

CM13.5. 2024 NSW Local Government Ordinary Elections

DATE	14 February 2023	FIL REFERENCE	FIL22/02000
CONFIDENTIAL	No		
FURTHER ENQUIRIES	Cate Stevens People and Culture	PHONE	6023 8118
AUTHOR	Tim Steer		

Purpose of Report

The purpose of this report is to inform Council regarding advice from the NSW Electoral Commission (NSWEC) in relation to costs to conduct the 2024 local government election and seek a resolution as to how ordinary elections will be conducted in the Albury LGA in 2024.

Background

Under section 296AA of the *Local Government Act 1993* (the Act), Councils are required to decide on how ordinary elections are to be conducted at least 18 months prior to an election.

Councils have the option of:

- a) Engaging NSWEC: or
- b) Engaging another electoral service provider

The NSWEC has provided Councils with a deadline of 13 March 2023 for a decision regarding arrangements for the 2024 ordinary elections.

In 2019 Council resolved to engage NSWEC to conduct the 2021 Local Government Elections for the Albury Local Government Area. The estimate was \$403,542 (a 32% cost increase from 2016 which was due to an Independent Pricing and Regulatory Tribunal (IPART) review in 2020) however included a 'Covid/deferral discount', the total cost was \$384,058.16. The cost estimate to conduct the 2016 Council elections was \$259,967.

Issues

NSWEC Cost Estimate - advice

On 30 January 2023, the NSWEC provided a cost estimate to AlburyCity to conduct the 2024 Local Government election (see Attachment 1 - Local Government Election 2024 Cost Estimate NSWEC).

Council should note that the estimate provided by NSWEC to conduct the 2024 election is \$450,569 (inclusive of GST) which is an 11% increase from the 2021 election.

NSWEC Cost Estimate – additional information

The NSWEC have indicated that they charge the actual cost to conduct the election and do not apply any margin to the overall cost. The NSWEC have also indicated the estimated cost is likely to rise between the date of this estimate and September 2024 when the election is held.

The NSWEC have attributed the cost increase to a number of factors such as:

- Early voting centre rental costs have significantly increased since 2021 elections
- Logistics costs are increasing by 10% year-on-year
- The fuel levy for material deliveries and collections has increased by 24%
- The 3-year CPI increase is 13.12%
- Staff costs have risen by 2.83% pa
- Growth in the number of electors is 3.34% over 3 years
- Paper costs have risen (affecting ballot papers and printed rolls)

Neighbouring councils – cost sharing

AlburyCity has indicated a willingness to share a Returning Officer and voting centre with two local councils (Greater Hume and Snowy Valleys). It is possible this may result in the final cost for the NSWEC to conduct the election being lower than the \$450,569 estimated, taking into account the cost split for the returning officer between the three councils.

Specific resolution wording

The NSWEC have requested Council to use specific resolution wording which includes reference to administering Council Polls and constitutional referenda. Council Officers have clarified with NSWEC that this request enables them to provide all councils in NSW with a similar contract to undertake their elections including any incidental by-elections, polls or referendums during the council term (18 months out from the 2028 elections). This approach will ensure no new contracts will be required between Council and the NSWEC during this time.

The model resolution is shown as follows:

That Albury City Council resolves:

- a. Pursuant to s. 296(2) and (3) of the Local Government Act 1993 (NSW) (“the Act”) that an election arrangement be entered into by contract for the Electoral Commissioner to administer all elections of the Council. **Recommended.**
- b. Pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a council poll arrangement be entered into by contract for the Electoral Commissioner to administer all council polls of the Council. **Recommended.**
- c. Pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a constitutional referendum arrangement be entered into by contract for the Electoral Commissioner to administer all constitutional referenda of the Council. **Recommended.**

To ensure it is clear that the resolution of Council relates to the 2024 Election, the introduction to the model resolution has been slightly modified.

Risk

- **Business Risk** – If a council fails to decide on the administration of its elections, polls and referenda by 13 March 2023, it will not be able to engage the NSWEC to administer its ordinary election and will be required to make its own arrangements with another electoral services provider. A council that fails to decide on the administration of its elections by 13 March 2023 will also be required to publish a notice of that failure on council's website. Engaging another provider to administer the 2024 elections would present significant business risk to Council given the potential for increased costs, it is not our core business, nor do we have the resource capacity to undertake such activities.
- **Corporate Risk** – The engagement of the NSWEC to administer Council's elections will ensure independence of process and transparency.
- **WHS and Public Risk** – No risks identified.
- **Environmental Risk** – No risks identified.
- **Delivery Program Risk** – The cost of conducting ordinary elections is incorporated in the 4 Year Delivery Program. An adjustment to current forecasts will be reflected in the draft 2023-2027 budget.

Options

Council has the following two options:

- a. Engage the NSW Electoral commission to manage the 2024 Local Government elections **Recommended.**
- b. Seek to engage another electoral service provider. **Not recommended.**

Conclusion

Having regard to all the issues identified above, it is recommended that arrangements be made to enter into a contract with the NSWEC to conduct the 2024 council elections.

The NSWEC has provided election services for Council in 2008, 2012, 2016 and 2021 and overall feedback on the performance of the NSWEC in previous elections has generally been very positive. Engagement of the NSWEC for the 2024 elections will ensure that risk to Council is minimised and the most cost-effective and efficient election process is achieved.

For the Council resolution to be effective and to align with the Act – including any subsequent identification of poll or referendum matters during the term of council – the NSWEC has prescribed wording that has been provided by the OLG and is set out in the recommendation below.

Recommendation

That Albury City Council, for the 2024 Local Government Election, resolves that:

- a. pursuant to s. 296(2) and (3) of the Local Government Act 1993 (NSW) (“the Act”) that an election arrangement be entered into by contract for the Electoral Commissioner to administer all elections of the Council, and
- b. pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a council poll arrangement be entered into by contract for the Electoral Commissioner to administer all council polls of the Council, and
- c. pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a constitutional referendum arrangement be entered into by contract for the Electoral Commissioner to administer all constitutional referenda of the Council.

Attachments

1. Local Government Election 2024 Cost Estimate NSWEC (DOC23/101652).
2. Circular to councils 22-35 Council decision on the administration of their September 20224 Ordinary Elections (DOC23/95037).
3. Circular to councils 22-35 Attachment 2024 Election Frequently asked questions (DOC23/102763).