



30 June 2022

The Hon Wendy Tuckerman MP  
Minister for Local Government  
NSW Office of Local Government  
GPO Box 5341  
SYDNEY NSW 2001

*By post and email: OLG@OLG.nsw.gov.au*

Dear Minister Tuckerman,

I am writing to advise on the additional steps that have been undertaken regarding the business case for de-amalgamation of the Inner West Council and to again seek written commitment from the NSW Government on two fronts.

The initial draft business case with a plan for community engagement was reported to the Council meeting on 14 June 2022, where Council resolved as follows:

*That Council:*

1. *Resolve to place the draft De-amalgamation Business Case for Inner West Council on public exhibition for 28 days;*
2. *Endorse the public engagement activities, as outlined in the report, being undertaken, including:*
  - a. *that the flyer referenced in the report be letterboxed to all households and include the known tangible, financial costs, including the costs of senior staff salary and politician costs; and non-financial risks, such as a period of anti-democratic administration; and any benefits as identified by the report and by the Audit, Risk and Improvement Committee;*
  - b. *that this information also be prepared as a summary introduction to the Morrison Low business case when it appears on exhibition, where it is promoted through Council's communication channels, and as an introduction to the survey activity; and*
  - c. *that an additional online public forum be held to be Chaired by the General Manager and that Morrison Low attend the forum;*

3. *Notes that the Audit, Risk and Improvement Committee:*

  - a. *resolved that if Council does de-amalgamate that the risks associated with staff retention and engagement, loss of corporate/local knowledge, service disruption and inconsistency during the transition and IT security and controls risk in demerging systems will require significant management throughout the process and an agreed transition approach will also be critical*
  - b. *requested that a comprehensive risk analysis of the de-amalgamation process and its subsequent impacts is undertaken and reported back to ARIC*
  - c. *recommended that the communication to the community in relation to the de-amalgamation process clearly identifies the known non-financial risk and benefits to the community; and*
  - d. *endorsed the recommendations of the ARIC meeting of 8 June 2022, in relation to the item 'Draft de-amalgamation business case for Inner West Council' being provided to the Council meeting on 14 June 2022, as part of the item considering the de-amalgamation business case in the Ordinary Council agenda;*

4. *Approve the Mayor to write to the Minister for Local Government asking for a commitment that the state government pay the full costs of de-amalgamation should it occur, and that they commit to not sacking the Council and installing an administrator; and*
5. *Officers prepare a further report to the August Council meeting, outlining the outcomes of the community engagement process along with the final business case for Council's consideration*

As discussed at our meeting on 4 March 2022 and reiterated by Council's most recent resolution, we continue to seek written assurance that:

- *If the NSW Government ultimately decides to de-amalgamate Inner West Council, that the full costs of the de-amalgamation being between \$178 million – \$190 million be paid in full by the NSW Government, prior to the commencement of the de-amalgamation, with no costs to be borne by Inner West ratepayers; and*

- If the Inner West Council is de-amalgamated, we seek written commitment that the duly elected representatives of Council will remain and the NSW Government will not install an interim administrator.

I would like to thank Ms Dench, Executive Director, Office of Local Government, for attending our Councillor workshop on 31 May 2022, however we were not able to obtain any firm commitments in relation to the above requests.

Lastly, I would like to reiterate our invitation to yourself to come and meet with all Inner West Councillors to discuss this significant issue.

Inner West Council will continue with the preparation of the de-amalgamation business case as we currently enter the community consultation phase of this process.

I look forward to your reply and future dialogue on this matter.

Should you wish to discuss this matter please do not hesitate to contact Council's General Manager, Peter Gainsford on 9392 5200.

Yours sincerely,

A handwritten signature in black ink that reads "Darcy Byrne". The signature is written in a cursive, flowing style.

**Clr Darcy Byrne**  
Inner West Mayor