

## **INQUIRY INTO 2008 LOCAL GOVERNMENT ELECTIONS**

**Organisation:** Strathfield Council  
**Name:** Mr Neale Redman  
**Position:** Director Corporate Services  
**Date Received:** 2/07/2009

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30 June 2009

Neale Redman

Joint Standing Committee Electoral Matters  
Parliament House  
Macquarie St  
Sydney NSW 2000



Dear Sir/Madam

**Submission – Inquiry into 2008 Local Government Elections**

Please find attached Strathfield Councils submission to the Inquiry into 2008 Local Government Elections.

If you have any further questions in relation to the above matter, please contact me on 9748 9976.

Yours Faithfully



NEALE REDMAN  
DIRECTOR CORPORATE SERVICES

# SUBMISSION

## INQUIRY INTO THE LOCAL GOVERNMENT ELECTION 2008

JUNE 2009



For more information contact Council on 9748 9999  
or visit [www.strathfield.nsw.gov.au](http://www.strathfield.nsw.gov.au) / 65 Homebush Road, Strathfield NSW 2135

## SUBMISSION

Strathfield Council received an account for \$136,350 from the NSW Electoral Commission (NSWEC) for the conduct of the 2008 Local Government Election. This is an increase of 70.4% on the costs of the 2004 Strathfield Council election. A total of 14,689 votes were cast at the Strathfield Council election, therefore the cost to Council per elector was \$9.28.

The advice from NSWEC to Council on 16 June 2007 stated that the cost per elector for local government elections was estimated at \$7.14, based on number of electors (estimated 18,781 electors). The advice noted that the cost per voter at the State election in 2007 was \$8.79.

Despite having over 4000 fewer electors than estimated in the Council election, the costs per elector substantially increased between estimates and actual costs. These discrepancies have not been satisfactorily explained, particularly when Councils were informed in the same June 2007 directive that the cost for local government was lower than state government elections because:

‘local government elections do not have the costs associated with a tally room, the Legislative Council ballot paper production, interstate and overseas postal voting, making of television commercials and the conduct of a large scale media campaign’.

It should also be noted that local government elections do not permit absentee voting between council areas in NSW either. Therefore, the fact that the last Council election cost more per voter than the State election is concerning particularly in budgeting for future Council elections.

The cost of the Strathfield Council elections in 2004 was \$80,000 and in 2008, the cost was \$136,350 representing an increase of \$56,350. The NSWEC broadly itemised expenses, but did not provide detailed expenditures or the costing methodology per expense. Some costs seem to be aggregated (levied on basis of number of electors) but others appear to be actual costs (eg cost of rent for returning officer accommodation) but no detailed or supporting documentation has been provided to Council. Councils deserve to receive detailed accounts for expenses of this size.

The cost increase appears to be attributable to the following:

- Shifting of costs of administrative programme management from State Government to Local Government eg levying of NSWEC 'administration fee', performance evaluation and reporting, project management etc.
- Expansion of NSWEC election services eg training of returning officers, help desk for candidates, online election night 'virtual tally' room etc. These initiatives are similar to services provided at State and Federal elections, however the costs of these new or expanded election services have been fully passed to local councils without any financial support from either state or federal government.

There is also the issue of expensive and uncompetitive charges by NSWEC. The cost to Strathfield Council of the ballot paper printing works out at 65c per ballot paper (based on actual number of voters) or 50 cents per ballot paper (based on estimated 19,000 electors). Given that Strathfield Council is an undivided Council without wards and only required one ballot paper per elector, the printing costs are astonishing.

However, it should be noted that Strathfield Council's costs could have been even higher if Council was divided into wards. The fact that the Strathfield Council is undivided (one ward) has curtailed some running costs (advertising, printing etc). Council also does not popularly elect the Mayor and did not conduct referendums and polls at the 2008 election, which would have resulted in additional election costs.

However, the 70% cost increase to Strathfield Council is substantial and unsustainable.

In respect of conduct of the election by the NSWEC, Council has not received complaints or evidence of misconduct.

### **Attachments**

Attached are copies of correspondence relating to the costs of the election.

2007/1070

26 March 2009

Mr David Backhouse  
General Manager  
Strathfield Municipal Council  
PO Box 120  
Strathfield NSW 2135

Dear Mr Backhouse

<b>RECEIVED</b> 31 MAR 2009	
CREDIT FOR NO	800462
GOODS RECEIVED	Date
AUTHORISED BY	Date
JOB NO	20256-000

**Final Reconciliation of Costs – 2008 Local Government Election – 2 Year Payment Agreement**

As you are aware, the New South Wales Electoral Commission (NSWEC) provided a budget estimate of costs for the conduct of the Local Government election for your council. We invoiced council for 50% against this estimate and advised that once final costs were known the NSWEC would invoice for the balance.

The NSWEC has worked to contain costs as much as possible. We are pleased to advise that in almost all council areas we have been successful in delivering the election for less than the budget estimate.

Attached please find your council's final summary of costs. An invoice for the balance between the 50% estimate and the final costs will be issued in August 2009.

Unlike previous Local Government elections we have now captured all costs associated with the conduct of the elections. This will be helpful to both the NSWEC and your council in planning and budgeting for the 2012 elections.

Should you have any questions regarding the final calculation of costs please contact Trevor Follett, Director Finance and Administration, at [Trevor.follett@elections.nsw.gov.au](mailto:Trevor.follett@elections.nsw.gov.au).

Yours sincerely



Colin Barry  
Electoral Commissioner

**Final Expenses for Strathfield Municipal Council  
Local Government Election**

STRATHFIELD MUNICIPAL COUNCIL  
RECEIVED BY RECORDS

31 MAR 2009

Item	Description	Amount
<b>Local Government Elections Programme Management</b>		
	Project Management	730
	Performance Evaluation & Reporting,	1,310
	Candidate Support, Legal	
	NSWEC Administration Fee	10,380
<b>Programme Management Total</b>		<b>12,420</b>
<b>Finance Services</b>		
	Budget Management	110
	Payroll Processing	1,350
	Payables Processing	430
	Mail Services	550
<b>Finance Services Total</b>		<b>2,440</b>
<b>Election Services</b>		
	Council Visits	140
	Candidate Info Sessions	340
	De-brief Programme for Returning Officers	40
	Centralised Vote Counting	4,240
	Voting Centres (Incl. pre-poll, Dis & polling places)	170
	Election Materials	7,450
	Training Programme	1,290
	Returning Officer Support Centre	1,190
	Wages - Returning Officers	20,370
	Wages - Office Assistants	21,080
	Wages - Election Officials	20,070
	Returning Officer Accommodation	18,840
	Registration of How-to-Vote Material	20
	Printing Ballot Papers	9,680
<b>Election Services Total</b>		<b>104,920</b>
<b>Election Information Services</b>		
	Equal Access to Democracy	640
	Elector Info Campaign - NSWEC Campaign	3,250
	Elector Info Campaign - Brochure	-
	Elector Information	390
	Info Kit	
	LG Profiling	
	Elector Enquiry Centre	1,480
	Website & Education Services	1,090
<b>Election Information Services Total</b>		<b>6,850</b>
<b>Information Technology</b>		
	Systems Support	1,950
	IT Setup	4,240
	Website (dynamic)	380
	Rolls	1,680
	IT Personnel	890
	Results	580
<b>Information Technology Total</b>		<b>9,720</b>
<b>Total Expenses</b>		<b>136,400</b>
<b>less December 2008 Invoice</b>		<b>79,600</b>
<b>Remaining Amount to be Paid</b>		<b>56,800</b>

Note: All amounts listed are GST Exclusive

27/03/2009





Premier of New South Wales  
Australia



ELECTORAL MATTERS  
COMMITTEE

6 MAR 2009

RECEIVED

TCO/22139 – LB

= 2 MAR 2009

Ms Cherie Burton MP  
Chairperson  
Joint Standing Committee on Electoral Matters  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

Dear Ms Burton

I am writing to refer certain matters to the Joint Standing Committee on Electoral Matters (the "Committee") for inquiry.

Under the Committee's terms of reference, the Committee may:

*"(2) ...inquire into and report upon such matters as may be referred to it by either House of the Parliament or a Minister that relate to:*

*(a) The following electoral laws:*

- (i) Parliamentary Electorates and Elections Act 1912 (other than Part 2);*
- (ii) Election Funding Act 1981; and*
- (iii) Those provisions of the Constitution Act 1902 that relate to the procedures for, and conduct of, elections for members of the Legislative Assembly and the Legislative Council (other than sections 27, 28 and 28A);*

*(b) The administration of and practices associated with the electoral laws described at (a)".*

I wish to refer all matters that relate to (a) and (b) above in respect of the September 2008 Local Government Elections to the Committee for any inquiry the Committee may wish to make, including in relation to the costs of the 2008 Local Government elections.

I note that section 21AA(2) of the *Parliamentary Electorates and Elections Act 1912* (the "PE&E Act") provides that the Electoral Commissioner has the responsibility of administering the PE&E Act and any provisions of any other Act, so far as they relate to the enrolment of electors, the preparation of rolls of electors, and the conduct of elections.



- Section 21AA(3) also provides that, in addition to the functions conferred or imposed by the PE&E Act, the Electoral Commissioner has the functions conferred or imposed on him by or under any other Act.

Additional functions are conferred upon the Electoral Commissioner under Part 6 of the *Local Government Act 1993* for the purpose of conducting Local Government elections.

- I am advised, therefore, that to the extent that section 21AA(2) of the PE&E Act confers upon the Electoral Commissioner a general responsibility for administering electoral provisions contained in other Acts, the Committee is entitled to inquire into and report on those provisions, including matters arising under the *Local Government Act 1993* so far as they relate to the conduct of local government elections.

I believe that the Committee's oversight of State elections is of substantial benefit in terms of transparency and accountability. I see no reason why the same degree of oversight should not be applied to Local Government elections in the interests of transparency.

I would be grateful if the Committee could report on the outcome of its inquiry within 12 months of the date of this referral.

• Yours sincerely

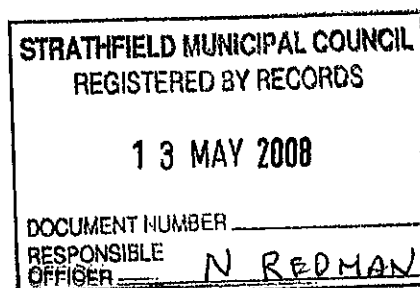
A handwritten signature in black ink, appearing to read 'Nathan Rees', written in a cursive style.

**Nathan Rees MP**  
Premier

2007/1070

8 May 2008

Mr David Backhouse  
General Manager  
Strathfield Municipal Council  
PO Box 120  
Strathfield NSW 2135



Dear Mr Backhouse

### **Budget for the 13 September 2008 Local Government Elections**

Since I wrote to you in June 2007 regarding the budget for your local council election to be held on Saturday, 13 September 2008, considerable consultation and work have taken place between your Council and the New South Wales Electoral Commission (NSWEC) to clarify the election services to be provided to voters in your council area.

As you are aware, the NSWEC is required by law to conduct the elections and each council is required by law to pay the costs associated with their election.

The conduct of Local Government elections is a large scale logistical project that needs to be effectively managed. Whereas at the 2007 State election there were some 870 candidates, at the Local Government elections there will be between 4,500-5,000 candidates. At the State election there are 94 individual elections. At Local Government elections there will be in excess of 300 individual elections.

Staff from the NSWEC have met with you and your staff and provided you with a briefing on the range of services that we will provide to voters in your council area. These services include:

- selection and training of returning officers (ROs);
- production of high quality manuals for ROs and election officials;
- selection of appropriate election officials;
- recruitment drive for staff using the NSWEC website;
- providing a special help desk for candidates;
- providing a centralised elector enquiry service;
- providing a computerised election management system to ROs to streamline administration in the ROs office;
- introduction of e-Learning via the NSWEC's website to train polling place managers;
- providing an internet election night results system similar to that provided at a State election;
- management of the election advertising campaign by the NSWEC; and
- providing councils and the Minister with a detailed report on the conduct of the elections.



Attached to this letter is a detailed budget estimate for the cost of providing election services for your council. The budget estimate has been prepared on the basis of best information known as at April 2008, including whether councils are divided into wards and whether ballot papers will be sent to Sydney for counting.

In addition, we have consulted with you and your staff on the location of the ROs office, selection of polling places, selection of pre-poll voting locations, selection of local newspapers for statutory advertisements, and provided you with the opportunity to send to electors an elector or household brochure.

The budget estimate does not include the cost of any Crown Solicitor's advice that may be necessary in connection with the election for your council area.

During the conduct of the election if it appears that there is going to be a significant increase in any item in the budget we will consult with you.

In August 2008 you will be invoiced for 85% of the budget estimate. At the end of the election we will provide you with an invoice for the balance listed under the headings contained in the budget estimate.

There may be some instances where councils are suffering from financial stress and the NSW Treasury has agreed to allow such councils to pay for the cost of their election over two financial years. If you wish to apply to pay for the election services over two financial years you need to write to me setting out your reasons. I will refer the requests to the Department of Local Government for their consideration.

In managing and delivering the election services we are conscious of electors' expectations of receiving the same level of electoral services they receive at State and Federal elections. We are also conscious of the fact that electors in this day and age expect the elections will be conducted efficiently, effectively and at arms length from the elected politicians.

If you have any enquiries regarding services to be provided would you please first email Helen Robinson ([helen.robinson@elections.nsw.gov.au](mailto:helen.robinson@elections.nsw.gov.au)) and we will respond to your enquiry.

I look forward to working with you on the successful conduct of your election.

Yours sincerely

Colin Barry  
**Electoral Commissioner**

## Budget Estimate for Strathfield Municipal Council

Item	Description	
<b>Local Government Elections Programme Management</b>		
	Project Management	960
	Performance Evaluation & Reporting,	2,000
	Candidate Support, Legal	
	NSWEC Administration Fee	10,380
<b>Programme Management Total</b>		<b>13,340</b>
<b>Finance Services</b>		
	Budget Management	260
	Payroll Processing	2,770
	Payables Processing	440
	Mail Services	1,340
<b>Finance Services Total</b>		<b>4,810</b>
<b>Election Services</b>		
	Council Visits	180
	Candidate Info Sessions	300
	De-brief Programme for Returning Officers	140
	Centralised Vote Counting	6,370
	Voting Centres (Incl. pre-poll, DIs & polling places)	3,340
	Equipment & Materials	11,710
	Training Programme	2,320
	Returning Officer Support Centre	1,560
	Wages - Returning Officers	21,110
	Wages - Office Assistants	21,300
	Wages - Election Officials	20,430
	Returning Officer Accommodation	17,240
	Registration of How-to-Vote Material	40
	Printing Ballot Papers	10,570
<b>Election Services Total</b>		<b>116,610</b>
<b>Election Information Services</b>		
	Equal Access to Democracy	950
	Elector Info Campaign - NSWEC Campaign	3,950
	Elector Info Campaign - Brochure	-
	Elector Information	360
	Info Kit	
	LG Profiling	
	Elector Enquiry Centre	1,790
	Website & Education Services	1,800
<b>Election Information Services Total</b>		<b>8,850</b>
<b>Information Technology</b>		
	Systems Support	2,160
	IT Infrastructure	6,800
	Website (dynamic)	270
	Rolls	1,910
	IT Personnel	3,230
	Results	1,070
<b>Information Technology Total</b>		<b>15,440</b>
<b>Budget Estimate</b>		<b>159,100</b>

**21 JUN 2007**

DOCUMENT NUMBER \_\_\_\_\_

RESPONSIBLE

OFFICER \_\_\_\_\_

18 June 2007

Mr David Backhouse  
General Manager  
Strathfield Municipal Council  
PO Box 120  
Strathfield NSW 2135

Dear Mr Backhouse

**Indicative Costing for Local Government 2008 General Elections**

I am writing to provide you with information that may assist in your budget for the September 2008 Local Government elections.

In 2005 the Council for the Cost and Quality of Government reviewed the New South Wales Electoral Commission (NSWEC) and identified a number of issues relating to the NSWEC's conduct of Local Government elections. The review, amongst other things, identified that the NSWEC was not conducting such elections on a full cost recovery basis.

The NSWEC receives no funding from the Government for the cost of establishing and maintaining an infrastructure and expertise to conduct Local Government elections. Government expects that all such election activity is undertaken on a full cost recovery basis.

The NSWEC commissioned independent auditors to review the current pricing structure and to recommend a pricing structure based on a full cost recovery model. The pricing structure reflects the full cost of providing professional election services.

The pricing structure is as follows:

- NSWEC election management fee of \$195 per hour for staff members;
- Casual staff to be charged at cost with no overhead added;
- Disbursements (printing, postage, ballot papers, etc) to be charged at cost with no overhead; and
- Legal costs to be at Crown Solicitor's invoice with no overhead.

The election management fee includes the NSWEC's costs associated with maintaining an infrastructure to provide election services to councils including maintaining customised local government computer systems, instruction manuals and forms for Returning Officers and candidates, the preparation of training material and seminars for Returning Officers and prospective candidates and our intellectual understanding of Local Government election legislation.



The NSWEC will arrange for the payment of all polling officials engaged by the Returning Officer and clerical assistants who are not full-time employees of the council. In the past this cost has been paid directly by councils.

#### **Cost of the State Election**

We have now completed the March 2007 State election. The cost of the election was approximately \$38.4m. This works out at \$8.79 per enrolled elector.

The Local Government elections do not have the costs associated with a tally room, the Legislative Council ballot paper production, interstate and overseas postal voting, the making of television commercials and the conduct of a large scale media campaign. Local Government elections in 2004 had some 4,500 candidates compared with 900 candidates at the recent State election. This increases the NSWEC's overhead in managing candidates.

In the case of the State election we required 93 Returning Officers. In the case of the Local Government elections we require some 152 Returning Officers. These people have to be recruited and trained.

The full cost of preparing for as well as conducting Local Government elections must be met by councils.

On the basis of the above the NSWEC has estimated that the cost of all Local Government elections will be \$31m. In the case of your council, Strathfield Municipal Council, we have estimated that there will be approximately 18,781 electors at the time of the election. This will work out at \$7.14 per elector with a total budget of \$134,100. The reason for providing you with this information now is so that you can allocate an amount of money in your 2008/09 budget for the realistic cost of running elections in your area.

This estimate does not take into account costs associated with mayoral elections, referendums, polls or uncontested wards.

In the next six months a Client Services Officer from the NSWEC will be making arrangements to meet with you and your staff to discuss election services that you consider appropriate for your voters. Naturally this will effect the costing.

I look forward to meeting with you in the near future and for your staff to meet with one of our Client Services Officers in the next six months to discuss election services.

Yours sincerely

Colin Barry  
Electoral Commissioner