

18 July 2019

Local Government Election Cost Review
Independent Pricing and Regulatory Tribunal
PO Box K35
HAYMARKET POST SHOP NSW 1240

Dear Sir/Madam

Submission to Review of Local Government Election costs

Council refers to the "Draft Report" on the review of Local Government Election Costs as released by the Independent Pricing and Regulatory Tribunal (IPART) dated June 2019, and presents the following as Council's submission to this report.

1. Council commends the introduction of "... a costing methodology.... to minimise the financial burden on councils and ratepayers ...", however, it appears from the findings of the draft report, that the opposite is being recommended, with the average increase in councils' financial burden being 62%.
2. In assessing the current level of competition in the market, the report notes that the provision of these services is a "near-monopoly" held by the NSWEC. Accordingly, any market comparisons or benchmarks are going to be heavily skewed towards NSWEC due to its near-monopoly market share.
3. Whilst it is acknowledged that the review of State Government Election costs is outside the scope of this review, its omission, together with the other services provided by the NSWEC, allow for the estimates of "local government" costs to be subjective, and therefore able to be challenged/criticised. The review of the costs of all services by NSWEC should be included in the terms of reference.
4. The costing methodology proposed appears to provide estimates of costs which are at risk of materially changing depending on the number of councils who engage NSWEC, or more importantly, those councils who presently engage NSWEC (as noted in the report) who later proceed to engage an alternate provider. A similar variability in cost may also arise when councils have "non-contested" elections.
5. The costing methodology does not appear to allow for, or consider, the costs of referendums as and when they arise.
6. The report acknowledges, although does not identify, the "assets" held by the NSWEC. The report appears to be silent on whether the review included an assessment of the NSWEC's assets, specifically to ascertain whether they are appropriate and efficient to the services provided.

18 July 2019
Independent Pricing and Regulatory Tribunal

7. It is noted that a review of the NSW Legislation, as it relates to elections, was outside the scope of this review, however, there is a missed opportunity to consider the legislation to encourage a more competitive market in response to the present near-monopoly.

Submitted for your consideration.

Yours faithfully



A Jones

**DIRECTOR
CORPORATE SERVICES & FINANCE**