Our Ku-ring-gai:
Working together

Asset Management Strategy 2025 - 2035

Revised October 2025

Ku·ring·gai Council

Need help?

This document contains important information. If you do not understand it, please call the Translating and Interpreting Service on 131 450 to request the service contact Ku-ring-gai Council on your behalf on T: 02 9424 0000 during business hours, Monday to Friday, 8.30 am - 5.00 pm.

Simplified Chinese

需要帮助吗？

本文件包含重要信息。如果您不理解本文件，请致电翻译口译服务 131 450。 让其代表您致电 9424 0000 联系Ku-ring-gai议会。营业时间：周一至周五，上午8.30—下午5:00。

Traditional Chinese

需要幫助嗎？

本檔包含重要資訊。如果您不理解本檔，請致電翻譯口譯服務 131 450。 讓其代表您致電 9424 0000 聯繫Ku-ring-gai議會。營業時間：週一至週五，上午8.30—下午5:00。

Korean

도움이 필요하십니까?

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

Persian

آیا به کمک نیاز دارید؟

این مدرک حاوی اطلاعات مهمی است. اگر آنها را نمی فهمید، خواهش می کنیم به خدمات ترجمه نوشتاری و گفتاری (Translating and Interpreting Service) به شماره ۱۳۱ ۴۵۰ تلفن کنید و از آن سرویس بخواهید از جانب شما با شهرداری کورینگای (Ku-ring-gai Council) در ساعات کاری، دوشنبه تا جمعه از ساعت ۸:۳۰ صبح تا ساعت ۵:۰۰ بعد از ظهر با شماره تلفن ۰۲ ۹۴۲۴ ۰۰۰۰ تماس بگیرند.

Japanese

ご質問がありますか？

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

Hindi

सहायता चाहिए?

इस दस्तावेज़ में महत्वपूर्ण जानकारी है। यदि यह आपको समझ नहीं आती, तो कृपया अनुवाद और दुभाषिया सेवा को 131 450 पर कॉल करें, और इस सेवा को आपकी ओर से फ़ोन: 02 9424 0000 पर व्यावसायिक घंटों के दौरान, सोमवार से शुक्रवार, सुबह 8.30 से शाम 5.00 बजे तक कू-रिंग-गई काउन्सिल से संपर्क करने के लिए अनुरोध करें।

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

Need assistance with hearing or speaking?

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

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

Voice Relay users: Call 1300 555 727 then ask for 02 9424 0000.

NRS Chat:
Go to www.accesshub.gov.au/services/nrs-chat and enter 02 9424 0000.

For all other assistance options see www.accesshub.gov.au

Need help to access Council's building?

Disability parking and access are available via a ramp and lift, off Radford Place at the rear of Council's building, at 818 Pacific Highway, Gordon, NSW.

Call 02 9424 0000 Monday to Friday 8.30 am - 5.00 pm if you need further assistance.

KU-RING-GAI COUNCIL

818 Pacific Highway, Gordon NSW 2072

P: 02 9424 0000 | **E:** krg@krg.nsw.gov.au

W: krg.nsw.gov.au

Acknowledgment of traditional owners

Ku-ring-gai Council recognises the traditional custodians of the lands and waters, and pays respect to Elders past, present and emerging

Contents

Executive summary 4
Introduction 5
Purpose 5
Strategic context 5
Whole-of-life and whole-of-Council approach 6
Asset management planning approach 6
Current situation 7
Council's infrastructure 7
Asset cost, condition and value 7
Risk management 8
Critical assets 8
Council's allocation of funds 8
Cost to Satisfactory 9
Cost to Agreed 10
Maintenance levels 11
Renewal shortfall 11
Consequences of no intervention 12
Need for intervention 12
Response options 13
Do nothing (Base Case, rate peg only) 13
Reduce Level of Services (LoS) 13
Efficiency gains 13
Special Rate Variation 13
Preferred response 13
Community priorities 14
Special Rate Variation – preferred scenario 15
Roads and kerb & gutter 16
Footpaths 18
Car parks, road structures and bridges 21
Stormwater drainage 22
Stormwater drainage condition review 22
Recreational facilities, parks and playgrounds 25
Buildings 27
Buildings condition review 27
Performance evaluation 30
Asset Management Plans 32
Road and transport assets 32
Footpaths 32
Stormwater drainage 32
Parks and recreational assets 32
Building assets 32

Executive summary

Council manages a diverse portfolio of community assets including roads, footpaths, stormwater infrastructure, buildings, open space, and recreational facilities. These assets are fundamental to supporting the delivery of services, maintaining community wellbeing, and ensuring the Council remains liveable, sustainable, and resilient. The scale and value of these assets make asset management a core responsibility of Council, underpinning both financial sustainability and community confidence.

The Asset Management Strategy sets the direction for how Council will plan, deliver, maintain, renew, and dispose of assets to achieve the objectives outlined in the Community Strategic Plan and Long-Term Financial Plan. It provides the framework for balancing community expectations, service levels, risks, and available resources, while responding to growth, climate change, and emerging challenges.

This Asset Management Strategy works alongside Council's Asset Management Policy and detailed Asset Management Plans to guide decision-making. Together, these documents establish a clear line of sight from high-level policy principles, through strategic priorities, to day-to-day asset management practices.

This Asset Management Strategy prioritises proactive, evidence-based management of assets, supported by improved data, integrated systems, and regular monitoring of performance. It also highlights the need for collaboration across Council, clear accountability, and ongoing communication with the community about service levels and satisfaction.

Through this approach, Council will ensure assets are managed responsibly, equitably, and sustainably. The Strategy provides the pathway to achieving long-term financial sustainability, enhanced service delivery, and stronger resilience for the community now and into the future.

Introduction

Purpose

This Asset Management Strategy (AMS) sets out Ku-ring-gai Council's approach to managing community assets in a sustainable and transparent way, and:

- supports the delivery of the community vision in Council's Community Strategic Plan (CSP)
- aligns with the Long Term Financial Plan (LTFP) and Workforce Management Strategy as part of Council's Resourcing Strategy
- includes Council's Asset management Policy
- is supported by a suite of Asset Management Plans (AMPs).

The AMS guides decision-making, prioritisation, and resource allocation to ensure that Council's assets are managed effectively to support the delivery of services to the community.

Strategic context

The AMS has been developed based on:

- the outcomes and objectives in the Community Strategic Plan 2035
- community engagement outcomes and identified service needs and satisfaction
- a review of Council's service delivery practices and asset management maturity
- financial sustainability indicators and long-term funding considerations

The AMS provides direction for managing Council's assets to meet the broader objectives of the Community Strategic Plan, including:

- protecting and enhancing Ku-ring-gai's unique natural environment
- supporting sustainable urban growth and change
- ensuring infrastructure and assets support community needs
- promoting an inclusive, connected, and safe community
- driving leadership, and service excellence.

The AMS implements the objectives of the Asset Management Policy and aligns with the Integrated Planning and Reporting (IP&R) framework. It supports the Resourcing Strategy, LTFP, Delivery Program and Operational Plan, ensuring that service levels, financial decisions, and infrastructure outcomes reflect Council priorities. By linking strategic asset management to Council's planning and reporting framework, the AMS ensures transparency, accountability, and alignment between long-term infrastructure planning and community expectations.

The AMS is supported by detailed Asset Management Plans[1] for key asset classes:

- Roads, bridges, traffic facilities, kerb and guttering and carparks
- Footpaths
- Stormwater drainage infrastructure

[1] Note that Council is developing an Asset Plan for plant and fleet (including passenger vehicles and operational plant). Council may also develop Asset Plans for IT and other infrastructure in the future.

- Recreational facilities, parks and playgrounds
- Buildings, including community and commercial assets.

Council delivers a variety of services to the community, supported by a diverse asset portfolio. The management of these assets follows a systematic, whole-of-life approach to optimise asset acquisition, maximise utilisation, manage operational and service costs, and maintain assets in a condition that meets service expectations.

Whole-of-life and whole-of-Council approach

To achieve asset management best practices, industry standards and guidelines have been adopted to ensure assets are planned, created, operated, inspected, renewed and disposed of in accordance with Council's service delivery priorities.

This requires a whole-of-Council approach and commitment to strategic asset management.

Whole-of-life cost will be the basis of decision-making by Council in the acquisition of new assets, specifically considering the implications for maintenance and renewal budgets.

The intention is for Council assets to be utilised to their optimum potential to maximise usage and economic performance. An inspection regime and condition-rating system will be used to ensure agreed service levels, intervention methods, and renewal priorities can be determined across all asset classes.

The AMS applies these approaches to asset management, ensuring that all decisions from planning and acquisition through to operation, inspection, renewal, and disposal are made with consideration of Council's service delivery priorities.

Asset management planning approach

The development of this Strategy follows a structured asset management planning process, including:

- Identifying community and stakeholder needs, legislative requirements, and service expectations
- Reviewing current asset condition, performance, and risk exposure
- Linking asset management decisions to long-term financial planning and service level commitments
- Supporting the delivery of services in a sustainable, cost-effective, and transparent manner.

This approach provides the current situation detailed in the next section, where Council's asset backlog, service gaps and maintenance requirements are assessed over a ten-year horizon, forming the basis for subsequent response options and service level review.

Current situation

Council's infrastructure

Council's infrastructure assets include roads and transport assets, footpaths, recreational facilities, buildings and stormwater drainage. Recent assessments of the asset portfolio have highlighted growth in asset quantity and emerging renewal and maintenance needs. This strategy provides a framework for sustainably managing these assets, ensuring they continue to deliver the required levels of service to the community while optimising lifecycle costs. The estimated cost to fully renew all assets currently in an unsatisfactory condition in 2025/26 is $194 million ($197 million as of 30 June 2025).

Asset cost, condition and value

Council reports the cost, condition and value of assets annually in its Financial Statements. In 2024/25, infrastructure asset values were reported as follows:

Infrastructure asset values 2024/25	Net carrying amount (WDV) $'000	Gross replacement cost $'000
Buildings	162,994	256,655
Other structures	18,866	25,111
Road and transport assets	577,702	877,529
Drainage	277,321	517,019
Open space recreational assets	103,848	169,982
Total	1,140,731	1,846,296

Table 1: Infrastructure Asset Values

Roads, transport, and drainage constitute the majority of Council's infrastructure portfolio. Community feedback highlights these assets, along with parks and gardens, as highest priority. The AMS therefore prioritises these assets while guiding funding for all essential infrastructure.

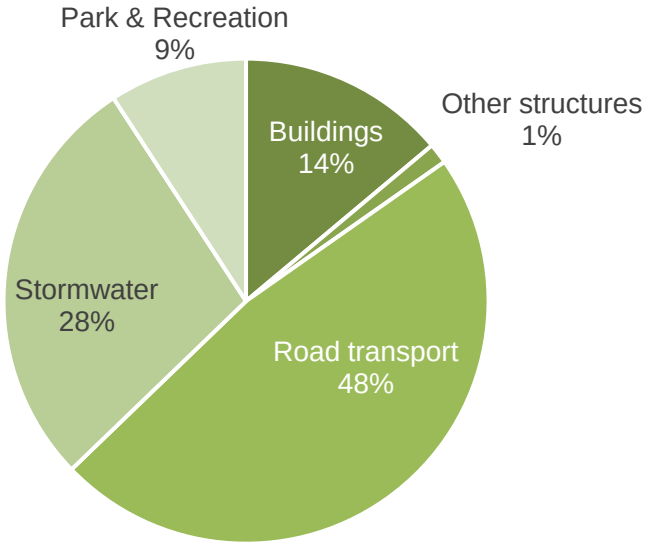

Figure 1: Composition of Assets: Percentage (%) of Total Gross Replacement Cost Ku-ring-gai Council All Asset Classes

Risk management

Council's asset management practices integrate risk management principles throughout strategic and operational processes. However, it is important that the risk management practices are consistent and documented across all of these processes. Council's asset risk management is undertaken as part of individual asset management plans through Council's established Enterprise Risk Management Framework (ERM).

Over the past year, Council has further advanced its risk management capabilities. The comprehensive Enterprise Risk Management (ERM) Framework has been implemented encompassing the ERM Policy, ERM Strategy, Risk Appetite Statement and Risk Register. These elements align with AS ISO 31000:2018, the OLG Guidelines for Risk Management & Internal Audit in Local Government and establish the overarching direction for Council's risk-taking boundaries and governance approach.

Council is undertaking independent ERM maturity assessments, ensuring Council remains on track toward its target maturity level.

Critical assets

Critical assets are those assets where the financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation. The following buildings are essential for Council's operations and outcomes and are considered critical assets:

- Council's administration buildings located at 818 Pacific Highway Gordon and 31 Bridge Street Pymble
- Council works depot located at 5 Suakin Street Pymble.

The risks associated with these assets include public health and safety, business continuity and emergencies. As part of the ongoing revision of Council's Asset Management Plans, further investigation into critical assets and the development of tailored maintenance strategies will be undertaken. These will help ensure continuity of service delivery and safeguard operational resilience.

As part of Council's commitment to ensuring readiness in the event of a major disruption, annual Business Continuity Planning (BCP) training and exercises are conducted. During these sessions, the Crisis Management Team (CMT), Incident Management Team (IMT), and their subordinate staff are regularly trained and exercised on realistic crisis scenarios, including asset-related emergencies. These exercises are designed to test Council's response capability, validate existing procedures, and strengthen communication and decision-making under pressure.

Council's allocation of funds

Council has undertaken whole-of-life cost assessment of Council's assets. This assessment has confirmed that current funding levels are insufficient to meet the long-term renewal and maintenance needs of the assets. This is creating a widening gap between what is required to sustain assets at agreed service levels and what is actually budgeted.

Cost to Satisfactory

The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset that is currently not at the condition determined to be satisfactory by Council and community, this is commonly referred to as the backlog. This indicator should not include any planned enhancements. However, it is noted that in practical terms, the asset will be renewed at the time of work.

The estimated cost to bring assets to a satisfactory standard (CTS) currently stands at $93.7 million (2025/26). Table 2 and Figure 2 illustrate that Council does not have adequate funds to meet the current level of service.

	2025/26	*2026/27*	*2027/28*	*2028/29*	*2029/30*	*2030/31*	*2031/32*	*2032/33*	*2033/34*	*2034/35*
Buildings	34,167	36,821	41,037	45,375	49,910	54,574	59,369	64,300	69,371	74,585
Road & Transport	18,435	18,033	17,296	15,964	15,032	15,468	16,218	8,949	7,378	8,574
Stormwater	40,643	44,360	48,143	52,035	56,200	60,482	64,880	69,396	74,024	78,642
Parks & Recreation	409	818	2,227	4,940	8,242	10,688	13,992	15,563	17,001	19,266
Total	**93,655**	**100,032**	**108,703**	**118,313**	**129,385**	**141,211**	**154,459**	**158,208**	**167,774**	**181,067**

Table 2: Infrastructure Backlog - Cost to Bring to Satisfactory (Base Case, rate peg only) ($'000)

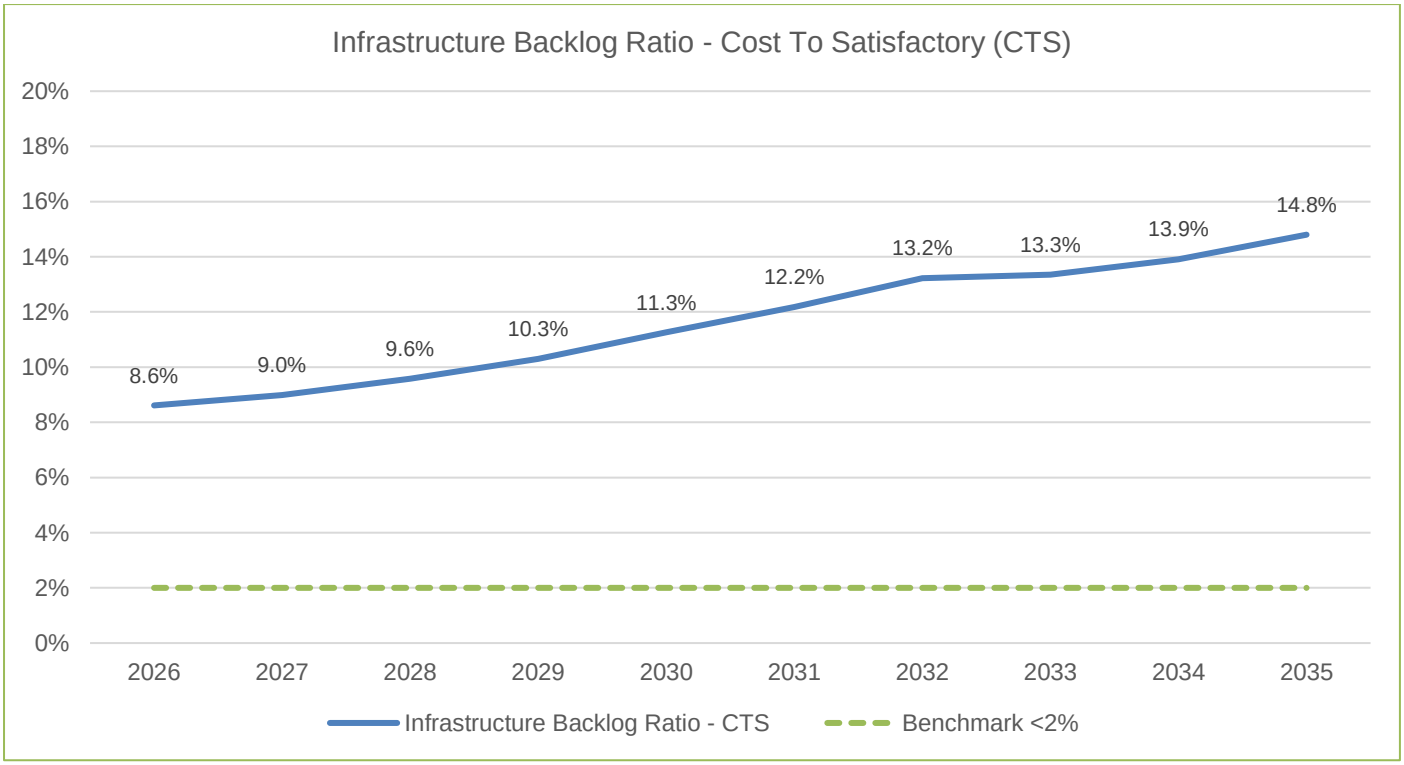

Figure 2: Infrastructure Backlog Ratio – Cost to Satisfactory (CTS) (Base Case, rate peg only)

Cost to Agreed

The cost to bring to the agreed level of service (CTA) is an estimate of the cost to renew or rehabilitate existing assets that have reached the condition-based intervention level adopted by Council. In other words, the cost to bring all assets that are in an unsatisfactory condition up to Condition 1.

When assessed against this higher benchmark, this figure increases to $194 million. Over the past decade, the backlog has grown significantly, particularly following recent reassessments of stormwater and building assets. Projections indicate that without intervention, this backlog will continue to escalate, placing greater pressure on Council's financial position and service delivery capacity.

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Buildings	63,166	65,820	70,036	74,374	78,909	83,573	88,368	93,299	98,370	103,584
Roads & Transport	83,616	83,020	82,357	81,157	81,348	81,784	82,534	75,138	67,375	68,286
Stormwater	40,643	44,360	48,143	52,035	56,200	60,482	64,880	69,396	74,024	78,642
Parks & Recreation	6,667	7,076	8,485	11,198	14,500	16,946	20,250	21,821	23,259	25,524
Total	**194,092**	**200,276**	**209,022**	**218,763**	**230,958**	**242,784**	**256,032**	**259,654**	**263,027**	**276,036**

Table 3: Infrastructure Backlog - Cost to Bring to Agreed Level of Service (Base Case, rate peg only) ($'000)

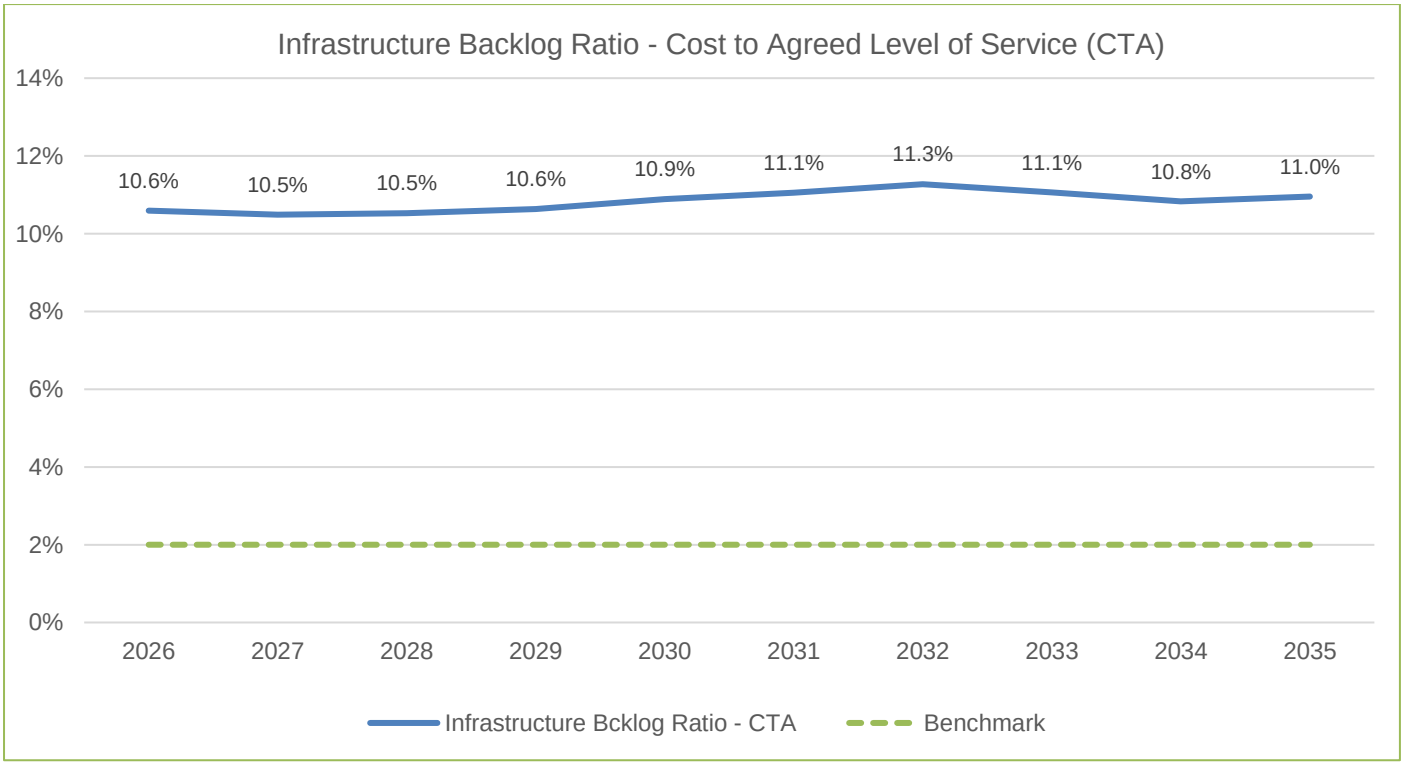

Figure 3: Infrastructure Backlog Ratio – Cost to Agreed Level of Service (CTA) (Base Case, rate peg only)

Maintenance levels

Maintenance expenditure has consistently tracked below benchmark levels. The asset maintenance ratio fell below the Office of Local Government benchmark of 100% in 2024/25 and is projected to remain below this threshold across the life of the LTFP without intervention. This demonstrates that maintenance funding is not keeping pace with asset growth or required service levels. Underfunding maintenance increases reliance on reactive works, raising costs over time and reducing asset reliability. It is expected that an increased injection of capital expenditure would reduce the need for maintenance funds over time. However, the council will review maintenance needs in 3 years' time to improve our asset management.

Asset maintenance - required by asset class $'000 (Base case – rate peg)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Buildings	5,333	5,562	5,846	6,007	6,172	6,342	6,516	6,695	6,878	7,067
Road transport	6,062	6,368	6,713	7,078	7,356	7,690	8,035	8,406	8,809	9,154
Stormwater	1,859	1,909	1,961	2,015	2,069	2,125	2,181	2,238	2,298	2,361
Parks and recreation	6,891	7,438	7,763	8,096	8,392	8,712	9,079	9,529	10,020	10,922
Total required	**20,144**	**21,277**	**22,284**	**23,196**	**23,990**	**24,868**	**25,810**	**26,868**	**28,005**	**29,504**
Actual maintenance	18,895	19,556	20,241	20,949	21,682	22,441	23,227	24,040	24,881	25,752
Variance (actual less required)	**-1,249**	**-1,720**	**-2,043**	**-2,247**	**-2,307**	**-2,427**	**-2,584**	**-2,829**	**-3,124**	**-3,752**

Table 4: Maintenance Requirements vs Current Maintenance allocations

Renewal shortfall

Council's Buildings and Infrastructure Renewal Ratio was 46.4% as at 30 June 2025, well below the benchmark of >100%. This reflects the significant gap between asset consumption and asset renewal. Projections under the current base rate show that renewal funding will continue to lag behind depreciation, resulting in accelerated deterioration, increased community risk, and reduced long-term sustainability.

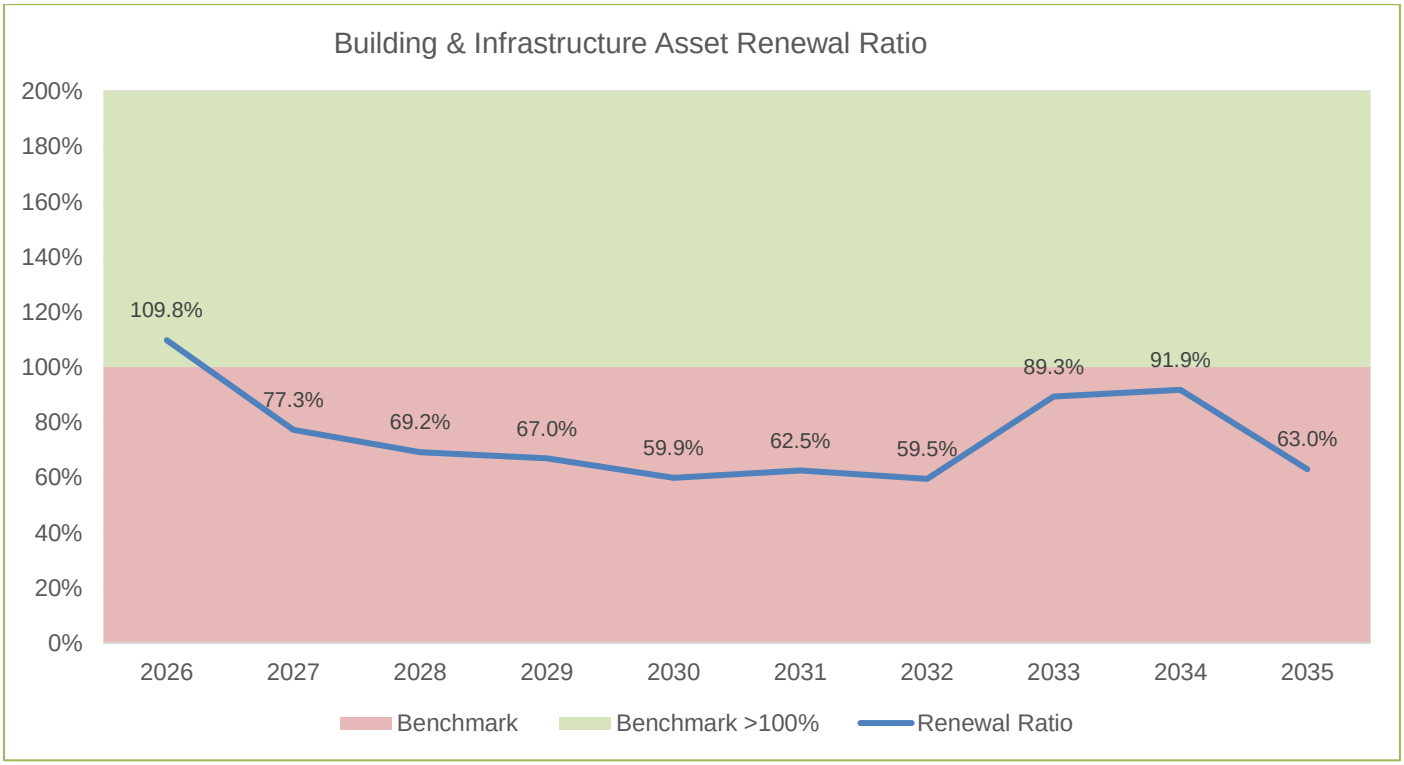

Figure 4: Building and Infrastructure Renewal Ratio Projection (Base Case, rate peg only)

Consequences of no intervention

If current expenditure levels are maintained under the Base Case (rate peg only) scenario:

- asset deterioration will continue to outpace renewal, increasing the backlog year on year
- reactive maintenance will rise, driving higher operational costs
- community service levels will decline as more assets fall below acceptable condition
- long-term liabilities will increase, reducing Council's capacity to invest in future priorities.

Need for intervention

The gap between required and actual funding is clear across all asset classes. Without adequate intervention, Council will be unable to maintain its infrastructure at sustainable levels. Addressing this gap is essential to safeguard service delivery, manage risk, and ensure that assets remain safe and functional for the community.

Response options

Council faces a clear infrastructure funding gap, with renewal and maintenance needs exceeding the resources available under the current funding structure. To address this challenge, a range of response options are considered.

Do nothing (Base Case, rate peg only)

Continuing with the base case means accepting ongoing underfunding. This would result in further asset deterioration, rising maintenance costs, an increasing infrastructure backlog and declining community service levels. Over time, this approach creates greater long-term liabilities and risks.

Reduce Level of Services (LoS)

Council could consider reducing or discontinuing services to redirect funds toward asset renewal. However, many of Council's services are essential and highly valued by the community. This importance was highlighted in the last community survey in 2024. Additionally significant cuts would reduce quality of life, undermine community wellbeing and may be inconsistent with Council's adopted Community Strategic Plan.

Efficiency gains

While ongoing efficiencies are embedded in Council's operations, and efficiency improvements will continue to be pursued, the scale of the infrastructure funding gap far exceeds what can realistically be achieved through further internal efficiency measures.

Special Rate Variation

The introduction of a Special Rate Variation (SRV) provides a sustainable funding source dedicated to addressing the ongoing infrastructure gap. This investment will allow Council to:

- fund a proactive renewal program across all asset classes
- maintain the Building and Infrastructure Asset Renewal Ratio at greater than 100%
- reduce reliance on costly reactive maintenance
- reduce civil liability and risk
- ensure long-term financial sustainability while continuing to deliver valued community services.

Preferred response

Financial analysis undertaken confirms that only the SRV option provides sufficient resources to close the infrastructure funding gap while maintaining service delivery. Unlike the other options, the SRV:

- directly aligns funding with the scale of identified renewal needs
- minimises long-term costs by addressing renewal backlogs now, rather than allowing deterioration to accelerate
- preserves existing service levels without requiring large-scale cuts to community programs or assets
- provides a structured, transparent and sustainable funding approach consistent with the Office of Local Government's financial sustainability benchmarks

In summary, the SRV is the only response option that enables Council to meet renewal requirements, address the infrastructure backlog, and continue delivering safe, reliable and fit-for-purpose assets for the community.

Community priorities

The 2024 Community Research Report asked respondents to state their levels of importance and satisfaction to a range of Council services and facilities. This report found that road assets, footpaths and drainage were areas with high importance but lower levels of satisfaction, and therefore should be the focus of Council attention.

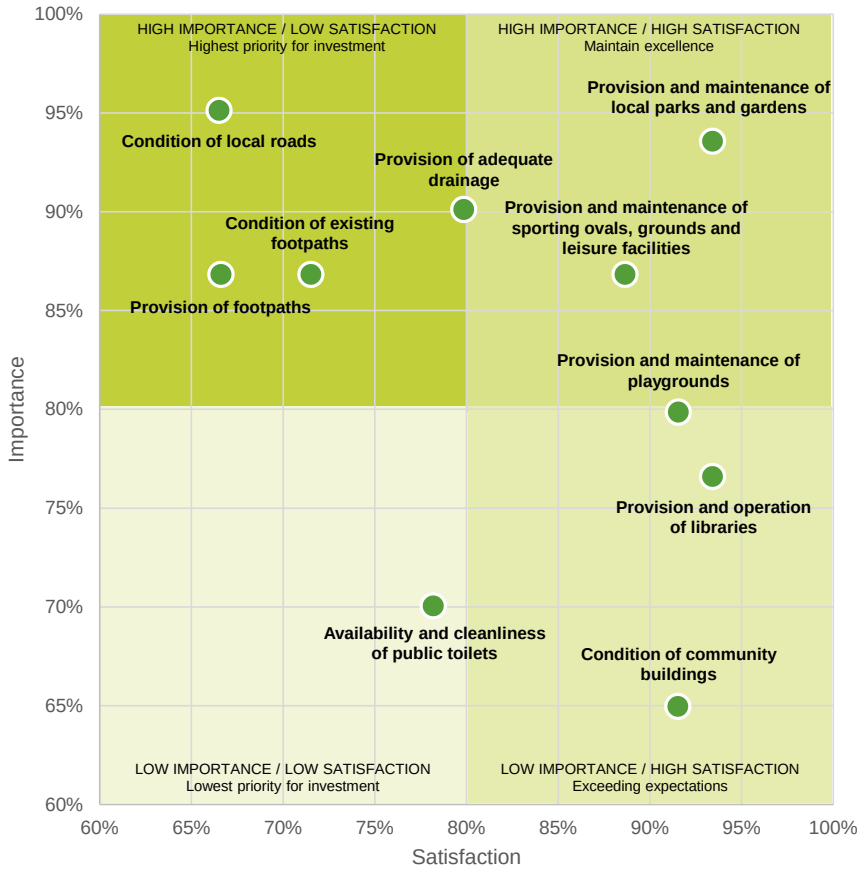

Figure 5: Community research importance / satisfaction matrix. Note: Importance refers to the aggregate percentage (%) score of the top two scores. (i.e. important and very important). Satisfaction refers to the aggregate percentage (%) score of the top three scores (i.e. somewhat satisfied, satisfied and very satisfied). Source: 2024 Community Research Report (Micromex)

The same report asked the community whether they were willing to pay higher rates to fund certain asset classes. The SRV options will also provide a substantial increase in renewal funding to asset classes that the majority of the community was at least somewhat supportive of paying higher rates to address, as outlined in the table below:

Asset Area	% of residents at least somewhat supportive of paying higher rates	Funded by SRV Option
Parks and Sportsgrounds	74%	Yes
Roads	73%	Yes (traffic facilities)
Footpaths	69%	Yes
Stormwater Drainage	62%	Yes
Public Toilets	59%	Yes
Swimming Pools	56%	Yes (KFAC upgrade)
Theatres	54%	No
Other Cultural Facilities	53%	No
Community Buildings	52%	Yes

Table 5: Percentage of residents supportive of higher rates for assets. Source: 2024 Community Research Report 2024 (Micromex)

Special Rate Variation – preferred scenario

Under this scenario, Council would in 2026/27 increase rates by 29%, including a 24.6% SRV and 4.4% rate peg in 2026/27. This option represents the best balance between service outcomes, backlog reduction and affordability.

- **Backlog reduction:** This scenario delivers a strong and efficient backlog outcome. By 2034/35, the Cost to Satisfactory (CTS) backlog reduces from $93.7 million to $23 million (a reduction of $70 million or 75%), and Cost To Agreed (CTA) backlog falls from $194.1 million to $116.5 million (a reduction of $75 million or 39%). This compares to the Base Case where both the CTS and CTA backlog record substantial growth.
- **Balanced funding**: Provides $20.7 million in additional annual funding, covering renewals for stormwater, buildings, recreation, and footpaths, plus enhancements for new footpaths ($2.1 million) and traffic and transport upgrades ($1.7 million)
- **Enhancement connectivity and accessibility:** This is achieved through improved traffic facilities (e.g. signals, crossings, refuge islands and accessible bus stops) and improved mobility for people with a disability, prams and seniors. The preferred rate increase scenario will also deliver enhanced walking and cycling connections to make it safer and easier to access schools, shops, parks, and public transport.
- **Community priorities:** Aligns with community feedback and research, which highlighted road assets, footpaths and drainage as areas of high importance but low satisfaction.
- **Financial sustainability:** Strengthens Council's operating position, generating stable ongoing funding and reducing reliance on reactive repairs and accommodate/ enhancing road safety

This scenario provides the funding necessary to significantly reduce infrastructure backlogs across all major asset classes. By increasing renewal and upgrade investment, Council can address long-standing deficiencies, align infrastructure capacity with forecast demand, and improve community resilience to growth and climate pressures. This option also enables targeted investment in recreational facilities, new footpaths, and other upgrades such as traffic and transport improvements.

	2025/26	*2026/27*	*2027/28*	*2028/29*	*2029/30*	*2030/31*	*2031/32*	*2032/33*	*2033/34*	*2034/35*
Buildings	34,167	30,121	27,470	24,775	22,109	19,399	16,643	13,842	10,995	8,101
Road & Transport	18,435	17,122	15,482	13,256	11,786	11,530	11,643	3,667	375	1,274
Stormwater	40,643	38,460	35,114	31,706	28,397	25,025	21,584	18,074	15,730	13,209
Parks & Recreation	409	0	0	0	358	713	1,876	1,254	447	413
Total	**93,655**	**85,703**	**78,066**	**69,737**	**62,650**	**56,666**	**51,746**	**36,838**	**27,546**	**22,996**

Table 6: Infrastructure Backlog - Cost to Bring to Satisfactory – Preferred Scenario - SRV ($'000)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Buildings	63,166	59,120	56,469	53,774	51,108	48,398	45,642	42,841	39,994	37,100
Roads & Transport	83,616	82,142	80,643	78,653	78,102	77,846	77,959	69,983	61,186	62,155
Stormwater	40,643	38,460	35,114	31,706	28,397	25,025	21,584	18,074	15,730	13,209
Parks & Recreation	6,667	5,176	4,638	5,357	6,616	6,971	8,134	7,512	6,705	6,671
Total	**194,092**	**184,898**	**176,864**	**169,489**	**164,223**	**158,239**	**153,319**	**138,411**	**123,615**	**119,134**

Table 7: Infrastructure Backlog - Cost to Bring to Agreed Level of Service – Preferred Scenario - SRV ($'000)

Roads and kerb & gutter

The road network backlog can already be eliminated under the Base Case scenario without additional SRV funding. The cost to bring the network to a satisfactory standard fall from $16.9 million in 2025/26 to zero by 2033, showing a clear pathway to sustainability within existing funding. For this reason, this asset class has not been nominated for Special Rate Variation (SRV) funding.

Roads and kerb and gutter backlog

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	16,860	15,611	14,245	12,234	10,341	8,487	6,957	1,771	0	0
Backlog - CTA	75,619	74,370	73,004	70,993	69,100	67,246	65,716	60,530	54,994	53,324
Renewal	11,597	10,663	11,122	12,097	12,264	12,648	12,717	16,678	17,335	13,778
New/Upgrade	1,089	6,829	6,416	5,247	2,270	9,808	7,219	1,460	1,602	799
Maintenance	1,423	1,473	1,524	1,578	1,633	1,690	1,749	1,811	1,874	1,940

Table 8: Roads and Kerb & Gutter Backlog, Capital and Maintenance Projections

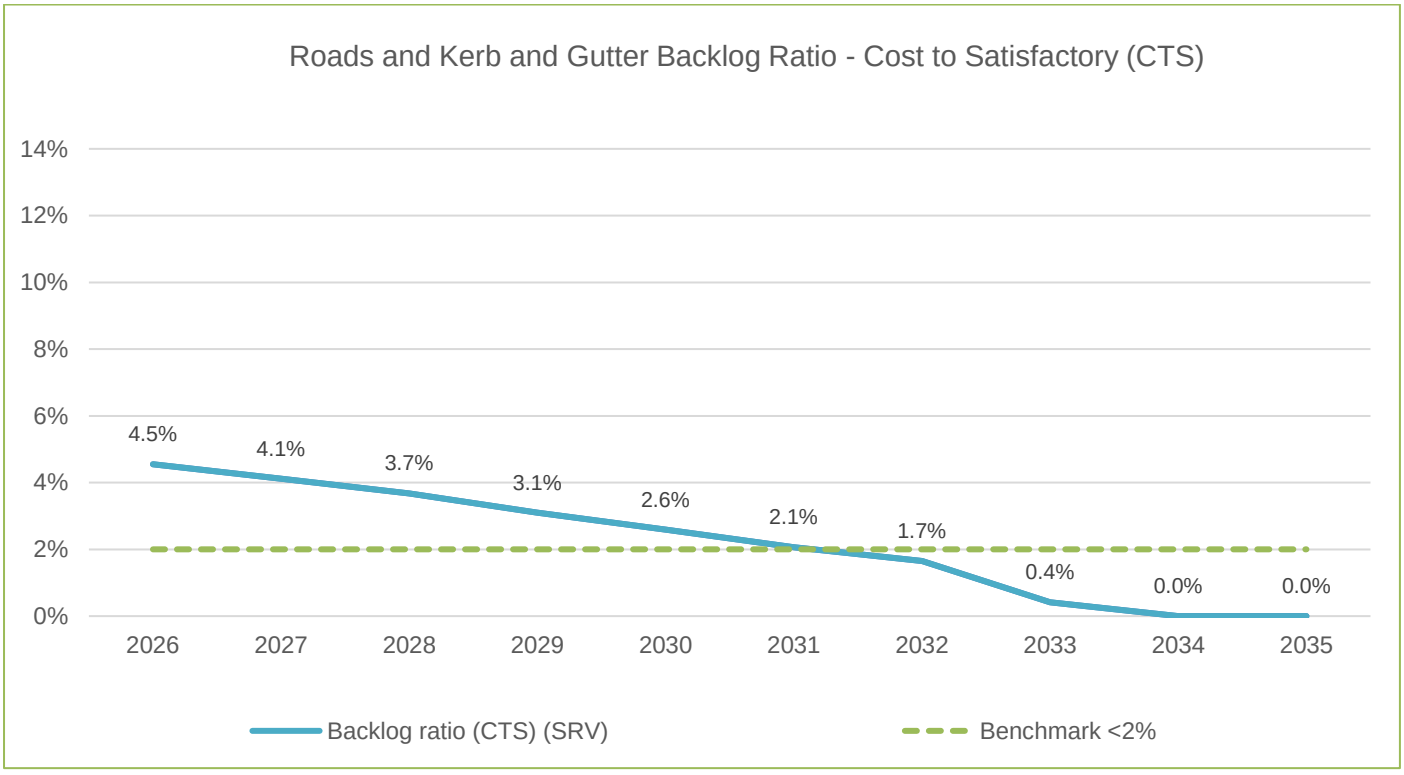

Figure 6: Roads and Kerb & Gutter Backlog Ratio – Cost to Satisfactory

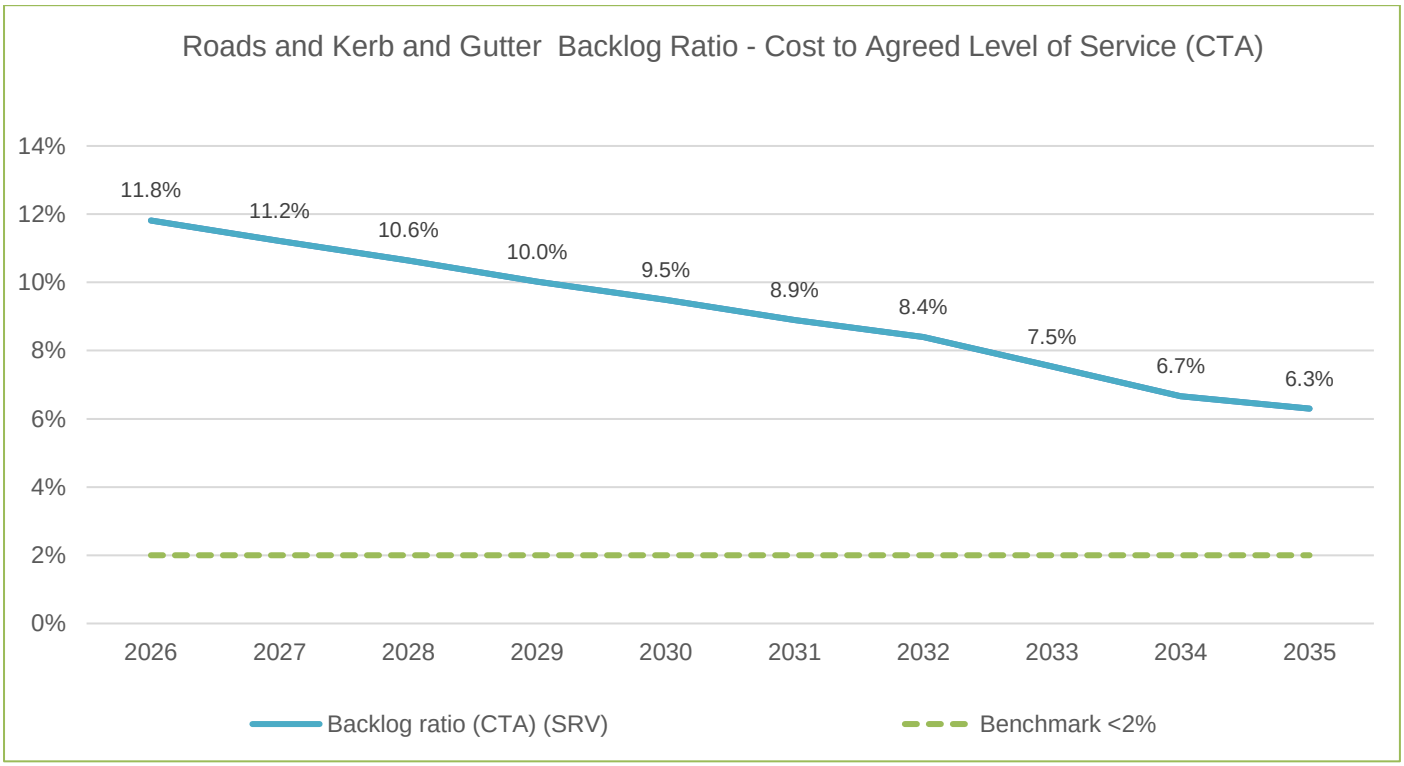

Figure 7: Roads and Kerb & Gutter Backlog Ratio – Cost to agreed level of service

Footpaths

Under the preferred rate increase scenario, the footpath backlog is contained at around $0.7M, compared with the Base Case (rate peg only) where the backlog escalates to more than $8 million. The preferred option also prevents growth in the backlog against the agreed service level, reflecting community expectations for expanded upgrades.

Tables below present the projected capital and maintenance expenditure, along with backlog forecasts for both scenarios over the next ten years. These backlog projections are based on the reported Cost to Satisfactory (CTS).

Footpaths backlog (Base Case – rate peg)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	1,575	2,422	3,051	3,730	4,428	5,233	6,416	7,178	7,378	8,574
Backlog - CTA	6,577	7,424	8,053	8,732	9,430	10,235	11,418	12,180	12,380	13,576
Renewal	1,316	801	1,105	1,146	1,218	1,200	899	1,431	2,132	1,244
New/upgrade	2,423	1,742	3,224	3,402	3,262	2,929	1,934	4,162	6,070	3,438
Maintenance	1,097	1,135	1,175	1,216	1,259	1,303	1,349	1,396	1,445	1,495

Table 9: Footpaths Backlog, Capital and Maintenance Projections – Base Case ($'000)

Footpaths backlog (SRV)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	1,575	1,511	1,237	1,021	836	768	1,091	1,006	375	754
Backlog - CTA	6,577	6,513	6,239	6,023	5,838	5,770	6,093	6,008	5,377	5,756
Renewal	1,316	1,741	2,069	2,133	2,228	2,235	1,958	2,516	3,243	2,381
New/upgrade	2,423	3,842	5,376	5,606	5,519	5,240	4,301	6,586	8,552	5,979
Maintenance	1,097	1,135	1,175	1,216	1,259	1,303	1,349	1,396	1,445	1,495

Table 10: Footpaths Backlog, Capital and Maintenance Projections – Preferred Scenario - SRV ($'000)

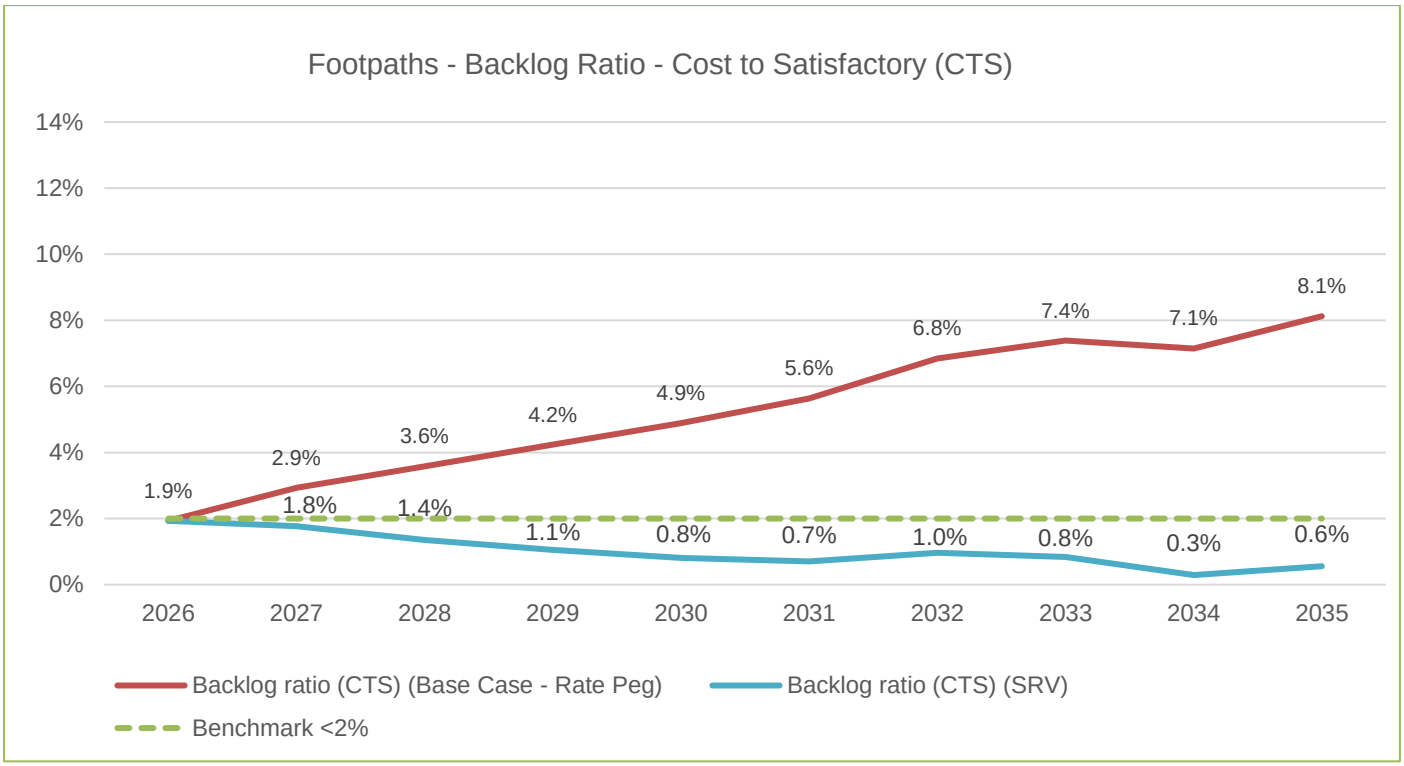

Figure 8: Footpaths Backlog Ratio – Cost to Satisfactory

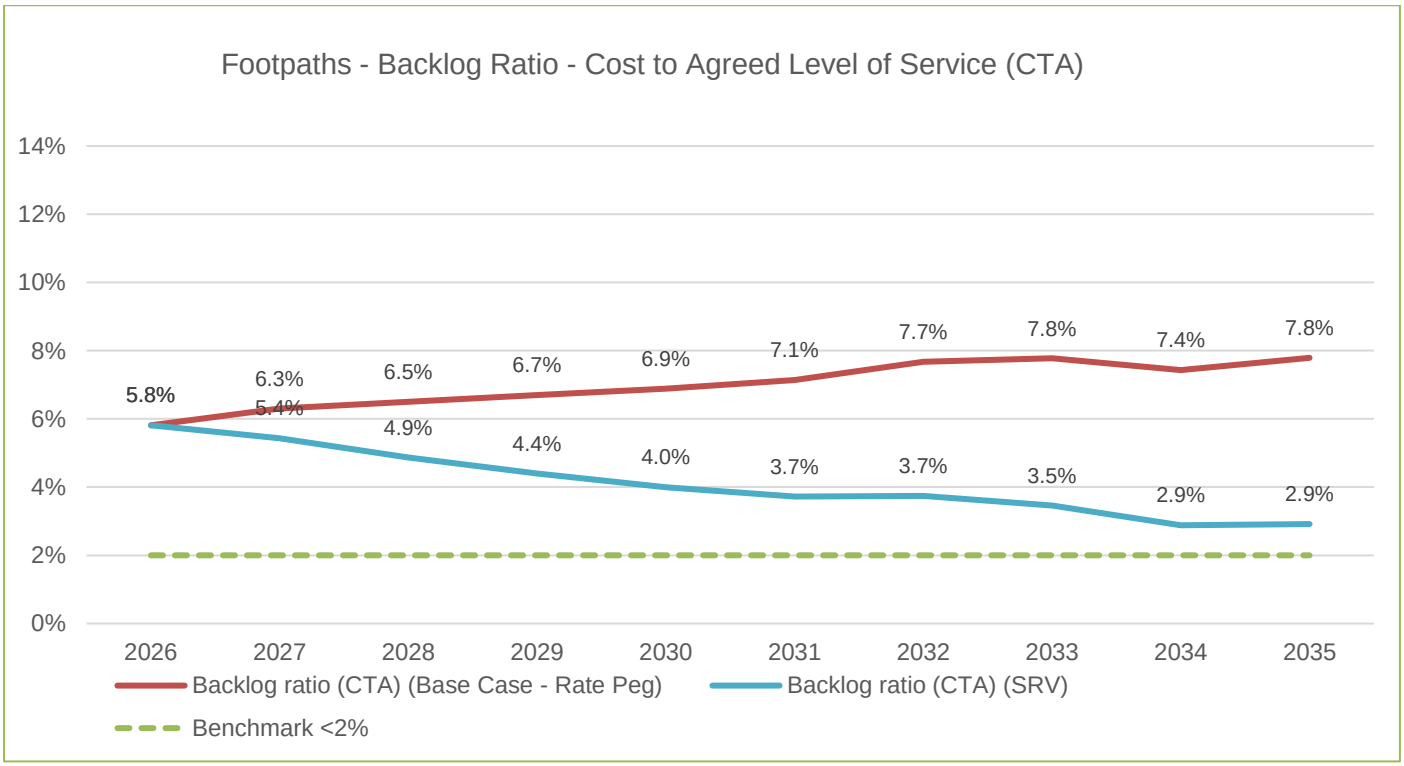

Figure 9: Footpaths Backlog Ratio – Cost to Agreed Level of Service

New footpaths

Across the Local Government Area, an estimated 250 km of new footpaths are required to achieve a network with at least a footpath on one side of every street, while a further 620 km would be needed to provide footpaths on both sides.

Current funding levels are insufficient to fund the renewal of the existing footpath network or deliver new paths at the rate expected by the community. The demographic of the community is changing. With the increase in the average age of the community, there is a greater need to increase footpath on at least one side of the street proportional to the rate of change in demographic. The current annual allocation is only enough to achieve one side of every street by approximately 2082.

The preferred rate increase scenario would increase the annual budget for new footpaths by $2.1 million. This increase in funding will enable a footpath on one side of every street approximately by 2052 instead of 2082. The new footpath network will be made compliant with accessibility standards.

Once this target is met, Council will redirect the additional funding towards completing the second side of streets, ensuring that footpaths are progressively constructed on both sides of the road in line with long-term community expectations.

Car parks, road structures and bridges

The backlog for road structures, car parks and bridges is projected to be managed effectively, with the CTS backlog eliminated by 2033. The backlog against the agreed service level is also expected to be addressed by 2033/34 and then maintained at a sustainable level. As a result, this asset class does not require additional funding through the SRV.

However, Council has identified a critical funding shortfall for traffic and transport assets, including Disability Standard for Accessible Public Transport (DSAPT) compliance for bus stops. Priority safety works including roundabouts, median islands, and wombat crossings are unfunded in the Base Case, despite being recognised as essential. Under the preferred rate increase scenario, an additional $1.7 million per year is allocated to deliver these upgrades. This investment addresses the current funding gap and enables Council to implement targeted road safety improvements across the LGA.

Car parks, road structures and bridges backlog (Base Case – Rate peg)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	-	-	-	-	264	1,748	2,844	-	-	-
Backlog - CTA	1,419	1,226	1,300	1,432	2,819	4,303	5,399	2,428	-	1,386
Renewal	3,893	1,978	1,883	2,019	867	895	1,448	5,701	5,852	1,169
New/upgrade	6,984	5,878	6,630	7,446	2,598	3,551	5,431	6,311	5,823	4,381
Maintenance	1,342	1,389	1,438	1,488	1,540	1,594	1,650	1,708	1,768	1,830

Table 11: Car Parks, Road Structures and Bridges Backlog, Capital and Maintenance Projections – Base Case ($'000)

Car parks, road structures and bridges backlog (SRV)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	-	-	-	-	610	2,275	3,595	890	-	520
Backlog - CTA	1,419	1,259	1,401	1,636	3,165	4,830	6,150	3,445	815	3,075
Renewal	3,893	1,978	1,883	2,019	867	895	1,448	5,701	5,852	1,169
New/upgrade	6,984	7,578	8,373	9,231	4,425	5,422	7,347	8,273	7,832	6,439
Maintenance	1,342	1,389	1,438	1,488	1,540	1,594	1,650	1,708	1,768	1,830

Table 12: Car Parks, Road Structures and Bridges Backlog, Capital and Maintenance Projections – Preferred scenario - SRV ($'000)

Stormwater drainage

Under the preferred rate increase scenario, the stormwater backlog is significantly reduced, falling from $41 million in 2025/26 to approximately $13 million by 2034/35. This represents a reduction of almost two-thirds compared with the Base Case, where the backlog escalates to around $78 million over the same period, placing increasing pressure on network performance. The additional funding provided through increased rates enables stronger drainage capacity, reduces flood risks, and improves overall resilience of the network.

The revised valuation methodology of componentisation treats the agreed level of service as equivalent to the CTS. Once a drainage pipe is relined, its condition rating improves directly from 4 or 5 to 1, restoring the asset to near-new condition. This ensures long-term service outcomes are achieved with greater certainty and supports sustainable backlog management.

Stormwater drainage condition review

Ku-ring-gai Council is responsible for around 12,000 stormwater drainage pipes which are predominantly located under road reserves and run to a length of nearly 300km. Council is also responsible for around 12,100 drainage pits, headwalls or other inlet structures, and a range of open drainage channels. In 2023/24, the gross replacement cost (GRC) of stormwater assets was $512 million.

This stormwater system plays a crucial role draining rainwater from private and public buildings, streets and open space, particularly during heavy rainfall events.

However, Council's stormwater infrastructure has largely not been renewed since being built when the Ku-ring-gai area was first developed between the early to mid -1900s.

In 2022/23, Council conducted a comprehensive revaluation of its stormwater assets which uncovered that these assets were in a more deteriorated state than had been previously assumed. Examples of deterioration included pipe blockages, joint failure and cracking, and tree root and other foreign object intrusion.

Council followed this revaluation with an external review of stormwater assets, which was undertaken in 2023/24. This review involved the collection of additional CCTV data and an independent assessment of the conditions, useful lives and performing a revaluation of stormwater assets.

This review estimated that 43% of Council's stormwater assets were classified as being in a poor or very poor condition, with many of the assets coming to the end of their useful life and not operating as efficiently as they should.

The review introduced a new optimal renewal methodology, resulting in reduced depreciation costs. The methodology identified that stormwater pipes in certain conditions could be renewed more cost-effectively by adding a new inner lining, a process known as re-lining, eliminating the need for full replacement. This approach significantly lowers renewal costs while maintaining the functionality and longevity of stormwater pipes.

Stormwater backlog (Base Case - Rate peg)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	40,643	44,360	48,143	52,035	56,200	60,482	64,880	69,396	74,024	78,642
Backlog - CTA	40,643	44,360	48,143	52,035	56,200	60,482	64,880	69,396	74,024	78,642
Renewal	1,981	1,122	1,190	1,218	1,079	1,105	1,131	1,159	1,198	1,367
New/upgrade	954	1,013	1,422	1,456	817	1,202	856	877	1,012	1,551
Maintenance	910	942	975	1,009	1,044	1,081	1,118	1,157	1,198	1,240

Table 13: Stormwater Drainage Backlog, Capital and Maintenance Projections – Base Case ($'000)

Stormwater backlog (SRV)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	40,643	38,460	35,114	31,706	28,397	25,025	21,584	18,074	15,730	13,209
Backlog - CTA	40,643	38,460	35,114	31,706	28,397	25,025	21,584	18,074	15,730	13,209
Renewal	1,981	7,022	8,318	8,518	8,554	8,759	8,969	9,185	8,170	8,507
New/upgrade	954	1,013	1,422	1,456	817	1,202	856	877	1,012	1,551
Maintenance	910	942	975	1,009	1,044	1,081	1,118	1,157	1,198	1,240

Table 14: Stormwater Drainage Backlog, Capital and Maintenance Projections – Preferred scenario - SRV ($'000)

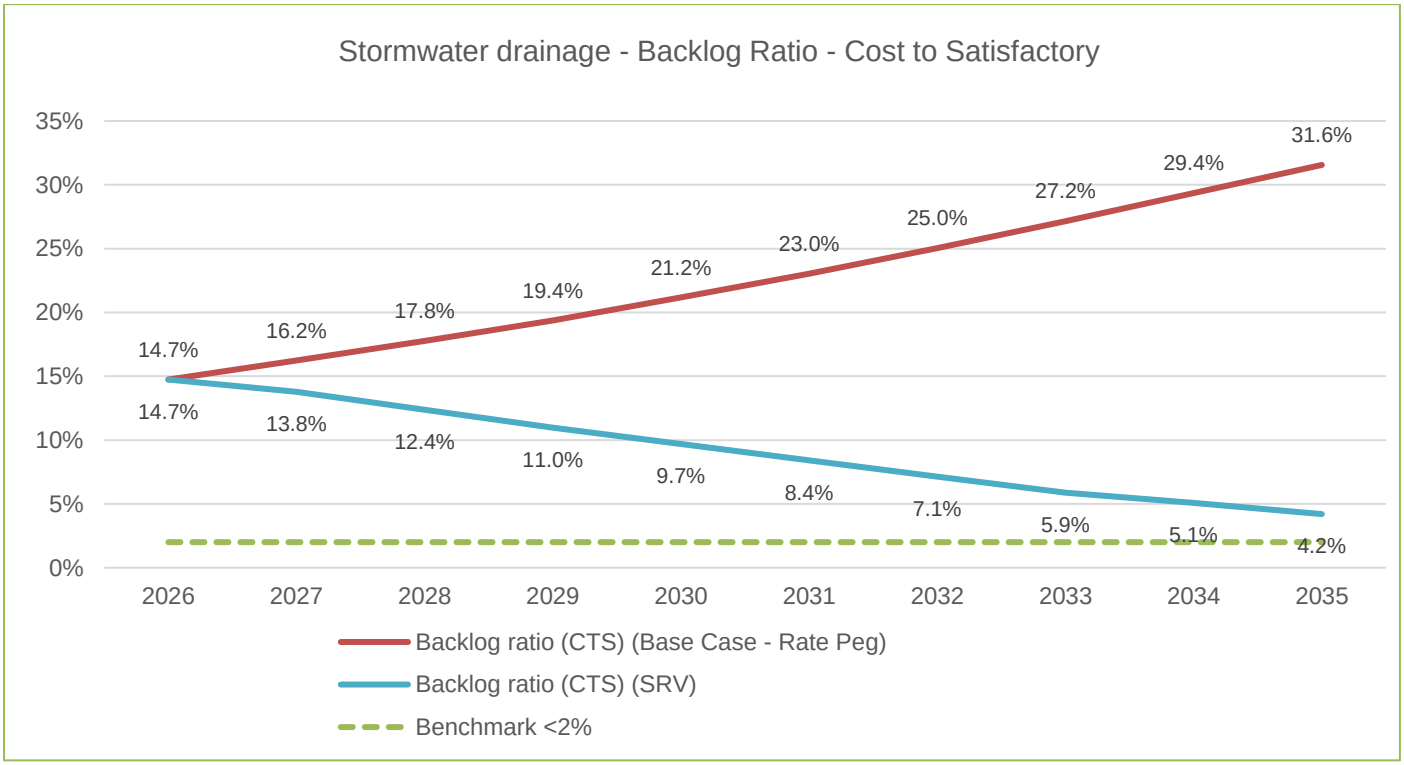

Figure 10: Stormwater Drainage Backlog Ratio – Cost to Satisfactory

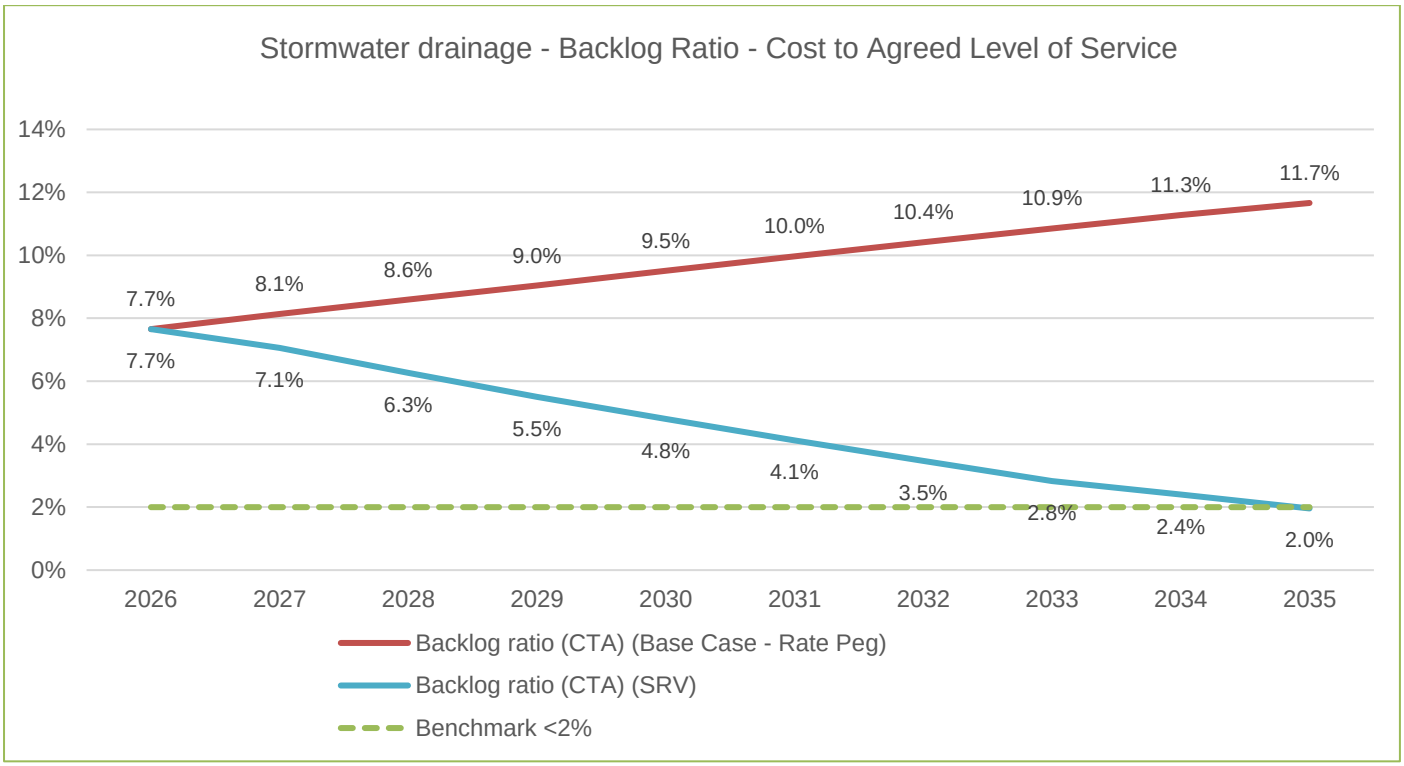

Figure 11: Stormwater Drainage Backlog Ratio - Cost to Agreed Level of Service

Recreational facilities, parks and playgrounds

Recreational facilities include sports fields, parks, playgrounds, courts, walking tracks, fire trails and the Ku-ring-gai Sports and Aquatic Centre. These assets play a central role in supporting community wellbeing, recreation, and inclusion, and are consistently identified as a high priority in community consultation.

Under the Base Case, the backlog for recreational facilities increases sharply, growing from less than $1 million in 2025/26 to over $19 million by 2034/35. The backlog against the agreed level of service also escalates, exceeding $25 million by the end of the period. This reflects the growing demand for high-quality open space and recreation facilities across the LGA, which cannot be met under existing funding.

In contrast, the preferred rate increase option provides the additional resources required to eliminate the Cost to Satisfactory (CTS) backlog by 2026/27. The backlog against the agreed service level also reduces steadily over the period, ensuring assets are maintained closer to community expectations.

Community consultation highlights that 73% of ratepayers are at least somewhat supportive of paying increased rates to improve recreational facilities, particularly parks and sportsgrounds. The investment under the preferred scenario enables Council to respond directly to this feedback, improving service levels, ensuring more assets are maintained in good condition, and aligning outcomes with the community's expressed priorities.

Recreational facilities backlog (Base Case – Rate peg)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	409	818	2,227	4,940	8,242	10,688	13,992	15,563	17,001	19,266
Backlog - CTA	6,667	7,076	8,485	11,198	14,500	16,946	20,250	21,821	23,259	25,524
Renewal	6,246	4,033	3,225	2,120	1,709	2,755	2,117	4,118	4,545	4,255
New/upgrade	18,421	10,502	3,874	3,877	2,629	3,066	4,185	6,239	7,063	18,207
Maintenance	8,574	8,874	9,185	9,506	9,839	10,183	10,540	10,908	11,290	11,685

Table 15: Recreational Facilities Backlog, Capital and Maintenance Projections – Base Case ($'000)

Recreational facilities backlog (SRV)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	409	0	0	0	358	713	1,876	1,254	447	413
Backlog - CTA	6,667	5,176	4,638	5,357	6,616	6,971	8,134	7,512	6,705	6,671
Renewal	6,246	5,933	5,173	4,114	3,751	4,846	4,258	6,311	6,790	6,554
New/upgrade	18,421	10,502	3,874	3,877	2,629	3,066	4,185	6,239	7,063	18,207
Maintenance	8,574	8,874	9,185	9,506	9,839	10,183	10,540	10,908	11,290	11,685

Table 16: Recreational Facilities Backlog, Capital and Maintenance Projects – Preferred scenario SRV ($'000)

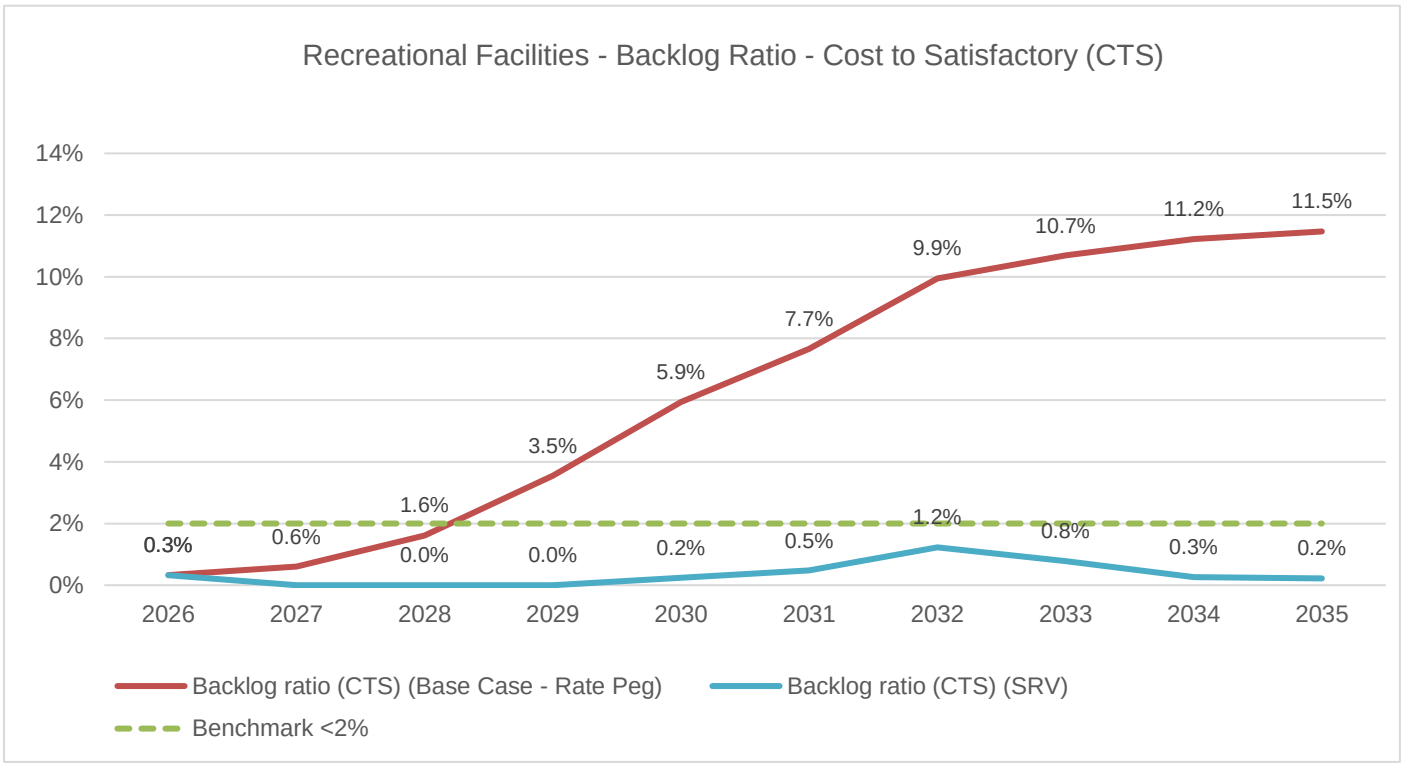

Figure 12: Recreational Facilities Backlog Ratio – Cost to Satisfactory

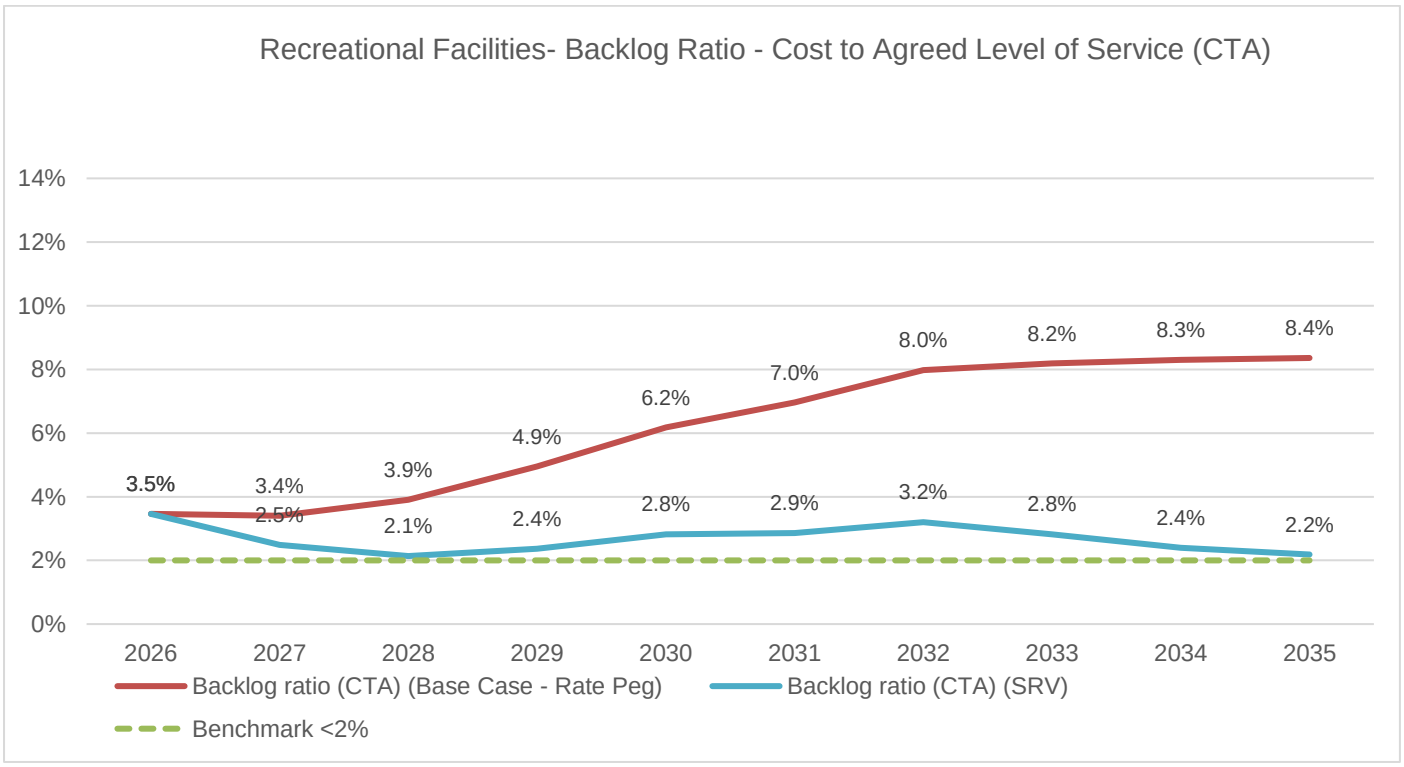

Figure 13: Recreational Facilities Backlog Ratio - Cost to Agreed Level of Service

Buildings

Under the Base Case, the backlog grows significantly, rising from $34.2 million in 2025/26 to $74.6 million by 2034/35 at the satisfactory level, and from $63.2 million to $103.6 million at the agreed level of service.

In contrast, the preferred rate increase scenario reduces the satisfactory level backlog from $34.2 million to $8.1 million by 2034/35. The agreed service level backlog also declines steadily, falling from $63.2 million in 2025/26 to $37.1 million by 2034/35. This reflects increased renewal funding which enables Council to manage the asset base sustainably and address long-term building deficiencies.

Buildings condition review

Council is responsible for some 300 buildings with a gross replacement cost of $207.36 million, ranging from administration buildings through to bus shelters, amenities blocks, libraries, community halls, childcare centers and carparks.

In response to a Financial Sustainability Review recommendation, Council in 2023/24 engaged independent asset consultants to develop a prioritised capital upgrade program for Council's buildings portfolio and to review the Asset Management Plan (AMP) for its building assets.

This review identified that about 53% of the evaluated buildings needed capital upgrades, with recommended treatment options of either refurbishment or knockdown and rebuild.

These buildings typically require works to address:

- Modern accessibility standards, including through the construction of access ramps, disabled toilets and providing sufficient internal access movement space
- The needs of the rising number of female athletes and users, including the provision of separated changing facilities and toilets
- Significant issues with the building's structure or performance, such as waterproofing failure, poor lighting or degraded internal finishes.

The review resulted in development of a 10-year detailed prioritised program of building upgrade works with estimated costs of around $163.5 million over 10 years to modernise Council buildings, with most buildings requiring refurbishment and some requiring a knockdown.

Buildings backlog (Base Case – Rate peg)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	34,167	36,821	41,037	45,375	49,910	54,574	59,369	64,300	69,371	74,585
Backlog - CTA	63,166	65,820	70,036	74,374	78,909	83,573	88,368	93,299	98,370	103,584
Renewal	3,406	2,438	1,135	1,162	1,115	1,142	1,169	1,197	1,226	1,255
New/upgrade	3,731	4,792	7,243	775	740	758	776	795	814	833
Maintenance	5,549	5,743	5,944	6,152	6,367	6,590	6,821	7,059	7,306	7,562

Table 17: Buildings Backlog, Capital and Maintenance Projections – Base Case ($'000)

Buildings backlog (SRV)

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Backlog - CTS	34,167	30,121	27,470	24,775	22,109	19,399	16,643	13,842	10,995	8,101
Backlog - CTA	63,166	59,120	56,469	53,774	51,108	48,398	45,642	42,841	39,994	37,100
Renewal	3,406	9,138	8,002	8,194	8,316	8,516	8,720	8,929	9,144	9,363
New/upgrade	3,731	4,792	7,243	775	740	758	776	795	814	833
Maintenance	5,549	5,743	5,944	6,152	6,367	6,590	6,821	7,059	7,306	7,562

Table 18: Buildings Backlog, Capital and Maintenance Projections – Preferred scenario - SRV ($'000)

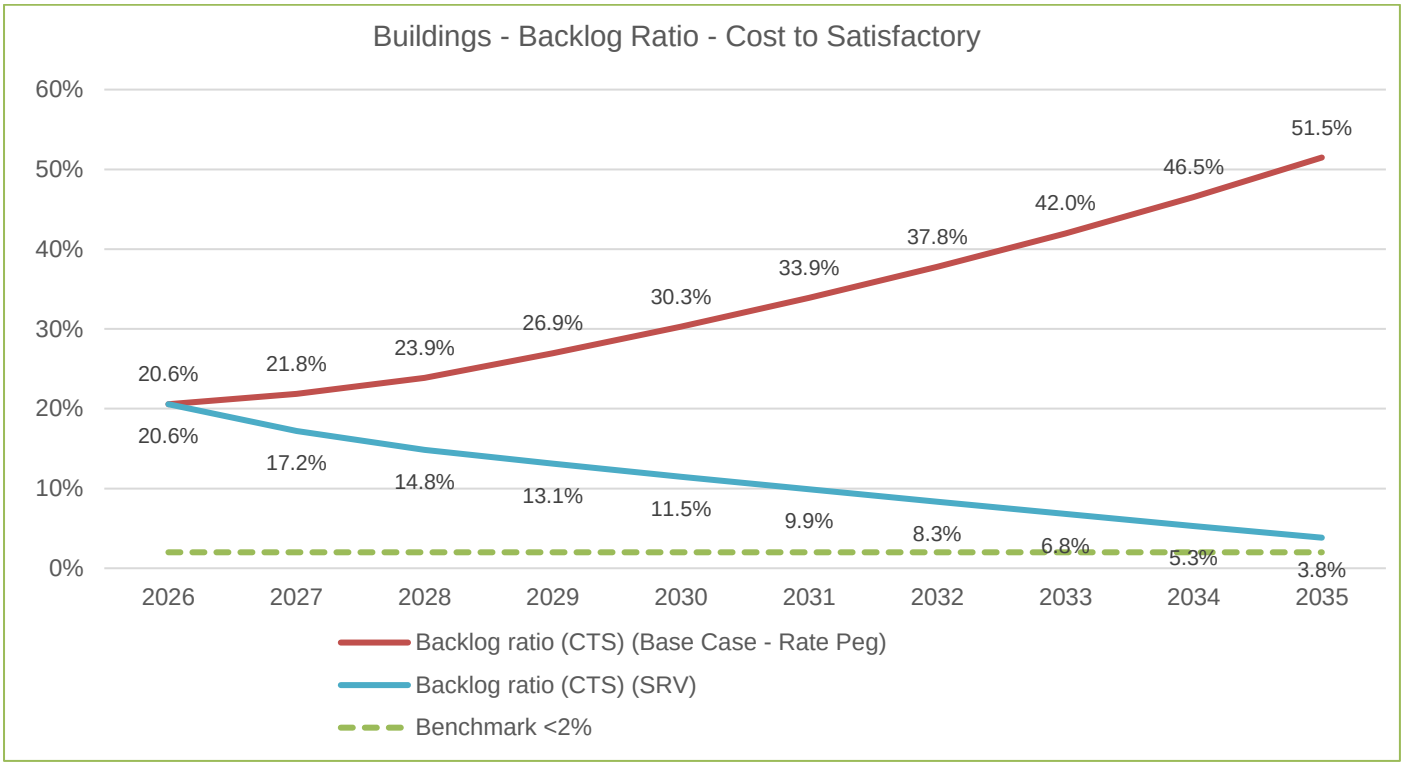

Figure 14: Buildings Backlog Ratio – Cost to Satisfactory

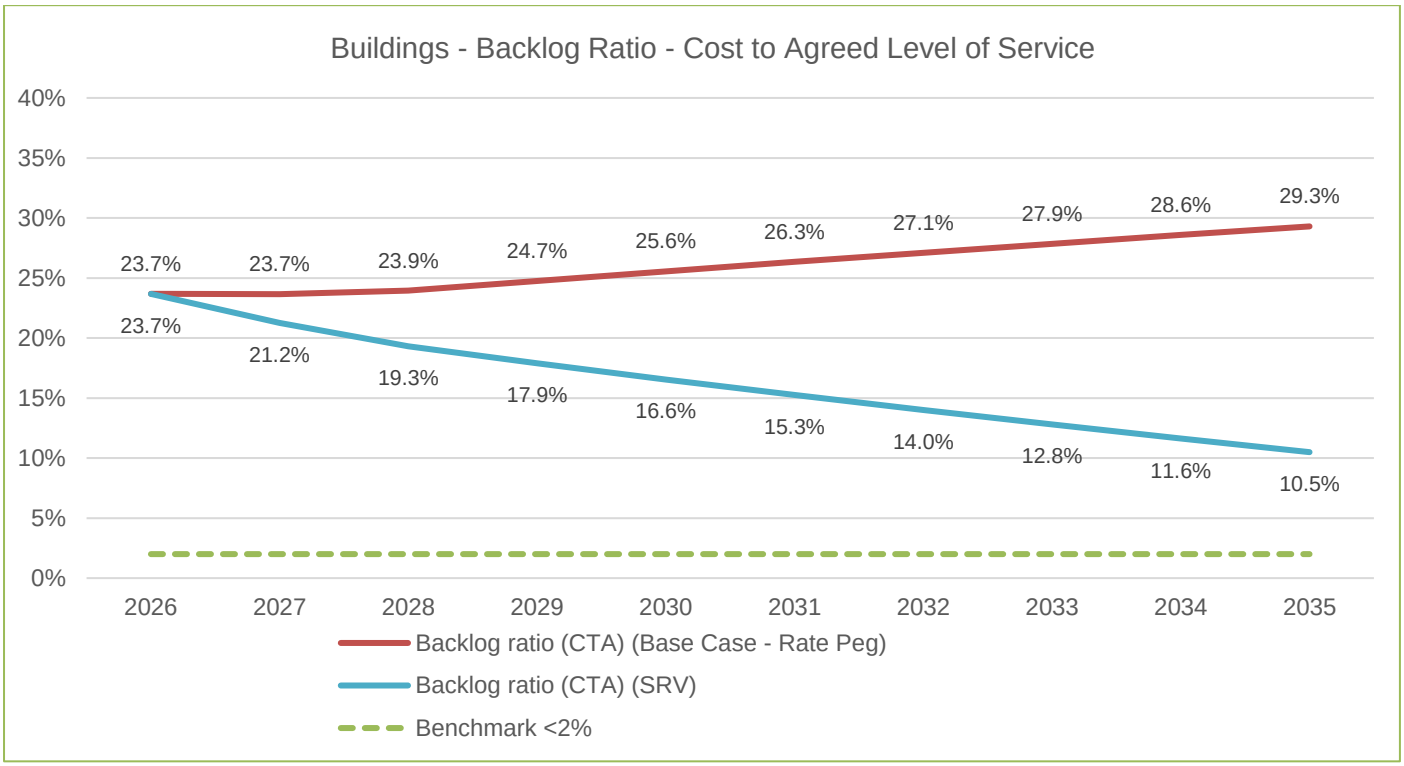

Figure 15: Buildings Backlog Ratio – Cost to Agreed Level of Service

Performance evaluation

To ensure the AMS delivers on the outcomes in a transparent and tangible way, a range of specific and measurable goals have been detailed below:

Action ID	Details	Measure	Due Date
1	Obtain and maintain detailed, reliable condition information for Council-owned assets. Stormwater drainage infrastructure will be assessed with respect to performance, capacity and functionality.	% of asset network with up-to-date condition assessments per asset class	2027/28
2	Re-establish the Asset Management Steering Group	Asset Management Steering Group formally re-established, and meeting schedule implemented	2026/27
3	Develop end-to-end business processes for asset management	Assets planned, delivered, and handed over with complete brief documentation, designs, and QA records	2026/27
4	Review maintenance expenditure for all asset classes	Maintenance expenditure reviewed and benchmarked against asset condition and service levels	2028/29

The Asset Management Strategy proposes the following additional actions to enable the objectives of the Asset Policy and Community Strategic Plan:

	Strategy	Action
1	Long Term Financial Planning.	Regularly update the LTFP
2	Asset Management Plans	Develop and annually review AMPs covering at least 10 years for all major asset classes.
3	Update Long Term Financial Plan to incorporate Asset Management Strategy expenditure projections.	Funding model to provide Council services.
4	Report Council's financial position at Fair Value in accordance with Australian Accounting Standards, financial sustainability and performance against strategic objectives in Annual Reports.	Financial sustainability information is available for Council and the community. Revaluation of the infrastructure assets at the appropriate time (as required)
5	Ensure Council decisions on asset service level performance and cost and "whole of life" cost are made from accurate and current information in the asset register.	Improved decision making and greater value for money.
6	Report on Council's resources and operational capability to deliver the services needed by the community in the Annual Report.	Service delivery is matched to available resources and operational capabilities.
7	Ensure responsibilities for asset management are identified.	Responsibility for asset management is defined.
8	Implement an Improvement Plan to realise 'core' maturity for the financial and asset management competencies within 2 years.	Improved financial and asset management capacity within Council.
9	Report to Council on development and implementation of Asset Management Strategy, Asset Management Plans and Long-Term Financial Plans.	Oversight of resource allocation and performance.

The approach to assessing performance in relation to asset planning and measurement will be both quantitative and qualitative. This will be monitored through Council's asset management system, asset revaluations, service improvement reviews and management reviews and alignment of asset management

plans to the delivery program and operational plan. Individual asset performance will be measured through conditional rating, and this will be reported through special schedules in Council's financial statements.

Council's IP&R processes allow for performance measures relating to the delivery of infrastructure asset programs are contained in the Delivery Program and Operational Plan and are reported on bi-annually and annually to ensure progress and/or achievements are measured and reported.

The Asset Management Policy outlines Council's asset management framework including its integration with the IP&R framework. The Asset Management Steering Group will allow for monitoring of works in progress, reporting and continual improvement of processes, as well as support whole of council responsibility for asset management.

Future services levels will be determined in consultation with the community. Council periodically undertakes community surveys to determine current satisfaction of services and facilities. Future surveys will be tailored to include asset management and to determine the community's expectations for various asset classes and will be used in the development of delivery programs and asset management plans.

Asset Management Plans

Each major asset class is managed through a dedicated Asset Management Plan (AMP). Each AMP identifies the actions and resources required to provide a defined level of service in a cost-effective manner, and provides long-term projections for asset maintenance, rehabilitation, renewal and replacement, including life cycle costs. In accordance with the IP&R framework and best practice asset management principles, the AMPs expand on the high level Asset Management Strategy and provide further detail on the following:

- current and desired levels of service, informed by community research and expectations, strategic goals and legislative requirements
- current condition and capacity / performance of assets
- asset valuations, financial projections and funding strategies
- demand drivers and forecasts, the impact of changing demand on assets and detailed asset programs to meet future needs
- formal risk assessments (with a focus on critical assets)
- detailed strategies for all phases of the asset lifecycle (e.g. acquisition, operations and maintenance, renewal and replacement and disposal).

The following AMPs are under review:

Road and transport assets

- Covers local roads, kerb & gutter, bridges, car parks, and other associated traffic and transport infrastructure.
- Contains asset condition, renewal programs, traffic management priorities, and forward works programs.

Footpaths

- Addresses the footpath network including concrete, asphalt, and paver paths.
- Documents network coverage, connectivity gaps and safety risks.
- Includes new and renewal construction programs to improve accessibility around schools, train stations, and business centres.

Stormwater drainage

- Covers pipes, pits, culverts, and other stormwater drainage assets.
- Illustrates network capacity, condition grading, backlog assessments, and priority flood mitigation and renewal works.

Parks and recreational assets

- Covers parks, sportsgrounds, playgrounds and associated recreational facilities area
- Documents asset condition, lifecycle costs, usage demand, and future enhancements to meet recreational needs.

Building assets

- Encompasses community halls, libraries, depots, amenities, and other Council-owned buildings.
- Outlines accessibility upgrades, compliance with safety and sustainability standards, and renewal requirements.
- Assesses service level gaps and prioritises investment in high-use facilities.

Contact us

For assistance or information regarding any of Council's services or facilities please contact us. Business hours are Monday to Friday, 8.30 am – 5.00 pm.

In person:
818 Pacific Highway, Gordon NSW 2072

Phone:
02 9424 0000

Email:
krg@krg.nsw.gov.au

Website and online chat:
krg.nsw.gov.au

Post:
Locked Bag 1006, Gordon NSW 2072

Ku-ring-gai Council

krgcouncil

ku-ring-gai-council

kuringgai_council

KuringgaiCouncil