

23 November 2020

Mr Greg Piper MP
Chair
Public Accounts Committee
Parliament of New South Wales

Via email – pac@parliament.nsw.gov.au

Dear Mr Piper

Thank you for your letter dated 23 October 2020 (File ref – LAC20/184.03) regarding the Audit: *Workforce in three amalgamated councils and request for further information* into whether the savings have been built into our Long Term Financial Plan (LTFP).

In October 2017, a report to Council on the Merger Implementation stated:

“Council is on track to realise these gross savings of \$60m over 10 years, through:

- Savings in senior staff costs (\$1.5m p/a)*
- Savings in insurances (\$980k p/a)*
- Savings in Councillor fees (\$350k p/a)*
- Savings in SSROC fees (\$100k p/a)*
- Expected savings through more effective/scaled procurement (est. \$1.3m)”*

The achieved savings and efficiencies have been included in our LTFP.

Additionally, Inner West Council has implemented efficiency savings in recent years’ budgets. Council’s efficiency saving in the 2019/20 financial year has followed through our LTFP (10-year financial plan).

This included:

- reshaping the Council for long-term financial sustainability by reducing the number of staff who were outside of the organisation structure but whose employment was protected until May 2021
- change to the management structure
- scheduling our casual workforce effectively, and a reduction in agency labour-hire
- cancelling legacy council software agreements no longer required, i.e. replaced with current technology
- service reviews identified expenses no longer required which has no impact on the quality and/or the level of service provided to the community.

Council continues to review its operating plan against its performance using the formal Quarterly Budget Review Process.

If you have any further questions, please contact Daryl Jackson, CFO, on 9392 5019.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Brian Barrett'.

Brian Barrett
Acting General Manager