

# The infrastructure backlog is growing

About 20% of Council’s local infrastructure is in a poor or very poor condition. The cost to renew this infrastructure is known as the infrastructure backlog.

Without additional funding, the infrastructure backlog is forecast to rise to \$325 million over the next decade – an increase of nearly 40%.

## Examples of where we are now



Around 250km of streets lack footpaths, and existing footpaths are deteriorating.



Limited funding to deliver traffic and transport improvements.



Limited funding to renew parks, sportsfields, courts and recreational facilities.



More than 50% of Ku-ring-gai’s public buildings need to be refurbished, or demolished and rebuilt.

## Examples of where we want to be



Improving accessibility by renewing existing footpaths, including removing trip hazards, and building new footpaths.



More traffic and transport improvements for safer journeys.



Better playing surfaces, lighting, pathways and fencing at sports and recreational facilities.



Buildings which meet modern access, amenity and energy-efficiency standards.

# Learn more and have your say

You are invited to have your say about the rate increase options. Feedback closes on **31 August 2025**.

## Have your say

Go to [krg.nsw.gov.au/srv](http://krg.nsw.gov.au/srv) to:

- Get more information about the options.
- Fill out an online survey.
- Register to attend:
  - An online forum on Tuesday 29 July; and
  - An in-person public forum on Wednesday 13 August.

## Drop-in sessions

You can also talk to Council staff at the following drop-in sessions:

- Saturday 2 August at Gordon Library from 10am-12pm. Translators in Mandarin, Cantonese and Korean will be available.
- Thursday 28 August at St Ives Shopping Village from 2-4pm.

Registration is not required for these events.

## Submissions

Submissions can be:

- Mailed to Ku-ring-gai Council, Locked Bag 1006, Gordon NSW 2072 (quote reference number S14747-2)
- Emailed to [srv@krg.nsw.gov.au](mailto:srv@krg.nsw.gov.au)

## Privacy

Submissions from the general public may be included in Council reports. Personal details will be removed.

## Questions

You can contact us by either emailing [srv@krg.nsw.gov.au](mailto:srv@krg.nsw.gov.au) or phoning 9424 0000.



## Information in your language

### Simplified Chinese

Ku-ring-gai市议会正在就提高市政费的方案征求公众意见。

您可以在8月2日(星期六)上午10点至中午12点前往 Gordon图书馆参加社区咨询会, 与市议会工作人员讨论该项目。活动现场将提供普通话传译服务, 无需预约登记

### Traditional Chinese

Ku-ring-gai市政府正在就提高市政稅的多個選項徵求回饋意見。您可以在8月2日(星期六)上午10時至正午12時在Gordon圖書館舉行的社區公開會議上與市政府員工討論此項目。該活動將設粵語口譯服務。無需預先登記。

### Korean

쿠링가이 카운슬에서는 카운슬 요금 인상에 대한 선택 방안에 관련한 피드백을 구하고 있습니다. 고든 도서관에서 8월 2일 토요일, 오전 10시부터 12시까지 열리는 커뮤니티 드롭인 세션에서 이 프로젝트에 관해 카운슬 직원과 대화를 나눌 수 있습니다. 한국어 번역사가 있으며, 사전 등록은 필요하지 않습니다.



# Have your say on rate increase options

Ku-ring-gai Council is seeking your feedback on rate increase options to address the long-standing deterioration of local infrastructure. Generations of underinvestment have left approximately 20% of assets in poor or very poor condition. Compared to other Sydney councils, Ku-ring-gai’s total rates revenue per resident is lower than average. This limits our ability to fund necessary upgrades.

The summary table below outlines how these rate increase options could provide additional funding for different infrastructure areas. See inside for more detailed information.

	Base Case – No Special Rate Variation	Special Rate Variation Options		
	Deteriorating Infrastructure (Option 1)	Renew Infrastructure (Option 2)	Renew and Enhance Infrastructure (Option 3)	Renew, Enhance and Expand Infrastructure (Option 4)
Total rate increase	3% (assumed)*	22%*	29%*	33%*
Stormwater drains	✗	✓	✓	✓
Buildings (e.g. halls and amenities)	✗	✓	✓	✓
Recreational facilities (e.g. sportsfields and parks)	✗	✓	✓✓	✓✓
Footpaths (fix existing)	✗	✓	✓	✓
Footpaths (build new)	✗	✗	✓	✓
Other infrastructure upgrades (e.g. traffic and transport)	✗	✗	✓	✓✓
St Ives Indoor Sports Centre	✗	✓	✓	✓
Marian Street Theatre	✗	✗	✗	✓

\* All rate increases are inclusive of the NSW Government rate peg (assumed as 3%).

Find out more [krg.nsw.gov.au/srv](http://krg.nsw.gov.au/srv)

Have your say by midnight on **Sunday 31 August 2025**. Scan the QR Code to find out more or visit [krg.nsw.gov.au/srv](http://krg.nsw.gov.au/srv)

# What is the challenge for Council?

Ku-ring-gai Council is facing significant financial challenges to renew and upgrade essential local infrastructure in line with community expectations.



## A growing gap between costs and revenue

Over the past decade, the cost of providing Council services has increased by 40%, but the amount of money collected through rates has only grown by 28%.

This gap is largely due to NSW Government rate pegging, which limits how much revenue councils can collect from rates each year.

Ku-ring-gai's total rates revenue per capita is below the Sydney average, despite having a large infrastructure portfolio to maintain.



## The impact on local infrastructure

This is making it more difficult for Council to maintain, renew and upgrade \$1.8 billion worth of local infrastructure, including buildings, stormwater and drainage, parks and recreational facilities, footpaths and more.

If this situation continues, the quality of infrastructure will continue to decline, with Council required to spend increasing amounts on temporary repairs. This is not an efficient way to allocate ratepayers' funds.

This infrastructure has been deteriorating for generations, due to decades of inadequate funding.




## A commitment to quality infrastructure

Independent research tells us that there is strong support for high-quality local infrastructure.

As a result, Council is seeking feedback on four options, with three of these options increasing rates above the rate peg to help to ensure local infrastructure meets community expectations and modern standards.

Council will continue to run an efficient organisation and maximise revenue from grants and other sources.

Case study




Stormwater and drainage

More than 40% of Council's stormwater and drainage assets are in an unsatisfactory condition.

Some parts of Council's stormwater network have not been upgraded since being built a century ago, increasing the risk of localised flooding.

Without an additional funding source, Council's stormwater assets will continue to deteriorate.

Funding for major projects



As well as funding existing and new local infrastructure, a rate increase also has the potential to help fund two major projects – the St Ives Indoor Sports Centre and Marian Street Theatre at Killara.

Go to [krg.nsw.gov.au/srv](http://krg.nsw.gov.au/srv) to find out more about these projects.

# Have your say on these rate increase options

Council is seeking community feedback on four rate options. Three of these options involve a permanent increase in rates above the NSW Government rate peg (known as Special Rate Variations) to fund improved infrastructure outcomes.

See the back page for how you can have your say.

	Option 1	Option 2	Option 3	Option 4
	Deteriorating Infrastructure Base Case – Rate peg only	Renew Infrastructure 22% increase in rates	Renew and Enhance Infrastructure 29% increase in rates	Renew, Enhance and Expand Infrastructure 33% increase in rates
Description	No special rate variation. Will lead to decline in Council's infrastructure.	Council would be able to deliver improvements to existing stormwater, buildings, footpaths and recreational facilities. This option would also fund the loan for the construction of the St Ives Indoor Sports Centre.	As well as the improvements in the <i>Renew Infrastructure</i> option, Council would also be able to deliver additional recreational facility works and funding for new footpaths and other infrastructure upgrades (such as traffic and transport works).	As well as the improvements in the <i>Renew and Enhance Infrastructure</i> option, Council would also be able to deliver further infrastructure upgrades (including traffic projects) and fund the redevelopment and operation of the Marian Street Theatre.
2026/27 PROPOSED RATE REVENUE INCREASE <sup>1</sup>				
Assumed rate peg <sup>2</sup>	3%	3%	3%	3%
Special Rate Variation	0%	19%	26%	30%
Total	3% (assumed)	22%	29%	33%
ADDITIONAL ANNUAL FUNDING FOR INFRASTRUCTURE RENEWAL AND UPGRADES <sup>3</sup> (indicative allocations)				
Stormwater and drainage	\$0	\$5.9m	\$5.9m	\$5.9m
Buildings (for example halls, amenities and pavilions)	\$0	\$6.7m	\$6.7m	\$6.7m
Recreational facilities (for example sportsfields, parks and open space)	\$0	\$1.5m	\$2.1m	\$2.1m
Footpaths (fix existing)	\$0	\$0.94m	\$0.94m	\$0.94m
Footpaths (build new)	\$0	\$0	\$3.8m	\$3.8m
Other infrastructure upgrades (for example traffic and transport works)	\$0	\$0	\$1.7m	\$2.4m
ADDITIONAL ANNUAL MAJOR PROJECT FUNDING (indicative allocations)				
St Ives Indoor Sports Centre construction loan	\$0	\$1.46m <sup>4</sup>	\$1.46m	\$1.46m
Marian Street Theatre construction loan and operating subsidy	\$0	\$0	\$0	\$2.98m <sup>5</sup>
PROPOSED 2026/27 INCREASE IN AVERAGE RATES <sup>6</sup>				
Residential rates	\$52 (or \$1 a week)	\$378 (or \$7.27 per week)	\$499 (or \$9.60 a week)	\$568 (or \$10.92 a week)
Business rates	\$173 (or \$3.33 a week)	\$1,272 (or \$24.46 per week)	\$1,676 (or \$32.23 a week)	\$1,907 (or \$36.68 a week)

1. For Special Rate Variation options, the proposed increase would be applied once in July 2026 and become a permanent part of Council's rate revenue. From July 2027 onwards, rates would increase in line with the NSW Government rate peg (Council estimates 3% per year). Tables projecting average rate amounts and increases over the coming four years under all options can be accessed at [krg.nsw.gov.au/srv](http://krg.nsw.gov.au/srv)

2. Assumed NSW Government rate peg in 2026/27. The rate peg is expected to be announced by the Independent Pricing and Regulatory Tribunal (IPART) in September-October 2025.

3. Note that the Special Rate Variation options do not include roads renewal because sufficient funding is currently in place to deliver works such as resurfacing and kerb and guttering improvements to reduce the infrastructure backlog for roads renewal over time.

4. Once the loan is repaid in 2031/32, funding will be diverted to other infrastructure upgrades to be determined by the budget process.

5. Once the loan is repaid in 2045/46, most funding (excluding payments for operating subsidy) will be diverted to other infrastructure upgrades to be determined in the budget process.

6. These are average rate increases. Actual increases will vary, depending on property values including official valuation changes.