

15 April 2019

## WHAT

Today IPART has released an Issues Paper on our review of local government election costs.

The NSW Electoral Commission (NSWEC) provides election services for councils that choose to engage the NSWEC to administer their local government elections. Under the NSWEC's existing costing methodology, the cost of conducting the elections is recovered from councils on a full cost recovery basis.

Our Issues Paper outlines our proposed approach to the review, identifies key issues we will need to consider and seeks comments from stakeholders.

## WHY

The Premier has asked IPART to recommend a costing methodology to be applied in determining the amount the NSWEC charges councils for local government election services.

## WHO

We would like to hear from relevant stakeholders including:

- ▼ Local councils
- ▼ NSW Government agencies (eg, NSWEC, NSW Treasury)
- ▼ Private providers of election services
- ▼ Any other interested stakeholders.

## HOW

The Issues Paper describes our proposed approach to the review. We will:

- ▼ Identify the election services the NSWEC provides to councils
- ▼ Assess the level of competition for providing these services
- ▼ Assess the efficient costs of providing these services
- ▼ Allocate efficient costs between the State government and councils
- ▼ Allocate the council-share of costs across councils
- ▼ Assess the impact of this cost allocation on stakeholders.

## WHEN

Our Draft Report will be released on 25 June 2019. We will submit our Final Report to the Minister for Local Government by Friday 30 August 2019.

## WHAT NEXT

We invite interested parties to make a submission on our Issues Paper by COB, **10 May 2019**.

Information about how to make a submission can be found here.

Further information about this review is available on our website at [www.ipart.nsw.gov](http://www.ipart.nsw.gov)

# 1 Background

The function of the NSW Electoral Commission (NSWEC) is to provide a range of election related services for administering elections and regulating the electoral environment.

Under the *Local Government Act 1993* (the LG Act), councils can choose to manage their own local government elections, use the NSWEC, or engage a private election provider.

The election services provided by the NSWEC for councils include:

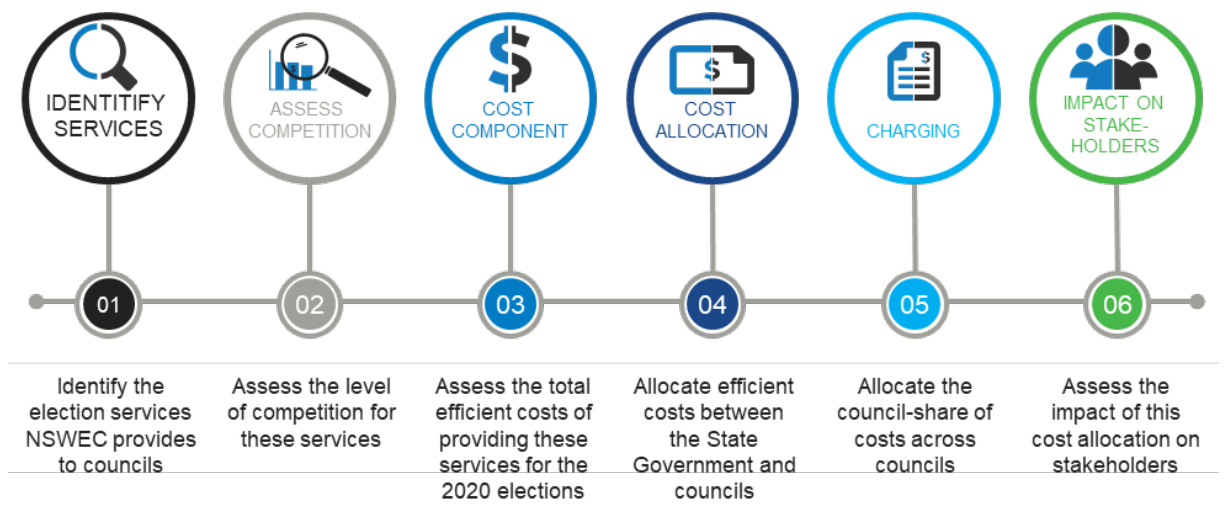
- ▼ Recruiting and training election officials
- ▼ Arranging polling places, ballot papers and equipment
- ▼ Managing the vote count and publishing election results.

The NSWEC currently recovers the cost of conducting local government elections from councils on a full cost recovery basis.

# 2 Our proposed approach to the review

In developing our costing methodology, we propose to undertake six main steps. These are summarised in the figure below.

**Figure 2.1 Our proposed approach**



## **Key issues on which we seek comment**

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Section 1.4 of our Issues Paper includes a list of questions for stakeholders. We encourage stakeholders to address these questions in a submission on the Issues Paper.

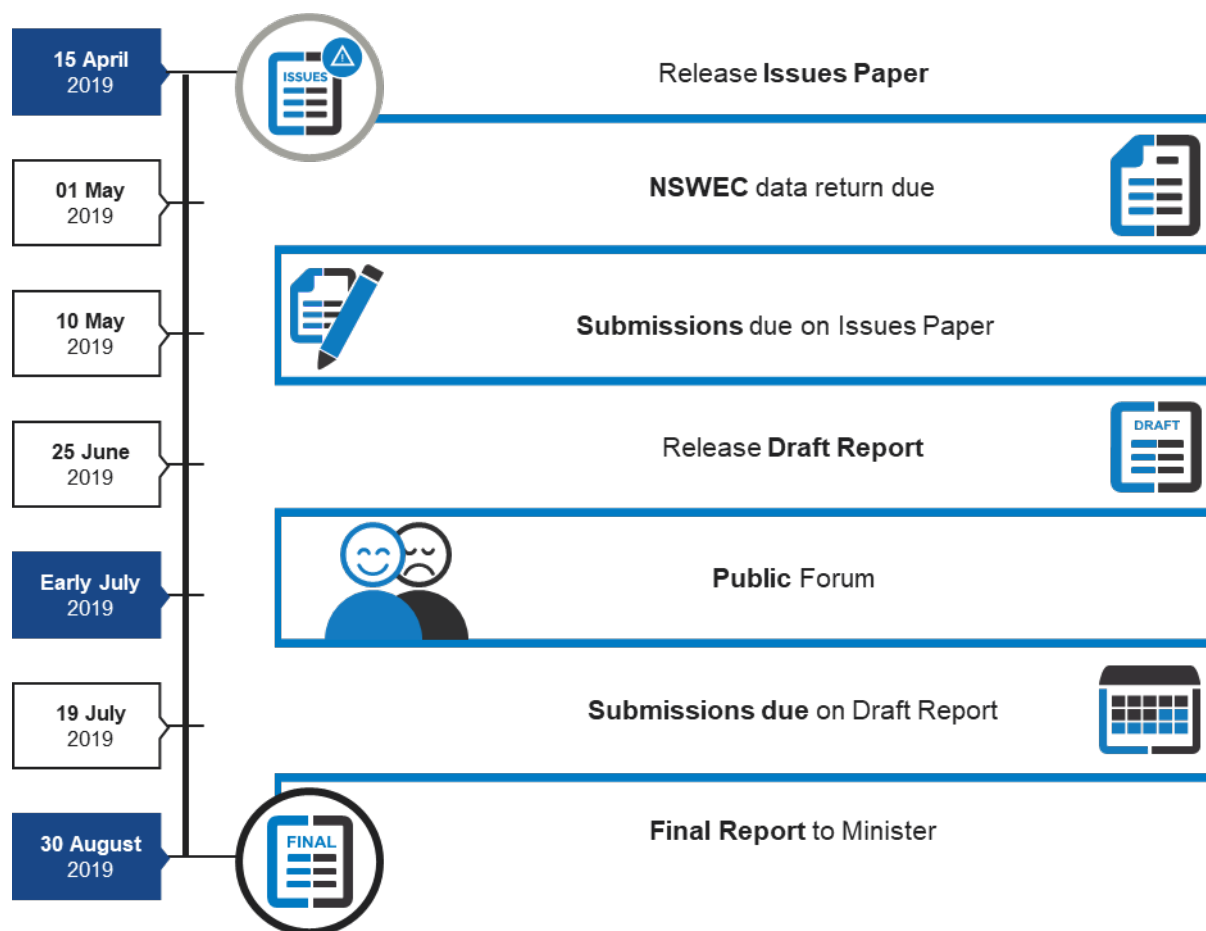
The key issues on which we seek comment are:

- ▼ When would a council prefer to use a private provider, rather than the NSWEC, to conduct its elections?
- ▼ What are the barriers to private providers offering election services to councils? Are there more opportunities for private providers in particular geographic or service areas?
- ▼ How should we assess the efficient costs of providing election services to local councils?
- ▼ How should we allocate the efficient costs between the councils (as a whole) and the State Government?
- ▼ How should we allocate the council-share of costs between councils? For example, on a 'per elector', or some other basis?

### 3 How will we conduct this review?

Stakeholders will have multiple opportunities to express their views during this review, including making a submission in response to the Issues Paper (published today), attending a public forum and making a submission in response to our Draft Report.

**Figure 3.12 Indicative timeline for this review**



**Note:** These dates are indicative and may change. We will provide updates on our website as the review progresses.

We invite all interested stakeholders to make submissions in response to this Issues Paper by **10 May 2019**.