

Circular Details	Circular No 19-12 / 27 June 2019 / A652969
Previous Circular	19-02 IPART review of the costs of conducting local government elections and extension of the deadline for councils to make a decision on the administration of their elections
Who should read this	Councillors / General Managers / Council Governance Staff
Contact	Council Governance Team / 02 4428 4100 / olg@olg.nsw.gov.au
Action required	Information

Consultation by IPART on recommended reforms to local government election costs and extension of the deadline for councils to make a decision on the administration of their elections

What's new or changing?

- The Government has asked the Independent Pricing and Regulatory Tribunal (IPART) to review the costs of conducting local government elections in NSW. IPART is now seeking feedback on its recommended changes to what councils pay for election services provided by the NSW Electoral Commission (NSWEC). IPART's draft report and other information is available on IPART's website [here](#).
- The *Local Government Act 1993* (the Act) has been amended to extend the timeframes for councils to make a decision on the administration of their September 2020 ordinary elections so that these decisions may be made in light of the outcomes of IPART's inquiry.
- Other amendments made to the Act mean that councils are no longer able to administer their own elections. If councils do not enter into an election arrangement with the NSWEC, they must engage an electoral services provider to administer their elections.

What this will mean for your council

- IPART has invited councils and other interested parties to make a submission to its draft report by **19 July 2019**. Submissions can be made via IPART's online submission form [here](#).
- IPART is also holding a public forum on **2 July 2019**. Councils can register [here](#) to attend the public forum.
- IPART is due to provide its final report to the Minister for Local Government by Friday **30 August 2019**.
- Under the amendments to the Act, councils must make a decision on the administration of their September 2020 ordinary elections no later than **1 October 2019** and enter into an election arrangement with the NSWEC no later than **1 January 2020**. If councils do not enter into an election arrangement with the NSWEC for the administration of their elections, they must engage an electoral services provider to administer their elections.
- As previously noted in the FAQ attached to circular 18-43 "*Council decisions on the administration of the September 2020 elections*", issued on 12 December 2018, new preference counting rules that come into effect at the

next council elections mean that it will no longer be possible for votes to be manually counted making it impossible for councils to administer their own elections without the assistance of an expert electoral services provider (either the NSWEC or a commercial provider).

Key points

- Among other things, IPART is recommending that councils meet the “efficient” costs of contestable election services provided by the NSWEC on the following basis:
 - the direct costs of contestable services are allocated to individual client councils
 - indirect costs of contestable services are allocated to all client councils, mostly on a per-electoral basis
 - the NSW Government pays for non-contestable election services (because no mechanism exists to charge for these services), with the exception of ‘enrolment’ activities (eg the provision of a paper or electronic copy of the residential roll to councils) - these should continue to be paid for by both client and non-client councils.
- Other recommended reforms include:
 - the mandatory unbundling, component pricing and offering of the NSWEC’s individual local government election services, with the NSWEC providing binding quotes for each individual election service
 - the establishment of independent regulatory oversight of the performance of all providers
 - reducing the period before an election by which a council has to resolve to engage the NSWEC from 18 months to 9 months
 - provision of assistance to councils to further develop their election management capabilities through a training program delivered by OLG
 - legislative change to ensure that a council’s general manager becomes responsible for producing a valid election result if and when the council ceases to engage the NSWEC for all election services.

Where to go for further information

- Further information on IPART’s review of the costs of local government elections, including the draft report and contact details is available on IPART’s website [here](#).
- Alternatively contact OLG’s Council Governance Team on 02 4428 4100 or by email at olg@olg.nsw.gov.au.



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