



The Office of the Chief Executive Officer

17 July 2019

Independent Pricing and Regulatory Tribunal NSW
Level 15
2-24 Rawson Place
SYDNEY NSW 2000

Dear Dr Paterson

RE: REVIEW OF LOCAL GOVERNMENT ELECTION COSTS – RELEASE OF DRAFT REPORT

Thank you for the opportunity to comment on the draft report released by IPART in relation to the Review of Local Government Election Costs. Council acknowledges that this report responds to a request by the Premier *“to recommend a robust methodology for allocating the costs incurred by the NSW Electoral Commission (the NSWEC) in administering local government elections. The costing methodology is required to minimise the financial burden on councils and ratepayers, while also encouraging the NSWEC to provide its election services in an efficient and cost-effective way.”*

In brief the IPARTs recommended methodology for allocating the costs incurred by the NSWEC would see councils meeting the costs of contestable election services and the NSW Government paying for non-election services, with the exception of enrolment activities. Council acknowledges that the cost distribution model is aimed at enhancing the scope for competition in the supply of election services, thus in the long term creating a market which would provide councils with more choice and reduced costs. Council is also supportive of an approach which would ensure transparency in regards to the NSW Electoral Commissions costs of administering local government elections.

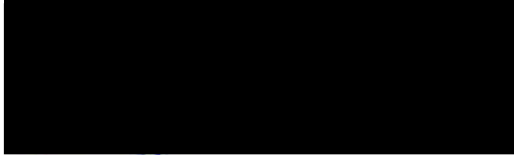
Of concern is that the implementation of the recommendations would result in a 58% increase in electoral costs to Council, representing an additional cost of \$201,000. Council currently budgets \$100,000 per annum to cover election costs and reserves that amount to pay for the election every four years. The proposed increase means a \$150,000 budget adjustment is required this financial year to ensure enough funds are available for the 2020 election. This impost will have a direct impact on service delivery to the community. Additionally, while the proposed reforms are aimed to improve competitiveness in the electoral services markets, these will not be realised by the 2020 Local Government Election.

As noted earlier, Council acknowledges the intent of the IPARTs recommendations and is supportive of an approach which ensures transparency, however these recommendations represent the cost shifting of election expenses from the State Government to Council.

Willoughby City Council

The 58% proposed increase in election costs compares unfavourably to the 2.7% increase in permissible rates income prescribed by IPART to councils in 2018/19. Council is therefore of the belief that these recommendations should not be imposed without the identification of the means through which local government can be financially compensated.

Yours sincerely,



Dean Frost
Acting CHIEF EXECUTIVE OFFICER

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