

SUPPLEMENTARY AGENDA 2

Distributed on 9 April 2019



INNER WEST COUNCIL

COUNCIL MEETING

TUESDAY 26 MARCH 2019

6.30pm

Location Ashfield Service Centre, 260 Liverpool Road, Ashfield

**MEETING AGENDA – PRECIS
SUPPLEMENTARY ITEMS**

The following report/s appear as late item/s with Mayoral approval as information required for the preparation of the report/s was not available at the time of distribution of the Business Paper.

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Item No: C0319(2) Item 16
Subject: MAYORAL MINUTE: RICHARD GILL AND MAKE MUSIC DAY
From: The Mayor, Councillor Darcy Byrne

MOTION:

THAT Council:

- 1. Note great level of interest from the community to hold a music event honoring the late Richard Gill;**
 - 2. Write to local schools across LGA inviting them to be part of Make Music Day 2019;**
 - 3. Promote Make Music Day 2019 through Council's communications channels and encourage local organisations and individuals to take part; and**
 - 4. Incorporate an acoustic music event based in Stanmore into the EDGE Newtown event.**
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Background

Following the passing of Richard Gill late last year, Council resolved to Convene a meeting of interested cultural organisations to assist with their goal of establishing a music festival to commemorate Richard Gill. This suggestion was greeted with an outpouring of support from the local community and the music sector.

Since that time I have held a number of very positive meetings with a working group of local people – both representing themselves and larger organisations, including the Live Music Office and Create NSW. During the course of these meetings a number of opportunities have been discussed.

Friday 21 June is Make Music Day, which has grown from the *Fête de la Musique in France*. *This event is now held in more than 750 cities in 120 countries around the world and is open to anyone who wants to take part. Any musician can organise a gig, or join hosted events, to share their music. All of it is free and open to the public.*

The Group have proposed an event to coincide with this date, based on inviting schools across the Inner West to take part by performing music. The schools would be free to present something that they are already working on as part of the curriculum, or something that they arrange specially for the day, and requested to record and publish the performance in honour of Richard Gill.

These performances could be an early teaser for a larger event to be held in conjunction with EDGE Newtown, where street performers not requiring amplification or stage set up – with priority given to locals, both amateur and professional – could perform in locations around Stanmore.

ATTACHMENTS

Nil.

Item No: C0319(2) Item 17
Subject: MAYORAL MINUTE: DE-AMALGAMATION COSTS AND RISKS
From: The Mayor, Councillor Darcy Byrne

MOTION:

THAT Council note the information provided by the Chief Executive Officer about the potential costs and risks involved in a de-amalgamation of the Inner West Council, including:

- a. Initial costs which would likely exceed \$11 million in the first year;**
 - b. The potential impact on rates throughout the de-amalgamated areas; and**
 - c. The complex risks involved in separating staff and systems that have been put in place.**
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Background

The following information was provided via memo from the Chief Executive Officer to all Councillors on 8 April 2019

I hereby table this memo for the information of the general public:

8 April 2019 Memo to Councillors:

The following information is provided to assist you in consideration of the Notice of Motion for a plebiscite on de-amalgamation.

Costs associated with this motion fall into two areas:

1. Plebiscite (Poll) costs

If Council elects to conduct a Poll, estimates indicate that Council would need to provide funding of between \$1.1-\$1.3M to cover the cost of the NSW Electoral Commission conducting the Poll and costs for advertising, writing to electors and handing out how to vote material prior to and on polling day.

2. Related costs and impacts of a potential de-amalgamation

In order to estimate the costs of various de-amalgamation scenarios, a due diligence process and complex financial modelling would be required. This exercise would require the engagement of independent specialists. However, some large anticipated costs would include:

1. Increase in cost to reinstate 3 leadership organisations (3 GM + 9-11 Directors) - \$2.4M additional
2. ICT costs to create 3 new systems and de-amalgamate from Inner West - \$2M - \$4M (this would include TechOne separation, Network Data Centres on site in each Admin Building etc)
3. Upgrade of 2 Council Chambers to cater for webcasting, microphones etc. - \$300K - \$500K
4. Redundancy costs for Council staff - \$1M - \$3M (dependent upon take-up)

Aside from the direct costs of conducting a Poll, Council should consider the following potential costs and administrative complexities:

- The potential for a split result across the three areas
- The costs of de-amalgamating one or more of the councils
- How the de-amalgamation costs would be split across the councils and how they would be funded
- How the assets and liabilities of the IWC would be split across the councils
- The financial viability of the councils following de-amalgamation, including the impact on rates and service levels
- How the staff would be split across the remaining councils (note: the old organisational structures have been dissolved. It would not be a simple case of staff returning to their former councils as they are now in different roles with different remuneration and conditions)
- The logistics and cost of separating information and communications technology platforms that have already been fully or partly integrated
- The cost of breaking or amending any IWC contracts
- The cost of electing one or more new councils
- The appetite of the Minister to proceed with a proposal for de-amalgamation
- The need for the State government to enact some form of legislation to enable the de-amalgamation to be implemented

The Queensland Experience

Information has been obtained on a recent Queensland experience. In 2013/14, Noosa Council was established following a de-amalgamation from the Sunshine Coast Regional Council (population approximately 151,000). Whilst direct comparisons are flawed, the Queensland Boundary Commission estimated the total cost of de-amalgamation to the rate-payers of the new Noosa Shire Council at \$13,651,000. The potential impact on rates for each rateable property in year one was estimated to be an extra \$260 on average, with the extra cost dropping to \$142 in year two, and then increasing each year by inflation.

The Queensland Treasury Corporation identified one off costs relating to implementation and due diligence, such as community and staff engagement and ICT costs, as well as fixed asset costs relating to the purchase of new ICT equipment, and any plant and equipment required for the new Council to maintain service standards.

Moreover, in the Queensland case, successful proponent councils were required to pay their own de-amalgamation costs, as well as the de-amalgamation costs of the remaining council.

ATTACHMENTS

Nil.