would be in single ownership (with the exception of Mt Pleasant Reserve, a 0.15ha Council natural area, along Mount Pleasant Road), and connects closely to Lane Cove National Park. Addressing the impacts from upstream of the National Park along Coups Creek would also reduce impacts in the Park.

DECCW have indicated a preference for owning the eastern lands, with the Coups Creek corridor going to Council. This is problematic as part of the Coups Creek corridor is within Hornsby LGA. Council has not had any discussions with Hornsby Council and is not aware of any discussions between DECCW and Hornsby Council in this regard.

Taking ownership of the lands will commit the land owner to immediate and ongoing management and maintenance costs.

CONSULTATION

Initial discussions between staff from DECCW and Council has commenced on a number of items including future land ownership arrangements and costs related to the management, maintenance and operation of the land.

Informal discussion on the land ownership issue with the community group, STEP Inc has taken place. STEP Inc. have expressed a preference for both parcels of land to be dedicated to DECCW. This is based on the land becoming national park or a nature reserve, which then cannot be reversed.

FINANCIAL CONSIDERATIONS

This component of the report would disclose, and/or confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business. Therefore the financial matters relating to funding and ownership of the lands is considered confidential and as such it is not in the public interest to release this information as it would prejudice Council's ability to acquire property on appropriate terms and conditions.

The Part 3A approval and the controlled action approval both require the management of these lands in accordance with a Biodiversity Management Plan. Council has requested copies of the proponent's draft Biodiversity Management Plan, prior to evaluating, negotiating and determining the financial implications regarding potential ownership of this land.

The extent of this commitment or the duration of the Biodiversity Management Plan is unknown, as it has not been presented to DECCW or Council.

It is clear that the works required on these lands will be substantial, both for the eastern lands and for Coups Creek corridor. Given the degradation of this area of bushland, the proposed funding to be allocated for the remediation and maintenance of these issues as part of the hand-over process will not be sufficient to manage the area in perpetuity, and clearly the on-going resources required to maintain the area will be substantial.

In order to understand the potential financial obligations with land ownership Council's Bushland Supervisor has completed a preliminary assessment and cost estimates (**Confidential Attachment 4**).

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

The Wahroonga Estate land transfer review and report has been undertaken collaboratively between Operations and Strategy and Environment Departments.

SUMMARY

As part of the Development Consent for a Major Project under Part 3A of the *Environmental Planning and Assessment Act 1979* the landowner of the Wahroonga Estate is to negotiate in relation to the potential dedication of land for open space/bushland to a public authority or community organisation.

Consideration in relation to the future ownership of the site, including the long term security of the ecological values of the lands, logical and strategic land ownership, resources required for long term management, and recreational and commuter use of walking tracks on the lands, are outlined in this report.

As stated previously, the resources required to manage Coups Creek corridor would be significantly greater than that for the eastern lands.

Additionally, the controlled action approval requires detailed annual reporting, monitoring and independent audits, requiring considerable additional resources to be applied by the future landowner.

The life of the Biodiversity Management Plan and the accompanying funds to be provided are not specified in either the consent provided by the State or Federal governments. Ideally, the financial arrangements dealing with the Biodiversity Management Plan would provide sufficient funds to cover all the proposed works, monitoring and reporting.

To date, Council has not sighted the draft Biodiversity Management Plan and is unaware of the accompanying funds to be provided for the ongoing management and maintenance of the lands.

It is more than likely that any direct costs for ongoing management, monitoring and reporting after the expiry of the term of the Biodiversity Management Plan will become the responsibility of the new landowner. In other words, substantial costs would be incurred to manage the site in perpetuity.

At this stage there has been no formal determination as to who will take ownership, and care, control and management of these sites. However DECCW have indicated their preference to take ownership of the eastern lands.

On balance, and given the preceding information, it is recommended that Council support Options 1 and 2 for the landownership of both E2 – Conservation lands by DECCW.

RECOMMENDATION

- A. That Council confirm its preference that both E2 zones within the Wahroonga Estate be dedicated to the Department of Climate Change & Water (DECCW).
- B. That Council advise the Department of Climate Change and Water (DECCW) of its decision.
- C. That Council seek to ensure in future applications for redevelopment of the site, that public access through the Wahroonga Estate is maintained through the redeveloped areas of the site.

Terri Southwell
Urban Planner

Penny Colyer
Environment Officer

Matthew Drago
Manager Open Space Services

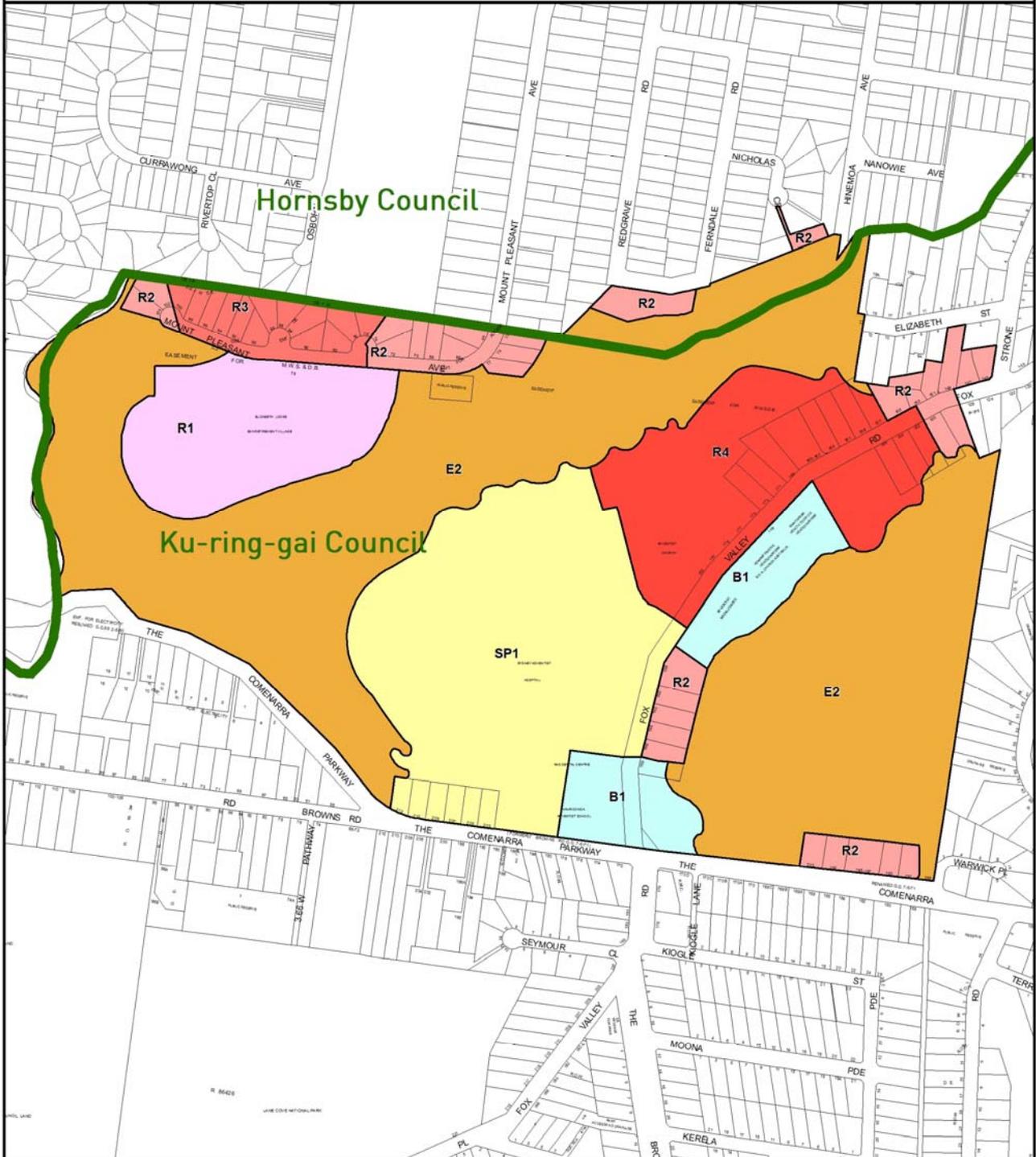
Peter Davies
**Manager Corporate Planning &
Sustainability**

Deborah Silva
Acting Director Strategy & Environment

Attachments:

- 1. Maps - 2010/147248
- 2. Excerpts from Concept Plan determination - 2010/174565
- 3. Controlled action approval - 2010/143500
- 4. Financial analysis - Confidential

Wahroonga Estate - Zoning and Council Boundary



LEGEND

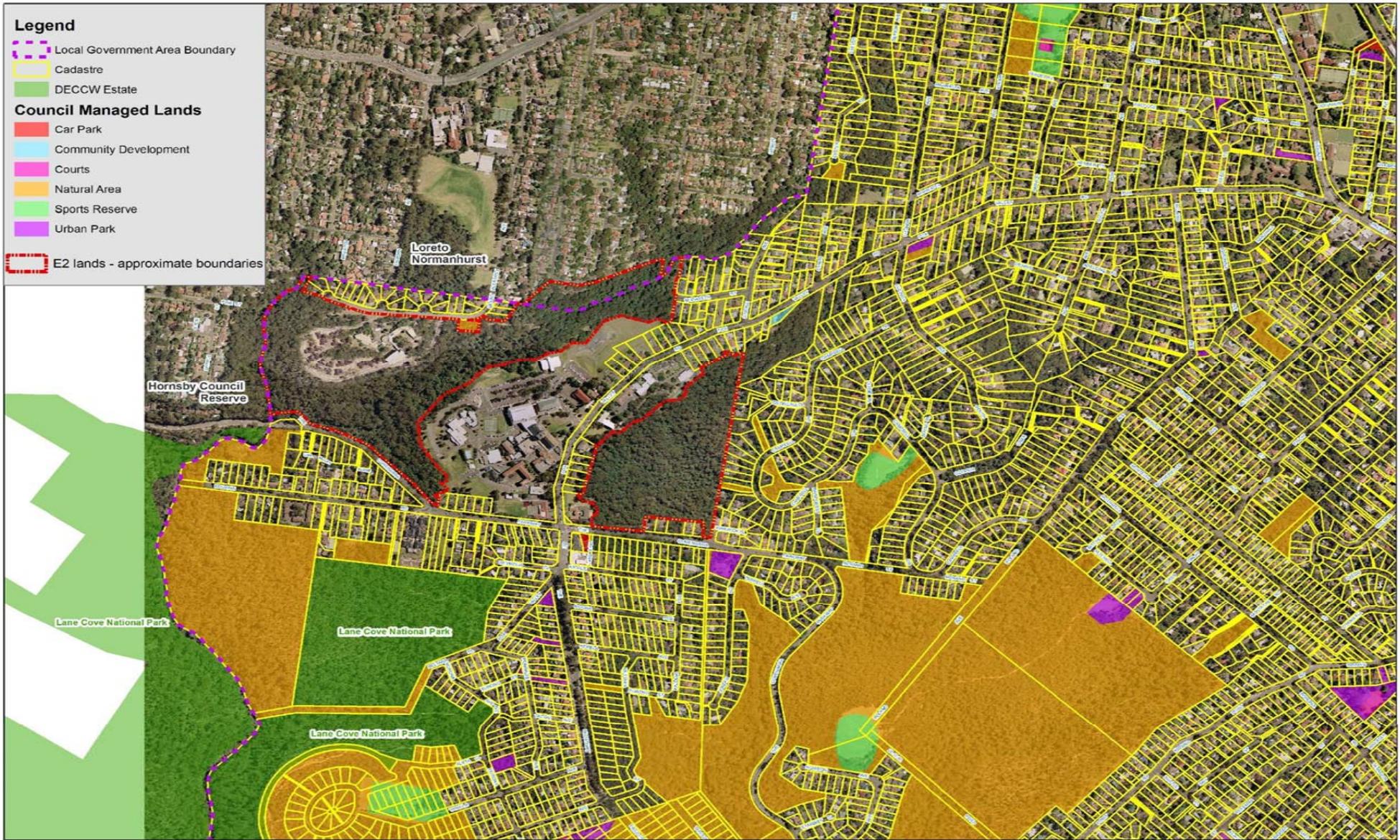
B1 Neighbourhood Centre	E2 Environmental Conservation	R4 High Density Residential	RE1 Public Recreation	LGA Boundary
B2 Local Centre	E4 Environmental Living	R2 Low Density Residential	SP1 Special Activities	
B4 Mixed Use	R1 General Residential	SP2 Infrastructure		
B5 Business Development	R3 Medium Density Residential			
B7 Business Park				

Scale :
 0 12 25 50 75 100
 Meters

Date :
 4/7/2010

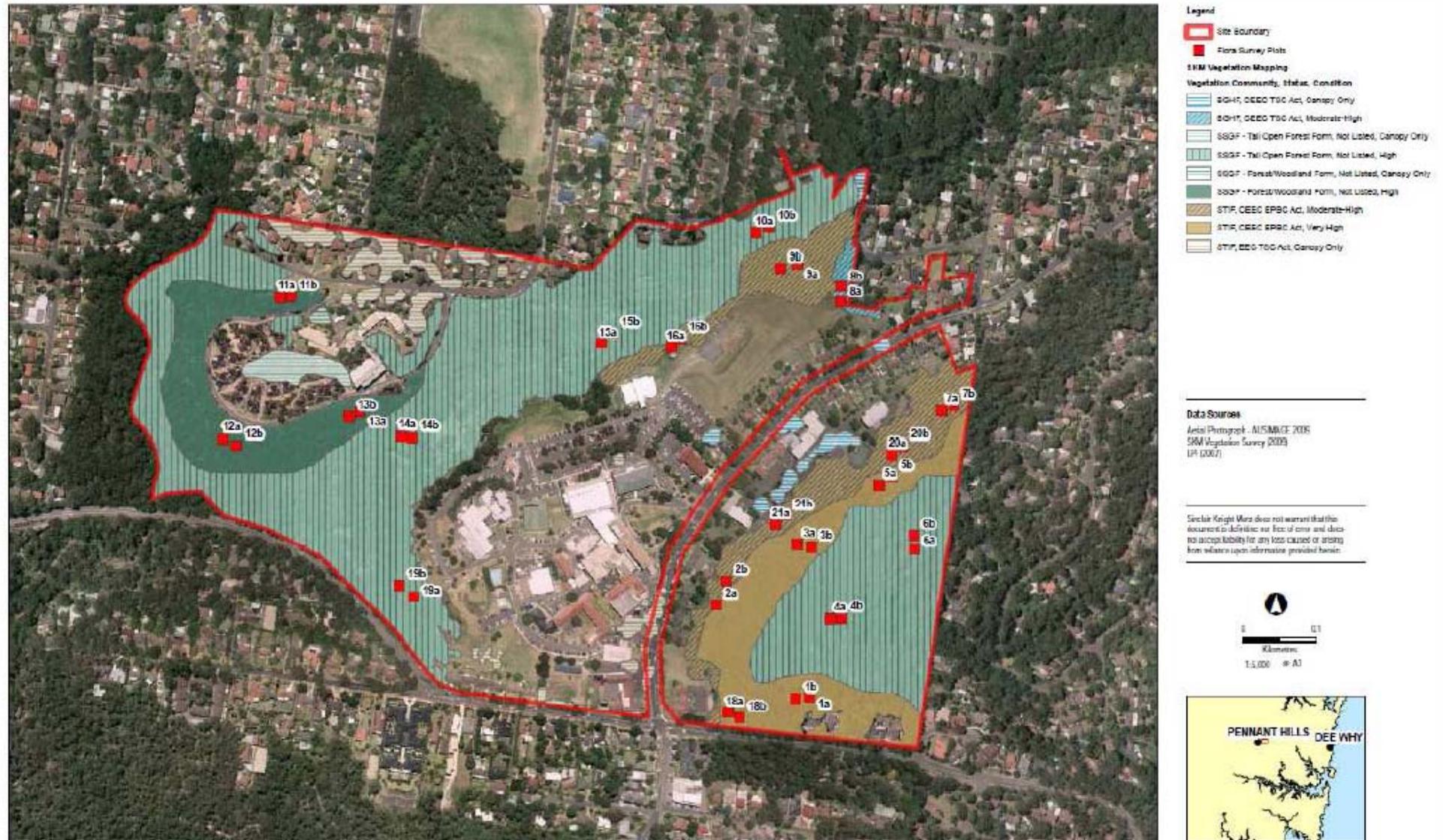


Map 2: Land Ownership



Map 3: Vegetation mapping

(as adopted by Part 3A application [Director-General's Environmental Assessment Report, March 2010])



Excerpts from the Concept Plan approval for the Wahroonga Estate Redevelopment

The approval applies to the concept plans, drawings and documentation including a revised Statement of Commitments. The statement of commitments requires the following.

An appropriate public authority or community based organisation must be identified, as part of environmental offset arrangements, for the transfer ownership of conservation lands within the Estate. In the event that negotiations for transferral of ownership fail, the land will be retained in private ownership.

In any case, the land owner will be responsible for the ongoing implementation of the biodiversity management plan.

Timing: Prior to or accompanying the first project / development application or bushfire management works affecting existing vegetation.

In relation to the management of the bushland areas of the site:

B4 Biodiversity

(1) A Biodiversity Management Plan is to be prepared by the Proponent prior to any further application and approved by DEWHA [Federal Department of Environment, Water, Heritage and the Arts]. The Plan is to include:

(a) Vegetation Management Plan

(b) Pest and Weed Plan

(c) Hydrology and Nutrient Management Plan

(d) Habitat Corridor and Linkages Management Plan

(e) Fire Management Plan

(f) Management Plan outlining public access and impacts on the conservation land

(E2 Environmental Conservation zone)

(g) Ownership, management, maintenance and monitoring responsibilities for conservation land (E2 Environmental Conservation zone) and funding arrangements.

(2) The design and location of buildings, driveways and access for new development in the Mount Pleasant and Residential East precincts should avoid direct and indirect impacts on Sydney Turpentine Ironbark Forest and maximise retention of the ecological community.

In addition, B5 includes measure for bushfire protection:

(1) All Asset Protection Zones are to be located outside of the conservation land as shown in the approved Concept Plan unless required for development constructed prior to the date of this instrument.

(2) Uses constituting 'Special Fire Protection Purposes' as defined in Planning for Bushfire Protection 2006 are to be undertaken in consultation with the NSW Rural Fire Service.

(3) All Asset Protection Zones and other bushfire protection measures are to comply with Planning for Bushfire Protection 2006.



Australian Government

Department of the Environment, Water, Heritage and the Arts

Approval

Wahroonga Estate Redevelopment, Fox Valley, NSW – EPBC 2008/4460

This decision is made under sections 130(1) and 133 of the *Environment Protection and Biodiversity Conservation Act 1999*.

Proposed action

person to whom the approval is granted Australasian Conference Association Limited acting by its duly authorised agent JPG28 Pty Ltd.

proponent's ACN 000 003 930

proposed action The redevelopment of Wahroonga Estate, Fox Valley, NSW. The development covers an area of approximately 65 ha and includes of an upgrade and expansion of the existing hospital, low, medium and high density private residential dwellings, seniors living and student accommodation, education facilities, a faculty of nursing, commercial /retail floor space and conservation areas.

Approval decision

Controlling Provision	Decision
Listed threatened species and communities (sections 18 & 18A)	Approved
Listed migratory species (sections 20 & 20A)	Approved

conditions of approval

This approval is subject to the conditions specified below

expiry date of approval

This approval has effect until 31 December 2039.

Decision-maker

name and position

Assistant Secretary
Environment Assessment Branch

signature

date of decision 18 June 2010

Conditions Attached to this Approval:

1. The person taking the action must carry out the action in accordance with the final Wahroonga Estate Development Concept Plan (*Annexure 1*) as per the Final Preferred Project Report dated 22 January 2010 and the conditions of this approval. In the event of any inconsistencies, the conditions of this approval prevail to the extent of the inconsistency.
2. In order to minimise potential impacts on EPBC listed threatened species and ecological communities and listed migratory species, prior to any works commencing and in accordance with the statement of commitments and the NSW Director General's Assessment Report (March 2010), the person taking the action must develop a:
 - a) Biodiversity Management Plan with clear objectives, performance criteria and targets, which must include but not be limited to:
 - (i) vegetation management;
 - (ii) pest and weed management;
 - (iii) hydrology and nutrient management;
 - (iv) habitat corridor and linkages management;
 - (v) bushfire management;
 - (vi) measures for long term management of the conservation lands on-site, including but not limited to:
 - clear agreement as to ownership and responsibility of long term management and monitoring of E2 Environmental Conservation zones on-site (*Annexure 2*);
 - a financial commitment to be approved by the department for the long term management of the E2 Environmental Conservation zones on-site.
 - b) Conservation Interface Management Plan with clear objectives, performance criteria and targets, which must address, but not be limited to:
 - (i) measures to protect and manage Turpentine-Ironbark Forest of the Sydney basin Bioregion located in the E2 Environmental Conservation zones from indirect impacts, public access, recreational use and edge effects;
 - (ii) identify areas that will be managed as asset protection zones.

The final versions of these plans must be submitted to the Minister for approval at least 3 months prior to any works commencing. The approved plans must be implemented.

3. Within 10 days of commencement of the action, the person taking the action must advise the department in writing of the actual date of commencement.
4. Within three months of every 12 month anniversary of the commencement of the action, the person taking the action must provide a report to the department demonstrating compliance with the conditions of this approval over the previous 12 months. These reports must be provided to the department each year until the Minister is satisfied that the proponent has complied with all conditions of the approval.

Within three months of every 12 month anniversary of the commencement of the action, the person taking the action must submit to the department a report addressing compliance with the conditions of this approval over the previous 12 months. This report must include details of how the Biodiversity Management Plan required by condition number 2a) and the Conservation Interface Management Plan required by condition number 2b) have been implemented. Annual reports must be provided until the Minister is satisfied that the person taking the action has complied with all conditions of the approval.

5. Upon the direction of the Minister, the person taking the action must ensure that an independent audit of compliance with the conditions of approval is conducted and a report submitted to the Minister. The independent auditor must be approved by the Minister prior

to the commencement of the audit. Audit criteria must be agreed to by the Minister and the audit report must address the criteria to the satisfaction of the Minister.

6. If the person taking the action wishes to carry out any activity otherwise than in accordance with the plans referred to in the conditions of this approval, the person taking the action must submit for the Minister's approval a revised version of any such plan. The varied activity shall not commence until the Minister has approved the varied plan in writing. If the Minister approves such a revised plan, that plan must be implemented in place of the plan originally approved.
7. If the Minister believes that it is necessary or desirable for the better protection of listed threatened species and ecological communities and listed migratory species to do so, the Minister may request that the person taking the action make specified revisions to the plans approved pursuant to the conditions of this approval and submit the revised plan for the Minister's approval. The person taking the action must comply with any such request. The revised approved plan must be implemented. Unless the Minister has approved the revised plan, then the person taking the action must continue to implement the plan originally approved.
8. If, at any time after three years from the date of this approval, the Minister notifies the person taking the action in writing that the Minister is not satisfied that there has been substantial commencement of the action, the action must not thereafter be commenced without the written agreement of the Minister.
9. The person taking the action must maintain accurate records substantiating all activities associated with or relevant to the above conditions of approval, including measures taken to implement the management plans required by this approval, and make them available upon request to the department. Such records may be subject to audit by the department or an independent auditor in accordance with section 458 of the EPBC Act, or used to verify compliance with the conditions of approval. Summaries of audits will be posted on the department's website. The results of audits may also be publicised through the general media.

Definitions:

Commencement of the action: commencement of any works on-site.

Department: The Australian Government Department responsible for the *Environment Protection and Biodiversity Conservation Act 1999*.

E2 Environmental Conservation zones: includes those areas identified on the proposed development site in the NSW State Environmental Planning Policy amendment, gazetted in December 2009.

Minister: The Minister responsible for the *Environment Protection and Biodiversity Conservation Act 1999*.

Substantial commencement: commencement of any works.

Turpentine-Ironbark Forest of the Sydney basin Bioregion: The critically endangered ecological community listed under the *Environment Protection and Biodiversity Conservation Act 1999*.

Works: includes all preparatory works required to be undertaken including clearing vegetation, the erection of any on-site temporary structures and the use of heavy equipment for the purpose of breaking the ground for buildings or infrastructure.

Annexure 1:

Wahroonga Estate Development Concept Plan (Final Preferred Project Report, January 2010)

Annexure 2
State Environmental Planning
Zoning Map



- Project Area
 - Zone
 - Neighbourhood Centre
 - Environment Conservation
 - General Residential
 - Low Density Residential
 - Medium Density Residential
 - High Density Residential
 - Special Activities
 - Category
- Copyright © 2010 © Dept of Land

NOTICE OF RESCISSION

WILD AND EXOTIC ANIMALS PERFORMING

Notice of Rescission from Councillor Steven Holland, Elise Keays and Tony Hall dated 22 September 2010

We, the undersigned, rescind the Motion of 10 August 2010 (Minute No 248) relating to the overturning of the Council's ban on wild and exotic animals performing in travelling circuses.

RECOMMENDATION

That the above Notice of Rescission as printed be adopted.

Steven Holland
**Councillor for
Comenarra Ward**

Tony Hall
**Councillor for
St Ives Ward**

Elise Keays
**Councillor for
Gordon Ward**