## INQUIRY INTO 2008 LOCAL GOVERNMENT ELECTIONS

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The Chair Joint Standing Committee on Electoral Matters Parliament House Macquarie Street SYDNEY NSW 2000

Attention: Ms Cherie Burton MP

## Dear Madam,

## Joint Standing Committee on Electoral Matters – Inquiry into 2008 Local Government Elections

On behalf of Blacktown City Council, I herein make this submission in relation to the administration and management of the 2008 Local Government Elections.

Blacktown City is the largest Local Government Authority by population in NSW, with approximately 300,000 residents. As a result of the per capita base formula applied by the NSW Electoral Commission (NSWEC) for calculating election costs, Council was invoiced the highest amount of all councils for the conduct of the 2008 Elections.

By way of background, in June 2007 the NSWEC wrote to Council indicating that the anticipated cost to Blacktown City Council for the 2008 Ordinary Election would be \$1,199,000. Based on this advice the anticipated cost of \$1,199,000 represented an increase of almost \$740,000 over the cost of the 2004 Election, including the fee of \$112,448 paid to the NSWEC. Following the receipt of this advice, the NSWEC subsequently advised Council in May 2008 the estimated cost of the 2008 Elections had been revised to \$1,028,100.

Following a number of representations made by Council, and taking into account Council met the accommodation costs for the Returning Officer by providing space in the Library, Council has recently received its final invoice from NSWEC. The final invoice total was \$821,700, which was \$377,300 lower than the original estimate provided in June 2007. This reduction was due partly to the reasons listed above. Nevertheless, the final invoice amount of \$821,700 remains a significant increase over the cost of previous 2004 election. A copy of the final summary of costs from the NSWEC is attached to this letter.

Council has established a reserve to cover the cost of elections. In recent years the amount of \$101,500 has been transferred annually to this reserve. This amount has insured there has been adequate provision to cover the cost of elections every four years. However, due to the significant increase in the cost of the 2008 election, commencing in the 2008/2009 financial year Council has had to increase the annual allocation to this reserve by as further \$186,000.

This additional cost has had to be met by Council during a difficult economic environment. Council is currently being confronted with a range of emerging financial challenges arising from the global financial crisis. For this reason, in order to minimise the impact on the delivery of services and major projects Council has been granted approval to pay the election costs over a two (2) year period.

It is acknowledged that Council is currently in a sound financial position. This has been achieved through prudent financial management, supported by robust and effective long term financial planning. However, as noted previously Council is already being subjected to challenges arising from the global financial crisis.

Council is naturally concerned about the significant increase in costs for the conduct of the Elections and questions the validity of the costings determined by the NSWEC. Accordingly, Council requests that the Inquiry investigate the validity and accuracy of the costings and methodology applied by the NSWEC.

In regard to the conduct of the Elections itself, Council was informed that on Election Day, one of the polling places closed approximately 30 minutes early, turning away voters, as they ran out of ballot papers and at another venue, the polling booth was closed for a period of time awaiting the arrival of additional ballot papers. Those situations have been avoided in the past by having closer monitoring of polling place equipment and communication between Electoral Officials and the Returning Officer.

Also, the NSWEC established a centralised call centre for dealing with all election enquiries and paid for by Councils under their funding methodology. From Blacktown's perspective the call centre proved to be totally ineffective with calls not answered correctly, callers left on hold for considerable time or not answered at all. As a result, Councils own call centre staff were trained up to respond to all general election enquiries from residents frustrated by the poor or lack of response from the NSWEC call centre. Despite the fact that the elections are conducted now by the NSWEC, the majority of residents and ratepayers still are of the understanding that Councils are responsible for the conduct of the elections. Consequently, Council's highly regarded customer service reputation was impacted by the NSWEC call centre. It is requested that the Inquiry also investigate the training, number of staff engaged and general operation of the NSWEC centralised call centre and the cost of same.

I also advise that Council in view of the significant cost increases, made a number of representations in terms of the following:

- (i) Representations to the (former) Premier of NSW, and Minister for Local Government, local State Members of Parliament and the Local Government Association advising that the cost imposition of the magnitude estimated is not acceptable.
- (ii) In view of the significant costs imposed on ratepayers and administrative issues associated with the conduct of the elections, representations were made to the Premier through local State Members of Parliament, requesting that the responsibility for the conduct of the local government elections be reverted back to individual Councils from the NSWEC and that the Local Government Association be requested to support this proposal.

- (iii) Representations were also made to the Minister for Local Government through the local Members of Parliament, seeking support for the proposal that revenue from any fines for failing to vote at the elections be offset against the cost of the elections.
- (iv) Council also requested the Local Government Association to request the Premier to refer as a matter of urgency to IPART for review, the issue of costs being charged to Councils for the 2008 Elections.

It is pointed that there have been no positive responses to date in respect of each of these representations and accordingly, it is requested that the Inquiry also consider and investigate these issues.

In conclusion, Council is extremely concerned about the level of costs imposed and in particular, the per capita methodology for invoicing Councils which is not justified, as in many cases they did not reflect actual costs incurred, resulting in some cross subsidisation of other Councils and the operations of the NSWEC. As a result, Council seeks from the Inquiry a requirement for the NSWEC to review its costing methodology and only seek to recover any actual and real costs incurred and to provide full justification for same. Council also requests that the Inquiry investigate and consider and make appropriate recommendations in respect of the representations Council has referred to in this submission. Additionally, that the Inquiry investigate the effectiveness and operation of the NSWEC centralised call centre.

Should you require any further information or clarification of issues raised in this submission, please do not hesitate to contact me on

Yours faithfully,

Alan Pendleton <u>Deputy Mayor</u>