

1 Do you agree with IPART's proposed approach for this review? Are there any alternative approaches that would better meet the terms of reference, or any other issues we should consider?

Council supports the proposed approach. It is noted that the timeframe for submissions does not provide adequate time to consult effectively with the elected body and this is disappointing. Council recommends that IPART consider engaging specifically with Local Government candidates regarding their election experience.

2 When would a council prefer to use a private provider, rather than the NSWEC, to conduct its elections?

Council would prefer to use a private provider where it represented both a value for money proposition with adequate confidence in the provider. This includes confidence from Council, candidates and voters.

3 What scope is there for private providers to offer councils:

– **The full range of election services currently provided by the NSWEC?**

There is limited scope for private providers to provide the full range of services as some practices and information are held by NSWEC. There is also the risk associated with using a provider other than the NSWEC should there be disputes and this is a risk the NSWEC highlight for Councils as part of their engagement.

– **A more limited range of election services?**

There is no scope within the current legislation for Council's to engage providers in part for services. Greater flexibility for Councils would be supported.

4 To what extent would the range of services offered by private providers vary by a council's geographic location (ie, metropolitan, regional or rural) or size (ie, small, medium or large)?

For a larger Council like Central Coast Council, the ability to supplement the services provided would be beneficial. This could include extended voting places, voting hours and supplementary people for the purpose of the count.

5 What are the barriers to competition in the provision of election services to councils?

Councils are not provided budgets or quotations in time to make an informed decision. Further the budget details are indicative only and there is no consequence for failure to meet the budget.

The risk associated with disputes is key for Councils and specifically for General Managers who would have to take accountability for elections run by a provider other than the NSWEC.

6 What factors might lead to changes in the costs incurred by the NSWEC, and over what time period are these changes likely to occur?

A key change might be the movement of Councils to external providers.

There may also be an opportunity for resource and skill sharing between councils to facilitate the conduct of elections. This is more likely to be of benefit in smaller area metropolitan councils.

7 Is a base level of service provision to all councils appropriate? For what types of election services offered by the NSWEC might councils opt for a different level of service?

While the base level of service is adequate, it would be beneficial if the same level of voting ability available at Federal and State Elections (such as i-voting) was also encompassed in the base level of service available at Local Government Elections.

Services for which different levels might be chosen are:

- Skills and experience of Returning Officer and hours of work;
- Option to have a Returning Office that does not also function for count and storage (thereby having a Returning Office in a convenient location);
- Additional polling places;
- Additional multi-ward polling places;
- Provision of information at candidacy information sessions;
- Additional promotion of the election generally;
- Capacity to roll out i-vote;
- Additional effort and staff at close of nominations (to avoid delays in checks);
- Additional effort and staff at count (to expedite the count process);
- Ability to source or second own staff for certain functions and roles (trained by NSWEC);
- Given Councils pay the entire cost, any fines collected for failure to vote should be paid to the councils.

8 How should we assess the efficient costs of providing election services to local councils? Do stakeholders support our use of a 'building block' approach to calculate the NSWEC's efficient costs and revenue requirement? If not, what alternative method would be appropriate?

This approach is supported on the basis that it is considered that the NSWEC would provide service efficiently and effectively and that there would be efficiency gains over a period of time.

It would be beneficial to also benchmark the NSWEC to comparable companies that share similar characteristics and face similar risks.

9 What firms or industries are comparable to the NSWEC in terms of their exposure to market risk? What percentage of debt rather than equity would an efficient provider of election services be able to sustain to finance its assets (ie, the gearing level)?

Council does not have a position on this.

10 Do you agree that NSWEC's direct costs should be allocated between the State Government and councils using the impactor pays principle (ie, those that create the need for the cost to be incurred should pay the cost)?

Council agrees in principle that direct costs should be allocated using the impactor pays

principle.

11 Should NSWEC's indirect costs be allocated:

- **Using the impactor pays principle;**
- **With a focus on putting NSWEC on an even footing with private providers (ie, ensuring its indirect costs are allocated to councils where they would be incurred by an efficient competitor to the NSWEC); or**
- **On some other basis (and if so, what)?**

Council believes the indirect costs should be allocated with a focus on ensuring they are allocated as they would be were they incurred by an efficient competitor to the NSWEC. This would include a competitor seeking to maintain a long term relationship for the provision of election services.

12 Do you consider the allocation of NSWEC's costs to councils should be made with reference to incremental costs (lower bound), standalone costs (upper bound), or somewhere in between this range?

Council believes that the allocation of costs should be made in reference to incremental costs.

13 How should indirect costs (eg, centralised locations for collating ballots ready for data entry and councils' share of the costs that are common to State and local government elections) be shared between councils? For example, should they be allocated on a 'per elector', or some other basis?

Council believes that these costs should be allocated with a proportion payable by the State as part of the cost of the provision of Local Government as an entity in NSW. The remaining proportion should be allocated on a calculation based on elector.

14 Are the costs involved in conducting elections substantially different for metropolitan, regional and rural councils? If yes, what are the drivers for those differences?

For Central Coast Council, the key concern is that being one of the largest Councils in NSW there should be a scaled service provided by the NSWEC.

Experience is that there is a service standard for all Councils with minimal scalability. With a large population, the per voter costs are a smaller proportion of the overall cost for Central Coast Council. As such, paying for increased service in some direct aspects has minimal impact on the overall cost.

15 Do you agree with our proposed approach for assessing the impact of our recommendations on stakeholders? Are there any other issues we should consider?

The proposed approach does not consider what choices Council's may make which would impact voter and candidate experience.