

New South Wales Electoral Commission

# Annual Report 2011/12



Conduct of Elections   Electoral Roll Management  
Communication and Public Awareness  
Organisational Development and Innovation

# Welcome

The NSW Electoral Commission (the Commission) has pleasure in presenting our annual report for the year ending 30 June 2012.

It largely focuses on the planning and preparation of the 2012 Local Government Elections and also reports on elections held during the year, services to industrial and commercial organisations, and details of our business operations, corporate governance processes and financial performance.

We hope you enjoy reading our annual report. Your comments are welcomed and should be addressed to:

Performance Measurement  
NSW Electoral Commission  
GPO 832  
Sydney NSW 2001

Further copies can be downloaded from our website  
[www.elections.nsw.gov.au](http://www.elections.nsw.gov.au)

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# How to read this report

This report is divided into the following key sections as follows:

## Executive Summary

Pages 1–8

This section summarises how to read this report, our organisational profile, the year at a glance and reports from the Electoral Commissioner and Chief Financial Officer.

A

## Reporting against our Corporate Plan

1 2 3 4

Pages 9–54

This section details the four Key Result Areas of our Corporate Plan including the highlights and challenges of the year as well as our plans for the future.

B

## Business Operations

Pages 55–66

This section details how our business operates through its systems, staff and processes.

C

## Corporate Governance

Pages 67–76

This section details our corporate governance processes including details of our committees, risk management, legislative compliance and accountability and transparency.

D

## Financial Performance


Pages 77–116

This section details the financial performance of the NSW Electoral Commission and the Office of the NSW Electoral Commission including the audited financial statements.

## References

Pages 117–141

This section details the annual report compliance requirements, appendices, glossary, table of figures, index and five-year overview.

 To reduce our environmental impact, this annual report and other NSW Electoral Commission publications can be downloaded from our website [www.elections.nsw.gov.au](http://www.elections.nsw.gov.au)

## Our Four Key Result Areas

Our 'Corporate Plan 1 July 2011–31 December 2012' is structured around four Key Result Areas which outline our objectives, how we will assess our performance and the strategies we will use.

The pages of the Key Result Areas are colour coded as follows for ease of use.

1 Conduct of Elections

2 Electoral Roll Management

3 Communication and Public Awareness

4 Organisational Development and Innovation

31 October 2012

The Hon. Barry O'Farrell MP  
Premier  
Governor Macquarie Tower  
1 Farrer Place  
Sydney NSW 2000

Dear Premier

On behalf of the New South Wales Electoral Commission and the Office of the New South Wales Electoral Commission, I am pleased to submit our annual report for the financial year ended 30 June 2012.

This report is presented in accordance with the requirements of the *Annual Reports (Departments) Act 1985* and the *Public Finance and Audit Act 1983*.

The major focus of our annual report is the planning and preparation of the 2012 Local Government Elections and the implications of the *Local Government Amendment (Elections) Act 2011* which now allows councils to conduct their elections themselves or engage the Commission to conduct their elections. It also focuses on the conduct of elections held during the year as well as the services we have provided to registered clubs, statutory boards, industrial organisations and other assistance to electoral authorities.

A review of our operations and activities addressing each of the strategies in our corporate plan are presented in this report.

As per your Memorandum M2012-11 this annual report was produced in-house eliminating any external production costs.

Yours sincerely



Colin Barry  
Electoral Commissioner



# Our organisational profile

## Who we are

The NSW Electoral Commission is an independent statutory authority established under the *Parliamentary Electorates and Elections Act 1912*.

## What we do

Our role is to conduct impartial and fair elections for the Parliament of NSW, Local Government councils, the Aboriginal Land Council and registered clubs, statutory boards and state registered industrial organisations as well as other functions that support electoral matters which include:

- preparing the NSW electoral roll in conjunction with the Australian Electoral Commission;
- providing administrative support to the Election Funding Authority;
- providing advice to the Premier on issues affecting the conduct of State elections and by-elections, including issues requiring legislative remedy;
- contributing to public understanding and awareness of elections and electoral matters; and
- reporting to the NSW Parliament and Joint Standing Committee on Electoral Matters.

## Clientele/community served

The people and electors of NSW; local councils; registered political parties; the media; candidates and other participants at elections; registered clubs, statutory boards and industrial organisations; the NSW Parliament and the Minister for Local Government.

## Our people

As at 30 June 2012 we employed 43 permanent staff and 23 temporary officers.



Refer to page 58 for our organisational structure.

## Governance

Our services are supported by a leadership team that provides the structure for informed decision making, efficient and effective programme management, risk management and accountability.

## Our management team

(pictured right) are:

- A Information Technology**  
Director – Ian Brightwell
- B Administration**  
Director – Greg Brandtman
- C Legal**  
Director – Sonja Hewison
- D Enrolment**  
Director – Paul Beeren
- E Performance Measurement**  
Director – Elizabeth Coombs (part time)
- F Funding and Disclosure**  
Director – Brian DeCelis
- G Electoral Commissioner**  
Colin Barry
- Elections**  
Director – Linda Franklin (absent)
- Corporate Communications**  
Director – Marie Swain (absent)
- Finance**  
Director – Trevor Follett (absent)

### Our vision

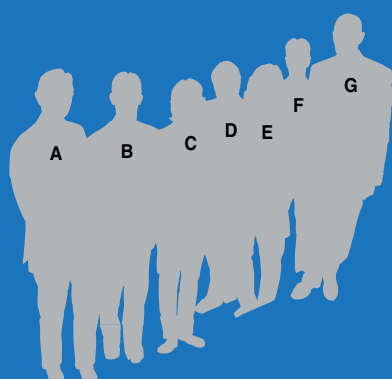
Our vision is to administer an impartial and fair electoral system and ensure that opportunities for the community to participate in the NSW electoral system are based on principles of equity and access.

### Our mission

Our mission is to deliver high quality election services which are impartial, effective and efficient and are conducted in accordance with the law.

### Our values

Our values of integrity, impartiality, transparency, respect for others, professionalism and a learning culture underpin our behaviour, our decisions and the standards we apply to the services we provide and how we assess our performance.



“

*The Directors of the NSW Electoral Commission bring together a diverse breadth of knowledge creating an efficient, innovative and progressive management structure.*

”

**COLIN BARRY**  
Electoral Commissioner

# The year at a glance

## Overview

The following overview shows the highlights and challenges over the past 12 months and our plans for the future in terms of our Key Result Areas.

### Highlights:

- Conducted 48 elections.
- Increased the number of electors on the electoral roll while making enrolment an easier and more convenient process for citizens.
- Provided submissions for the NSW Parliament and the Premier on proposed changes to the *Local Government Act 1993* and other Acts and Regulations impacting on the 2012 Local Government Elections and campaign finance regulation.
- Launched a '2012 Local Government Elections' website and utilised social media to engage with NSW citizens.
- Improved organisational practices and increased sustainability of our core business by reducing the cardboard required for the 2012 Local Government Elections (by 900 kilograms) and achieving significant savings on printing of ballot papers and delivery costs.



Refer to pages 140 -141 for a five-year overview covering election services, resources, income and expenditure.

## 1

### Conduct of Elections

Pages 10–25

#### Our objective

As a result of our services people are able to exercise their democratic right to vote and votes are counted accurately and in a timely manner.

#### Highlights

- ✓ iVote used for the first time at a State by-election.
- ✓ Conducted a State by-election, two City Council elections, the NSW Aboriginal Land Council Election and 44 commercial elections.
- ✓ Actioned 100% of the Parliamentary Committee's recommendations.
- ✓ 35% increase in electoral services provided to commercial organisations.

#### Challenges

- Increasing the efficiency of voting processes at Sydney Town Hall to meet the needs of up to 20,000 voters in the 2012 Local Government Elections.
- Maximising participation by electors in the 2012 Local Government Elections.
- Counting the votes in the 2012 Local Government Elections to the service standard in our Service Charter.

#### Future directions

- Evaluate Sydney Town Hall initiative.
- Formal performance assessments for all temporary senior election staff.
- Recruit and train 14,000 election officials for the 2012 Local Government Elections.
- Establish regional count centres for the 2012 Local Government Elections.



2

## Electoral Roll Management

Pages 26–33

### Our objective

As a result of our services people who are eligible to vote are on the roll and the electoral roll is accurate so that people can exercise their right to vote.

### Highlights

- ✔ 160,000 missing electors found through SmartRoll.
- ✔ Strategies introduced to increase the non-residential roll for 2012 Local Government Elections.

### Challenges

- Find and enrol up to 120,000 young eligible electors.
- Improve non-residential roll enrolment levels for the Council of City of Sydney.

### Future directions

- Undertake a State redistribution process to review electoral boundaries.
- Reach automatic enrolment maintenance goals by 2015.

3

## Communication and Public Awareness

Pages 34–43

### Our objective

As a result of our services people know of their obligation to enrol and vote; candidates and parties are informed of their entitlements and responsibilities; and the public and other stakeholders are informed of the conduct and outcomes of elections.

### Highlights

- ✔ *Making a Difference* award received from Vision Australia for iVote.
- ✔ Medal of commendation awarded for our multicultural strategies.
- ✔ Mobile-friendly web design for our election website.
- ✔ 1,000 potential candidates attended free information seminars.

### Challenges

- Increasing community awareness of the 2012 Local Government Elections.

### Future directions

- Actively pursue the use of social media.
- Undertake stakeholder surveys to make improvements and implement greater efficiencies.
- Review our action plans to ensure our strategies continually meet the electoral needs of diverse communities.

4

## Organisational Development and Innovation

Pages 44–54

### Our objective

As a result of our organisational development efforts the Commission has the staff, systems and processes to provide value for money for the people of NSW in accordance with Government policy and the Commission is positioned to generate new business opportunities.

### Highlights

- ✔ An estimated \$1.0M saving in the production of ballot papers.
- ✔ \$20 per hour reduction in the administration charge to councils.
- ✔ Financial transparency for councils in the provision of detailed estimated expenses.
- ✔ Mitigation strategies implemented on key business processes.

### Challenges

- Meeting the 'average 3 days training target per staff member' while preparing for the 2012 Local Government Elections.

### Future directions

- Assist in a review of the cost recovery model for the 2012 Local Government elections.
- Procurement processes deliver even more savings.
- Review and formalise staff feedback processes.

# The Electoral Commissioner's foreword



**Electoral Commissioner** – Colin Barry

I am pleased to present the NSW Electoral Commission's Annual Report for the year ending 30 June 2012. Our report provides details of elections we have conducted, planning for the future Local Government Elections as well as details of our operations and governance processes.

I can report we performed very well in our core business of conducting elections including preparing for the Local Government Elections in September 2012.

Planning for this large scale event was made more challenging by changes to the *Local Government Act 1993* giving councils the responsibility to conduct their own elections or choose the Commission. The Commission rose to these challenges and the preparation of the 2012 Local Government Elections is proceeding well. I am confident that the elections we are conducting will be the best the Commission has provided.

## 1 Conduct of Elections

During the year the Commission conducted 48 elections; the highest profile being the Clarence State By-election in November 2011, the NSW Aboriginal Land Council Election in August 2011 and the council elections for the cities of Wollongong and Shellharbour in September 2011. The remaining 44 elections were conducted for clubs, statutory boards and industrial organisations.

As mentioned, legislation was changed to give councils the responsibility to conduct their own elections or to choose the Commission; an important shift from the past arrangement whereby the Commission was responsible for all council elections. I support this concept of choice and I was pleased that 91% of councils sought our services.

## 2 Electoral Roll Management

The Commission has continued to expand its automatic enrolment facility while maintaining improvements to enrolment rates within NSW. Feedback from electors who have been enrolled or re-enrolled through the automatic facility has been very positive and we continue to work with the Australian Electoral Commission to improve electoral roll maintenance.

During the year two significant electoral events occurred: the 50th anniversary of the right of Indigenous Australians to vote and the centenary of compulsory enrolment. This served as a timely reminder to ensure that we continue to develop strategies that will inform, communicate and raise awareness about enrolment, elections and voting.

During the year around half a million electors have either been enrolled or had their enrolled address updated by the automatic enrolment process. This is certainly the enrolment strategy for the twenty-first century.

## 3 Communication and Public Awareness

Throughout the year the Commission advertised the elections it was conducting, prepared the communication strategy for the Local Government Elections and continued to develop our website as a principal communication tool.

In addition community education resources were developed and updated to address the needs of electors from regional and remote areas, electors with disabilities and those from culturally and linguistically diverse communities as described on page 39.

It was pleasing to be recognised with a medal of commendation by the Community Relations Commission for our work towards multiculturalism.

Our efforts were also recognised by Vision Australia for the design and development of an internet and telephone voting system which enables an elector with a vision impairment to vote without the assistance of a sighted person.





This year, in conjunction with Victorian Electoral Commission and the University of Melbourne Law School, I was pleased to be part of the establishment of the Electoral Regulation Research Network, a forum to put a spotlight on the regulation of elections across Australia. More information about this exciting initiative is detailed on page 37.

## 4 Organisational Development and Innovation

We continued to develop the skills and competencies of our staff through training, secondment and study opportunities. Staff turnover remains low.

As described on page 46 the Commission has focused upon achieving savings for the 2012 Local Government Elections to reduce the cost imposed upon councils who are required to pay the true cost of the elections. To achieve this, the Commission examined strategies to reduce the cost of producing ballot papers as this was a major expenditure item (\$2.4 million) in the 2008 Local Government Elections. Through more sophisticated specification of the deliverables, greater involvement with the management of the printing process and an open tender process very significant savings estimated to be in the order of \$1.0 million will be achieved.

### Corporate Governance

Since commencing as the NSW Electoral Commissioner in 2004, I have introduced greater accountability of the Commission to the NSW Parliament and the community.

We now report publicly on the elections we conduct and regularly undertake surveys of stakeholders' satisfaction with our services.

In June 2012, the Commission's 2010/11 Annual Report won a silver award at the 2012 Australasian Reporting Awards, the second such award in two years. The receipt of such an award indicates that we are providing appropriate disclosures of key aspects of our core business and addressing current legislative and regulatory requirements.

Our governance arrangements have remained largely unchanged during the year. The Audit and Risk Committee agreed upon an internal audit plan and we developed a risk register for the 2012 Local Government Elections.

In preparing for the 2012 Local Government Elections we continued to work on implementing the recommendations from the Joint Standing Committee on Electoral Matters Inquiry into the conduct of the 2008 Local Government Elections. Work on the recommendations that the Commission could progress under its own initiative is described on page 17.

### The Future

We will provide submissions and evidence to the Joint Standing Committee on Electoral Matters Inquiry into the review of the *Parliamentary Electorates and Elections Act 1912* and the *Election Funding, Expenditure and Disclosures Act 1981*. The reform of these two pieces of legislation is a critical step for ensuring the electoral system within NSW is able to respond to the changing expectations of the NSW Parliament and the electorate.

Another focus of attention for 2012/13 will be upon providing successful and 'value for money' Local Government Elections in September 2012. The expenditure for conducting the elections for 136 councils is estimated to be \$24.5 million, with over 3,500 candidates expected to stand for public office and 4.7 million electors casting their vote across NSW.

We will use the evaluation results of various initiatives for the Local Government Elections to improve the services we provide to NSW citizens. One of these innovations is the use of a 'self-service' electoral roll mark-off system and the provision of a multi-area polling place allowing electors who are outside of their council area to vote. Both of these initiatives will be trialled at Sydney Town Hall.

Lastly, the time is now right to undertake a review of our structure and skills to ensure that we can adapt to changing community demands for electoral services and utilise modern technology in the delivery of elections as well as developing a culture of being smart in how we provide services in the tightening fiscal environment.

I wish to thank all staff as well as our suppliers for their commitment and hard work over the past twelve months. I look forward to working together over the coming year.

Colin Barry  
Electoral Commissioner

30 June 2012

# Chief Financial Officer's report

In 2011-12 the NSW Electoral Commission (the Commission) focused largely on planning and budgeting for the delivery of the 2012 Local Government Elections. The *Local Government Amendment (Elections) Act 2011* permits councils to conduct their elections themselves using their own resources or engage the Commission to conduct their elections. The amendment was sufficient to allow councils to engage private providers. One of the arguments for creating a competitive market was the perceived cost of the Commission delivering election services.

Of the 150 NSW councils required to run elections in September 2012, 136 chose the Commission to provide their election services. Whilst this large proportion of councils (91%) was satisfying, some 'economy of scale' was lost through this portion representing only 78% of the elector base due to the departing 'non-client' councils having on average a larger number of electors.

The 14 councils that are 'non-client' remain with some cost element to the Commission. The delta on the Net Cost of Services flowing from this was agreed by the Treasury as \$870,000. This was made up of reduced management fees and the direct costs of providing services such as the call centre, website links and electoral rolls. It would be inappropriate to charge councils who requested the Commission to conduct their elections and the NSW Government agreed to fund this cost.

The preparation for the Local Government Elections are overseen by a Programme Board with the owners of 19 individual project plans represented. The project plans were individually costed using 'bottom-up' project based budgeting. The estimated cost was detailed by project deliverables and broken down by council. In May 2012, detailed information concerning budgeted and actual costs for the 2012 Local Government Elections was provided to each General Manager of the 136 councils who chose the Commission to conduct their election.

When all actual costs are available councils will receive a report detailing the variances to budget. The total cost of managing the 2012 Local Government Elections is estimated at \$24.5 million delivering an average cost per elector of \$6.80, up from \$5.70 in 2008.

Treasury policy requires the Commission to recover in its pricing the costs of the permanent office for the period in which support to the Local Government Elections is being given. This policy causes an uneven playing field between the Commission and private providers since they are not subject to some of the cost overheads mandated on the Commission. The Commission engaged Pricewaterhouse Coopers to review the cost structure being charged and as a result the hourly administration fee to councils was reduced. The final pricing from the Commission may well be higher however we expect the 'non-financial' aspects of the conduct of the elections by an experienced agency such as the NSW Electoral Commission to portray this value.

## Revenue

The majority of the Commission's revenue is provided from the NSW Government's Treasury Consolidated Fund. Separate appropriations are delivered for recurrent and capital works. The initial recurrent appropriation was \$74.178 million and this supported a net cost of service level of \$72.395 million. This service level includes the transfer payments which totalled \$29.6 million on behalf of the Election Funding Authority.

The Commission received additional 'Roll over' provisions of underspent prior year expenditures of \$200,000 recurrent and \$360,000 capital. After the rollover of \$360,000 the capital budget totalled \$1.76 million. The primary capital project engaged in was to deliver amendments to the Election Management System.

## Expenditure incurred

Total expenses of \$31.378 million were under budget by \$5.690 million or 15.3%. This was largely attributable to slower expenditure on the Local Government Elections projects. The payments to the Commonwealth under the Joint Roll Agreement of \$4.338 million were adverse to budget by \$0.334 million. This structural cost will be reviewed in light of the SmartRoll project deliverables and potential alternative delivery models will be assessed in the coming year.

## Investment in assets

The Commission has \$26.206 million in assets as at 30 June 2012. The value of assets increased by \$1.451 million from the previous year largely as a result of the increased receivables from councils on Local Government Elections expenses. Investment in plant and equipment and software systems fell from \$22.694 million to \$18.766 million as the rate of development slowed from prior years and dipped below the depreciation and amortisation expense.

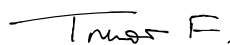
## Liabilities due

Total liabilities increased from \$3.171 million to \$6.820 million largely representing liability to the Treasury Consolidated Fund due to the timing differences on receipting Local Government Elections charges.

## Net equity

Net equity fell from \$21.584 million to \$19.386 million largely due to the slowed rate of investment in capital assets.

I am pleased to present the New South Wales Electoral Commission's Financial Statements for the year ended 30 June 2012 on pages 77 to 116.



Trevor Follett  
Chief Financial Officer

New South Wales Electoral Commission

# Reporting against our Corporate Plan

## A

Our 'Corporate Plan 1 July 2011–31 December 2012' is structured around four Key Result Areas which outline our objectives, how we will assess our performance and the strategies we will use.

The following pages report on each Key Result Area and include the highlights and challenges of the year as well as our plans for the future.

<b>1</b>	Conduct of Elections	10
<b>2</b>	Electoral Roll Management	26
<b>3</b>	Communications and Public Awareness	34
<b>4</b>	Organisational Development and Innovation	44



***Our objective:***

*As a result of our services  
people are able to exercise their  
democratic right to vote and  
votes are counted accurately and  
in a timely manner.*

Key Result Area **1****Conduct of Elections****1****Conduct of Elections****Highlights**

- ✓ iVote used for the first time at a State by-election.
- ✓ Conducted a State by-election, two City Council elections, the NSW Aboriginal Land Council Election and 44 commercial elections.
- ✓ Actioned 100% of the Parliamentary Committee's recommendations.
- ✓ 35% increase in electoral services provided to commercial organisations.

**Challenges**

- Increasing the efficiency of voting processes at Sydney Town Hall to meet the needs of up to 20,000 voters in the 2012 Local Government Elections.
- Maximising participation by electors in the 2012 Local Government Elections.
- Counting the votes in the 2012 Local Government Elections to the service standard in our Service Charter.

**Future directions**

- Evaluate Sydney Town Hall initiative.
- Formal performance assessments for all temporary senior election staff.
- Recruit and train 14,000 election officials for the 2012 Local Government Elections.
- Establish regional count centres for the 2012 Local Government Elections.

**Part 1: Elections held during the year**

	Page
Clarence State By-election	12
NSW Aboriginal Land Council Election	13
Shellharbour City Council Election	14
Wollongong City Council Election	15

**Part 2: Local Government Elections and services to industrial and commercial organisations**

No	Strategy description	Page
1	Continue to work with the NSW Government and Parliament's Joint Standing Committee on Electoral Matters to make voting more accessible and efficient for electors and to enable innovation in the provision of election services.	16
2	Continue to improve administrative processes and systems for conducting Local Government election counts.	18
3	Provide a schedule of when the 2012 Local Government Elections counts will be conducted and when results will be available.	19
4	Maintain and improve the quality of election services the Commission provides to clubs, statutory boards and industrial organisations.	19
5	Provide training that equips officials with the expertise to meet stakeholder expectations.	20
6	Assess the performance of election officials to ensure that we employ staff with the best skills and experience.	22
7	Continue to measure our performance against the service standards in our Service Charter for NSW Councils.	23

## Key Result Area **1**

# Conduct of Elections

## Part 1: Elections held during the year

### Clarence State By-election – 19 November 2011

A State by-election is considerably different to a State election. NSW State elections have a known fixed four-year timetable with a completely different scale and complexity. While a by-election is a smaller scale event there is typically less preparation time.

#### Conduct of the election

On Saturday 19 November 2011 the Commission successfully conducted the State by-election for the Clarence District at a cost of \$531,828. Mr Chris Gulaptis (National Party) was elected with 24,555 votes after distribution of preferences.

This election was the first time technology-assisted voting (iVote) was used at a by-election. iVote provided assistance to 1,246 Clarence electors who live 20 kilometres or more from a polling place; who are visually impaired or have other disabilities; or who were outside NSW on election day.

Feedback regarding iVote compared very well with that from the 2011 NSW State Election. Proportionally, more electors using the iVote service reported faster usage times and greater satisfaction.

The Commission's report on the conduct of the Clarence State By-election was provided to the NSW Premier and the Joint Standing Committee on Electoral Matters. The report demonstrates accountability to election stakeholders and serves as a means to communicate the election outcomes.

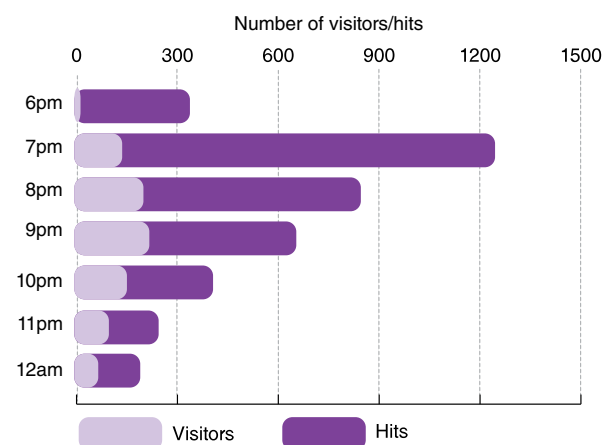
#### Highlights

- 1,246 electors used internet voting (iVote) for the first time;
- within a three week period 225 staff were recruited and trained, venues hired and all necessary preparations made; and
- the use of SmartRoll at the by-election increased new enrolments by 3.7%.

Use of our website is typically greatest on election night when users seek information on results.

The following graph illustrates website usage over the period from close of polling to midnight on election night.

**Figure 1 – Clarence State By-election, website usage for poll results, 19 November 2011**



**Figure 2 – Clarence State By-election, at a glance**

At a glance					
Total electors	Total votes	Voter turnout	Candidates	Election officials	Polling places
52,171	44,171	85.1%	8	225	44

## NSW Aboriginal Land Council Election – 6 August 2011

The NSW Aboriginal Land Council Election was conducted in accordance with the provisions of the *Aboriginal Lands Right Act 1983* and the *Aboriginal Lands Right Regulation 2002*. The last NSW Aboriginal Land Council Election was held in 2007.



**Aboriginal Land Rights Act 1983  
Central Region Election**

In accordance with the Aboriginal Land Rights Act, 1983 and the Regulation thereunder, an election will be conducted for a Councillor to represent the Central Region on the New South Wales Aboriginal Land Council.

**Polling Day is Saturday, 6 August 2011**  
Candidates – Persons nominated as candidates are:

Candidate	Address
RYAN, Stephen	44 Plumford Crescent, Dubbo NSW 2830
CARR, Paul	6 Dubbo Street, Brookhurst NSW 2830
TOOMEY, Darren	3 Lansdown Drive, Dubbo NSW 2830

**Need more information?**  
More information is available from the New South Wales Electoral Commission  
Tel: 1300 135 736.  
[www.elections.nsw.gov.au](http://www.elections.nsw.gov.au)

**Central Region**  
Dubbo, Gilgandra, Mudgee, Narrandera, Renegade, Trangie, Warren, Murrumbidgee, Wellington.

**NEW SOUTH WALES  
Aboriginal Land Council  
CENTRAL REGION**

**election**

Voting at this election is for voting members of a Local Aboriginal Land Council the area of which is within the Central Region.

Election to be held on Saturday, 6 August 2011

*NSW Aboriginal Land Council Election brochures with polling place information were mailed to over 16,136 electors prior to election day.*

### Highlights

- 278 election official recruited and trained to work across 139 polling places; and
- 30% of election officials were Indigenous Australians.

### Conduct of the election

The NSW Aboriginal Land Council Election was held across nine regions on Saturday 6 August 2011 at a cost of \$576,653.

**Figure 3 – NSW Aboriginal Land Council Election, at a glance**

Region	Successful candidate	Number of candidates	Total electors	Total votes	Voter turnout
Central	Mr Stephen Ryan	3	1,126	270	24%
Mid-North Coast	Mr Peter Smith	4	1,476	462	31%
North Coast	Ms Tina Williams	3	1,797	477	26.5%
North Western	Ms Anne Dennis	8	2,340	681	29%
Northern	Mr Tom Briggs	5	1,736	509	29%
South Coast	Mr Jack Hampton	5	1,605	447	28%
Sydney, Newcastle	Mr Roy Ah-See	6	2,932	632	22%
Western	Mr Des Jones	6	754	254	33%
Wiradjuri	Mr Craig Cromelin	8	2,370	388	16%
		<b>48</b>	<b>16,136</b>	<b>4120</b>	<b>25.5%</b>

The Commission's report on the 2011 NSW Aboriginal Land Council Election was provided to the Minister for Aboriginal Affairs, the NSW Aboriginal Land Council, the Department of Aboriginal Affairs and the Office of The Registrar, Aboriginal Land Rights Act 1983.

## Key Result Area **1**

# Conduct of Elections

## Part 1: Elections held during the year

### Shellharbour City Council Election – 3 September 2011



*The Shellharbour proportional representational count for the councillor ballot papers was conducted at the Wollongong Count Centre.*

Shellharbour City Council is an undivided council with seven councillors. The council was placed under administration in 2008 and continued under administration until returning to democracy in 2011.

#### Changes to legislation

The *Local Government (Shellharbour and Wollongong Elections) Act 2011* in force 10 May 2011 provided for the Shellharbour City Council to conduct its elections on Saturday 3 September 2011 (rather than 8 September 2012) and for the councillors elected at these elections to hold office for a five-year term. As a consequence the next ordinary election for Shellharbour City Council is to be held on the second Saturday of September in 2016.

#### Conduct of the election

The Shellharbour City Council Election was held on Saturday 3 September 2011 at a cost of \$217,297. The successful candidates were Ms Marianne Saliba, Ms Kellie Marsh, Mr John Murray, Mr David Boyle, Mr Paul Rankin, Mr Peter Moran and Ms Helen Stewart.

The Commission's report on the conduct of the Shellharbour City Council Election was provided to the NSW Premier. The report demonstrates accountability to election stakeholders and serves as a means to communicate the election outcomes.

#### Highlights

- 127 staff recruited and trained to work across 17 polling places; and
- 88% of polling places where either fully wheelchair accessible or accessible with assistance.

#### Figure 4 – Shellharbour City Council Election, at a glance

At a glance					
Total electors	Total votes	Voter turnout	Candidates	Election officials	Polling places
44,920	37,980	84.6%	52	127	17



## Wollongong City Council Election – 3 September 2011

Wollongong City Council is a divided council consisting of three wards each with four councillors. In addition, the council has a popularly elected Lord Mayor. The council was placed under administration on 9 July 2008. The council continued under administration until returning to democracy by election of 12 councillors and a Lord Mayor on 3 September 2011.

### Changes to legislation

The *Local Government (Shellharbour and Wollongong Elections) Act 2011* in force 10 May 2011 provided for the Wollongong City Council to conduct its elections on Saturday 3 September 2011 (rather than 8 September 2012), and for the councillors elected at these elections to hold office for a five-year term. As a consequence the next ordinary election for Wollongong City Council is to be held on the second Saturday of September in 2016.

### Conduct of the election

The Wollongong City Council Election was held on Saturday 3 September 2011 at a cost of \$579,278.

The Commission's report on the conduct of the Wollongong City Council Election was provided to the NSW Premier. The report demonstrates accountability to election stakeholders and serves as a means to communicate the election outcomes.

### Highlights

- 458 staff recruited and trained to work across 62 polling places;
- the role of Councillor Count Managers at nominated polling places resulted in quicker counts and faster presentation of results; and
- 68% of polling places were either fully wheelchair accessible or accessible with assistance.

Figure 5 – Wollongong City Council Election, at a glance

At a glance					
Total electors	Total votes	Voter turnout	Candidates	Election officials	Polling places
135,468	118,192	87.2%	95	458	62

Figure 6 – Wollongong City Council Election, successful candidates

Lord Mayor Election	Councillor Election Ward 1	Councillor Election Ward 2	Councillor Election Ward 3
Mr Gordon Bradbery	Mr Leigh Colacino	Mr John Dorahy	Mr Chris Connor
	Ms Janice Kershaw	Mr David Brown	Mr Bede Crasnich
	Ms Jill Merrin	Ms Michelle Blicavs	Ms Ann Martin
	Mr Greg Petty	Mr George Takacs	Ms Vicki Curran

## Conduct of Elections

### Part 2: Local Government Elections and services to industrial and commercial organisations

#### Strategy 1

Continue to work with the NSW Government and Parliament's Joint Standing Committee on Electoral Matters to make voting more accessible and efficient for electors and to enable innovation in the provision of election services.

#### Legislative changes made to Local Government elections

The *Local Government Amendment (Elections) Act 2011*, in force 27 June 2011, amended the *Local Government Act 1993* to, among other things; transfer the responsibility for the conduct of Local Government elections from the Commission to local councils. Previously, the Commission was required by law to conduct and be responsible for all Local Government elections in NSW.

Since the above Act was implemented a number of additional changes to Local Government legislation have been designed to make voting more accessible and efficient for electors and to enable innovation in the provision of election services. The key impacts of these legislative changes are provided below.

Legislative change	Synopsis
Consistency with corresponding State elections provisions	<p>This legislative change is where the majority of efficiencies arise through enhancing transparency and accessibility as follows:</p> <ul style="list-style-type: none"> <li>enables electronic rolls of electors to be used at pre-poll elections for marking off purposes;</li> <li>polling places and pre-poll voting offices for an area or ward may be outside the area or ward;</li> <li>postal voting and pre-poll voting consistent with State election processes by enabling people with a disability, and people who believe that attending a polling place on election day will place their personal safety or the personal safety of members of their family at risk, to take advantage of those forms of voting; and</li> <li>enabling pre-poll and declared institution voters to place ballot papers directly into a ballot box (rather than placing ballot papers first into envelopes with written declarations printed on them).</li> </ul>
Automatic enrolment	<p>This legislative change clarifies that automatic enrolment of electors on the rolls for State Parliamentary elections extends to enable people to be enrolled on the roll of residential electors for a Local Government election during the period leading up to the polling day for the election.</p>
Provisional voting	<p>This legislative change:</p> <ul style="list-style-type: none"> <li>allows people eligible to enrol as residential electors for Local Government elections to enrol and cast a provisional vote at pre-poll and on election day, provided the person can produce a NSW driver licence or Photo Card; and</li> <li>clarifies that provisional voting may be carried out at pre-poll voting offices and declared institutions (other than enrolling and voting at declared institutions).</li> </ul>
Postal voting	<p>This legislative change:</p> <ul style="list-style-type: none"> <li>enables the implementation of a centralised postal voting centre for processing of all postal vote applications; and</li> <li>simplifies online postal vote application forms where eligible voters can apply for a postal vote online.</li> </ul>



A full list of the changes made to Local Government legislation is available on our website [www.elections.nsw.gov.au/changes-Local](http://www.elections.nsw.gov.au/changes-Local)

## Recommendations from the Joint Standing Committee on Electoral Matters

The Joint Standing Committee on Electoral Matters (JSCEM) Inquiry into the 2008 Local Government Elections invited all councils, State registered political parties and parties registered to contest Local Government elections to make submissions on issues of concern.

The JSCEM's report outlined 16 key recommendations to assist in the conduct of future Local Government elections, eight of which require action pre the 2012 Local Government Elections. As at 30 June 2012 the Commission has actioned 100% of the recommendations which will make voting more accessible and efficient for electors and enable innovation in the provision of election services. A summary of the recommendations and actions taken is outlined below and further information (if applicable) is provided on the indicated page number.

Recommendation	Actions	Page
Communicating costs to councils	In May 2012 each client council received a 'Council Budget Estimate Scope Summary' detailing their budgeted costs.	46
Advertising budget	Approximately 20% of the advertising budget has been earmarked for use in the fortnight preceding election day.	N/A
Service Charter	The 'Service Charter for NSW Councils' sets out the services the Commission will provide to councils, candidates, registered political parties and electors, and the service standards to be applied.	23
Regional Returning Officer model	Improvement to the accessibility of the Regional Returning Officer in which more regions will be created in rural areas and in some metropolitan areas.	N/A
Disability access for polling places	For the 2012 Local Government Elections it is estimated that up to 25% of polling places will be fully wheelchair accessible and 40% will be accessible with assistance.	40
Non-residential rolls	Councils continue to be responsible for the maintenance of the non-residential roll for Local Government elections. The Commission has engaged with councils to assist with preparation of the non-residential rolls.	33
Ballot paper shortages and staffing levels for polling places	The Commission reviewed the methodologies used to calculate projected voting figures and allocate ballot papers; the policies and procedures to deal with any shortage of ballot papers; and the method for determining staffing levels for polling places on election day, including multi-ward and multi-council polling places.	N/A
Regional count centres	Councillor counts at the Local Government elections will be undertaken locally at regional count centres outside of the Sydney metropolitan area.	18

### Innovation in the provision of electoral services – Sydney Town Hall

For the first time, Sydney Town Hall will operate as a multi-area polling place at the 2012 Local Government Elections, allowing electors, who are outside of their council area and can access the Sydney Town Hall, to vote.

Currently, electors who are outside their local area do not have this opportunity as legislative change introducing technology-assisted voting for Local Government elections, which would have addressed this deficiency, has not occurred.

The nature of the service is also innovative with ordinary votes issued through a self-service computer mark-off system.

Following the 2012 Local Government Elections this initiative will be evaluated and if successful will be considered for more venues across NSW in subsequent Local Government elections. Sydney Town Hall will provide a valuable service to around 20,000 electors who either work in or visit the city during the election period.

## Key Result Area **1**

# Conduct of Elections

## Part 2: Local Government Elections and services to industrial and commercial organisations

### Client Service Officers

For the 2012 Local Government Elections the Commission has appointed three Client Service Officers to establish and maintain client relationships with the 136 councils who have chosen the Commission to conduct their elections.

### Technology-assisted voting

Technology-assisted voting (iVote) was first introduced at the 2011 NSW State Election to enable eligible electors to vote over the internet or telephone. As at 30 June 2012 legislation to enable iVote to be used at the 2012 Local Government Elections was not introduced however the Commission will continue to support the benefits of iVote and its value for future elections.



The report into the 'Evaluation of Technology-Assisted Voting provided at the 2011 NSW State Election in March 2011' is available on our website at [www.elections.nsw.gov.au/about\\_us/plans\\_and\\_reports](http://www.elections.nsw.gov.au/about_us/plans_and_reports)

## Strategy 2

Continue to improve administrative processes and systems for conducting Local Government election counts.

The Commission is committed to providing accessible, accurate and timely election results on election night for the 2012 Local Government Elections.

During the year the Commission has implemented a number of administrative and system improvements to ensure that Local Government election counts are conducted accurately and without delay.

### Recommendations from the JSCEM – regional count centres

As reported in Key Result Area 1, Strategy 1 the JSCEM Inquiry into the 2008 Local Government Elections invited submissions on issues of concern.

The JSCEM's report outlined key recommendations to assist in the conduct of future Local Government elections. One of the recommendations was to undertake counts for the 2012 Local Government Elections at regional Returning Officers' offices outside of the Sydney metropolitan area. At previous Local Government elections ballot papers were counted locally in rural areas however the counting software used was less sophisticated. This initiative will improve administrative processes and systems for conducting Local Government election counts through:

- providing results earlier;
- maximising efficiency in the counting process; and
- allowing greater accessibility for scrutineers to observe the process.

Services to electors within the regions are catered for through:

- ensuring that sufficient polling places for each individual council are made available;
- the availability of pre-poll voting in every council area and also at the Returning Officer's office throughout pre-poll voting; and
- postal voting for remote electors.

### Central counting centre

In addition to the introduction of regional count centres, counts for the councils in the metropolitan and greater metropolitan areas will be conducted at the Commission's central counting centre based in Riverwood, Sydney.

### The introduction of Councillor Count Managers

Following the successful trial of a Councillor Count Manager at the Wollongong City Council Election in September 2011, the Commission will employ 96 Councillor Count Managers for the 2012 Local Government Elections.

The employment of Councillor Count Managers will enable quicker counting in polling places and ensure the faster appearance of results on the Commission's Virtual Tally Room website.

Councillor Count Managers, Returning Officers and Polling Place Managers are all trained in the counting process, the use of relevant software and the procedures to be followed when ballot papers are forwarded to the Commission's central counting centre.

### Strategy 3

Provide a schedule of when 2012 Local Government Election counts will be conducted and when results will be available.

The Commission is committed to ensuring that results of 2012 Local Government Elections are provided in a timely and focused manner. As at 30 June 2012 the estimated counting schedule for the 2012 Local Government Elections was provided on our website for comment.

#### Results

The Commission's Virtual Tally Room (VTR) on our website is the major source of results information and provides over the internet results and count status

information which is accessible, accurate and timely in a form readily available to all stakeholders.

#### Recount

Any candidate can request a recount of ballot papers. This request must be in writing to the Returning Officer within 24 hours of being notified of the election result, setting out the reasons for the request and signed by the candidate. It is also open to the Electoral Commissioner to direct that a recount be undertaken.

### Strategy 4

Maintain and improve the quality of election services the Commission provides to clubs, statutory boards and industrial organisations.

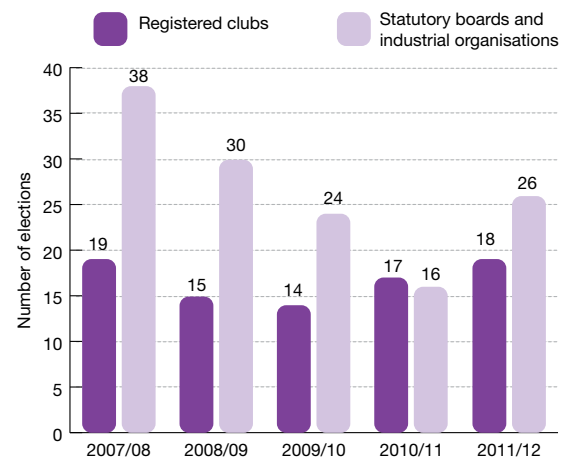
During the year the Commission provided electoral services to 44 organisations on a competitive fee for service arrangement. Five new clubs approached the Commission to run their elections on the recommendations from existing clients.

The Commission offers a full election service for either postal voting or face-to-face voting. Services include interpretation of club rules and regulations, candidates' nominations, holding the ballot, design, print and technology, voting, counting and pricing and invoicing.

Refer to Appendix 1 on page 121 for a list of clubs, statutory boards and industrial organisations that utilised the services of the Commission for their elections.

The graph to the right shows the number of elections held over a five-year period illustrating an increase in services (particularly to statutory boards and industrial organisations) in this financial year after a decline.

**Figure 7 – Commercial organisations, number of elections held over a five-year period**



#### Service Level Agreement

During the year the Commission developed a formal Service Level Agreement for clients to clarify roles and responsibilities as well as expected service standards. Prior to an organisation engaging the services of the Commission a meeting is held to discuss and agree upon the Service Level Agreement

## Key Result Area 1

# Conduct of Elections

## Part 2: Local Government Elections and services to industrial and commercial organisations

### Strategy 5

Provide training that equips officials with the expertise to meet stakeholder expectations.

Election officials manage the polling places, the issuing of votes, the counting of votes and resolving of queries or difficulties experienced by electors on election day. The importance of comprehensive training cannot be overestimated as the success of election operations is highly dependent upon the level and quality of training election officials receive.

During the year the Commission has been working to ensure that election officials, employed for the 2012 Local Government Elections, are proficiently and capably trained in all aspects of their roles. With an estimated temporary staffing pool of over 14,700 people this is a particularly complex task.

#### Returning Officers

Returning Officers are appointed by the NSW Electoral Commissioner and are responsible for the conduct of the election in the council areas to which they are appointed.

Sixty-four Returning Officers have been recruited and trained to service the 136 councils for whom the Commission is conducting elections.

#### Returning Officer Support Officers

Eight Returning Officer Support Officers have been recruited to support 64 Returning Officers. Their training is similar to that for the Returning Officers with additional material specific to their role.

#### Office Managers

The training of Office Managers mirrors that for Returning Officers as the position was established to provide high level assistance to the Returning Officer. Feedback from the post implementation review of the 2011 State Government Election made a strong case to include Office Managers in the Returning Officer's face-to-face training. This minimises the risk and impact should a Returning Officer leave unexpectedly as well as provide additional management capacity in larger geographic areas.

Figure 8 – Staff categories and numbers, Local Government Elections 2012

Staff categories for the 2012 Local Government Elections (LGE)	As at 30/06/12	Estimated for LGE
Returning Officers	64	–
Returning Officer Support Officers	8	–
Office Managers	62	–
Office Assistants	–	2,500
Polling Place Managers and Deputy Polling Place Managers	–	2,000
Election Officials	–	10,000
Client Service Officers	3	–
Councillor Count Managers	–	96
<b>Total</b>	<b>137</b>	<b>14,596</b>

### Cultural awareness

The Commission's 'Multicultural Action Plan 2010-12' and 'Aboriginal and Torres Strait Islander Action Plan 2010-12' outline key actions to ensure that election officials are suitably trained to work in a culturally diverse environment. Returning Officers, located in areas identified as having a high population of culturally and linguistically diverse electors, receive specific training.

### Equal Access to Democracy

The Commission has a commitment to the principles contained within the NSW Government Disability Framework and has established its own 'Equal Access to Democracy Plan'. All Returning Officers and staff working in the Returning Officer's office as well as election officials are made aware of the appropriate manner in which to treat people with disabilities.

### Equal employment opportunities

Returning Officers are required to show the utmost integrity in the carriage of their duties. Implicit within such is the application of equal employment opportunity principles in their workplace both in respect to the employment process and the provision of customer service.

## Compulsory training strategy for Returning Officers

### Familiarisation of procedures

A new set of comprehensive standard operating procedures for Returning Officers and their staff has been developed specifically for the 2012 Local Government Elections.

### Online training (five hours)

A newly structured online training programme has been developed for Returning Officers. Changes include a restriction to a maximum of five hours duration and more focused modules covering functional areas such as pre-poll, results and counting.

The online training programme has been restructured to focus on 'what' needs to be done rather than 'how'. This will provide greater efficiencies and enable other election officials to use the modules as part of their training regime.

### Pilot training

The Commission conducted pilot training for Returning Officers with Returning Officer Support Officers as participants to 'test' the timetable as well as get feedback on content. As a result the training programme was adjusted prior to the delivery of face-to-face training for Returning Officers and Office Managers.

### Face-to-face training (five weeks)

Face-to-face training is compulsory and essential for Returning Officers to succeed in their role. Training was held over five weeks in central Sydney in May and June 2012. The training for each Returning Officer was conducted over four days.

The Commission trained Returning Officers on sorting and counting votes as this is one of the complexities of council elections given each council can have different ballot papers and therefore different sorting and counting requirements.

All Returning Officers' training included the use of relevant software including the use of our in-house resource portal the Election Management Application. Returning Officers also have access to the Returning Officer Homepage on our intranet which contains links to key information and electronic processes such as forms, instructions, system links and an electronic version of the standard operating procedures.

## Key Result Area **1**

# Conduct of Elections

## Part 2: Local Government Elections and services to industrial and commercial organisations

### Returning Officer Support Officers

Eight Returning Officer Support Officers have been recruited to support 64 Returning Officers. Their training is similar to that for the Returning Officers with additional material specific to their role.

### Office Managers

The training of Office Managers mirrors that for Returning Officers as the position was established to provide high level assistance to the Returning Officer. Feedback from the post implementation review of the 2011 State Government Election made a strong case to include Office Managers in the Returning Officer's face-to-face training. This minimises the risk and impact should a Returning Officer leave unexpectedly as well as provide additional management capacity in larger geographic areas.

### Other election officials

Declaration Vote Issuing Officers complete an online training course as do Polling Place Managers and Deputy Polling Place Managers. The latter also attend a two hour face-to-face workshop conducted by the Returning Officer.

All other election officials, part-day election officials and information officers are provided with handbooks and manuals prior to election day. More formalised training for this group is not required and would be costly given the large numbers involved.

Additional training is provided to call centre staff to respond to enquiries from the general public. It is expected that daily calls will range between 5,000 to 8,800 in the week leading up to election day.

## Strategy 6

Assess the performance of election officials to ensure that we employ staff with the best skills and experience.

The Commission is committed to assessing the performance of frontline staff so we can constantly modify and implement new strategies for future elections to ensure we have the right people in the right places.

During the year the Commission has implemented some significant new strategies to further develop our performance assessment process for senior election officials.

### Performance assessments

Over 14,500 temporary staff will be employed for the 2012 Local Government Elections. The Commission has refined its performance assessment templates to complement the application process and link performance back to the key capabilities of senior election staff.

The Commission will conduct formal performance assessments on Returning Officers and Office Managers; Returning Officers will conduct performance assessments on Polling Place Managers. To carry out formal performance assessments on all staff would require in-depth individual analysis which is not feasible. Returning Officers are trained in how to correctly and appropriately assess their staff and record information using the recruitment and assessment database.

Face-to-face training provided for Returning Officers and Office Managers will improve all aspects of completing assessment reports (in particular focusing on the appropriate way of dealing with performance assessment procedures).

### Revision of position descriptions and expression of interest application forms

A key achievement this year was the revision of our position descriptions and expression of interest application forms detailing the key capabilities and competencies required for each of the election official positions. This will assist the Commission and Returning Officers to make better, merit based recruitment decisions.

### Recruitment and assessment database

The Commission has upgraded its recruitment and assessment database capturing online training results and information gathered to assess on the job performance. This will assist future recruitment campaigns and recruitment decisions particularly for positions with accountability and supervisory functions.



## Strategy 7

Continue to measure our performance against the service standards in our Service Charter for NSW Councils.



Our Service Charter communicates our approach and commitment to councils.

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### Recommendations from the JSCEM – Service Charter

As reported in Key Result Area 1, Strategy 1 the JSCEM Inquiry into the 2008 Local Government Elections invited submissions on issues of concern.

The JSCEM's report outlined key recommendations to assist in the conduct of future Local Government elections. One of the recommendations was that the Commission develop a Service Charter for Local Government elections.

The draft 'Service Charter for NSW Councils' was completed in 2011 and reissued in June 2012 following consultation with councils. The Charter sets out the standards to apply to the election services and is a tool for communicating the Commission's approach and commitment to those councils who have chosen the Commission to conduct their elections. The Charter's content was based on best practice examples, survey results and feedback from council General Managers following the 2008 Local Government Elections.



A copy of our Service Charter is available on our website [www.elections.nsw.gov.au/our\\_plans](http://www.elections.nsw.gov.au/our_plans)

The Commission is committed to the following key components to the councils for which we are conducting elections:

- consultation with councils on election services and timely provision of budgets;
- Client Service Officers assigned as councils' dedicated contacts with the Commission on all aspects of their elections;
- Returning Officers recruited on expertise and capacity to deliver successful elections for the Commission and councils;
- well publicised information on election services for electors, candidates, groups of candidates and registered political parties;
- accurate vote counting;
- results on election night from polling places as soon as they become available and timely publication of provisional and final results; and
- public accountability by reporting to the NSW Parliament and councils.

## Key Result Area **1**

# Conduct of Elections

## Part 2: Local Government Elections and services to industrial and commercial organisations

The tables below outline the service standards for councils, electors, candidates and registered political parties against which the Commission's performance can be measured for the 2012 Local Government Elections. Information about progress towards achieving the service standard (if applicable) is referred to on the indicated page number.

**Figure 9 – Service standards for councils and electors, Local Government Elections 2012**

Service standards for councils and electors			
The Commission undertakes to provide:	Key Result Area	Strategy	Page
Capable, informed and competent Returning Officers and election officials.	1	5	20
Useful, accessible and timely information on electoral services and the electoral system applying to Local Government elections.	3	4	42
Efficient voting services provided by trained and courteous election staff.	1	5	20
A range of voting options that, within legislative parameters, allows choice and greater convenience to electors.	1	1	16
Appropriate assistance with council, elector and candidate enquiries.	–	–	–
Adequate numbers of well located, accessible and advertised polling places.	–	–	–
Services for electors from communities with culturally and linguistically diverse backgrounds.	3	3	39
Services for electors from Aboriginal and remote communities.	3	3	39
Services for electors with disabilities.	3	3	39
Accurate enrolment details for electors.	2	1	28
Roll and ballot paper production services.	1	1	16
Election day voting options.	1	1	16
Clear advice on how to vote formally.	–	–	–
Easy to understand information on vote counting.	1	2	18
Accessible, accurate and timely election results.	1	3	19
Non-voter processing services.	4	3	49
Timely provision of results on election night.	1	3	19



*Efficient voting services provided by trained and courteous election staff.*

**Figure 10 – Service standards for candidates and registered political parties, Local Government Elections 2012**

Service standards for candidates and registered political parties			
The Commission undertakes to provide:	Key Result Area	Strategy	Page
Useful, accessible and timely information on election services and the electoral system applying to Local Government elections.	3	2	38
Timely, clear instructions on the rules of the elections such as how to register electoral material.	3	2	38
Efficient electoral services provided by trained and courteous election staff.	1	5	20
Appropriate assistance with enquiries.	3	2	38
Efficient nominations process.	3	2	38
Advice as to how to appoint scrutineers and receive information specific to the role of scrutineers.	3	2	38
Easy to grasp information on timetable and processes for vote counting.	1	3	19
Timely response to complaints including allegations of breaches of electoral requirements.	3	2	38
Timely information of status of counts, any recount and declaration of polls.	1	2	18
Accessible, accurate and timely election results on election night.	1	3	19



***Our objective:***

*As a result of our services people who are eligible to vote are on the roll and the electoral roll is accurate so that people can exercise their right to vote.*

Key Result Area **2****Electoral Roll Management****2****Electoral Roll Management****Highlights**

- ✓ 160,000 missing electors found through SmartRoll.
- ✓ Strategies introduced to increase the non-residential roll for 2012 Local Government Elections.

**Challenges**

- Find and enrol up to 120,000 young eligible electors.
- Improve non-residential roll enrolment levels for the Council of City of Sydney.

**Future directions**

- Undertake a State redistribution process to review electoral boundaries.
- Reach automatic enrolment maintenance goals by 2015.

No	Strategy description	Page
1	Maintain the automatic enrolment facility and continue to press for improved electoral roll maintenance arrangements with the Australian Electoral Commission.	28
2	Develop targeted strategies to increase the registration of groups that are under-represented on the electoral roll.	30
3	Prepare the non-residential roll for the Council of the City of Sydney for the 2012 Local Government Elections.	32
4	Assist Local Government authorities with non-residential roll maintenance processes for the 2012 Local Government Elections.	33

# Electoral Roll Management

## Strategy 1

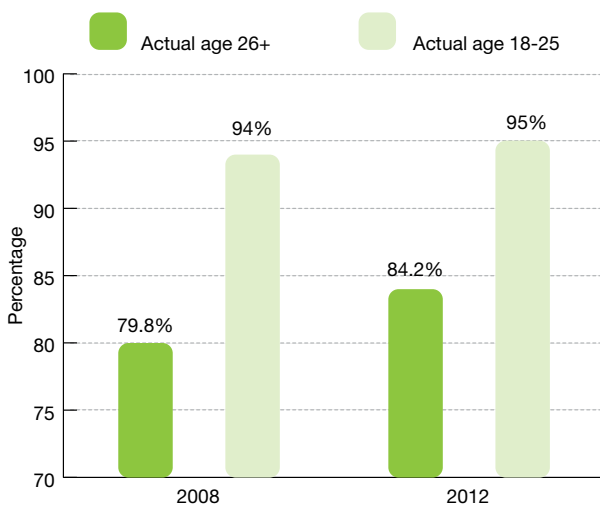
Maintain the automatic enrolment facility and continue to press for improved electoral roll maintenance arrangements with the Australian Electoral Commission.

An accurate electoral roll is essential for maintaining a healthy democratic system and for ensuring that those who are eligible to vote are able to do so. Every Australian citizen resident in NSW, who is 18 years of age or older, is required to enrol and vote at Federal, State and Local Government elections and referendums. A citizen is eligible to enrol if they meet the following criteria:

- 17 years of age or older (and vote when 18 years old);
- Australian citizen (or British subject who was on an Australian electoral roll on 25 January 1984);
- Resident at the present address for at least the last month.

The table below illustrates that the number of eligible NSW citizens enrolled to vote remains largely unchanged between the 2008 and 2012 Local Government Elections, although there has been an increase in enrolment of those aged 26 years and over.

**Figure 11 – Eligible NSW citizens enrolled to vote, Local Government Elections 2008 and 2012**



### SmartRoll

The Commission is proud to have led the way nationally in increasing elector enrolment through automatic enrolment and re-enrolment (SmartRoll). In this system, data held by other NSW Government agencies, is used to identify eligible but unenrolled or incorrectly enrolled people to add their correct details to the NSW roll.

The SmartRoll system has grown in scope and continues to operate and locate 10,000 people per week who are either not enrolled or who have moved from their address.

One of the great advantages of the automatic enrolment provisions is that for each election there should be fewer electors attending a polling place expecting to find their name on the roll for that electoral district or council when in fact they are enrolled elsewhere.

The Commission has a joint roll arrangement with the Australian Electoral Commission for the purposes of preparing, updating and revising rolls of electors for Federal and State elections. Under the *Local Government Act 1993*, the electoral roll for Local Government elections is also maintained by the Commission and the Australian Electoral Commission.

For the 2012 Local Government Elections the Commission will continue to supply new enrolled data to the Australian Electoral Commission and to all councils, not just those councils for which the Commission will conduct elections.

### Governance of SmartRoll

The SmartRoll/Direct Enrolment Steering Committee consists of representatives from the Commission, the Australian Electoral Commission and the Victorian Electoral Commission. The Committee also provides advice to the Electoral Commission of Queensland as they consider the merits of SmartRoll. In the year to 30 June 2012 the Committee met four times to discuss automatic enrolment.

### Maintenance of the electoral roll

As was the case in 2008, the Commission will not charge councils for any portion of the maintenance of the NSW electoral roll and the operation of SmartRoll for the 2012 Local Government Elections. This cost is presently met by the NSW Government for an annual charge in excess of \$6.0M.

### Internal audit on updating and securing the roll

Documentation of policies and procedures has occurred following an internal audit of SmartRoll processes.

The processes for reviewing, updating and approving SmartRoll were formalised and rules standardised as much as possible.



Refer to Key Result Area 4, Strategy 3 on page 49 for more information about the strategic internal audit programme.

### Provision of electoral rolls

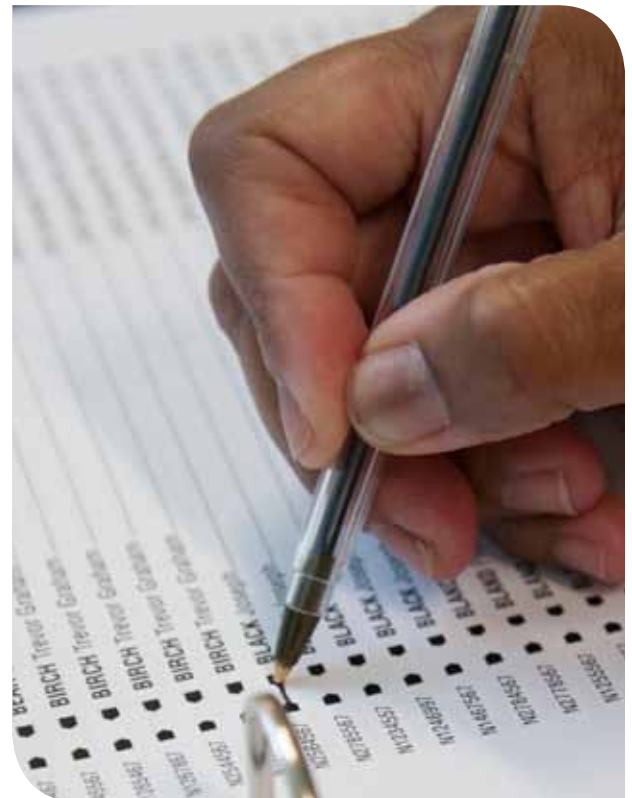
Under NSW electoral law, the Commission must provide electoral information to certain organisations and individuals for electoral process or law enforcement purposes. Electoral rolls are not available for sale and it is illegal to copy an electoral roll. The principles outlined in the *Privacy and Personal Information Protection Act 1998* is observed by the Commission in managing the roll.



Refer to Appendix 4 on page 125 for requests for copies of the NSW Electoral Roll 2011/12.



Different tools and methods for marking electors off the electoral roll (iRoll).



Different tools and methods for marking electors off the electoral roll (hard copy).

# Electoral Roll Management

### Strategy 2

Develop targeted strategies to increase the registration of groups that are under-represented on the electoral roll.

Prior to the establishment of SmartRoll, it was estimated that around 480,000 eligible NSW voters were currently missing from the electoral roll; an average of 9,900 in each electorate. Young people, people from culturally and linguistically diverse backgrounds, Aboriginal and Torres Strait Islanders, and people that do not update their address details after moving make up a significant amount of those not on the roll.

Following a successful pilot at the Clarence State By-election a state-wide programme was implemented to enrol new electors for the 2012 Local Government Elections. As at 30 June 2012, SmartRoll has found a third of the estimated 480,000 missing electors.

#### Targeting people who change their address

All eligible citizens are required to update their address on the electoral roll when they move however a significant proportion of citizens fail to do this.

Through accessing information from a NSW government agency, SmartRoll provides a simplified and smarter automatic enrolment and re-enrolment service allowing direct enrolment of electors and removing the need for electors to initiate action to become enrolled and/or update their address details.

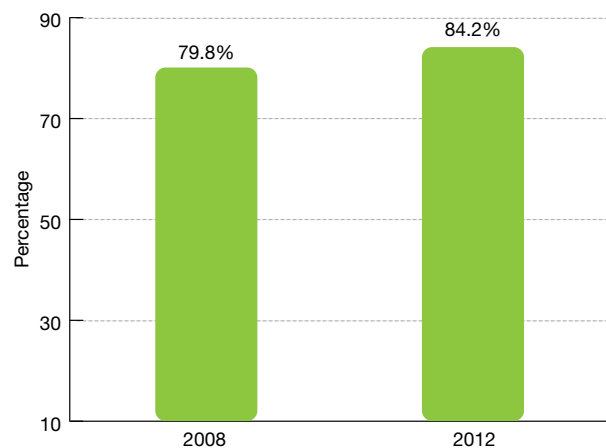
An 'opt-out' system has been designed to allow potentially eligible people to disagree with the automatic enrolment if the information received from other agencies is not correct. If there is no disagreement received after the legislated minimum elapsed time of seven days, then the eligible elector is advised that they are enrolled at their notified address.

#### Targeting young people

The number of young eligible citizens, aged from 18-25 years old, not enrolled continues to be a concern around the country. National figures show that about 120,000 eligible young people live in NSW but are not enrolled. Electoral demographers are increasingly seeing that this group never enrol and of greater concern is that younger people are even less inclined to enrol of their own accord.

As at 30 June 2012, 84.2% of young eligible citizens in NSW aged between 18 and 25 years old were enrolled; a small increase compared to the 2008 Local Government Elections.

**Figure 12 – Young eligible NSW citizens (aged between 18 and 25 years old) enrolled to vote, Local Government Elections 2008 and 2012**



Modern communication methods including SMS text and email have been introduced to allow a simple enrolment using the same principle as that which applies to eligible electors who notify a NSW government agency of a change of address. Social media, by its nature targets a younger demographic and the Commission intends to actively pursue these avenues for the 2012 Local Government Elections.





Youth enrolment numbers continue to increase through the simplicity of SmartRoll.

### Targeting other under-represented groups

Research has shown that the main electoral information gap for people who speak a language other than English at home relates to enrolment (in particular changing or updating enrolment details). To address this issue for the 2012 Local Government Elections the Commission:

- developed and translated enrolment and election information brochures and customised newsletters;
- provided a free telephone interpreter service; and
- distributed enrolment information to community organisations.

Similarly, the Commission provided relevant and appropriate electoral information to areas identified as having a high population of indigenous people. During the year the Commission:

- distributed enrolment information to community organisations and through the networks of Aboriginal peak bodies;
- established an information stall at the Yabun festival to check people's enrolment on the day; and
- worked closely with the Indigenous Electoral Participation Program to encourage enrolment and voting participation.



Multilingual election officials are employed to assist in areas with culturally and linguistically diverse electors.



Key Result Area 3, Strategy 3 on page 39 provides detailed information about the awareness and education strategies to assist under-represented electors to enrol, vote and participate fully in the democratic process.

# Electoral Roll Management

### Strategy 3

Prepare the non-residential roll for the Council of the City of Sydney for the 2012 Local Government Elections.

The *City of Sydney Act 1988* requires the NSW Electoral Commissioner to prepare, certify and confirm the non-residential roll for all elections for the Council of the City of Sydney. Under law the non-residential roll for Local Government elections lapse after the elections have been conducted.

The right to be included in the Council of the City of Sydney non-residential roll applies to owners of rateable land, rate paying lessees and occupiers of rateable land whose primary place of residence is in NSW.

#### Strategies for increasing the Council of the City of Sydney non-residential roll

In March 2012 the City of Sydney's Chief Executive Officer raised concerns about the sharp decline in the number of enrolments on the non-residential electors' roll; and the corresponding reduction in the number of votes cast by businesses and other bodies eligible to vote at past Local Government elections for the Council of the City of Sydney.

The Council sought information on how the Commission intended to ensure all eligible voters were informed and encouraged to take up their right to be enrolled on the non-residential roll for the 2012 Local Government Elections.

Our strategies included:

- web based data entry system to check rate assessment numbers/ property details, multiple entries and enrolment online;
- an Elector Enquiry Centre using experienced operators from the SmartRoll call centre to assist electors;
- City of Sydney specific non-residential roll advertisements placed in the national and local press notifying readers of the elections and the potential for eligible people to vote as non-residents;
- advertising in free metropolitan newspapers directs readers to a Facebook page that includes a simple video calling for those eligible to enrol for the non-residential roll;
- access to 80,000 potential electors using the NSW Department of Fair Trading's database;
- non-residential roll enrolment page for the Council of the City of Sydney provided on our website; and
- information provided to the NSW Business Council and Living Sydney Lobby Group to communicate to their respective clients.

#### Enrolment letters

Legislation requires the Commission to contact previously enrolled non-residential electors and nomination entities to inform them that an election is to be held and that they may again be eligible to be enrolled following a successful application.

In April 2012 the Commission posted over 500 enrolment letters to individuals and representatives (of a corporation or partnership who nominated an eligible elector) whose names were included on the Council of the City of Sydney non-residential electoral roll for the 2008 Local Government Election. The letters were to advise them that they may again be eligible to claim enrolment in a similar manner for the 2012 Local Government Elections.

An application form was provided with each letter (specific to an individual, corporation or partnership) detailing the eligibility criteria for a claim as well as a reply paid envelope for the facilitated return of completed claims.

In the case of a corporation or partnership, where possible, the Commission endeavoured to contact the person the corporation successfully nominated to be included on the 2008 Council of the City of Sydney non-residential roll to inform them of the need for a new 2012 claim to be submitted by the organisation.

## Strategy 4

Assist Local Government authorities with non-residential roll maintenance processes for the 2012 Local Government Elections.

Under the *Local Government Act 1993* council elections require a non-residential roll in addition to the roll of electors. The non-residential roll is made up of non-residential electors and the roll of occupiers and rate paying lessees. The non-residential roll lapses after each election, therefore people who appeared on a non-residential roll at a previous election will have to re-apply.

The Commission is aware that the preparation of the Local Government non-residential roll is often complex and confusing to those making a claim to enrol. Councils continue to be responsible for the maintenance of the non-residential roll for Local Government elections and each council's General Manager is required to prepare and certify the non-residential roll.

### Recommendations from the JSCEM – non-residential rolls

As reported in Key Result Area 1, Strategy 1 the JSCEM Inquiry into the 2008 Local Government Elections invited submissions on issues of concern.

The JSCEM's report outlined key recommendations to assist in the conduct of future Local Government elections. One of the recommendations was in relation to providing information to councils on strategies to improve enrolment levels to non-residential electors.

During the year the Commission actively engaged and consulted with councils regarding legislation covering the non-residential roll application process to ensure that unnecessary complexities are eliminated and the process is made less onerous and more consistent. As part of the consultation process the Commission provided information to councils (including those that

As part of the consultation process the Commission provided information to councils (as well as those that chose not to utilise our election services) on strategies to improve enrolment levels to non-residential electors including:

- provision of a 2012 non-residential roll application form template that councils were encouraged to customise and prominently display on their website for downloading and printing by potential applicants;
- provision of a computer system to allow council officers to directly enter General Manager confirmed enrollees into the electoral roll system;
- provision of enrolment qualifications on our website;
- contacting councils conducting their own elections to advise them of certain provisions in the *Local Government Act 1993* that calls for them to provide the final confirmation of each of the non-residential rolls for their area or wards (where divided). The Commission provided these councils with a web based electoral roll look up facility to assist with this final confirmation process; and
- scheduling of generic national, state and local press advertising regarding the non-residential roll.



VOTING IN NEW SOUTH WALES

**Your vote is your voice.  
Be heard.**

Your vote is a valuable thing!

**Can I vote?**

...chance to have our say about how this  
...t who represents us in the national, state  
...ts; about who we want to make the  
...s and our communities.  
...n't be heard!

**100th ANNIVERSARY**  
of the Indigenous vote 1962-2012

INDIGENOUS ELECTORAL PARTICIPATION PROGRAM | AEC

**Our objective:**  
*As a result of our services people know of their obligation to enrol and vote; candidates and parties are informed of their entitlements and responsibilities; and the public and other stakeholders are informed of the conduct and outcomes of elections.*

Key Result Area **3****Communication and Public Awareness****3****Communication and Public Awareness****Highlights**

- ✓ *Making a Difference* award received from Vision Australia for iVote.
- ✓ Medal of commendation awarded for our multicultural strategies.
- ✓ Mobile-friendly web design for our election website.
- ✓ 1,000 potential candidates attended free information seminars.

**Challenges**

- Increasing community awareness of the 2012 Local Government Elections.

**Future directions**

- Actively pursue the use of social media.
- Undertake stakeholder surveys to make improvements and implement greater efficiencies.
- Review our action plans to ensure our strategies continually meet the electoral needs of diverse communities.

No	Strategy description	Page
1	Explore new ways of communicating with and engaging NSW citizens with their electoral system, including the use of social media.	36
2	Utilise research on the needs of candidates and registered political parties by incorporating this into our community education and awareness activities.	38
3	Focus on awareness and education strategies to address the needs of people from regional and remote areas, people with disabilities, people from culturally and linguistically diverse backgrounds, young people and people from Aboriginal and Torres Strait Islander communities.	39
4	Continue to develop our website as the principal tool for communication with stakeholders.	42
5	Provide timely and focused information for the media about the NSW electoral system and elections.	43

# Communication and Public Awareness

## Strategy 1

Explore new ways of communicating with and engaging NSW citizens with their electoral system, including the use of social media.

Maximising participation in elections through exploring new and innovative ways of engagement with citizens continues to be a major focus for the Commission.

During the year the Commission explored the use of social media and internet banner advertising and developed a comprehensive state-wide advertising campaign for the 2012 Local Government Elections.

### State-wide elector advertising campaign

The advertising campaign focused on three phases of the Local Government elections as follows:

- Phase one – remind voters to check and update their enrolment details and how to enrol for the first time;
- Phase two – provide important information about pre-polling and postal voting arrangements; and
- Phase three – provide information about where and how to vote on election day.

The following methods for advertising post 30 June 2012 were predetermined to ensure timely and focused advertising through to election day.

Method	Synopsis
Press advertisements	Published in major metropolitan, regional, indigenous and community language publications.
Radio advertisements	To cover early voting and remember to vote messages and to run on metropolitan, regional, and indigenous and community language stations.
Internet banner advertising	For the first time at NSW Local Government elections, state-wide internet banner advertising will be conducted on major portals for the 'early voting' and 'remember to vote' messages.
Live interviews	Live interviews will be conducted by request with the Media Liaison Officer or the NSW Electoral Commissioner on regional, Sydney metropolitan or regional radio and TV stations.
Statutory advertising in over 200 newspapers	A series of statutory advertisements will be placed at a council level in newspapers across the state covering nominations, declaration of uncontested election (if applicable), notice of election (candidates and polling places) and results. Advertising will circulate in the relevant local area within a defined timeframe.

Television advertising was not utilised due to the cost impact for councils.

In addition to the methods outlined above the Commission will utilise advertising, media interactions and the networks provided by key public sector agencies such as the Community Relations Commission.

### Social media

Modern social media communication through the use of Facebook, Twitter and YouTube is becoming increasingly more popular over the use of traditional media.

A social media presence is important as it enables interactive real-time information and influences a younger demographic of 18-25 year olds who are typically under-represented on the electoral roll.

During the year the Commission closely monitored the use of social media and based on previous positive feedback we are keen to further explore and develop social media channels to inform the public about important phases of the election.

A Facebook link on our website provides stakeholders with the opportunity to connect to the electoral process.

In May 2012 the Commission entered into a four month social media project for the 2012 Local Government Elections. A report at the end of the project will provide recommendations for social media initiatives for consideration at future elections.

### Mobile devices to access the internet

People are increasingly using mobile devices to access the internet and it is often difficult to navigate through a website on a small, handheld screen. Additionally the download time can be lengthy and some features are often incompatible with mobile web browsers.

In response to this increase, the Commission introduced a responsive design to its event-specific website. The design feature means that regardless of the screen size of a device (tablet or phone) an appropriate layout appears.

Development will continue to fine tune this design with the main focus on providing a user friendly site for the 2012 Local Government Elections and future whole of State elections.

### Spotlight on the regulation of elections across Australia

The Commission is pleased to be part of a new network to focus on the regulation of elections across Australia.

The Electoral Regulation Research Network, a collaborative project between the Commission, the Melbourne University Law School and the Victorian Electoral Commission, encourages research and debate on the regulation of elections among academics, electoral commissions, political parties, parliamentarians and other interested groups.

The network will run seminars and workshops throughout Australia and publish newsletters and working papers. It will create forums for debate and discussion on electoral rules beyond the parliamentary setting and affirm the crucial role of universities to contribute to public debate in highly contested areas such as the regulation of elections.



Facebook allows people to connect to the electoral process.

# Communication and Public Awareness

### Strategy 2

Utilise research on the needs of candidates and registered political parties by incorporating this into our education and awareness activities.

Local Government elections typically generate considerable participation from candidates and registered political parties. Based on the statistics from the 2008 Local Government Elections it is expected around 3,500 candidates will stand for election at the 2012 Local Government Elections.


Following the 2008 Local Government Elections and the 2011 NSW State Election the Commission undertook a survey of candidates and registered political parties to obtain feedback on the services provided. The feedback also informed the development of the 'Service Charter for NSW Councils' which commits to a range of service standards specifically for candidates and registered political parties.


In collaboration with the Election Funding Authority, free candidate information seminars were held for all people who intend to be candidates, groups or official agents at the 2012 Local Government Elections. To 30 June 2012 a total of 118 advertisements were published promoting the candidate seminars; 39 client councils participated with 775 participants and 14 non-client councils participated with 269 participants.

In addition to the candidate information seminars other educational and awareness activities and resources included:

- development of a candidate information kit to assist all candidates (especially first time candidates) to understand the election process and their obligations;
- provision of information on our event-specific website;
- provision of a revised 'Handbook for Parties, Groups, Candidates and Scrutineers' to assist and explain relevant processes and procedures;

- distribution of a series of bulletins to registered political parties and councils;
- candidate call centre to assist candidates or registered political parties in relation to their candidature or the election process; and
- facilitation of two briefing sessions for registered political parties.

 Refer to Appendix 2 on page 123 for a list of the regions that held candidate information seminars.

 Refer to Appendix 5 on page 126 for a list of the political parties registered with the Commission.

#### Medal of commendation at the 2011 National Multicultural Marketing Awards

The 2011 Community Relations Report – 'A Diversity Dividend' recognised the Commission's community information strategy designed specifically to meet the needs of culturally and linguistically diverse electors for the 2011 NSW State Election.

Our strategy was informed by research and analysis of existing data to identify the electoral districts where there were large culturally and linguistically diverse populations, the languages spoken in those areas and the particular information needs of those communities.

As a result of our strategy the Commission received a medal of commendation for our nomination in the Government Award section of the 2011 National Multicultural Marketing Awards. The Commission was recognised for informing and educating people about their rights, developing and adapting services to meet the needs of a culturally diverse society, as well as promoting a service's responsibilities towards its users.



### Strategy 3

Focus on awareness and education strategies to address the needs of people from regional and remote areas, people with disabilities, people from culturally and linguistically diverse backgrounds, young people and people from Aboriginal and Torres Strait Islander communities.

The Commission acknowledges the diversity that makes up a significant part of our community. We recognise this through our action plans that identify barriers to the accessibility of services for people from these communities and outline a number of strategies to meet the needs of these electors in relevant, accessible and inclusive ways.

#### Multicultural policies and services programme

The Commission's 'Multicultural Action Plan' highlights the importance of providing electors from culturally and linguistically diverse communities with relevant and appropriate electoral information. New citizens in a new country have the right to vote but are often not sure how to vote and this is hindered by information that they may not be able to read or understand.

For the 2012 Local Government Elections a number of strategies were put in place to provide local government election and voting information to voters who speak languages other than English. This included translated newsletters and instructions for voting and the employment of bi-lingual election officials.

In the lead-up to the election, a flyer was distributed through the Community Relations Commission's EmailLink, specifically encouraging people who were bilingual or multilingual to apply to work as election officials.

To meet the needs of the culturally and linguistically diverse communities and to assist their participation in the 2012 Local Government Elections the Commission:

- developed a simple, easy to understand multi-lingual guide which contains 'Instructions for voting' in 20 languages as well as English and large-print English;
- translated enrolment and election information so it was available and accessible on our website;
- provided a free telephone interpreter service;
- included cultural awareness information in the manuals and training material provided to Returning Officers and election officials;
- distributed a media release and flyer encouraging

bi-lingual or multi-lingual people to apply for election work; and

- arranged for additional resources for polling places in areas that have a high population of people who speak a language other than English.

The Commission produced four newsletters with general information about the election, enrolment, early voting and voting on election day.

These newsletters were distributed widely in English, as well as being translated and distributed in Arabic, Vietnamese and Chinese. They were distributed using the Community Relations Commission EmailLink in the months leading up to the election.

On election day bi-lingual election officials will wear stickers to identify the language they speak and to assist voters with the voting process in their language. Voters will also be able to access written Instructions for Voting in 20 languages that will be available at the polling place.

#### Making a Difference Awards

In October 2011 the Commission was presented with an award from Vision Australia in relation to the design and development of a secure voting system (iVote).

iVote allows people with a vision impairment to vote privately and secretly, without them needing assistance from a sighted person such as a relative, friend or electoral official. The system allows people to vote, in their own home or any site they choose, via phone or internet.

The Commission continues to support the benefits of iVote and its value for future elections. As at 30 June 2012 legislation to enable iVote to be used at the 2012 Local Government Elections was not introduced.

## Key Result Area 3

# Communication and Public Awareness

### Collaboration with the Indigenous Electoral Participation Program

The Federally funded Indigenous Electoral Participation Program (IEPP) works across all levels of government to encourage enrolment and voting participation amongst Aboriginal and Torres Strait Islander people. During the year the Commission worked closely with IEPP staff to increase levels of enrolment, voter turnout, and formal voting in urban, regional and remote areas.

Some of the specific joint initiatives during the year included:

- provision of a customised election information brochure (printed and distributed by the IEPP); and
- development of a customised information flyer to encourage Aboriginal and Torres Strait Islander people to apply for work as election officials.

In addition the Commission co-hosted an information stall at the Yabun festival with the IEPP. Yabun is the largest single day indigenous festival drawing an audience of between 10,000 and 15,000 people. The Commission's contribution to the Yabun stall included customised enrolment and election information brochures, posters and banners, free merchandise that carries our website and phone number and iRoll to check peoples' enrolment on the day.

The Commission will continue to work with IEPP staff to support an electoral awareness campaign in areas where there are high indigenous populations.

### Aboriginal and Torres Strait Islander communities

The Commission's 'Aboriginal and Torres Strait Islander Action Plan' was developed to address issues primarily relating to Aboriginal and Torres Strait Islander enrolment and voting.

During the year two significant electoral events occurred: the 50th anniversary of the right of Indigenous Australian to vote and the centenary of compulsory enrolment. This served as a timely reminder to ensure that we continue to develop strategies that will inform, communicate and raise awareness about enrolment, elections and voting.

For the 2012 Local Government Elections, the Commission identified areas that have a high population of Indigenous people. Work commenced on providing relevant and appropriate electoral information to electors in these areas. During the year the Commission:

- produced four customised election newsletters covering enrolment, early voting and voting on election day;
- provided election advertising in appropriate media ensuring language, photographs and graphics are culturally sensitive;
- provided material on our website specifically for Aboriginal and Torres Strait Islanders; and
- distributed enrolment and election information to community organisations and through the networks of Aboriginal peak bodies.

### People with disabilities

People with disabilities are often disadvantaged in accessing electoral services. Sections of the community who are less likely to participate in elections include people who have difficulty with physical access to facilities and accessing information about the electoral process.

The Commission's disability plan 'Equal Access to Democracy' was developed in accordance with section 9 of the *Disability Services Act 1993* to improve the services and facilities for people with disabilities. It identifies key issues that currently impact on access to and participation in the democratic process for people with disabilities and outlines important initiatives to provide more choices at elections.

To address the needs of people with disabilities and to assist participation in the 2012 Local Government Elections the Commission:

- developed Braille voting brochures and ballot papers (upon request);
- increased its website accessibility and included specific information for electors with a disability;
- reviewed the Returning Officer guidelines to include information on assisting electors who have a vision impairment, mental illness or intellectual disability;
- distributed an election information brochure translated into an Auslan clip, audio file for website and Braille (upon request);

- developed four election newsletters providing information on enrolment, early voting and voting on election day, customised for people with a disability;
- provided accessibility of polling places on our website; and
- distributed election newsletters to encourage people with disabilities to apply for election work.

### Collaboration with peak bodies

The Commission actively partners with a range of individual organisations representing the interests of people with disabilities to improve access to the electoral process including:

- the NSW Council for Intellectual Disability to develop our Easy Read Guides (reviewed by focus groups of people with intellectual disabilities);
- the Deaf Society of NSW to produce Auslan clips; and
- Vision Australia to produce audio and Braille information.

The Commission has also had ongoing contact with other reference group members through the disability version of our election newsletters.

The Equal Access to Democracy Reference Group will reconvene following the 2012 Local Government Elections to assess the Commission's programmes and initiatives and to contribute to planning for the next election cycle.

### Recommendations from the JSCEM – disability access

As reported in Key Result Area 1, Strategy 1 the JSCEM Inquiry into the 2008 Local Government Elections invited submissions on issues of concern.

The JSCEM's report outlined key recommendations to assist in the conduct of future Local Government elections. One of the recommendations was that more priority be given to disability access for polling places.

For the 2012 Local Government Elections it is estimated that up to 25% of polling places will be fully wheelchair accessible and 40% will be accessible with assistance. For pre-polling places it is estimated that up to 65% will be fully wheelchair accessible and up to 40% will be accessible with assistance.


When listing a venue as 'accessible with assistance' the Commission utilise accessibility reports completed by the Australian Electoral Commission during their regular polling place inspection programme. A venue will not meet 'fully wheelchair accessible' status for any of the following reasons:

- path of travel from car park may be difficult;
- access ramp does not meet standards;
- the building has lips and/or steps;
- no designated disabled parking spot;
- no disabled toilet;
- limited circulation space in voting area; and
- door width is between 760-800mm.

### People from regional and remote areas

Providing voting services to electors in remote areas is challenging. As reported in Key Result Area 1, Strategy 1 legislative changes made to Local Government elections will enable eligible voters (including those from regional and remote areas) who are unable to attend a polling place on election day to apply for an online postal vote application. Additionally, the Commission will provide information regarding options for early voting if voters are unable to get to a polling place on election day.

### Young people

 Refer to Key Result Area 2, Strategy 2 on page 30 for information about targeting young people to enrol and vote.

# Communication and Public Awareness

## Strategy 4

Continue to develop our website as the principal tool for communication with stakeholders.

The significance of a well-designed and functional website that enables stakeholders to participate in an election cannot be underestimated.

During the year the Commission’s website management team has continued to develop our principal website [www.elections.nsw.gov.au](http://www.elections.nsw.gov.au) which serves as a key information resource for election stakeholders.

In April 2012 our event-specific website [www.votensw.info](http://www.votensw.info) was rebranded for the 2012 Local Government Elections. Functionality was improved to provide stakeholders with an easy to navigate site and access to all relevant information.

Voters	Candidates, groups and political parties	Councils
<ul style="list-style-type: none"> <li>• Election reminder service</li> <li>• Enrolment service</li> <li>• Where to vote (pre-poll and polling places)</li> <li>• Community education/ information brochures</li> <li>• Expressions of Interest application forms for employment</li> <li>• Translated material</li> <li>• Audio and large print guides</li> <li>• Call centre details</li> <li>• Alternate voting services</li> <li>• Information for electors with a disability including access to polling places</li> <li>• Area profiles and maps showing council districts</li> <li>• Social media links</li> </ul>	<ul style="list-style-type: none"> <li>• Handbook for parties, groups, candidates and scrutineers</li> <li>• Key dates for nominations and electoral material</li> <li>• Funding and disclosure</li> <li>• Forms and handbooks</li> <li>• Candidate seminar locations, dates and times</li> </ul>	<ul style="list-style-type: none"> <li>• Service Charter for NSW Councils</li> <li>• Calculation of service charge</li> <li>• Links for councils conducting their own elections</li> <li>• Forms and handbooks</li> <li>• Non-residential roll</li> <li>• Count schedule</li> </ul>

## Results

The Commission recognises that our website is the major source of results information and we are dedicated to ensuring that results of the 2012 Local Government Elections are accurate and timely.

Election results are shown on the Virtual Tally Room (VTR) available on our website. The VTR provides over the internet results and count status information which is accessible, accurate and timely in a form readily available to all stakeholders. Results are progressively published on the VTR from election night through to declaration of candidates and referendums. Live feeds can be provided to media who have systems capable of taking live election results in electronic format.

## Strategy 5

Provide timely and focused information for the media about the NSW electoral system and elections.

The NSW media environment is one of the most competitive in Australia consisting of approximately 300 outlets across radio, television, print, magazine and online mediums.

It is anticipated that the 2012 Local Government Elections will be characterised by a high level of local media interest. To manage the flow of information from electoral officials the Commission is guided by a media protocol to ensure issues of public interest are dealt with in a professional, accurate, consistent and timely manner.

### Press releases

Press releases are a valuable marketing tool and will be used in the advertising campaign to support important phases of the election. As at 30 June 2012 five press releases have been published.

Title	Date (2012)
Candidate Information Seminars – May 2012	26 April
Get involved in democracy at the NSW Council Elections	23 May
Candidate Information Seminars – June 2012	25 May
14 councils to manage their own elections	6 June
Election equipment hits the road	28 June

The Commission's website provides copies of the latest media releases as well as multi-district map downloads and contact details for media who wish to be included on our media distribution list.

### Virtual Tally Room

Election results will be shown on the Virtual Tally Room (VTR) available on our website which provides a place for the media to see the results for each council updated through the course of the count. Live feeds can be provided to media who have systems capable of taking live election results in electronic format.



### **Our objective**

As a result of our organisational development efforts, the Commission's staff systems and processes provide value for money for the people of NSW in accordance with government policy and position, and to generate business opportunities.

## Key Result Area 4

## Organisational Development and Innovation

4

Organisational  
Development  
and Innovation

## Highlights

- ✓ An estimated \$1.0M saving in the production of ballot papers.
- ✓ \$20 per hour reduction in the administration charge to councils.
- ✓ Financial transparency for councils in the provision of detailed estimated expenses.
- ✓ Mitigation strategies implemented on key business processes.

## Challenges

- Meeting the 'average 3 days training target per staff member' while preparing for the 2012 Local Government Elections.

## Future directions

- Assist in a review of the cost recovery model for the 2012 Local Government elections.
- Procurement processes deliver even more savings.
- Review and formalise staff feedback processes.

No	Strategy description	Page
1	Monitor the Commission's costs per elector in the 2012 Local Government Elections with those of the 2008 Local Government Elections, taking into account the new structural arrangements.	46
2	Establish the baseline revenue stream from conducting council elections in 2012 for use as benchmarks for future Local Government elections.	48
3	Maintain the analysis of business risks and develop mitigation strategies linked to the strategic internal audit programme.	49
4	Assess the market for the provision of election services with councils and other potential clients such as clubs, statutory boards and industrial organisations.	50
5	Establish team-based, programme and project management approaches to the planning and implementation of elections.	51
6	Managers and officers together address individual development needs arising from project management and position accountabilities	53
7	Monitor the performance of information technology systems to ensure they are supporting the operational needs of the 2012 Local Government Elections.	54

# Organisational Development and Innovation

## Strategy 1

Monitor the Commission's costs per elector in the 2012 Local Government Elections with those of the 2008 Local Government Elections, taking into account the new structural arrangements.

During the year, 136 councils chose to engage the Commission to conduct their 2012 Local Government Elections. Fourteen chose to conduct their own elections and two councils will not hold elections in 2012.

The expenditure for conducting the Local Government elections to 136 councils is estimated at \$24.5 million (excluding the cost of conducting any polls or referendums). The table below provides comparative data between the 2008 Local Government Elections and the 2012 Local Government Elections.

**Figure 13 – Comparative cost data, Local Government Elections 2008 and 2012**

	2008 Actual	2012 Estimated
Expenditure	\$25.9 M	\$24.5 M
Number of electors	4.5 M	3.7 M*
Cost per elector	\$5.71	\$6.80

\* Approximately 988,000 electors will be covered by elections not conducted by the Commission. In total, the number of electors on the electoral roll is 4.7 million.

### Recommendations from the JSCEM – communicating costs to councils

As reported in Key Result Area 1, Strategy 1 the JSCEM Inquiry into the 2008 Local Government Elections outlined key recommendations to assist in the conduct of future Local Government elections. One of the recommendations was to ensure that detailed information about the budgeted and actual costs for the 2012 Local Government Elections be provided to all council General Managers.

This recommendation was included as a service standard in our 'Service Charter for NSW Councils' in which the Commission committed to provide the final budget and payment schedule to councils by an agreed date or by the 31 May 2012.

This service standard was achieved and in May 2012 detailed information concerning budgeted and actual costs for the 2012 Local Government Elections was provided to each General Manager of 136 councils. Each letter contained an estimate of the cost of the conduct of their election and a 'Council Budget Estimate Scope Summary' explaining each line item and how it has been calculated and allocated.

The careful identification and calculation of estimated individual council expenses ensures an accurate, open and transparent summary of election costs for councils to better manage future budgets and council planning and enables councils to better manage their budgets and to address more costly areas.

### Cost savings

The Commission reviewed its administrative charge-out rate for conducting the 2012 Local Government Elections through an independent assessment. As a result the hourly charge-out rate was reduced from \$195 per hour (in 2008) to \$175 per hour reflecting productivity improvements. The charge represents the portion of the Commission's head office costs to be recouped. These charges will be allocated between various councils on a 'per elector' basis with the rate discounted for those councils where there are non-contested elections.

Other savings identified through the review that will be passed onto councils include:

- no charge to councils for any portion of the maintenance of the NSW electoral roll and the operation of SmartRoll. This cost is presently met by the government for an annual charge in excess of \$6.0M; and



- no charge to councils for the capital assets primarily consisting of IT software systems. All costs associated with the acquisition, maintenance and development of the Commission's computerised election systems are paid by the NSW Government.

@ For a copy of the independent report 'Calculation of NSW Electoral Commission service charge to local government' refer to our website at [www.elections.nsw.gov.au/about\\_us/independent\\_reports](http://www.elections.nsw.gov.au/about_us/independent_reports)

### Savings in ballot paper production

One of the major expenditure items for the 2008 Local Government Elections was the cost of producing ballot papers (\$2.4 million). In the planning and preparation of the 2012 Local Government Elections the Commission looked at strategies to reduce this cost including more sophisticated specifications of the deliverables to allow for print efficiencies, and an open tender in the marketplace. As a result it is estimated (as at 30 June 2012) that savings in this area will exceed \$1.0 million. This saving was achieved without compromising the quality of products and services delivered.

### No advance payment

The Commission will not request advance payment from councils toward the conduct of the 2012 Local Government Elections (as for the 2008 Local Government Elections). Final invoices will only be issued when the Commission is in receipt of all supplier invoices; expected by the end of January 2013.



Management meet the successful print tenderer for the 2012 Local Government Elections ballot paper production.



The ballot paper project management team conducted extensive end to end testing to ensure efficient operational and quality assurance procedures.



Cost savings were achieved through streamlining of ballot paper production.

# Organisational Development and Innovation

## Strategy 2

Establish the baseline revenue stream from conducting council elections in 2012 for use as benchmarks for future Local Government elections.

The Commission is required by law to conduct Local Government elections on a full cost recovery basis whereby each council is required to pay for the cost of their election. Unlike State elections and State by-elections, the Commission is not funded by the NSW Government for conducting Local Government elections although the Treasury provides an advance to cover preparation for the elections.

To increase understanding of where costs arise and to assure confidence in the Commission's financial management of the elections, a comprehensive budget estimate process was undertaken. As reported in the previous strategy, all councils using the Commission to conduct their elections received a 'Council Budget Estimate Scope Summary' setting out the details for each line item of the anticipated expenditure and deliverables. At an aggregated level this process will also make available benchmarks covering:

- total cost of the Local Government elections;
- average cost per elector;
- average cost per metropolitan council;
- average cost per rural council;
- highest and lowest costs for different types of elections (contested or not contested);
- expenditure benchmarks for each budget item; and
- expenditure base data for each council.

This data will provide comprehensive accountability to the NSW Parliament through provision of reliable budget estimates, actual expenditure and line variances for the conduct of the 2012 Local Government Elections.



*Folding of the postal ballot papers ready for distribution.*



*Postal ballot papers are prefolded and packed for distribution at the NSW Electoral Commission warehouse.*

## Strategy 3

Maintain the analysis of business risks and develop mitigation strategies linked to the strategic internal audit programme.

An effective risk management process provides the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management for all election events and business processes.

### Risk Management Policy

Our 'Risk Management Policy' outlines four key objectives and performance measures that drive the risk management process and provide the foundation for the Commission's approach to all election event preparations. The objectives are:

- business continuity;
- risk methodology;
- accountability; and
- education and training.

The policy outlines a risk management framework that is consistent with the current risk standard AS/NZS 31000:2009 and aims to ensure the continuation of our services in the event of a disruption; to ensure that staff are accountable with regular reporting and review procedures in place; and to create a workplace which communicates and supports risk management with tools and training.

### The Audit and Risk Committee

The Audit and Risk Committee provides independent assurance to the NSW Electoral Commissioner of the robustness of our risk management framework and strategies. They also monitor how risk management is undertaken for the 2012 Local Government Elections. Programme risk status reports are provided to the Audit and Risk Committee meetings.

### Business continuity planning and disaster recovery

During the year the Commission revised its 'Business Continuity Plan' to facilitate the continuity of the critical business processes and services supported at Head Office including IT resources and disaster scenarios and the impact of each disaster scenario on IT resources. The plan provides an overview of the environment, recovery approaches and the supporting reference material required to invoke the service continuity processes. It is designed to reflect the different levels of risk and business imperatives inherent in the different elections conducted by the Commission.

### Risk registers

Risk management is performed at three levels within the Commission – corporate, operational and project.

Corporate and operational risks are identified and recorded via our online risk management tool enabling effective monitoring and reporting. A consolidated risk report is provided regularly to the Management Committee.

Election-related risks are recorded via the Election Risk Register. The 2012 Local Government Elections Programme Board is presented with these risks to review and agree on planned contingencies. The top risks from the Election Risk Register and corporate online risk management tool are also published on the intranet. The policy and risk registers are reviewed regularly with reports provided to the Audit and Risk Committee.

# Organisational Development and Innovation

## External audits

Each year, the Audit Office of NSW completes an audit of the Commission to obtain reasonable assurance that the financial statements are free from material misstatement and any other matters of governance interest. The Management Letter for the year ended 30 June 2011 raised one moderate risk relating to service entity internal controls and four low risks. All matters were addressed during the year with the exception of the 'over 40-day' leave balances.

## Internal audits

The Commission observes the 'Internal Audit and Risk Management Policy for the NSW Public Sector' that aims to ensure that government departments maintain organisational arrangements that provide additional assurance, independent from operational management, on internal audit and risk management.

Internal audit is a fundamental element of our corporate governance structure and processes within the Commission. For the year ending 30 June 2012 the Audit and Risk Committee agreed to six internal audits as outlined in the table below.

**Figure 14 – Risk management, internal audit status as at 30 June 2012**

Audit	Status (at 30 June)	Risk Ranking		
		Low	Med	High
Non-voting penalty notices and excuses	Completed	4	1	–
Procurement processes	Completed	–	3	–
Disaster Recovery Systems	Completed	–	5	–
Updating and securing the Roll	Completed	–	4	–
IT General Controls	In progress	N/A	N/A	N/A
Legislative Compliance Review	In progress	N/A	N/A	N/A

Each finding identified during audits are categorised as an Efficiency/Performance Issue or an Internal Control Issue. All findings were given a Risk Ranking (Low, Medium and High) to indicate to management the significance of the finding and the attention required to reduce its probability and impact. None of the recommendations were given a Risk Ranking of 'Extreme' or 'High' or 'Negligible'.



Refer to Appendix 6 on page 127 for a summary of the mitigation strategies developed as a result of the completed internal audit programme

## Strategy 4

Assess the market for the provision of election services with councils and other potential clients such as clubs, statutory boards and industrial organisations.

A key focus of the Commission during the year was in the planning and preparation of the 2012 Local Government Elections. As a result, the strategy to identify new business opportunities will receive greater focus after the 2012 Local Government Elections and will be reported in the 2012/13 Annual Report.



Refer to Key Result Area 1, Strategy 4 on page 19 for details of electoral services provided to registered clubs, statutory authorities and industrial organisations.

## Strategy 5

Establish team-based, programme and project management approaches to the planning and implementation of elections.

Sound project planning and management is a key element in ensuring the successful conduct of elections. The Commission's Project Management Office (PMO) provides a centralised management structure to enable effective planning and reporting processes as well as support to evaluate, justify, define, plan, track and execute projects for the effective implementation of elections.

### Programme strategy

To assist with the challenges posed by the 2012 Local Government Elections a programme strategy was developed to outline the overall approach for the planning and conduct of the elections. The strategy will enable the Commission to take a continuous improvement approach by building upon the knowledge and experience gained from previous election events and acknowledging lessons learned to ensure the continued availability, reliability and accuracy of data used for internal operational and external accountability purposes.

The strategy objectives are drawn from our Corporate Plan and the Service Charter for NSW Councils and are to:

- run high quality impartial, effective, efficient elections in accordance with the law;
- manage the risks associated with implementing the 2012 Local Government Elections;
- ensure the means to assess the compliance of the programme with relevant financial management and fraud and corruption prevention practices;
- better utilise the resources available to the Commission;
- maintain responsible budget management cognisant of the number of clients;
- ensure the Commission is in a position to demonstrate its accountability for the conduct of the 2012 Local Government Elections;
- ensure community confidence in the election of local representatives to councils;
- work with councils to maximise the participation of the local community in the elections;
- maximise voter participation and minimise informal votes; and
- have the Commission recognised as the preferred supplier for the administration of the Local Government elections, council polls and constitutional referendums.

### Managing the elections

The strategy is governed by the Commission's 2012 Local Government Elections Programme Board which consists of the Electoral Commissioner (as Chair); project owners and the PMO. The Programme Board's role is to provide direction and set priorities including programme scope, objectives, budgets, costs and deliverables and performance measures. In the year ending 30 June 2012 the Programme Board met 20 times.

# Organisational Development and Innovation

### Project management plans

The objectives will be met through the successful delivery of 19 individual project management plans that constitute the programme. The plans outline a range of team-based programme and project management approaches needed to plan and implement the elections such as:

- development of a decision register that logs any decision that impacts on another project or changes the scope, budget or a deadline within a project and outlines what information needs to be communicated and to whom;
- development of programme milestone reports which outline significant events;
- development of a Consolidated Risk Register which highlights the top 20 election risks and is provided to the Audit and Risk Committee and the Programme Board to allow for external scrutiny and relevant feedback;

- development of team structures, resources and required skills sets needed to plan and implement the elections;
- a Team Leader Forum to meet weekly to discuss progress and issues; and
- development of templates such as status reports and business requirements.



Refer to Appendix 7 on page 128 for a list of the 19 individual project management plans.



Local Government ballot papers ready for packing and distribution throughout the state.

## Strategy 6

Managers and officers together address individual development needs arising from project management and position accountabilities.

The Commission endeavours to be a learning organisation where opportunities for personal development, training and up-skilling are provided. This commitment is directed to providing permanent officers with the opportunity to develop individual skills that complement their work goals and enhance career opportunities.

### Training and Development Plan

The Commission's 'Training and Development Plan' (the plan) is designed to provide a simple formal mechanism for managers to plan career and development options with staff and to manage individual development in the context of our business requirements and career objectives. The principles of the plan are to:

- create linkages with the Commission's corporate and project planning processes;
- encourage personal development in the context of our business requirements;
- align individual skills development to the goals of the branch and Commission;
- support staff to plan their career goals and develop skills for their current job;
- facilitate opportunities for future jobs;
- improve the way we carry out our work; and
- promote fairness and equal employment opportunities in the workplace.

The predominant focus of individual development needs for the reporting year was to enable staff to gain the skills and training to successfully implement the accountabilities of the 2012 Local Government Elections. As a result the plan is linked to the individual project management plans developed to assist the Commission to effectively conduct the Local Government elections. The project management plans outline team structures, resources and the required skills sets needed to plan and implement the elections.



Refer to Key Result Area 4, Strategy 5 on page 51 for further information about team-based, programme and project management approaches to the planning and implementation of elections.

During the year the Commission provided development opportunities and activities to permanent staff which included on the job coaching, acting in higher duties, attendance at internal and external training courses, temporary project and research work, temporary transfers, attending conferences, job rotation, networking and external study support.

Staff attended 15 internal and 29 external courses and seminars, an average of one day per permanent staff member.

### Performance management

The Commission is mindful of the NSW Government's 'Performance Management Policy and Guidelines'. The guidelines require public sector agencies to have in place performance management policies and processes to manage and improve individual and organisational performance in order to meet corporate goals and priorities.

The project management plans and complementary Training and Development Plan for the delivery of election events facilitates an objective review of performance. The Commission recognises that feedback processes and the resolution of poor performance are both areas intended for review and formalisation in the future.

### Study assistance

The Commission is committed to the growth of organisational capabilities, and encourages learning and development opportunities through formal educational channels. Our 'Study Assistance Policy' encourages learning and development through formal educational channels and assists staff with relevant study.

During the year two permanent officers were provided with study assistance opportunities in the areas of commerce and web communications valued at \$1,635 and \$3,500 respectively.

# Organisational Development and Innovation

## Strategy 7

Monitor the performance of information technology systems to ensure they are supporting the operational needs of the 2012 Local Government Elections.

It is essential that our information technology systems are effective and efficient in order to support the complex operational needs of the 2012 Local Government Elections. It is estimated that the Information Technology Branch will deploy some:

- 200 mobile phones
- 700 desktops
- 160 laptops
- 300 printers
- 2,800 iRoll Personal Digital Assistants at around 2,300 polling places.



A typical count centre setup for the 2012 Local Government Elections.

### Legislative changes made to Local Government elections

As detailed in Key Result Area 1, Strategy 1 on page 16 legislative changes made to Local Government elections have been designed to make voting more accessible and efficient for electors and to enable innovation in the provision of election services. The key impacts of these legislative changes in relation to information technology systems are:

- upgrade of the Election Management Application to include electronic mark-off of pre-poll ordinary votes; and
- implementation of an online postal vote application website to support electors who wish to apply online.

### Internal audit on disaster recovery systems

During the year an internal audit was completed on the preparedness of the Commission's Information Technology Disaster Recovery capabilities for the 2011 NSW State Election. As a result the Commission issued its 'Business Continuity Plan' for the 2012 Local Government Elections for the period from close of roll to the declaration of the poll.



Refer to Key Result Area 4, Strategy 3 on page 49 for more information about the strategic internal audit programme.



# New South Wales Electoral Commission

## Business Operations

# B

This section details how our business operates through its systems, staff and processes.

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# Administration management

## Procurement processes

The Commission encourages best practice in procurement expecting fair and equitable procurement practices resulting in best value for expenditure.

During the year an internal audit was completed on procurement processes. The audit was provided independently by Pricewaterhouse Coopers with monitoring and review by the Audit and Risk Committee.

As a result the Commission's 'Procurement Policy Statement and Guidelines' was reissued and covers the required conduct for all procurement activities associated with the acquisition of goods, works or services of any value. This includes tendering arrangements and the contracting of services, and applies to all staff and contractors.



Refer to Key Result Area 4, Strategy 3 on page 49 for more information about the strategic internal audit programme.

## Information and records

The Commission is committed to the secure and controlled management, handling and storage of sensitive documents, records, files, materials and information in accordance with business and client needs and the *NSW State Records Act 1998*.

The Commission is working towards compliance with the *NSW State Records Digital Recordkeeping (Standard No: 10 (2008))*, issued under the *State Records Act 1998* for the capture, management, preservation and disposal of all information assets.

## Waste management

Reducing the impact of our activities on the environment and contributing to its restoration and protection is an important component of our work. During the year the Commission worked on the following sustainability initiatives for the 2012 Local Government Elections:

- **900 kilograms of cardboard saved**

Cardboard volumes were reduced through design changes to our cardboard material in the following areas:

- reduction of the height of the wheelchair voting screen;
- reduction in size of the small ballot box;
- using smaller mobile ballot boxes for Declared Institutions; and
- removal of the raised face on the large ballot box.

- **\$400,000 saved on courier costs**

Small cardboard packs containing all the cardboard polling equipment for staff of a small polling place (one that took less than 1,500 votes), were re-designed to a smaller size allowing Polling Place Managers to collect the packs, as well as other polling material rather than using couriers to deliver the cardboard packs directly to the polling venue. This initiative meant that courier deliveries were not required to approximately 1,000 polling places or 50% of the State; a saving of around \$400,000.

As per Clause 15, TC08/08 of the Annual Reports (Departments) Regulation 2012, triennial reporting on the implementation of the government's Waste Reduction and Purchasing Policy including progress on reducing the generation of waste, resource recovery and the use of recycled material will be provided in our 2012/13 Annual Report.

## Plans, policies and procedures

The Commission observes and complies with the following plans, policies and procedures relating to administration management which establish standards of behaviour for all staff and provide guidance on good administrative practice.

**Figure 15 – Administrative plans, policies and procedures**

Description	Status (as at 30 June 2012)
Business Continuity Plan	September 2011
Information and Records Management Policy and Programme	Pending approval
Procurement Policy Statement and Guidelines	Reissued March 2012
Sustainability Policy and Plan	Current

## Future activities

The following administration management activities are planned for the future:

- Prior to initiation of project work associated with the next major election it is intended to again engage a procurement contractor to manage nominated project procurements with higher levels of spend and risk.
- Continue to work toward compliance with the NSW State Records Digital Recordkeeping Standard.
- Report on the sustainability initiatives implemented at the 2012 Local Government Elections.



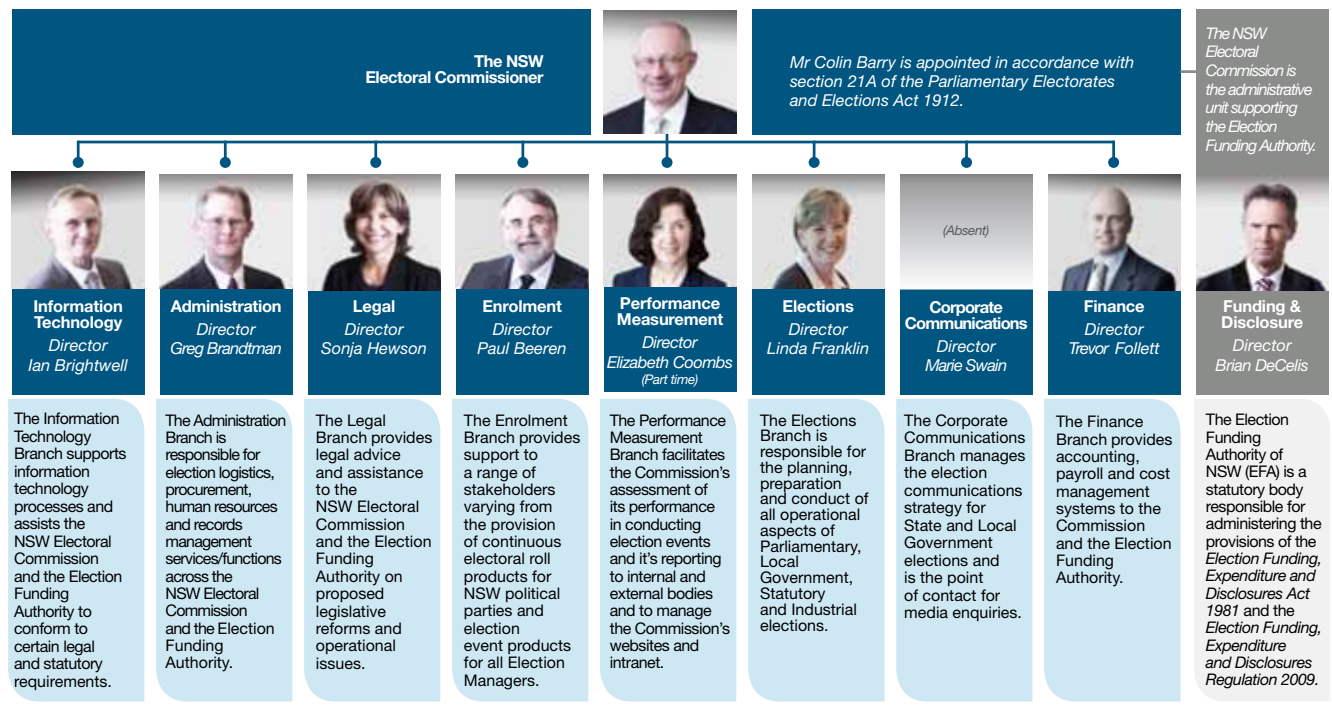
*The logistical challenges of preparing for the 2012 Local Government Elections include storage until materials can be distributed.*

# Human resources management

## Organisational structure

The Commission is divided into nine branches as illustrated below.

Figure 16 – Organisational structure



## Staff

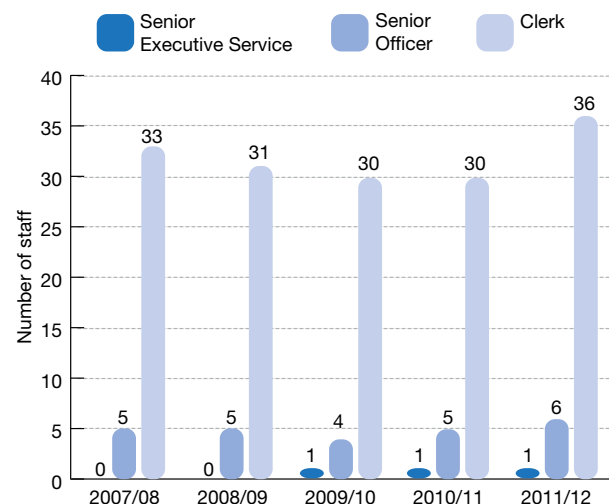
To enable the Commission to exercise its functions, its staff are employed by the Office of the NSW Electoral Commission under Chapter 1A of the *Public Sector Employment and Management Act 2002*.

Staff are expected to observe the principles as set out in the 'Code of Conduct' and to perform all work, duties and functions associated with their position to the best of their abilities, honestly, impartially and efficiently in order to contribute to the achievement of the Commission's goals. The code of conduct relates to other documents including, but not limited to, corruption prevention, harassment, grievance, protected disclosures and business ethics.

The 'Staff Attendance Policy' establishes the particular standards with respect, amongst other things, staff attendance at work.

The Commission historically maintains a core number of permanent staff as well as utilising casual, temporary and contract staff to support the delivery of key projects and services associated with major elections occurring in four yearly cycles. The following graph shows the number of permanent head office staff by category over a five-year period. As at 30 June 2012 the Commission employed 43 permanent staff.

Figure 17 – Permanent staff, number by category over a five-year period



There were no exceptional movements in wages, salaries or allowances.

The Commission employed 23 temporary officers in the reporting year.



The Commission's management team are referred to on page 2.

### Equal employment opportunity

The Commission’s ‘Equal Employment Opportunity (EEO) Policy’ promotes and protects equality of access to employment and development opportunities, where people of diverse backgrounds and skills are able to work together in a fair and inclusive environment free of discrimination and harassment. The effectiveness of the policy requires the active commitment of all staff to the implementation of EEO principles and the strategies of the policy. EEO awareness information is included in staff induction programmes.

As per Clause 15, TC08/08 of the Annual Reports (Departments) Regulation 2012, triennial reporting on major EEO outcomes during the reporting period and planned outcomes for the following year as well as a table of trends in representation and distribution of EEO groups will be provided in our 2012/13 Annual Report.

### Occupational health and safety

During the year the Commission reviewed its ‘Occupational Health and Safety General Policy’ which outlines the fundamentals of our health and safety programme ensuring adherence to the new *Work Health and Safety Act 2011* which sets out the legal obligations for protecting the health and safety of workers.

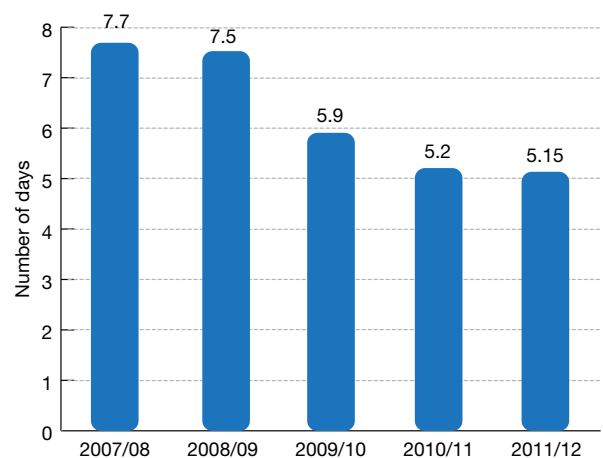
Our primary formal consultation method is through a consultation meeting attended by two management representatives (one being the Director, Administration), the union delegate and the officers not represented by the union delegate. Its primary focus is to address matters which have not been effectively dealt with by managers and thus escalated to a higher level.

As per Clause 15, TC08/08 of the Annual Reports (Departments) Regulation 2012, triennial reporting on the Commission’s OH & S performance including details of injuries and prosecutions under the *Occupational Health and Safety Act 2000* will be provided in our 2012/13 Annual Report.

### Sick leave

The Commission monitors individual sick leave to allow for early intervention and assistance to officers when required. During the reporting year the average absences taken for permanent staff was 5.15 days as illustrated in this five-year graph.

**Figure 18 – Sick leave, average (days) absences for permanent staff over five years, 2007/08 to 2011/12**



### Secondments

During the year there were two external secondments from the Commission for permanent officers. One secondment was to the Division of Local Government and the other secondment was to the Department of Parliamentary Services within the NSW Parliament.

The Commission provided the following internal secondment opportunities for permanent officers:

- Election Funding Authority (Senior Audit Officer) to the Legal Branch (5 months);
- appointment to Team Leader Elections Branch (9 months); and
- appointment to Clerk 7/8 Elections Branch (5 months).

# Human resources management



*Training and upskilling are expected and encouraged.*

## Training and development

The Commission endeavours to be a learning organisation where opportunities for personal development, training and up-skilling are expected and encouraged.



Refer to Key Result Area 4, Strategy 6 on page 53 for more information about individual staff development needs.

## Consultation with Unions

During the year the Commission consulted with the Public Service Association on minor structural amendments.

## Public Interest Disclosures

The *Public Interest Disclosures Act 1994* (PID) sets in place a system to encourage public officials to report serious wrong doing.

In November 2011 the Commission reviewed and reissued its 'Public Interest (Protected) Disclosures and

Internal Reporting Policy and Procedures' which aims to clarify our internal process for handling reports on wrong doing and, in particular, reports that are classified as public interest disclosures under the *Public Interest Disclosures Act 2011*.

During the reporting year no public interest disclosures were made or received.

Staff are made aware of their internal reporting and protected disclosure obligations through training activities under the Commission's revised Code of Conduct and Corruption Prevention Strategy.

## Plans, policies and procedures

The Commission observes and complies with the following plans, policies and procedures in relation to human resource management which establish standards of behaviour for all staff and provide guidance on good administrative practice.

**Figure 19 – Human resources plans, policies and procedures**

Description	Status (as at 30 June 2012)
Code of Conduct	Revised March 2012
Duress Alarm Procedure	Current
Emergency Evacuation Procedure	Revised February 2012
Employee Assistance Programme	Current
Equal Employment Opportunity Policy	Current
First Aid	Current
Flexible work practices	Current
Grievance/Dispute Handling Procedures	Current
Harassment Policy	Current
Incident Reporting and Investigation	Current
Non-smoking	Current
Occupational Health and Safety General Policy	Revised January 2012
Public Interest (Protected) Disclosures and Internal Reporting Policy and Procedure	Revised November 2011
Security Measures (including Counter Terrorism)	Revised June 2012
Staff Attendance Policy	Current
Statement of Business Ethics	Current
Study Assistance Policy	Current
Suspicious Package Handling	Current
Threatening Incident Report	Current
Training and Development Plan	Current
Warehouse Safety Programme	Revised April 2012

### Future activities

The following human resource management activities are planned for the future:

- The review and formalisation of feedback processes and the resolution of poor performance.
- The Commission will continue to review employee leave balances to ensure compliance with government policy and control the escalation of employee entitlements.
- Triennial reporting on major EEO outcomes will be provided in our 2012/13 Annual Report.
- Triennial reporting on OHS performance will be provided in our 2012/13 Annual Report.

# Information technology management

The Information Technology (IT) Branch plays an important role by supporting central election processes and assisting the Commission to conform to certain legal and statutory requirements.

## IT Steering Committee

During the year the Commission established an IT Steering Committee to manage resources including all personnel and IT equipment, hardware and operation systems and desktop applications supported by the IT Branch. Additionally, the IT Steering Committee provides clarity of IT issues within branches and improves the utilisation of the Commission's IT resources. Historically the functions of the IT Branch were utilised by all branches on an 'as-needed' basis so this is a significant shift in the way we do business.

The establishment of the IT Steering Committee provides a forum for Directors to discuss and identify their IT issues and needs to assist with planning and prioritising. It also serves as an IT system information sharing forum which assists in identifying opportunities to share resources and reduce cost, time and effort of contractors, IT personnel and equipment.

As at 30 June 2012 the IT Steering Committee met four times.

A Charter was developed to provide the framework for the operation of the IT Steering Committee and identifies the roles and responsibilities of Directors with respect to the Commission's IT systems.

## Activities during 2011/12

The following activities were carried out by the Information Technology Branch during the year:

- upgrade of MS Exchange from 2007 to 2010;
- an assessment of systems handling sensitive data;
- back-up and archiving of electronic documents;
- security review of external websites;
- installation of management software and upgrade Firmware and BIOS;
- PABX upgrade project to ensure compatibility with Windows 7;
- review of remote desktop project
- the establishment of a password register for branch owned passwords for system and zip files;
- the establishment of a Source Code Library for all the Commission's bespoke software and build documentation;
- consideration of video conferencing technologies;
- agreement on the development of a branch-based group policy management approach;
- agreement to establish a Technology Board to discuss technical aspects of IT and allow impacts of projects proposed and underway to be assessed by all branches; and
- development of a Mobile Devices Security Policy to define the security policy for mobile devices which are connected to the Commission's email Exchange server.

## Plans, policies and procedures

The Commission observes and complies with the following plans, policies and procedures relating to information technology which establish standards of behaviour for all staff and provide guidance on good administrative practice.

**Figure 20 – Information technology plans, policies and procedures**

Description	Status (as at 30 June 2012)
IT Guideline 001 – Sensitive Data Management v1 (draft)	Current
IT Policy 002 – Patching Policy v1 (draft)	Current
IT Steering Committee Charter (draft)	Issued February 2012
iVote (Technology-Assisted Voting Approved Procedures)	Current
Mobile Devices Security Policy	Issued November 2011





*The Commission is exploring new initiatives such as 'Bring Your Own Device' to reduce capital expenditure.*

## Future activities

The following information technology management activities are planned for the future:

- Exploration of Cloud technology to reduce capital expenditure for large servers; reduce licence costs and costs associated with installing large internet connections during elections.
- Exploration of 'Bring your own Device'; the benefits of which are to reduce capital expenditure required for event projects; open opportunities to introduce technology where previously not possible, and save costs on deployment and recovery of equipment.
- Establish a formal production environment in which all systems used by the Commission, to support business operations, are located and managed.
- Establish a centralised information systems security management capacity to support the development, deployment and ongoing management of systems used by the Commission.

# Financial management

The Finance Branch provides accounting, payroll and cost management systems to the Commission and the Election Funding Authority. The branch ensures financial and audit obligations are met in reporting to the Electoral Commissioner, the Management Committee, Treasury, the Audit Office and the Audit and Risk Committee.

## Activities during 2011/12

The following financial management activities were carried out during the year:

- The development of budget estimates for councils for the 2012 Local Government Elections;
- Management of audit reviews of specific Commission activities (as detailed on page 50);
- The production of 'early close' financial statements for the first time;
- The development of small business payment monitoring systems; and
- An in-house external supplier payroll processing function to cover the 2012 Local Government Elections.

## Future activities

The following financial management activities are planned for the future:

- Following the 2012 Local Government Elections the Finance Branch will generate a report on the actual costs of the election and provide a list of final expenses for all councils who utilised our services.
- The acquisition of an online internal requisition system for ordering goods and services. The benefits of this system include the elimination of paper-based processing; enforcement of the approval process and elimination of re-keying data.

## Plans, policies and procedures

The Commission observes and complies with the following plans, policies and procedures relating to financial management which establish standards of behaviour for all staff and provide guidance on good administrative practice.

**Figure 21 – Finance plans, policies and procedures**

Description	Status (as at 30 June 2012)
Audit and Risk Committee Charter	Revised February 2012
Credit Card Policy	Issued February 2012
Corruption and Fraud Prevention Policy	Revised March 2012
Risk Management Policy	Current

# Legal management

The Legal Branch provides high quality, impartial legal advice and assistance to the Commission and advises the Electoral Commissioner on proposed legislative reforms.

## Activities during 2011/12

The following legal management activities were carried out during the year:

- Supported branches and 2012 Local Government Elections projects with advice on reforms to council legislation;
  - Development of Electoral Offences Enforcement Policy for offences under the *Parliamentary Electorates and Elections Act 1912* and the *Local Government Act 1993*;
  - Supported the Enrolment Branch in prosecuting recipients of penalty notices for failure to vote who have court-elected;
  - Advised the Election Funding Authority on investigations into potential breaches of campaign finance laws and evidentiary matters; and
- Provided written and verbal advices/services in respect to:
    - implementation of amending legislation impacting on elections conducted by the Commission – particularly the 2012 Local Government Elections;
    - interpretation of the *Parliamentary Electorates and Elections Act 1912*, *Local Government Act 1993* and *Election Funding, Expenditure and Disclosures Act 1981* and Regulations; and
    - instructions to the Crown Solicitor in relation to potential offences/prosecutions under the *Parliamentary Electorates and Elections Act 1912* and *Election Funding, Expenditure and Disclosures Act 1981*.



Refer to the Legislative compliance section on page 72 for more information.

## Plans, policies and procedures

The Commission observes and complies with the following plans, policies and procedures relating to legal management which establish standards of behaviour for all staff and provide guidance on good administrative practice.

**Figure 22 – Legal plans, policies and procedures**

Description	Status (as at 30 June 2012)
Electoral Offences Enforcement Policy	Current
Government Information (Public Access) Policy and Procedures	Current
Privacy Policy and Management Plan	Under review
EFA Prosecution Policy	Current

# Legal management



*The NSW Electoral Commission's warehouse located in Riverwood, Sydney.*

## Future activities

The following legal management activities are planned for the future:

- Leasing Guidelines to assist project owners/managers and Elections Branch staff in reviewing short term leases/procuring premises for Returning Officer's offices;
- The development of guides and procedures for legal officers and investigators in the preparation of briefs of evidence for prosecution purposes;
- The development and delivery to internal staff of further training modules on privacy, parliamentary process and administrative law;
- Enforcement of the *Election Funding, Expenditure and Disclosures Act 1981*; and
- The development of systems and procedures to optimise legal services to the Commission including:
  - an automated matter management system to be aligned to the organisation's Trim records management system; and
  - Legal Branch procedures document, aligned with the Commission's Corporate Plan, to guide in setting objectives and developing strategic options to achieving aims.

# New South Wales Electoral Commission

## Corporate Governance

# C

This section details our corporate governance processes including details of our committees, risk management, legislative compliance and accountability and transparency.

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# Governance structure

The structure of high level committees provides the Commission with a transparent, rigorous and robust capacity for effective governance across all areas of our operations.

## The Electoral Commissioner

The Electoral Commissioner, Mr Colin Barry, is appointed in accordance with section 21A of the *Parliamentary Electorates and Elections Act 1912*. The Electoral Commissioner is the Returning Officer for the periodic Legislative Council elections and is also one of three Electoral District Commissioners appointed by the Governor to carry out electoral district redistributions according to law.

## Management Committee

The Management Committee acts as an advisory board to the Electoral Commissioner on policy and operational matters within the Commission. Its members have individual and collective responsibility to implement the decisions of the Electoral Commissioner and the Management Committee; to manage the operational requirements of such decisions; and to identify avenues to further increase the effectiveness and efficiency of the Commission. In the year ended 30 June 2012 the Management Committee met 12 times.



Refer to Appendix 8 on page 129 for annual reporting requirements on performance and numbers of executive officers.

## External Committees

The Commission is represented on the following external committees that assist and contribute to the Commission's governance framework.

### Parliamentary Committee

During the year there were three appearances before the Parliamentary Committee.

### Electoral Council of Australia (ECA)

A consultative council of all Electoral Commissioners which reviews the management of electoral rolls for Commonwealth, State, Territory and Local Government Elections and considers advances of electoral administration. The ECA met on three occasions during the year as follows:

- Canberra 8 December 2011 (attended by the Director, Enrolment)
- Brisbane 23 March 2012 (attended by the Electoral Commissioner)
- Adelaide 13 June 2012 (attended by the Electoral Commissioner)

### State and Territories Electoral Commissions (STEC)

The STEC is a collaborative body that considers electoral policy and operational matters of mutual interest. The STEC met on three occasions during the year as follows:

- Canberra 7 December 2011 (attended by the Director, Enrolment)
- Brisbane 22 March 2012 (attended by the Electoral Commissioner)
- Adelaide 14 June 2012 (attended by the Electoral Commissioner)

Commission staff also attended the following meetings of the STEC during the year:

- Melbourne 16 September 2011 – the Director, Elections presented to the Recruitment and Training Sub-Group
- Adelaide June 2012 – the Director, Performance Measurement represented the Commission at Comparative Performance Measurement Sub-Committee.

### SmartRoll/Direct Enrolment Steering Committee

This Committee consists of representatives from the Commission, the Australian Electoral Commission and the Victorian Electoral Commission. The Committee has also provided advice to the Electoral Commission of Queensland as they consider the merits of SmartRoll. In the year to 30 June 2012 the Committee met four times to discuss automatic enrolment.

### NSW Electoral Commission and Australian Electoral Commission Liaison Committee

A forum established between the State and Commonwealth Commissions to discuss electoral practices and procedures.

### Australian Electoral Commission's Disability Advisory Committee

This Committee focuses on work towards access for people with a disability, particularly on promoting the voting rights of people who are blind or vision impaired, promoting the rights to vote for people with a disability who may not have been given information about voting, and promoting the right to vote for young people with a disability. The Director, Corporate Communications attended a Committee meeting in May 2012.

## Internal Committees

The Commission has a range of internal committees that support business operations.

### Committee meetings

#### Staff Development Committee

To develop an annual staff development plan and monitor its implementation.

#### Equal Employment Opportunity (EEO)

##### Advisory Committee


Deals with EEO matters and monitors implementation of the Commission's EEO plan.


#### Occupational Health Consultation

A consultation group dealing with obligations prescribed under the *Work Health and Safety Act 2011*.

#### IT Steering Committee

Established to provide a forum for discussion and identification of IT issues and to indicate future IT resource needs to assist with planning and prioritising.

 Refer to Appendix 9 on page 129 for details of inter-jurisdictional and overseas elections.

 Refer to Appendix 10 on page 129 for details of overseas visits and delegations.

# Risk management

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The Commission is committed to establishing and maintaining an effective risk management process to provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management for all election events and business processes.

## Audit and Risk Committee

The Audit and Risk Committee reviews significant risks and the approach for managing these risks. The Committee has independent status within the Commission and has complete access to both the internal and external auditors and to senior management and the authority to consult independent experts where this is considered necessary to carry out its duties. The Audit and Risk Committee's responsibilities comply with the 'NSW Treasury Internal Audit Policy' (TPP09-05).

The Committee also has a responsibility to provide external scrutiny and independent assurance to the Commission on the robustness of the risk management framework and project-related mitigation strategies.

During the year the Committee met on four occasions; in September 2011, October 2011, November 2011 and February 2012. Committee members consist of Brian Suttor, as Chairperson and John Gordon and Kathleen Haddock as Independent Members.

Other attendees may include the NSW Electoral Commissioner, a representative from the Audit Office, the Commission's Chief Financial Officer and the internal audit service providers.

The following people attended meetings of the Audit and Risk Committee by invitation:

- Mr Peter Coulogeorgiou, Audit Office;
- Mr Sivarajah Jeyapalan, Audit Office;
- Mr Mark Driessen, Pricewaterhouse Coopers;
- Mr Damien Knowles, Pricewaterhouse Coopers; and
- Ms Alexandra Filipe, Pricewaterhouse Coopers.

Committee members are required to declare all conflicts of interest. During the year the following declarations were made:

- Brian Suttor declared that he had been appointed Chair of the Audit and Risk Committee, Department of Attorney General and Justice.
- John Gordon declared he was Chair, Woollahra Council Audit Committee and had previously held a position with Pricewaterhouse Coopers.

## Internal audit and risk management policy attestation

Internal audit is a fundamental element of our corporate governance structure and processes within the Commission. For the period ending 30 June 2012 the Audit and Risk Committee agreed to six internal audits provided by Pricewaterhouse Coopers as outlined on page 50.



## Internal Audit and Risk Management Attestation for the 2011–12 Financial Year for the New South Wales Electoral Commission

I, Colin Barry, am of the opinion that the New South Wales Electoral Commission has internal audit and risk management processes in place that are, in all material respects, compliant with the Core requirements set out in Treasury Circular NSW TC 09/08 *Internal Audit and Risk Management Policy*. These processes provide a level of assurance that enables the senior management of the New South Wales Electoral Commission to understand, manage and satisfactorily control risk exposures.

I, Colin Barry, am of the opinion that the Audit and Risk Committee for the New South Wales Electoral Commission is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08.

The Chair and Members of the Audit and Risk Committee are:

- Brian Suttor, Independent Chair (term four years to 1 December 2012);
- Kathleen Haddock, Independent Member (term four years to 13 May 2014); and
- John Gordon, Independent Member (term four years to 13 October 2014).

I declare that this Internal Audit and Risk Management Attestation is made on behalf of the following entities:

New South Wales Electoral Commission; and  
Office of the New South Wales Electoral Commission.



Colin Barry  
Electoral Commissioner

17 July 2012

## External audit

Each year, the Audit Office of NSW completes an audit of the Commission to obtain reasonable assurance that the financial statements are free from material misstatement and any other matters of governance interest. The 'Management Letter on the Audit of the NSW Electoral Commission for the Year Ended 30 June 2011' raised one moderate risk relating to service entity internal controls and four low risks relating to:

- draft credit card policy;
- basis for measuring make good provision;
- no GST on accrued expenses; and
- annual leave balances over 40 days.

All matters were addressed during the year with the exception of the 'Annual leave balances over 40 days'. The number of staff with an annual leave balance exceeding 40 days is significant and can lead to impacts such as a growing leave financial liability due to salary increases and fatigued staff leading to possible workplace health and safety issues. The Commission is mindful that the peaks and troughs of managing four year election cycles often lead to years where the maximum leave allowances are exceeded. The Commission agrees with the recommendation of the Audit Office to regularly review employee leave balances with the view to control the escalation of employee entitlements.

## Business continuity planning

The Commission's 'Business Continuity Plan', revised in September 2011, has been developed to facilitate the continuity of the critical business processes and services supported at Head Office as outlined on page 49.

## Insurance arrangements

The Commission maintains insurance under the risk management system of the Treasury Managed Fund, namely, public liability, workers' compensation, motor vehicle, property and miscellaneous insurances.

Public liability coverage is met by the Commission on behalf of lessors of polling place premises for elections. Risks are at their peak at the time of major electoral events. Incidents relating to the activities of election officials and the attendance of electors at polling places are mitigated via training programmes for election officials that emphasise risk management activities.

# Legislative compliance

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## The legislative context of the Local Government Elections

The parameters for the conduct of Local Government Elections are set down in legislation (the *Local Government Act 1993*) and the Local Government (General) Regulation 2005 and policy decisions that have given effect to these provisions.

*The Local Government Act 1993* requires Local Government Elections in NSW to be conducted on a four yearly basis with election day to be the second Saturday in September. In the conduct of elections the Electoral Commissioner is accountable to the Premier and Parliament by section 21AB of the *Parliamentary Electorates and Elections Act 1912*. The Joint Standing Committee on Electoral Matters of the NSW Parliament reviews the administration and conduct of State and Local Government Elections and any other function referred by the Premier.

## Legislative amendments

The *Local Government Amendment (Elections) Act 2011* amended the *Local Government Act 1993* to permit councils to conduct their elections themselves or engage the Commission to conduct their elections.

During the year the Legal Branch worked on preparation of legislative amendment proposals and in settling with relevant agencies the following Acts and Regulations

impacting on the conduct of the 2012 Local Government Elections and campaign finance regulation:

- Local Government (General) Amendment (Electoral Commissioner) Regulation 2011;
- Local Government (General) Amendment (Elections) Regulation 2011;
- Local Government (General) Amendment (Election Procedures) Regulation 2012;
- *Local Government Amendment Act 2012*;
- *Local Government Amendment (Elections) Act 2012*
- *Local Government (General) Amendment (Narrabri Elections) Regulation 2012*; and
- *Election Funding, Expenditure and Disclosures Amendment Act 2012*

## Joint Standing Committee on Electoral Matters Review

The Joint Standing Committee on Electoral Matters of the NSW Parliament reviews the administration and conduct of State and Local Government Elections and any other functions referred by the Premier. During the year the Commission co-ordinated the preparation of the Electoral Commissioner's submission to the Joint Standing Committee on Electoral Matters Review of the *Parliamentary Electorates and Elections Act 1912* and the *Election Funding, Expenditure and Disclosures Act 1981*.

# Accountability and transparency

In the conduct of elections the Electoral Commissioner is accountable to the Governor, Premier and Parliament by section 21AB of the *Parliamentary Electorates and Elections Act 1912* and is oversighted by the Joint Standing Committee on Electoral Matters of the NSW Parliament.

Our services are supported by a management team that provides the structure for informed decision making, efficient and effective programme management, risk management and accountability.

## Performance planning and measurement

The Commission has a range of reports and plans that underpin and support our performance and are integral to service delivery improvement and the accountability function of the Commission.

**Figure 23 – Reports, charters, plans and presentations 2011/12**

Internal reports	Status (at 30/06/12)
Annual Report 2010/11	Issued October 2011
Charters	Status (at 30/06/12)
Audit and Risk Committee Charter	Revised February 2012
IT Steering Committee Charter (draft)	February 2012
Service Charter for NSW Councils	Reissued in June 2012
Plans	Status (at 30/06/12)
Aboriginal and Torres Strait Islander Action Plan 2010-12	Current
Corporate Plan 1 July 2011 to 31 December 2012	Current
Equal Access to Democracy Action Plan 2011-12	Current
Multicultural Action Plan 2010-12	Current
Internal audits	Status (at 30/06/12)
Disaster Recovery Systems	Completed
IT General Controls	In progress
Legislative Compliance Review	In progress
Non-voting penalty notices and excuses	Completed
Procurement processes	Completed
Updating and securing the Roll	Completed
Commissioned reports	Status (at 30/06/12)
Calculation of NSW Electoral Commission Service Charge to Local Government	Issued April 2012
Evaluation of Technology-Assisted Voting (iVote) at the 2011 NSW State Election	Issued July 2011
Presentations	Status (at 30/06/12)
iVote presentation to NSW Parliament on 2011 NSW State Election	Presented November 2011
iVote presentation – 2011 NSW State Election and the Clarence State By-election	Presented December 2011

# Accountability and transparency



NSW Aboriginal Land Council Election 6 August 2011.

## Election reporting

The Commission actively evaluates its performance in conducting election events in order to identify and track our progress against organisational goals and look for opportunities to continuously improve and develop our service to stakeholders.

Under relevant legislation the Commission is required to produce reports on our performance in conducting elections or on special initiatives.

The following election reports demonstrate accountability to election stakeholders and serve as a means to communicate the election outcomes.

**Figure 24 – Election reports 2011-12**

Election reports	Status (at 30/06/12)
2011 NSW State Election March 2011	Issued October 2011
Clarence State By-election 19 November 2011	Issued April 2012
Wollongong City Council Election 3 September 2011	Issued May 2012
Shellharbour City Council Election 3 September 2011	Issued May 2012
NSW Aboriginal Land Council Election 6 August 2011	Issued December 2011

Reports on the conduct of elections for clubs, statutory boards and industrial organisations are provided to each organisation following the election.



*Feedback is used to assess our performance and to determine areas of improvement.*

## Feedback and complaints

During the year the Commission received 62 complaints lodged via our online feedback form. All complaints were logged into a centralised complaints database and responses monitored. The most common complaint during the year concerned non-voter fines.

The Commission welcomes comments about our performance and service delivery. Our 'Feedback and Complaints Policy' provides the overall approach and framework for the handling of feedback, including complaints received by the Commission. The policy is based on the customer satisfaction model outlined in the NSW Ombudsman's 'Effective Complaint Handling (2004) Guidelines' and the Australian Standard ISO 10002:2004 Customer Satisfaction – 'Guidelines for complaints handling in organisations'. The aim of the policy is to ensure that:

- all members of the community have the opportunity to provide a compliment, suggestion, or lodge a complaint about the Commission;

- all feedback received is handled effectively, appropriately and in accordance with the NSW Ombudsman's recommendations; and
- feedback received is used to assess the performance of the Commission and Election Funding Authority and determine areas for improvement.

Election stakeholders are able to provide feedback to the Commission via an online facility, letter, email, telephone and in person.

# Accountability and transparency



Sample of a penalty notice for the Clarence State By-election held on 19 November 2011.

## Non-voting penalty notices and excuses

During the reporting year an internal audit was completed on the non-voting penalty notices and excuses policies and procedures related to the 2011 NSW State Election.

The audit was provided independently by Pricewaterhouse Coopers with monitoring and review by the Audit and Risk Committee. The NSW Audit Office, as the external auditors, is invited to meetings of the Audit and Risk Committee.



Refer to Key Result Area 4, Strategy 3 on page 49 for more information about the mitigation strategies linked to the strategic internal audit programme.

## Privacy and personal information protection

The protection of personal information and the privacy of individuals are of paramount concern to the Commission.

Our 'Privacy Policy and Management Plan' details how we manage personal information collected to ensure compliance with the *Privacy and Personal Information Protection Act 1998* and the *Health Records and Information Privacy Act 2002*. The plan applies to all people who work at the Commission including employees, contractors and other stakeholders who in the course of their work have access to personal information.

## Government Information (Public Access)

Section 125 of the *Government Information (Public Access) Act 2009* (GIPA Act) requires an agency to prepare an annual report on the agency's obligations under the GIPA Act. The *Government Information (Public Access) Regulation 2009* (GIPA Regulation) sets out the information to be included in annual reports.



Refer to Appendix 11 on page 130 for more information about disclosures provided under the *Government Information (Public Access) Act 2009*.

# New South Wales Electoral Commission

## Financial Performance

### D

This section details the financial performance of the NSW Electoral Commission and the Office of the NSW Electoral Commission including the audited financial statements.

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# Financial position

The Commission carries out its functions in accordance with the *Public Finance and Audit Act 1993* and the Treasurer's Directions. Audited financial statements accompany this report.

## Net result

The net result for the year ended 30 June 2012 was a loss of \$2.198 million; an improvement of \$2.436 million on the budgeted loss of \$4.634 million. The improved result was primarily driven by lower than expected expenditure on preparations for the 2012 Local Government Elections. Further details are contained in the Chief Financial Officer's report on page 8 and the Election Funding Authority Annual Report.

## Payment of accounts

The following table details our performance in paying accounts for each quarter.

**Figure 25 – Payment of accounts 2011-12**

Quarter Ending	Current-30 days or less \$	30-60 days \$	60-90 days \$	More than 90 days \$	Target %	Actual %	Total \$
Sept	8,163,337	328,182	51,346	21,762	100%	95.3%	8,564,627
Dec	8,675,169	480,200	3,469	7,987	100%	94.6%	9,166,825
March	7,788,507	139,528	2,805	0	100%	98.2%	7,930,839
June	6,840,319	531,186	0	0	100%	92.8%	7,371,505
<b>Total</b>	<b>31,467,332</b>	<b>1,479,096</b>	<b>57,620</b>	<b>29,749</b>	<b>100%</b>	<b>95.3%</b>	<b>33,033,796</b>

## Time for payment of accounts

Our performance in paying accounts continues to be high, with an average of 95.3% of all accounts being paid on time. There were no instances where interest was paid due to late payments. In instances where accounts were older than 30-60 days, as at September 2011; this was due to the number of accounts payable following the 2011 NSW State Election and issues arising from some of these accounts.

## Major works

The Commission engaged in two major works projects during the year ending 30 June 2012. These were:

- Upgrade to Microsoft Desktops \$302,649
- EMA software development for Local Government \$996,071

## Major assets

The Commission has \$26.206 million in assets of which \$18.766 million is plant and equipment and intangible assets.

## Consultants

During the year the Commission engaged four consultants at a total cost of \$37,000. This consultancy work is categorised under Legal and SmartRoll.

## Credit card certification

The Commission has entered into an arrangement with Westpac Banking Corporation for the provision of credit cards. The use of the credit card is governed by the Commissions 'Credit Card Policy' to which employees acknowledge upon application for a credit card. The Electoral Commissioner certifies that the usage of credit cards within the reporting period has been in accordance with Premier's Memoranda and the Treasurer's Directions.



New South Wales Electoral Commission

## STATEMENT BY

# The Electoral Commissioner

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Pursuant to Section 45F of the *Public Finance and Audit Act 1983*, I, to the best of my knowledge and belief state that:

- a. The accompanying financial statements of the NSW Electoral Commission have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the Financial Reporting code for Budget Dependent General Government Sector Agencies, the applicable clauses of the Public Finance and Audit Regulation 2010 and the Treasurer's Directions;
- b. The statements exhibit a true and fair view of the financial position of the NSW Electoral Commission as at 30 June 2012, and transactions for the year then ended; and
- c. There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Colin Barry  
Electoral Commissioner  
27 August 2012

# Independent Auditor's REPORT



## INDEPENDENT AUDITOR'S REPORT

### New South Wales Electoral Commission

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the New South Wales Electoral Commission (the Commission), which comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and summary of compliance with financial directives for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the Commission and the consolidated entity. The consolidated entity comprises the Commission and the entities it controlled at the year's end or from time to time during the financial year.

### Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Commission and the consolidated entity, as at 30 June 2012, and of the financial performance and the cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

### Electoral Commissioner's Responsibility for the Financial Statements

The Electoral Commissioner is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Electoral Commissioner determines is necessary to enable the preparation of financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Electoral Commissioner, as well as evaluating the overall presentation of the financial statements.

# Independent Auditor's

## REPORT - *continued*

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Commission or the consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of their internal control
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information that may have been hyperlinked to/from the financial statements.

### Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



Peter Achterstraat  
Auditor-General

31 August 2012  
SYDNEY

Start of audited financial statements

New South Wales Electoral Commission

# STATEMENT OF Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2012

	Notes	CONSOLIDATED			PARENT	
		Actual 2012 \$'000	Budget 2012 \$'000	Actual 2011 \$'000	Actual 2012 \$'000	Actual 2011 \$'000
Expenses excluding losses						
Operating expenses						
Employee related	2(a)	11,039	10,836	8,030	360	334
Personnel services	2(b)	–	–	–	10,165	7,221
Other expenses	2(c)	5,347	5,166	3,838	5,347	3,838
Depreciation and amortisation	2(d)	5,633	5,080	3,798	5,633	3,798
Other expenses	2(e)	9,359	15,986	41,524	9,359	41,524
<b>TOTAL EXPENSES EXCLUDING LOSSES</b>		<b>31,378</b>	<b>37,068</b>	<b>57,190</b>	<b>30,864</b>	<b>56,715</b>
Revenue						
Recurrent appropriation	3(a)	22,823	20,851	50,384	22,823	50,384
Capital appropriation	3(a)	1,673	1,760	10,645	1,673	10,645
Sale of goods and services	3(b)	4,074	9,239	946	4,074	946
Investment revenue	3(c)	97	161	357	97	357
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	514	423	475	–	–
<b>Total Revenue</b>		<b>29,181</b>	<b>32,434</b>	<b>62,807</b>	<b>28,667</b>	<b>62,332</b>
Loss on disposal	4	1	–	1	1	1
<b>Net Result</b>	20	<b>(2,198)</b>	<b>(4,634)</b>	<b>5,616</b>	<b>(2,198)</b>	<b>5,616</b>
Other comprehensive income		–	–	–	–	–
<b>Total other comprehensive income</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(2,198)</b>	<b>(4,634)</b>	<b>5,616</b>	<b>(2,198)</b>	<b>5,616</b>

The accompanying notes form part of these financial statements.

New South Wales Electoral Commission

# STATEMENT OF Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2012

	Notes	ACCUMULATED FUNDS	
		Consoli- dated \$'000	Parent \$'000
Balance at 1 July 2011		21,584	21,584
Net result for the year		(2,198)	(2,198)
Total other comprehensive income		-	-
Total comprehensive income for the year		(2,198)	(2,198)
Balance at 30 June 2012		19,386	19,386
Balance at 1 July 2010		15,968	15,968
Net result for the year		5,616	5,616
Total other comprehensive income		-	-
Total comprehensive income for the year		5,616	5,616
Balance at 30 June 2011		21,584	21,584

The accompanying notes form part of these financial statements.

# STATEMENT OF Financial Position

AS AT 30 JUNE 2012

	Notes	CONSOLIDATED			PARENT	
		Actual 2012 \$'000	Budget 2012 \$'000	Actual 2011 \$'000	Actual 2012 \$'000	Actual 2011 \$'000
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	7	2,855	1,203	1,177	2,855	1,177
Receivables	8	4,470	534	555	4,470	555
Inventories	9	68	100	90	68	90
Other	10	47	50	239	47	239
<b>Total Current Assets</b>		<b>7,440</b>	<b>1,887</b>	<b>2,061</b>	<b>7,440</b>	<b>2,061</b>
<b>Non-Current Assets</b>						
Plant and equipment	11	1,990	1,591	2,865	1,990	2,865
Intangible assets	12	16,776	17,781	19,829	16,776	19,829
<b>Total Non-Current Assets</b>		<b>18,766</b>	<b>19,372</b>	<b>22,694</b>	<b>18,766</b>	<b>22,694</b>
<b>Total Assets</b>		<b>26,206</b>	<b>21,259</b>	<b>24,755</b>	<b>26,206</b>	<b>24,755</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables	14	2,588	2,268	1,611	2,588	1,611
Provisions	15	1,194	1,191	977	1,194	977
Other	16	2,557	250	200	2,557	200
<b>Total Current Liabilities</b>		<b>6,339</b>	<b>3,709</b>	<b>2,788</b>	<b>6,339</b>	<b>2,788</b>
<b>Non-Current Liabilities</b>						
Provisions	15	481	600	383	481	383
<b>Total Non-Current Liabilities</b>		<b>481</b>	<b>600</b>	<b>383</b>	<b>481</b>	<b>383</b>
<b>Total Liabilities</b>		<b>6,820</b>	<b>4,309</b>	<b>3,171</b>	<b>6,820</b>	<b>3,171</b>
<b>Net Assets</b>		<b>19,386</b>	<b>16,950</b>	<b>21,584</b>	<b>19,386</b>	<b>21,584</b>
<b>EQUITY</b>						
Accumulated funds		19,386	16,950	21,584	19,386	21,584
<b>Total Equity</b>		<b>19,386</b>	<b>16,950</b>	<b>21,584</b>	<b>19,386</b>	<b>21,584</b>

The accompanying notes form part of these financial statements.

New South Wales Electoral Commission

# STATEMENT OF Cash Flows

FOR THE YEAR ENDED 30 JUNE 2012

	Notes	CONSOLIDATED			PARENT	
		Actual 2012 \$'000	Budget 2012 \$'000	Actual 2011 \$'000	Actual 2012 \$'000	Actual 2011 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Payments</b>						
Employee related and personnel services		(10,211)	(10,076)	(7,309)	(10,211)	(7,309)
Other		(17,385)	(22,839)	(48,996)	(17,385)	(48,996)
<b>Total Payments</b>		<b>(27,596)</b>	<b>(32,915)</b>	<b>(56,305)</b>	<b>(27,596)</b>	<b>(56,305)</b>
<b>Receipts</b>						
Recurrent appropriation		25,380	29,451	50,584	25,380	50,584
Capital appropriation (excluding equity appropriations)		1,673	1,760	10,645	1,673	10,645
(Cash transfers to consolidated funds)		(200)	(200)	(447)	(200)	(447)
Sale of goods and services		1,875	637	1,182	1,875	1,182
Interest received		289	150	197	289	197
Other		1,963	2,901	3,889	1,963	3,889
<b>Total Receipts</b>		<b>30,980</b>	<b>34,699</b>	<b>66,050</b>	<b>30,980</b>	<b>66,050</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	20	<b>3,384</b>	<b>1,784</b>	<b>9,745</b>	<b>3,384</b>	<b>9,745</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Proceeds from sale of land and buildings, plant and equipment and infrastructure systems		-	-	-	-	-
Purchases of plant and equipment and infrastructure systems		(1,706)	(1,760)	(10,776)	(1,706)	(10,776)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(1,706)</b>	<b>(1,760)</b>	<b>(10,776)</b>	<b>(1,706)</b>	<b>(10,776)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE / (DECREASE) IN CASH</b>		<b>1,678</b>	<b>24</b>	<b>(1,031)</b>	<b>1,678</b>	<b>(1,031)</b>
Opening cash and cash equivalents		1,177	1,179	2,208	1,177	2,208
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	7	<b>2,855</b>	<b>1,203</b>	<b>1,177</b>	<b>2,855</b>	<b>1,177</b>

The accompanying notes form part of these financial statements.

# SUMMARY OF COMPLIANCE WITH Financial Directives

	2012				2011			
	RECURRENT APPROPRIATION / EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND	RECURRENT APPROPRIATION / EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND	CAPITAL APPROPRIATION / EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND	CAPITAL APPROPRIATION / EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND	RECURRENT APPROPRIATION / EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND	RECURRENT APPROPRIATION / EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND	CAPITAL APPROPRIATION / EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND	CAPITAL APPROPRIATION / EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ORIGINAL BUDGET APPROPRIATION / EXPENDITURE</b>								
Appropriation Act	74,178	52,436	1,760	1,673	58,447	50,766	6,937	6,937
	<b>74,178</b>	<b>52,436</b>	<b>1,760</b>	<b>1,673</b>	<b>58,447</b>	<b>50,766</b>	<b>6,937</b>	<b>6,937</b>
<b>OTHER APPROPRIATIONS/ EXPENDITURE</b>								
Treasurer's Advance	-	-	-	-	2,057	1,672	4,095	3,708
	-	-	-	-	<b>2,057</b>	<b>1,672</b>	<b>4,095</b>	<b>3,708</b>
<b>Total Appropriation Expenditure/Net Claim on Consolidated Fund (includes transfer payments)</b>	<b>74,178</b>	<b>52,436</b>	<b>1,760</b>	<b>1,673</b>	<b>60,504</b>	<b>52,438</b>	<b>11,032</b>	<b>10,645</b>
<b>Amount draw down against Appropriation</b>	-	<b>54,993</b>	-	<b>1,673</b>	-	<b>52,638</b>	-	<b>10,645</b>
<b>Liability to Consolidated Fund</b>	-	<b>2,557</b>	-	-	-	<b>200</b>	-	-

The Summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed).

The "Liability to Consolidated Fund" represents the difference between the "Amount drawn down against Appropriation" and the "Total Expenditure/Net Claim on Consolidated Fund".

The accompanying notes form part of these financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

## 1 Summary of Significant Accounting Policies

### (a) Reporting entity

The New South Wales Electoral Commission (NSWEC) is an independent statutory authority established under the *Parliamentary Electorates and Elections Act 1912* No 41. We conduct state elections, local council elections, NSW Aboriginal Land Councils and certain statutory elections.

The NSWEC is a NSW government entity. The NSWEC is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

The NSWEC, as a reporting entity, comprises the Commission and the entity under its control, namely the Office of the New South Wales Electoral Commission.

In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

These consolidated financial statements for the year ended 30 June 2012 have been authorised for issue by the Electoral Commissioner on 27/08/2012.

### (b) Basis of preparation

The NSWEC's financial statements are general purpose financial statements which have been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and Regulation and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW Government Sector Entities or issued by the Treasurer.

Plant and equipment is measured at fair value. Other financial statements items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

### (c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

### (d) Administered activities

The NSWEC administers, but does not control, certain activities on behalf of the Crown Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of the NSWEC's own objectives.

Transactions and balances relating to the administered activities are not recognised as the NSWEC's revenue, expenses, assets and liabilities, but are disclosed in the accompanying schedules as "Administered Income" and "Administered Expenses".

The accrual basis of accounting and applicable accounting standards has been adopted.

### (e) Insurance

The NSWEC's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claims experience.

### (f) Accounting for the Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except that:

- The amount of GST incurred by the NSWEC as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense and
- Receivables and payables are stated with the amount of GST included.

Cash flows are included in the statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

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### (g) Revenue recognition

Revenue is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

#### (i) *Parliamentary appropriations and contributions*

Except as specified below, parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as revenue when the NSWEC obtains control over the assets comprising the appropriations / contributions. Control over appropriations and a contribution is normally obtained upon the receipt of cash.

Appropriations are not recognised as income when the appropriations are unspent at year end. Unspent appropriations are recognised as liabilities rather than income, as the authority to spend the money lapses and the unspent amount must be repaid to the Consolidated Fund.

The liability is disclosed in Note 16 as part of "Current Liabilities – Other". The amount will be repaid and the liability will be extinguished next financial year. Any liability in respect of transfer payments is disclosed in Note 23 "Administered assets".

#### (ii) *Sale of goods*

Revenue from the sale of goods is recognised as revenue when the NSWEC transfers the significant risks and rewards of ownership of the assets.

#### (iii) *Rendering of services*

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

#### (iv) *Investment revenue*

Interest revenue is recognised using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

### (h) Assets

#### (i) *Acquisition of assets*

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the NSWEC. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

#### (ii) *Capitalisation thresholds*

Plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

#### (iii) *Revaluation of plant and equipment*

Consistent with the "Valuation of Physical Non-Current assets at Fair Value" Policy and Guidelines Paper (TPP 07-1) NSWEC measures its physical non-current assets at fair value. Because NSWEC's assets are non-specialised with short useful lives, their depreciated historical cost is used as a surrogate for fair value. This policy adopts fair value in accordance with the AASB 116 Property, Plant and Equipment.

#### (iv) *Impairment of plant and equipment*

As a not-for-profit entity with no cash generating units, the NSWEC is effectively exempted from AASB 136 Impairment of Asset. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2012

*(v) Depreciation of plant and equipment*

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the NSWEC.

All material separately identifiable components of assets are depreciated over their shorter useful lives.

<b>Asset Type</b>	<b>Useful Life</b>
Computer Equipment	4 Years
Plant and Equipment	7 Years
Furniture and Fixtures	8 Years
Leasehold Improvements	7 Years or to the end of the lease, if shorter

*(vi) Restoration costs*

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

*(vii) Maintenance*

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

*(viii) Leased assets*

Operating lease payments are charged to the Statement of Comprehensive Income in the periods in which they are incurred.

No assets have been acquired under finance lease arrangements.

*(ix) Intangible assets*

The NSWEC recognises intangible assets only if it is probable that future economic benefits will flow to the NSWEC and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Currently, the NSWEC's intangible assets solely comprise software.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the NSWEC's intangible assets, the assets are carried at cost less any accumulated amortisation.

The NSWEC's intangible assets are amortised using the straight line method over a period of between 4 years and 8 years.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

*(x) Inventories*

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value.

*(xi) Receivables*

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest rate method, less an allowance for any impairment of receivables. Any changes are accounted for in the Statement of Comprehensive Income when impaired or derecognised.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

*(xii) Other assets*

Other assets are recognised on a cost basis.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

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(i) **Liabilities**

(i) *Payables*

These amounts represent liabilities for goods and services provided to the NSWEC and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) *Personnel services provision and employee benefits provision*

The Office of the New South Wales Electoral Commission provides employees to the NSWEC entity to enable it to carry out its functions. Personnel services provision relates to employee related provisions for those employees employed by the Office of New South Wales Electoral Commission.

Employee benefits provision relates to employees directly employed by the NSWEC.

Employee related provisions include:

(a) *Salaries and wages, annual leave, sick leave and on-costs*

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 Employee Benefits. Market yields on government bonds of 5.67% are used to discount long-term annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

(b) *Long service leave and superannuation*

The NSWEC's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The NSWEC accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary income item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. This is based on the application of certain factors (specified in NSWTC 12/06) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(iii) *Other provisions*

Other provisions exist when: the NSWEC has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted at 5.67%, which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

(j) **Equity and reserves**

(a) *Accumulated Funds*

The category accumulated funds includes all current and prior period retained funds.

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New South Wales Electoral Commission

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2012

**(k) Budgeted amounts**

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period, as adjusted for section 24 of the *Public Finance and Audit Act* where there has been a transfer of functions between departments. Other amendments made to the budget are not reflected in the budgeted amounts.

**(l) Comparative information**

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

**(m) Adoption of New and Revised Accounting Standards/Interpretation**

AASB 101 Presentation of Financial Statements (Compiled Jun 2009)

**(n) New Australian Accounting Standards issued but not effective**

A number of new Accounting Standards have not been applied and are not yet effective. The possible impact of these Standards in the period of initial application is unlikely to be material.

**2. Expenses Excluding Losses****(a) Employee related expenses**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Salaries and wages (including recreation leave)	9,410	6,673	325	284
Superannuation				
– defined benefit Plan	184	267	–	–
– defined contribution Plan	492	400	16	15
Long service leave	374	206	19	35
Workers' compensation insurance	92	83	–	–
Payroll tax and fringe benefits tax	487	401	–	–
	<b>11,039</b>	<b>8,030</b>	<b>360</b>	<b>334</b>

**(b) Personnel services expenses**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Personnel services expense	–	–	10,165	7,221

These relate to expenses for personnel services provided by the Office of the New South Wales Electoral Commission.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

(c) Other operating expenses include the following:

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Auditor's remuneration – audit of the financial statements (*)	41	52	41	52
Advertising	298	383	298	383
Consultants	37	–	37	–
Contractors	471	536	471	536
Electricity	57	38	57	38
Insurance	63	55	63	55
Internal audit	188	120	188	120
Legal fees	1	4	1	4
Low Pool Assets	6	6	6	6
Maintenance (**)	21	11	21	11
Operating lease rental expense – minimum lease payments	1,217	1,139	1,217	1,139
Postage	443	259	443	259
Printing	232	374	232	374
Recruitment cost	20	15	20	15
Restoration Costs	84	23	84	23
Software maintenance and licences	773	272	773	272
Stationery	94	60	94	60
Storage	19	20	19	20
Telephone	102	78	102	78
Training	57	13	57	13
Travel	80	52	80	52
Other	1,043	328	1,043	328
	<b>5,347</b>	<b>3,838</b>	<b>5,347</b>	<b>3,838</b>

\* The Audit Fee for the NSWEC for 2012 is \$52,000 +GST. No other benefits are received by the auditors.

\*\* Reconciliation – Total Maintenance.

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Maintenance expense – contracted labour and others (non-employee related), as above	21	11	21	11
<b>Total maintenance expense included in Note 2(c)</b>	<b>21</b>	<b>11</b>	<b>21</b>	<b>11</b>

New South Wales Electoral Commission

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2012

**(d) Depreciation and amortisation expense**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Depreciation	1,182	905	1,182	905
Amortisation	4,451	2,893	4,451	2,893
	<b>5,633</b>	<b>3,798</b>	<b>5,633</b>	<b>3,798</b>

**(e) Other expense**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
By Election	532	82	532	82
General Election	2,073	37,296	2,073	37,296
Joint Roll Agreement (Payment to the Commonwealth)*	4,338	4,146	4,338	4,146
Local Government Election	2,416	–	2,416	–
	<b>9,359</b>	<b>41,524</b>	<b>9,359</b>	<b>41,524</b>

**\* Joint Roll Agreement**

An arrangement between the Governor General of the Commonwealth and the Governor of New South Wales to provide for a joint enrolment procedure was signed on 21 October 2010. The 'Exchange of Information Agreement' between the Australian Electoral Commission and the New South Wales Electoral Commission pursuant to this arrangement was executed on the same day. This agreement sets a cost per elector rate and allows for escalation at the Sydney Consumer Price Index. The charge is payable from the NSW Electoral Commission to the Australian Electoral Commission. At 30 June 2012 the amount payable per elector is \$0.9387.

**3. Revenue****(a) Appropriations**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Recurrent appropriations</b>				
Total recurrent draw-downs from NSW Treasury (per Summary of Compliance)	54,993	52,638	54,993	52,638
Less: Liability to Consolidated Fund (per Summary of Compliance)	(2,557)	(200)	(2,557)	(200)
	<b>52,436</b>	<b>52,438</b>	<b>52,436</b>	<b>52,438</b>
Comprising:				
Recurrent appropriations (per Statement of comprehensive income)	22,823	50,384	22,823	50,384
Transfer payments	29,613	2,054	29,613	2,054
	<b>52,436</b>	<b>52,438</b>	<b>52,436</b>	<b>52,438</b>
<b>Capital Appropriations</b>				
Total capital draw-downs from NSW Treasury (per Summary of compliance)	1,673	10,645	1,673	10,645
Less: Liability to Consolidated Fund (per Summary of compliance)	–	–	–	–
	<b>1,673</b>	<b>10,645</b>	<b>1,673</b>	<b>10,645</b>
Comprising:				
<b>Capital appropriations (per Statement of comprehensive income)</b>	<b>1,673</b>	<b>10,645</b>	<b>1,673</b>	<b>10,645</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

## (b) Sale of goods and services

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Sales of goods	68	54	68	54
Rendering of services	1,590	892	1,590	892
Rendering of services – Local Government Election	2,416	–	2,416	–
	<b>4,074</b>	<b>946</b>	<b>4,074</b>	<b>946</b>

## (c) Investment revenue

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Interest	97	357	97	357

## (d) Acceptance by the Crown Entity of Employee Benefits and Other Liabilities

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Superannuation	184	267	–	–
Long service leave	320	193	–	–
Payroll tax	10	15	–	–
	<b>514</b>	<b>475</b>	<b>–</b>	<b>–</b>

## 4. Loss on Disposal

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Disposal of plant and equipment	1	1	1	1

## 5. Transfer payments

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Election Funding Authority*	29,613	2,054	29,613	2,054

\* **Election Funding Authority Transfer Payments**  
The Appropriation Bill provides funding to the NSW Electoral Commission which includes an amount for the public funding of an Election Campaigns fund, Administration Fund and a Policy Development Fund. The *Election Funding and Disclosures Act* requires that the Election Funding Authority make payment to parties and candidates through a regulated claims procedure. The Election Funding Authority requests the NSW Electoral Commission to make the payments on its behalf. The value of the transfer payments for the 2011-12 financial year was \$29.613 million.

## 6. Service Group Statement

The NSWEC has one service group only. This service group covers the delivery of elections and related services. Details of the expenses, revenue, assets and liabilities for this service group are available in the Statement of Comprehensive Income and Statement of Financial Position. Service group statements therefore have not been prepared. Administered expenses and income are shown as a separate note.



New South Wales Electoral Commission

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2012

**7. Current Assets – Cash and Cash Equivalents**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Cash at bank and on hand	2,855	1,177	2,855	1,177
	<b>2,855</b>	<b>1,177</b>	<b>2,855</b>	<b>1,177</b>

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and cash at bank.

Cash and cash equivalents assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Cash and cash equivalents (per Statement of Financial Position)	2,855	1,177	2,855	1,177
<b>Closing cash and cash equivalents (per Statement of Cash Flows)</b>	<b>2,855</b>	<b>1,177</b>	<b>2,855</b>	<b>1,177</b>

Refer Note 25 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

**8. Current Assets – Receivables**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Sale of goods and services	200	92	200	92
Accrued income	2,658	110	2,658	110
GST recoverable from the taxation authority	156	317	156	317
Prepayments	1,456	36	1,456	36
	<b>4,470</b>	<b>555</b>	<b>4,470</b>	<b>555</b>

For the year ended 30 June 2012, there were no transactions written off as bad debts.

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 25.

**9. Current Assets – Inventories**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Held for distribution</b>				
Requisite Election Materials	–	–	–	–
<b>Held for resale</b>				
Requisite Election Materials	68	90	68	90
	<b>68</b>	<b>90</b>	<b>68</b>	<b>90</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

## 10. Current Assets – Other

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Accrued interest income	47	239	47	239

## 11. Non-Current Assets – Plant and Equipment Consolidated and Parent

	Computer Hardware	Furniture, Fittings & Leasehold Improvement	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000
<b>At 1 July 2011 – fair value</b>				
Gross carrying amount	2,733	2,995	647	6,375
Accumulated depreciation	(1,616)	(1,644)	(250)	(3,510)
<b>Net Carrying amount</b>	<b>1,117</b>	<b>1,351</b>	<b>397</b>	<b>2,865</b>
<b>At 30 June 2012 – fair value</b>				
Gross carrying amount	2,714	3,044	679	6,437
Accumulated depreciation	(1,865)	(2,253)	(329)	(4,447)
<b>Net Carrying amount</b>	<b>849</b>	<b>791</b>	<b>350</b>	<b>1,990</b>

### Reconciliation

A reconciliation of the carrying amounts of plant and equipment at the beginning and end of the current reporting period is set out below:

	Computer Hardware	Furniture, Fittings & Leasehold Improvement	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000
<b>Year ended 30 June 2012</b>				
Net carrying amount at start of the year	1,117	1,351	397	2,865
Additions	143	133	32	308
Disposals	(1)	–	–	(1)
Depreciation expense	(410)	(693)	(79)	(1,182)
<b>Net carrying amount at end of the year</b>	<b>849</b>	<b>791</b>	<b>350</b>	<b>1,990</b>

New South Wales Electoral Commission

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2012

	Computer Hardware	Furniture, Fittings & Leasehold Improvement	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000
<b>At 1 July 2010 – fair value</b>				
Gross carrying amount	2,352	2,296	649	<b>5,297</b>
Accumulated depreciation	(1,265)	(1,209)	(186)	<b>(2,660)</b>
<b>Net Carrying amount</b>	<b>1,087</b>	<b>1,087</b>	<b>463</b>	<b>2,637</b>
<b>At 30 June 2011 – fair value</b>				
Gross carrying amount	2,733	2,995	647	<b>6,375</b>
Accumulated depreciation	(1,616)	(1,644)	(250)	<b>(3,510)</b>
<b>Net Carrying amount</b>	<b>1,117</b>	<b>1,351</b>	<b>397</b>	<b>2,865</b>

**Reconciliation**

A reconciliation of the carrying amounts of plant and equipment at the beginning and end of the current reporting period is set out below:

	Computer Hardware	Furniture, Fittings & Leasehold Improvement	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000
<b>Year ended 30 June 2011</b>				
Net carrying amount at start of the year	1,087	1,087	463	<b>2,637</b>
Additions	425	699	11	<b>1,135</b>
Disposals	(1)	–	–	<b>(1)</b>
Depreciation expense	(393)	(435)	(77)	<b>(905)</b>
<b>Net carrying amount at end of the year</b>	<b>1,117</b>	<b>1,351</b>	<b>397</b>	<b>2,865</b>

**12. Intangible Assets – Consolidated and Parent**

	Software	Total
	\$'000	\$'000
<b>At 1 July 2011</b>		
Gross carrying amount	29,939	<b>29,939</b>
Accumulated amortization	(10,110)	<b>(10,110)</b>
<b>Net Carrying amount</b>	<b>19,829</b>	<b>19,829</b>
<b>At 30 June 2012</b>		
Gross carrying amount	31,336	<b>31,336</b>
Accumulated amortization	(14,560)	<b>(14,560)</b>
<b>Net Carrying amount</b>	<b>16,776</b>	<b>16,776</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

## Reconciliation

A reconciliation of the carrying amounts of intangible assets at the beginning and end of the current reporting period is set out below:

	Software	Total
Year ended 30 June 2012	\$'000	\$'000
Net carrying amount at start of the year	19,829	19,829
Additions	1,398	1,398
Disposals	-	-
Amortisation expense	(4,451)	(4,451)
<b>Net carrying amount at end of the year</b>	<b>16,776</b>	<b>16,776</b>

	Software	Total
At 1 July 2010	\$'000	\$'000
Gross carrying amount	14,919	14,919
Accumulated amortisation	(1,839)	(1,839)
Net Carrying amount	13,080	13,080
At 30 June 2011	\$'000	\$'000
Gross carrying amount	29,939	29,939
Accumulated amortisation	(10,110)	(10,110)
<b>Net Carrying amount</b>	<b>19,829</b>	<b>19,829</b>

## Reconciliation

A reconciliation of the carrying amounts of intangible assets at the beginning and end of the current reporting period is set out below:

	Software	Total
Year ended 30 June 2011	\$'000	\$'000
Net carrying amount at start of the year	13,080	13,080
Additions	9,642	9,642
Disposals	-	-
Amortisation expense	(2,893)	(2,893)
<b>Net carrying amount at end of the year</b>	<b>19,829</b>	<b>19,829</b>

## 13. Restricted Assets

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Liability to Consolidated Fund	2,557	200	2,557	200

The liability relates to funds provided for the conduct of the September 2012 Local Government Elections. Repayment to the Treasury Consolidated Fund will be made upon receipt of amounts invoiced to Councils for the conduct of the elections.

New South Wales Electoral Commission

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2012

**14. Current Liabilities – Payables**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Accrued salaries, wages and on-costs	239	158	–	–
Accrued personnel services	–	–	239	158
Creditors	2,349	1,453	2,349	1,453
	<b>2,588</b>	<b>1,611</b>	<b>2,588</b>	<b>1,611</b>

The personnel services payable relate to the accrued cost of personnel services provided by the Office of the New South Wales Electoral Commission.

**15. Current / Non-Current Liabilities – Provisions**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>CURRENT</b>				
<b>Personnel services and employee benefits</b>				
Recreation Leave	952	773	–	–
Long Service Leave on-costs	232	180	–	–
Personnel services	–	–	1,184	953
	<b>1,184</b>	<b>953</b>	<b>1,184</b>	<b>953</b>
<b>Other provisions</b>				
Lease incentive on rental	10	24	10	24
<b>Total Current Provisions</b>	<b>1,194</b>	<b>977</b>	<b>1,194</b>	<b>977</b>
<b>NON-CURRENT</b>				
Long service leave on-costs (a)	8	6	–	–
Personnel services	–	–	8	6
	<b>8</b>	<b>6</b>	<b>8</b>	<b>6</b>
<b>Other provisions</b>				
Lease incentive on rental	–	9	–	9
Restoration Costs (b)	473	368	473	368
	<b>473</b>	<b>377</b>	<b>473</b>	<b>377</b>
<b>Total Non-Current Provisions</b>	<b>481</b>	<b>383</b>	<b>481</b>	<b>383</b>
<b>Aggregate personnel services and employee benefits related liabilities</b>				
Provisions – current	1,184	953	1,184	953
Provisions – non-current	8	6	8	6
Accrued salaries, wages and on-costs (note 14)	239	158	–	–
Accrued personnel services (note 14)	–	–	239	158
	<b>1,431</b>	<b>1,117</b>	<b>1,431</b>	<b>1,117</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

- (a) The personnel services provision and the employee benefits provision include a value of leave and on-costs expected to be taken within twelve months and after twelve months is as follows:

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Short term – less than twelve months</b>				
Recreation leave	672	468	672	468
Long service leave on-costs	232	6	232	6
	<b>904</b>	<b>474</b>	<b>904</b>	<b>474</b>
<b>Long term – after 12 months</b>				
Recreation leave	280	305	280	305
Long service leave on-costs	8	180	8	180
	<b>288</b>	<b>485</b>	<b>288</b>	<b>485</b>

- (b) A provision has been recognised for the estimated costs to be incurred for the make good clause on the Kent Street Office fit out.

### Movements in other provisions (Other than Personnel services or Employee benefits)

Movements in each class of provisions during the financial year, other than employee benefits, are set out below:

	Lease incentive on rental	Restoration costs	Total
2012	\$'000	\$'000	\$'000
Carrying amount at the beginning of financial year	33	368	401
Additional provisions recognised	–	105	105
Amounts used	(23)	–	(23)
<b>Carrying amount at end of financial year</b>	<b>10</b>	<b>473</b>	<b>483</b>
<b>2011</b>			
Carrying amount at the beginning of financial year	57	213	270
Additional provisions recognised	–	155	155
Amounts used	(24)	–	(24)
<b>Carrying amount at end of financial year</b>	<b>33</b>	<b>368</b>	<b>401</b>

## 16. Current Liabilities – Other

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Liability to Consolidated Fund	2,557	200	2,557	200

New South Wales Electoral Commission

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2012

**17. Commitments for Expenditure**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Operating Lease Commitments</b>				
Future non-cancellable operating lease rentals not provided for and payable				
Not later than one year	1,653	1,655	1,653	1,655
Later than one year and not later than five years	6,241	3,599	6,241	3,599
Later than five years	1,528	–	1,528	–
<b>Total (including GST)</b>	<b>9,422</b>	<b>5,254</b>	<b>9,422</b>	<b>5,254</b>

These operating lease commitments are not recognised in the financial statements as liabilities. GST has been calculated at the rate of 10% and has been assumed to remain constant for the five years.

**18. Contingent Liabilities and Contingent Assets**

The NSWEC has no contingent liability as at 30 June 2012 (2011: Nil)

The NSWEC has no contingent assets as at 30 June 2012 (2011: Nil)

**19. Budget Review****Net result**

The net loss of \$2,198,000 compares to the budgeted loss of \$4,634,000. This was primarily due to an increase in revenue as a result of commercial activities and a lower than expected expense on the local government election preparations. During the year we conducted two major Local Government by-elections. Depreciation expense was above budget by \$553,000.

**Assets and Liabilities**

Assets are above budget by \$4,947,000. This is primarily due to an increase in Accounts Receivable relating to Accrued Income of \$2,658,000 for the Local Government Election, prepayments of \$1,456,000 primarily made up of payments for R.O. offices for Local Government Elections. Our cash balance is above budget by \$1,652,000 and this will be refunded to Treasury in financial year 2012/13.

Liabilities were above budget by \$2,511,000. This is primarily due to recognition of \$2,557,000 in relation to the liability to Consolidation Fund.

**Cash Flows**

Cash flow from operating activities is above budget by \$1,600,000 mainly due to increased commercial revenue of \$1,238,000. Interest received was under budget by \$139,000.

**20. Reconciliation of Cash Flows from Operating Activities to Net Result**

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Net cash flows on operating activities	3,384	9,745	3,384	9,745
Depreciation and amortisation	(5,633)	(3,798)	(5,633)	(3,798)
Decrease/(increase) in provisions	(2,672)	(173)	(2,672)	(173)
Increase/(decrease) in receivables and other assets	3,701	93	3,701	93
Decrease/(increase) in payables	(977)	(250)	(977)	(250)
Net gain/(loss) on disposal of plant and equipment & intangible assets	(1)	(1)	(1)	(1)
<b>Net result</b>	<b>(2,198)</b>	<b>5,616</b>	<b>(2,198)</b>	<b>5,616</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

## 21. Administered Assets and Liabilities

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Administered Assets:</b>				
Fines for failure to vote	–	598	–	598
<b>Administered Liabilities:</b>				
Fines for failure to vote	–	–	–	–

## 22. Administered Expense – Debts Written Off

There were no debts written off which related to Administered Income (2011: Nil).

## 23. Administered Income

	CONSOLIDATED		PARENT	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Fines for failure to vote	496	8,474	496	8,474

## 24. Administered Assets – Schedule of Uncollected Amounts

There are no uncollected amounts for fines at balance date as all outstanding amounts were issued to the State Debt Recovery Office. (2011: \$8,134,203.05)

## 25. Financial Instruments

The NSWEC's principal financial instruments are outlined below. These financial instruments arise directly from the NSWEC's operations or are required to finance the NSWEC's operations. The NSWEC does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The NSWEC's main risks arising from financial instruments are outlined below, together with the NSWEC's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Electoral Commissioner has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the NSWEC, to set risk limits and controls and to monitor risks. From time to time, compliance with policies is reviewed by the Audit & Risk Committee.

### (a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
			2012 \$'000	2011 \$'000
<b>Class:</b>				
Cash and cash equivalents	7	N/A	2,855	1,177
Receivables*	8	Loans and receivables (at amortised cost)	2,858	201
Other financial assets	10	Loans and receivables (at amortised cost)	47	239
			Carrying Amount	Carrying Amount
<b>Financial Liabilities</b>			2012 \$'000	2011 \$'000
<b>Class:</b>				
Payables**	14	Financial liabilities measured at amortised cost	2,527	1,575

#### Notes

\* Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).

\*\* Excludes statutory payables and unearned income (i.e. not within scope of AASB 7).



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2012

**(b) Credit Risk**

Credit risk arises when there is the possibility of the NSWEC's debtors defaulting on their contractual obligations, resulting in a financial loss to the NSWEC. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the NSWEC, including cash, receivables, and authority deposits. No collateral is held by the NSWEC. The NSWEC has not granted any financial guarantees.

Credit risk associated with the NSWEC's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

**Cash**

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury. The TCorp Hour Glass cash facility is discussed in para (e) below.

**Receivables – trade debtors**

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

The NSWEC is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due 2012: \$43,263 (2011: \$19,180.32) these represent 100% of the total trade debtors.

The only financial assets that are past due or impaired are "sales of goods and services" in the "receivables" category of the statement of financial position.

	Total*	Past due but not impaired*	Considered Impaired*
	\$'000	\$'000	\$'000
<b>2012</b>			
< 3 months overdue	–	–	–
3 months – 6 months overdue	–	–	–
> 6 months overdue	–	–	–
<b>2011</b>			
< 3 months overdue	–	–	–
3 months – 6 months overdue	–	–	–
> 6 months overdue	–	–	–

**Notes\***

- Each column in the table reports "gross receivables".
- The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the "total" will not reconcile to the receivables total recognised in the statement of financial position.

**(c) Liquidity risk**

Liquidity risk is the risk that the NSWEC will be unable to meet its payment obligations when they fall due. The NSWEC continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

During the current and prior year, there were no defaults of loans payable. No assets have been pledged as collateral. The NSWEC's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest.

The table below summarises the maturity profile of the entity's financial liabilities, together with the interest rate exposure.

	Weighted Average Effective Interest Rate %	Nominal Amount \$'000	Interest Rate Exposure			Maturity Dates		
			Fixed Interest Rate	Variable Interest Rate	Non- interest bearing	< 1 yr	1-5 yrs	> 5 yrs
<b>2012</b>								
Payables	-	2,588	-	-	-	2,588	-	-
<b>2011</b>								
Payables	-	1,611	-	-	-	1,611	-	-

## (d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. NSWEC has no exposure to foreign currency risk and does not enter into commodity contracts.

## (e) Interest rate risk

NSWEC does not have exposure to interest rate risk through interest bearing liabilities. NSWEC does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The NSWEC's exposure to interest rate risk is set out below.

	\$'000				
	Carrying Amount	Profit	Equity	Profit	Equity
		-1%		1%	
<b>2012</b>					
<i>Financial assets</i>					
Cash and cash equivalents	2,855	-29		29	
<i>Financial assets at fair value</i>					
Other financial assets	47	-		-	
<b>2011</b>					
<i>Financial assets</i>					
Cash and cash equivalents	1,177	-12		12	
<i>Financial assets at fair value</i>					
Other financial assets	239	-2		2	

## (f) Fair value compared to carrying amount

Financial instruments are generally recognised at cost.

The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of many of the financial instruments.

New South Wales Electoral Commission

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

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### 26. Events after reporting period

There are no events subsequent to balance date which affect the financial statements.

### 27. Related party transaction

All transactions for the Election Funding Authority of New South Wales (EFA) are conducted through the NSWEC's accounting framework. Within this framework, employee related expenses of \$2,460,571 (\$1,291,655 in 2011) and other operating expenses of \$1,244,420 (\$1,384,269 in 2011) are recognised as attributed to the EFA.

### **End of audited financial statements**

## STATEMENT BY

# The Electoral Commissioner

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Pursuant to section 45F of the *Public Finance and Audit Act 1983*, I, to the best of my knowledge and belief state that:

- a. The accompanying financial statements of the Office of the NSW Electoral Commission have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the Financial Reporting code for Budget Dependent General Government Sector Agencies, the applicable clauses of the Public Finance and Audit Regulation 2010 and the Treasurer's Directions;
- b. The statements exhibit a true and fair view of the financial position of the Office of the NSW Electoral Commission as at 30 June 2012, and transactions for the year then ended; and
- c. There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Colin Barry  
Electoral Commissioner  
27 August 2012

# Independent Auditor's

## REPORT



### INDEPENDENT AUDITOR'S REPORT

Office of the New South Wales Electoral Commission

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Office of the New South Wales Electoral Commission (the Office), which comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

#### Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Office as at 30 June 2012, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

#### The Electoral Commissioner's Responsibility for the Financial Statements

The Electoral Commissioner is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Electoral Commissioner determines is necessary to enable the preparation of the financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Office's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Electoral Commissioner, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

# Independent Auditor's

## REPORT - *continued*

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My opinion does *not* provide assurance:

- about the future viability of the Office
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information that may have been hyperlinked to/from the financial statements.

### **Independence**

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



Peter Achterstraat  
Auditor-General

31 August 2012  
SYDNEY

Office of the New South Wales Electoral Commission

# STATEMENT OF Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2012

	Notes	Actual 2012 \$'000	Actual 2011 \$'000
<b>Expenses excluding losses</b>			
Salaries and wages (including recreation leave)	2	9,085	6,354
Long service leave		355	206
Superannuation – defined benefit Plan		184	267
Superannuation – defined contribution Plan		476	385
Workers' compensation insurance		92	83
Payroll tax and fringe benefits tax		487	401
<b>TOTAL EXPENSES EXCLUDING LOSSES</b>		<b>10,679</b>	<b>7,696</b>
<b>Revenue</b>			
Acceptance by the Crown Entity of employee benefits and other liabilities		514	475
Employee related revenue	3	10,165	7,221
<b>Total Revenue</b>		<b>10,679</b>	<b>7,696</b>
<b>Net Result</b>		<b>-</b>	<b>-</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>

The accompanying notes form part of these financial statements.

# STATEMENT OF Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2012

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	Notes	Actual \$'000
<b>Balance at 1 July 2011</b>		-
Surplus for the Year		-
<b>Total other comprehensive income</b>		-
<b>Total comprehensive income for the year</b>		-
<b>Balance at 30 June 2012</b>		-
<b>Balance at 1 July 2010</b>		-
Surplus for the Year		-
<b>Total other comprehensive income</b>		-
<b>Total comprehensive income for the year</b>		-
<b>Balance at 30 June 2011</b>		-

The accompanying notes form part of these financial statements.

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Office of the New South Wales Electoral Commission

# STATEMENT OF Financial Position

AS AT 30 JUNE 2012

	Notes	Actual 2012 \$'000	Actual 2011 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Receivables	4	1,383	1,117
<b>Total Current Assets</b>		<b>1,383</b>	<b>1,117</b>
<b>Total Assets</b>		<b>1,383</b>	<b>1,117</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5	239	158
Provisions	6	1,136	953
<b>Total Current Liabilities</b>		<b>1,375</b>	<b>1,111</b>
<b>Non-Current Liabilities</b>			
Employee Benefits Provisions	7	8	6
<b>Total Non-Current Liabilities</b>		<b>8</b>	<b>6</b>
<b>Total Liabilities</b>		<b>1,383</b>	<b>1,117</b>
<b>Net Assets</b>		<b>-</b>	<b>-</b>
<b>EQUITY</b>			
Accumulated funds		-	-
<b>Total Equity</b>		<b>-</b>	<b>-</b>

The accompanying notes form part of these financial statements.

# STATEMENT OF Cash Flows

FOR THE YEAR ENDED 30 JUNE 2012

Notes	Actual 2012 \$'000	Actual 2011 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Payments</b>		
Employee related	-	-
Other	-	-
<b>Total Payments</b>	<b>-</b>	<b>-</b>
<b>Receipts</b>		
Capital appropriation (excluding equity appropriations)	-	-
(Cash transfers to the consolidated fund)	-	-
Sale of goods and services	-	-
Interest received	-	-
Other	-	-
<b>Total Receipts</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of land and buildings, plant and equipment and infrastructure systems	-	-
Purchases of plant and equipment and infrastructure systems	-	-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE / (DECREASE) IN CASH</b>	<b>-</b>	<b>-</b>
Opening cash and cash equivalents	-	-
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>-</b>	<b>-</b>

The accompanying notes form part of these financial statements.

Office of the New South Wales Electoral Commission

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

## 1. Summary of Significant Accounting Policies

### (a) Reporting entity

The Office of the New South Wales Electoral Commission (ONSWEC) is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. It is consolidated as part of the New South Wales Electoral Commission's (NSWEC) Accounts. It is domiciled in Australia and its principal office is at 201 Kent St, Sydney.

ONSWEC's objective is to provide personnel services to the NSWEC.

ONSWEC commenced operation on 1 July 2006 when it assumed responsibility for the employees and employee-related liabilities of the NSWEC. The assumed liabilities were recognised on 1 July 2006 together with an offsetting receivable representing the related funding due from the former employer.

These financial statements for the year ended 30 June 2012 have been authorised for issue by the Electoral Commissioner on 27/08/2012.

### (b) Basis of preparation

The Office of the NSWEC's financial statements are general purpose financial statements which have been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and Regulation and
- the Financial Reporting Directions published in the Financial Reporting Code for General Government Sector Entities or issued by the Treasurer.

Generally, the historical cost basis of accounting has been adopted and the financial report does not take into account changing money values or current valuations. However, certain provisions are measured at fair value. See note 1(g).

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

### (c) Comparative Information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

### (d) Income

Income is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

### (e) Receivables

A receivable is recognised when it is probable that the future cash inflows associated with it will be realised and it has a value that can be measured reliably. It is derecognised when the contractual or other right to future cash flows from it expire or are transferred.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest rate method, less an allowance for any impairment of receivables. Any changes are accounted for in the Statement of Comprehensive Income when impaired or derecognised.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

### (f) Payables

Payables include accrued wages, salaries and related on costs (such as payroll tax, fringe benefits tax and workers' compensation insurance) where there is no certainty as the amount and timing of settlement.

A payable is recognised when a present obligation arise under the contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted. A short-term payable with no stated interest rate is measured at the original invoice amount where the effect of discounting is immaterial.

These amounts represent liabilities for goods and services provided to the NSWEC and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

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### (g) Employee benefits and other provisions

Provisions are made for liabilities of uncertain amount or uncertain timing of settlement.

Employee benefit provisions represent expected amounts payable in the future in respect of unused entitlements accumulated as at the reporting date. Liabilities associated with, but that are not, employee benefits (such as payroll tax) are recognised separately.

#### (i) Salaries and wages, annual leave, sick leave and on-costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 Employee Benefits. Market yields on government bonds of 5.67% are used to discount long-term annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

#### (ii) Long service leave and superannuation

The ONSWEC's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The ONSWEC accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary income item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. This is based on the application of certain factors (specified in NSWTC 12/06) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

### (h) Adoption of New and Revised Accounting Standards/Interpretation

AASB 101 Presentation of Financial Statements (Compiled Jun 2009)

#### (i) New Australian Accounting Standards issued but not yet effective

A number of new Accounting Standards have not been applied and are not yet effective. The possible impact of these Standards in the period of initial application is unlikely to be material.

Office of the New South Wales Electoral Commission

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2012

**2. Expenses Excluding Losses**

## Employee Related Expense

	2012 \$'000	2011 \$'000
Salaries and wages (including recreation leave)	9,085	6,354
Long service leave	355	206
Superannuation		
– defined benefit Plan	184	267
– defined contribution Plan	476	385
Workers' compensation insurance	92	83
Payroll tax and fringe benefits tax	487	401
<b>Total Expense</b>	<b>10,679</b>	<b>7,696</b>

**3. Revenues**

## Employee Related Revenue

	2012 \$'000	2011 \$'000
New South Wales Electoral Commission	10,165	7,221
<b>Total Revenues</b>	<b>10,165</b>	<b>7,221</b>

**4. Current Assets – Receivables**

	2012 \$'000	2011 \$'000
New South Wales Electoral Commission	1,383	1,117
<b>Total Current Assets</b>	<b>1,383</b>	<b>1,117</b>

**5. Current Liabilities – Payables**

	2012 \$'000	2011 \$'000
Accrued salaries, wages and on – costs	239	158
<b>Total Current liabilities</b>	<b>239</b>	<b>158</b>

**6. Current Liabilities – Provisions**

## Employee benefits and related on – costs

	2012 \$'000	2011 \$'000
Annual leave	904	773
Long service leave on-costs	232	180
<b>Total Provisions</b>	<b>1,136</b>	<b>953</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

### 7. Non-Current Liabilities – Provisions

Employee benefits and related on-costs

	2012 \$'000	2011 \$'000
Long Service Leave on-costs	8	6
<b>Total Provisions</b>	<b>8</b>	<b>6</b>

### 8. Financial Instruments

The Office's principal financial instruments are outlined below. These financial instruments arise directly from the Office's operations or are required to finance the Office's operations. The Office does not enter into or trade financial instruments for speculative purposes. The Office does not use financial derivatives.

#### *Receivables*

All receivables are from the New South Wales Electoral Commission in relation to employee benefits. As such, there is no credit risk or interest risk in relation to these balances. The carrying amount approximates fair value.

### 9. Events after reporting period

There are no events subsequent to balance date which affect the financial statements.

#### **End of audited financial statements**



## New South Wales Electoral Commission

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# Annual Report

## compliance requirements

Under the *Annual Reports (Departments) Act 1985*, the Annual Reports Regulation 2005 and various Treasury circulars, the Commission is required to include the following information in this annual report.

Requirement	Note	Page
Letter of submission	Executive Summary	1
Application for extension of time	Not applicable	–
Charter	Our organisational profile	2
	Legislative compliance	72
Aims and objectives	Our organisational profile	2
Access	Inside front cover	–
Management and structure	Names of branch directors	2
	Organisational structure	58
Summary review of operations	Executive Summary	4, 7
Funds granted to non-government community organisations	The Commission did not grant any funds to non-government community organisations nor does it administer any other grant programmes.	–
Legal change	Legislative amendments	72
Economic or other factors	Not applicable	–
Management and activities	Reporting against our Corporate Plan	9
Research and development	Electoral Regulation Research Network	37
Human resources	Human resources management	58
Consultants	Financial Performance	78
Equal employment opportunity	Equal employment opportunity	59
Disability plan	Key Result Area 3, Strategy 3	40
Land disposal	We do not own or dispose of any land or property.	–
Promotion (overseas visits)	Appendix 10	129
Consumer response (complaints)	Feedback and complaints	75
Payment of accounts	Financial Performance	78
Time for payment of accounts	Financial Performance	78
Risk management and insurance activities	Risk management	70–71
Internal audit and risk management attestation	Risk management	71
Disclosure of controlled entities	The Commission has no controlled entities.	–
Disclosure of subsidiaries	The Commission has no subsidiaries.	–
Multicultural policies and services programme	Key Result Area 3, Strategy 3	39
Agreements with the Community Relations Commission	Not applicable	–
Occupational health and safety	Occupational health and safety	59
Waste management	Administration management	56
Budgets	Not applicable	–
Financial statements	Financial Performance	77
Identification of audited financial statements	Financial Performance	77
Inclusion of unaudited financial statements	Financial Performance	77
Additional matters – <i>Privacy and Personal Information Protection Act 1998</i>	Accountability and transparency	76



Requirement	Note	Page
Additional matters – <i>after balance date events having a significant effect in succeeding year on financial operations; other operations; clientele/community served</i>	Not applicable.	–
Additional matters – <i>total external costs in the production of this report</i>	Total external costs: Nil; printed in-house.	–
Additional matters – <i>whether the report is available in non-printed formats</i>	Yes this report is available to download at <a href="http://www.elections.nsw.gov.au">www.elections.nsw.gov.au</a>	–
Additional matters – the internet address at which the report may be accessed	<a href="http://www.elections.nsw.gov.au">www.elections.nsw.gov.au</a>	–
Investment performance	Not applicable	–
Liability management performance	Not applicable	–
Exemptions	Nil	–
Performance and numbers of executive officers	Appendix 8	129
<i>Government Information (Public Access) Act 2009</i>	Appendix 11	130
Public Interest Disclosures	Human resource management	60
Implementation of Price Determination	Not applicable	–
Credit card certification	Financial Performance	78
Requirements arising from employment arrangements	Not applicable	–

# Appendices

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## Appendix 1

### Clubs, statutory boards and industrial organisations 2011/12

Organisation	Election	Completed	Result
Association of Professional Engineers, Scientists and Managers Australia	Committee of Management 2011-2013	July 2011	Uncontested
Association of Professional Engineers, Scientists and Managers Australia	Executive Officers 2011-12	May 2012	Uncontested
Auburn RSL Club Cooperative Limited		March 2012	Contested
Auburn Tennis and Recreation Club	Election of the Board of Directors	September 2011	Uncontested
Bus and Coach Industrial Association NSW	Council Members	November 2011	Uncontested
Bus and Coach Industrial Association NSW	Office Bearers	December 2011	Uncontested
Cabramatta Bowling and Recreation Club	Election of the Board of Directors	August 2011	Contested
Cabra Vale Ex Active Servicemen's Club	Election of the Board of Directors	September 2011	Contested
Canada Bay Club	Election of the Board of Directors	November 2011	Uncontested
Club Mulwala	Election of the Board of Directors	October 2011	Contested
Clubs NSW	Election of State Councillors (13 Regions)	August 2011	Contested (1 Region)
Clubs NSW	Election of Board of Directors (Group 3)	September 2011	Uncontested
Clubs NSW	Board of Directors Group 3	September 2011	Uncontested
Club Roselands	Community Advisory Committee Election	April 2012	Contested
Electrical Trades Union of Australia, NSW Branch	Quadrennial Elections	July 2011	Uncontested
Electrical Trades Union	Extraordinary Vacancies Election – State Secretary and State Organiser – State Union	June 2012	Uncontested
Fire Brigade Employees Union	Committee of Management Election	April 2012	Contested
Five Dock RSL Club		May 2012	Contested
Leichhardt Bowling and Recreation Club	Election of the Board of Directors	August 2011	Uncontested
Local Government Engineers' Association of NSW	Committee of Management 2011-2013	November 2011	Contested
Lord Howe Island	2012 Board Election	February 2012	Contested
Merimbula-Imlay Bowling Club	Election of the Board of Directors	December 2011	Uncontested
Mingara Recreation Club	Election of the Board of Directors	November 2011	Contested
Mingara Recreation Club	Community Advisory Committee Election	February 2012	Contested
NSW Gun Club	Election of the Board of Directors	October 2011	Contested
NSW Independent Education Union	Branch Delegates to Council	June 2012	Contested
Police Association Salaried Officers Union	Committee of Management	July 2011	Uncontested
Ports Corporation	Election of Staff Elected Directors for Sydney Ports, Newcastle Port & Port Kembla Port Corporation	September 2011	Contested
Restaurant and Catering Industry Association of NSW	Election of Committee of Management and Secretary	November 2011	Uncontested
Riverina Citrus Committee	Election of 6 Committee Members	July 2011	Contested

# Appendices

## Appendix 1 (continued)

Organisation	Election	Completed	Result
Riverina Citrus Committee	2012 Poll	March 2012	Contested
Rooty Hill RSL Club	Board of Directors Election	May 2012	Contested
Silverton Village Committee	By-Election (2 Members)	February 2012	Uncontested
Smithfield RSL Club	Board of Directors Election	March 2012	Contested
South Sydney Junior Rugby League Club	Election of the Board of Directors	November 2011	Contested
TAB Agents Association of NSW	Election of Vice President, Secretary & Executive Committee Members (2)	September 2011	Uncontested
The Development and Environment Professionals Association		March 2012	Uncontested
The Funeral & Allied Industries Union of NSW Branch	Election of Committee of Management	December 2011	Uncontested
The Master Fish Merchants' Association of NSW	Office Bearers and Ordinary Members	November 2011	Uncontested
Tibooburra Village Committee	Committee Members (3)	October 2011	Uncontested
Toronto Workers Club	Election of the Board of Directors	September 2011	Contested
Transport Workers Union	Assistant Secretary – Transport	May 2012	Uncontested
Transport Workers Union	South Coast – Executive Committee Member	June 2012	Uncontested
West's Ashfield Leagues Club	Board of Directors Election	March 2012	Contested

## Appendix 2

### Candidate Information Seminars, attendance for 2012 Local Government Elections 2011/12

Council	Participants	Council	Participants
Burwood	36	Blacktown	39
Randwick	17	Griffith	11
Dubbo	30	Inverell	8
Cobar	1	Chatswood	36
Orange	16	Moree	3
Broken Hill	7	Walgett	0
Forbes	19	Coonamble	7
Balranald	8	Campbelltown	25
Hornsby	23	Bega	6
Bathurst	40	Katoomba	18
Dee Why	42	Scone	12
Deniliquin	25	Queanbeyan	18
Mullumbimby	30	Singleton	20
Hurstville	31	Goulburn	19
Albury	22	The Entrance	20
Grafton	7	Sydney	8
Wagga Wagga	29	Sydney	40
Armidale	36	Kiama	19
Cootamundra	15	Taree	23
Tamworth	9	Narrabri <sup>a</sup>	8

<sup>a</sup> All Candidate information seminars were held in May 2012 with the exception of Narrabri which was held in early June 2012.

# Appendices

## Appendix 3

Councils who selected the Commission to conduct their elections and councils conducting their own elections, 2012 Local Government Elections

Albury	Cooma-Monaro	Ku-ring-gai	Ryde
Armidale Dumaresq	Coonamble	Kyogle	Singleton
Ashfield	Cootamundra	Lachlan	Snowy River
Auburn	Corowa	Leeton	Strathfield
Ballina	Cowra	Leichhardt	Sydney
Balranald	Deniliquin	Lismore	Tamworth Regional
Bankstown	Dubbo	Lithgow	Temora
Bathurst Regional	Dungog	Liverpool	Tenterfield
Bega Valley	Eurobodalla	Liverpool Plains	The Hills
Bellingen	Forbes	Lockhart	Tumbarumba
Berrigan	Gilgandra	Manly	Tumut
Blacktown	Glen Innes Severn	Marrickville	Tweed
Bland	Gloucester	Mid-Western Regional	Upper Hunter
Blayney	Gosford	Moree Plains	Upper Lachlan
Blue Mountains	Goulburn-Mulwaree	Mosman	Uralla
Bogan	Great Lakes	Murray	Urana
Bombala	Greater Hume	Murrumbidgee	Wagga Wagga
Boorowa	Greater Taree	Muswellbrook	Wakool
Bourke	Griffith	Nambucca	Walcha
Brewarrina	Gundagai	Narrabri	Walgett
Broken Hill	Guyra	Narrandera	Warren
Burwood	Gwydir	Narromine	Warringah
Byron	Harden	North Sydney	Warrumbungle
Cabonne	Hawkesbury	Oberon	Waverley
Camden	Hay	Orange	Weddin
Campbelltown	Holroyd	Palerang	Wellington
Canada Bay	Hornsby	Parkes	Wentworth
Canterbury	Hunters Hill	Parramatta	Willoughby
Carrathool	Hurstville	Pittwater	Wingecarribee
Central Darling	Inverell	Port Macquarie Hastings	Wollondilly
Clarence Valley	Jerilderie	Queanbeyan	Woollahra
Cobar	Junee	Randwick	Wyong
Conargo	Kiama	Richmond Valley	Yass Valley
Coolamon	Kogarah	Rockdale	Young

### Councils conducting their own elections

Botany Bay	Gunnedah	Maitland	Shoalhaven
Cessnock	Kempsey	Newcastle	Sutherland
Coffs Harbour	Lake Macquarie	Penrith	
Fairfield	Lane Cove	Port Stephens	

## Appendix 4

### Electoral roll (request for copies 2011/12)

Date	Request	Decision
22 July 2011	<b>Individual – private request</b> Enrolment search for individual – seeking address of partner’s birth father.	Request denied
27 July 2011	<b>Crown Solicitor’s Office</b> Evidentiary information of the current enrolment for an individual and an address.	Request approved
5 August 2011	<b>Individual, PhD Candidate, University of Newcastle</b> Information of females aged 18-35 years in the Hunter/New England region of NSW for survey of blood and iron studies and cognition testing.	Request denied
15 August 2011	<b>NSW Police</b> Evidentiary document of the current enrolment of an individual and an address to be presented in court.	Request approved
2 September 2011	<b>Individual, PhD Candidate, University of Wollongong</b> Request of electoral data for random sample of electors over 55 years in a number of listed areas of NSW.	Request denied
27 September 2011	<b>Individual – private request</b> Enrolment search request from overseas for a number of Australian persons known 1959-1964.	Request denied
04 November 2011	<b>Individual, Small Business Commissioner</b> Access to roll to search for tenants to return bond payments. Retail Tenancy Unit were able to use the roll for this purpose as part of Fair Trading but no longer have access.	Decision pending
23 November 2011	<b>NSW Police</b> Evidentiary document of the current enrolment of an individual and an address to be presented in court.	Request approved
13 December 2011	<b>Crown Solicitor’s Office</b> Evidentiary information of the date of enrolment change for two individuals.	Request approved
19 January 2012	<b>Individual – private request</b> Enrolment search for 2 individuals, seeking reunion of old neighbours.	Request denied
12 March 2012	<b>Solicitors</b> Enrolment search for witness and beneficiary to will.	Request denied
13 March 2012	<b>newDEMOCRACY Foundation</b> Request of electoral data for a LGA for sample of 1,500 residents for selection for trial Citizens’ Panel.	Request denied
14 May 2012	<b>NSW Health – Sydney Local Health District</b> Concord Colorectal Unit, request for sample of up to 10,000 NSW residents for epidemiological study.	Request denied

# Appendices

## Appendix 5

Political parties registered with the Commission (as at 30 June 2012)

State Government registered party name	
Australian Democrats (NSW Division)	No Parking Meters Party
Australian Labor Party (NSW Branch)	Outdoor Recreation Party
Building Australia Party	Save Our State
Christian Democratic Party (Fred Nile Group)	Shooters and Fishers Party
Country Labor Party	Socialist Alliance
Family First NSW Inc	The Fishing Party
Liberal Party of Australia (NSW Division)	The Greens
National Party of Australia – NSW	Unity Party
Local Government registered party name	
Albury Citizens and Ratepayers Movement	Lorraine Wearne Independents
Australia First Party (NSW) Incorporated (Councils)	Manly Independents – Putting Residents First
Australian Protectionist Party	Our Sustainable Future
Australian Sex Party NSW	Parramatta Better Local Government Party
Bob Thompson's Independent Team	Residents Action Group for Auburn Area
Burwood Community Voice	Residents First Woollahra
Clover Moore Independent Team	Residents for Mosman
Community Service "Environment" Save Campbelltown Koalas	Save Tuggerah Lakes
Community First Team	Serving Mosman
Democratic Labor Party	Shire Watch Independents
Eurobodalla First	Shire Wide Action Group
Eurobodalla Ratepayers Action	Shoalhaven Independents Group
Help End Marijuana Prohibition (HEMP) Party	The Living Sydney Team
Holroyd Independents	The Parramatta Independents
Keep Coogee A Village	Totally Locally Committed Party
Kogarah Residents' Association	Woodville Independents
Liberal Democratic Party	Your Warringah
Liverpool Community Independents Team	



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## Appendix 6

### Internal audit, summary of mitigation strategies

#### Non-voting penalty notices and excuses

Recommendations have been developed and documented to allow the NSW Electoral Commissioner to administratively validate decisions that have been and will be made regarding the acceptability of excuse types. Draft functional specifications including business rules and operating manuals will be prepared and formalised for use at the 2012 Local Government Elections.

#### Procurement processes

The Commission's Procurement Policy Framework was reviewed and updated by a contractor with expertise in the area. Subsequent training of staff with procurement responsibilities in the revised framework including compliance checklists, tender evaluation guidelines, and record-keeping responsibilities was held.

Prior to initiation of project work associated with the next major election it is intended to again engage a procurement contractor to manage nominated project procurements with higher levels of spend and risk.

#### Disaster Recovery Systems

The Commission revised its 'Business Continuity Plan' to identify critical business processes and their supporting IT resources and identify disaster scenarios and the impact of each disaster scenario on IT resources. Tests will be conducted to prove IT disaster recoverability prior to the close of rolls for critical systems.

#### Updating and securing the Roll

SmartRoll policies and procedures' documentation will be improved. A formal process is in place for reviewing, updating and approving business rules. All recipients of legislatively allowed electoral data are encouraged to use the secure website based system to download data.

# Appendices

## Appendix 7

### Project management plans, 2012 Local Government Elections

Project Name	Scope/Objectives
Enrolment	Finalise Ward boundaries and deliver City of Sydney non-residential roll and all certified lists.
Council liaison	Develop, manage and implement the Council Liaison model, to provide a single point of contact for each council.
Data management	Develop, manage and co-ordinate a centralised data management system.
Election staffing	Develop, manage and implement all aspects of election staffing, recruitment, training and assessment.
Financial services	Develop and implement staffing and payroll systems and processes for all election officials. Preparation of budgets, financial management reports and accounts payable.
Venue procurement	Provision of all venues required to conduct the Local Government Elections operations.
Voting	Define all processes associated with determining vote type to issue, the issuing of the vote and declaration vote envelope scrutiny (preliminary scrutiny).
Counting and results	All processes associated with counting the ballot papers and publishing election results.
Election procedures documentation	Provision of documented processes and procedures relating to the election including standard operating procedures.
Logistics	Provision of transport (including courier) and warehousing for the election and procurement of specified election materials.
Media, communication and advertising	Provision of tools and materials to enable the Commission to communicate to stakeholders under the 2012 Local Government Elections Service Charter.
IT infrastructure and application support	Provision of all IT equipment, internet and telecommunications required to run the election including call centre infrastructure.
Elector enquiry centre	Provision of a range of support centres to service all election period stakeholders.
Ballot paper production, allocation and distribution	To produce and deliver ballot papers including referendums and polls.
Nominations and how-to-vote	To develop, implement, manage and co-ordinate all aspects of election processes involving candidates, groups and parties.
Event operations management	To develop, implement and manage the overall strategy to co-ordinate operations during the core election period.
External reporting and evaluation	Preparation of reports on the conduct of the Local Government Elections 2012.
Virtual Tally Room	To provide over the internet results and count status information which is accessible, accurate and timely.
Sydney Town Hall	To issue ordinary votes to all eligible electors in the State at Sydney Town Hall.

## Appendix 8

### Performance and numbers of executive officers

There was one executive position at Level 3 for both the current and prior year. There were no female executive officers employed in the current or prior year.

#### Chief Executive Officer (not holding an executive position)

<b>Name</b>	<b>Colin Barry</b>
Title	Electoral Commissioner and Division Head of the Office of the NSW Electoral Commission
Remuneration	\$341,980
Level	Level 5 and above
Period in position	Full period
Statement of performance	The Electoral Commissioner holds an independent statutory position appointed for 10 years. There is no performance agreement or annual review by a Minister
Performance pay	Not applicable

## Appendix 9

### Inter-jurisdictional and overseas elections

The Commission provides a pre-poll service for interstate electors who are in NSW at the time of their election. These services are provided on a reciprocal basis with other electoral authorities.

During the reporting year the Commission provided voting services for the following inter-jurisdictional and overseas elections:

State/Territory/Country	Election	Date
New Zealand	General election	26 November 2011
New Zealand	Referendum on New Zealand voting system	26 November 2011
South Australia	Port Adelaide By-election	11 February 2012
South Australia	Ramsay By-election	11 February 2012
Queensland	State Election	24 March 2012
Victoria	Niddrie District By-election	24 March 2012
Queensland	South Brisbane By-election	28 April 2012
Tasmania	Legislative Council Election – Hobart and Western Tiers Divisions	5 May 2012

## Appendix 10

### Overseas visits and delegations

On 4 December 2011 the Director of Funding and Disclosure attended a three-day conference in the USA on Ethics Law.

On 21 March 2012 the Commission hosted the High Commissioner of Samoa to discuss electoral laws in NSW regulating financial donations for political campaigning.

On 25 June 2012 the Commission hosted a Korean delegation to discuss the Australian electoral registration system and overseas voting.

# Appendices

## Appendix 11

### Government Information (Public Access)

Section 125 of the *Government Information (Public Access) Act 2009* (GIPA Act) requires an agency to prepare an annual report on the agency's obligations under the GIPA Act. The *Government Information (Public Access) Regulation 2009* (GIPA Regulation) sets out the information to be included in the annual report.

The Office of the NSW Electoral Commission (NSWEC) provides administrative services to both the NSW Electoral Commission (a statutory corporation established under section 21A of the *Parliamentary Electorates and Elections Act 1912*) and the Election Funding Authority (EFA) of NSW (a statutory corporation established under section 5 of the *Election Funding, Expenditure and Disclosures Act 1981*).

The report below is prepared by the Office of the NSW Electoral Commission as required under section 125 of the GIPA Act and concerns access to government information pertaining to both the Commission and the Election Funding Authority.

#### Review of proactive release programme – Clause 7(A) GIPA Regulation

Our agency's programme for proactive release of information:

- The Directors are responsible for identifying (within their areas of responsibility) information that should in the public interest be released proactively.
- Proposals are submitted to the Management Committee for endorsement.
- Upon endorsement from the Management Committee, information to be released proactively is referred to the Right to Information Officer who will arrange public access to that information.

As noted in our 'Government Information (Public Access) Policy and Procedures Plan', the Management Committee is required to conduct an annual review concerning the proactive release programme in June each year. The existing programme was endorsed with the clarification that it is not intended to apply to:

- information concerning our core functions such as Commission and Election Funding Authority fact sheets, handbooks, guides and forms;
- information where there is a statutory requirement for publication such as approved procedures, public registers, funding and disclosure declarations, claims for funding payments, child related conduct declarations and candidate information sheets;

on the basis that the proactive release programme is intended to encourage identification and release of information in addition to information listed in paragraphs (a) and (b) above.

Information proactively released during the reporting period includes the following:

Details	Released	Published	Type	Pages
2012 Local Government Elections – Service Charter for NSW Councils	5/07/11	NSWEC website	PDF	12
iVote Pre Implementation Report	29/07/11	NSWEC website	PDF	9
iVote Post Implementation Report	29/07/11	NSWEC website	PDF	15
iVote – Technology-Assisted Voting presentation	25/08/11	NSWEC website	PDF	31
iVote presentation to NSW Parliament – 10 November 2011	11/11/11	NSWEC website	PDF	28
Preference files for Wollongong and Shellharbour Local Government Elections 2011	11/11/11	NSWEC website	PDF	Numerous files
2011 NSW State Election Report	20/11/11	NSWEC website	PDF	266
iVote presentation – 2011 NSW State Election and the Clarence By-election – 9 December 2011	13/12/11	NSWEC website	PDF	30
NSWEC Corporate Plan 2011-2012	14/12/11	NSWEC website	PDF	12
Election Funding Authority Corporate Plan 2011-2012		EFA website	3	
International Experiences of Electronic Voting and their implications for NSW Report	18/05/12	NSWEC website	PDF	60

## Appendix 11 (continued)

Details	Released	Published	Type	Pages
Calculation of Local Government Elections (“LGEs”) cost and administration charge Report	29/5/12	NSWEC website	PDF	8
Review into Recall Elections Submissions by NSWEC 2011	29/5/12	Currently located on DPCs w/s	PDF	15

## Number of access applications received – Clause 7(B) GIPA Regulation

During the reporting period, our agency received a total of four formal access applications (including one withdrawn application but excluding two invalid applications).

## Number of refused applications for Schedule 1 information – Clause 7(C) GIPA Regulation

During the reporting period, our agency refused a total of two formal access applications because the information requested was information referred to in Schedule 1 to the GIPA Act.

Of those applications, both were refused in full on the basis that each sought access to information referred to in Clause 6 of Schedule 1 of the GIPA Act (excluded information referred to in Clause 4 of Schedule 2 of the GIPA Act, being the investigative or prosecuting functions of the Election Funding Authority).

## Statistical information about access applications – Clause 7(D) and Schedule 2 GIPA Regulation

Table A: Number of applications by type of applicant and outcome<sup>a</sup>

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	1	0	1
Members of Parliament	0	0	2	1	1	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	1	0	0	0

a More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of applicant and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications <sup>b</sup>	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	2	1	2	1	0	1
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

b A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

# Appendices

## Appendix 11 (continued)

<b>Table C: Invalid applications</b>	
<b>Reason for invalidity</b>	<b>Number of applications</b>
Application does not comply with formal requirements (section 41 of the Act)	2
Application is for excluded information of the agency (section 43 of the Act)	2
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	4
Invalid applications that subsequently became valid applications	1

<b>Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the Act</b>	
	<b>Number of times consideration used<sup>c</sup></b>
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	2
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

<sup>c</sup> More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

<b>Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of the Act</b>	
	<b>Number of occasions when application not successful</b>
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

## Appendix 11 (continued)

<b>Table F: Timeliness</b>	
	<b>Number of applications</b>
Decided within the statutory timeframe (20 days plus any extensions)	5
Decided after 35 days (by agreement with applicant)	1
Not decided within time (deemed refusal)	0
<b>Total</b>	<b>6</b>

<b>Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)</b>			
	<b>Decision varied</b>	<b>Decision upheld</b>	<b>Total</b>
Internal review	0	0	0
Review by Information Commissioner <sup>d</sup>	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>d</sup> The Information Commissioner does not have the authority to vary decisions, but can make recommendation to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made.

<b>Table H: Applications for review under Part 5 of the Act (by type of applicant)</b>	
	<b>Number of applications for review</b>
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

# Glossary

Name/Title	Synopsis
Australian Electoral Commission	The organisation responsible for conducting Federal elections, referendums and maintaining the Commonwealth electoral roll.
Ballot box	The sealed container into which an elector places a completed ballot paper.
Ballot paper	The paper printed for an election which a voter marks to record his/her vote.
By-election	An election held to fill a casual vacancy, usually caused by retirement, death or resignation of the Member for that district
Candidate	A person who nominates for election to parliament or to a council.
Compulsory enrolment	Every person who is entitled to have his/her name placed on the electoral roll must complete an enrolment form and send it to the Australian Electoral Commission within 21 days of becoming entitled. A penalty applies for failing to enrol.
Constitutional referendums	A statement of the fundamental laws governing a State. The NSW Constitution is embodied in an Act of Parliament. It establishes the framework for the system of government in the State, e.g. two houses of Parliament.
Declaration of Poll	An announcement made by the Returning Officer proclaiming the successful candidate elected as the Member for that district, ward or council. The Electoral Commissioner declares the poll for the Legislative Council.
Declared Institution	A nursing home, hospital or similar facility is appointed by the Electoral Commissioner and visited by election officials for the purpose of taking votes from residents who are unable to attend a polling place.
Election	Selection by vote of a person or persons to hold political office.
Election Funding Authority	The statutory body responsible for administering the provisions of the <i>Election Funding, Expenditure and Disclosures Act 1981</i> . It is made up of the Electoral Commissioner as Chair, a member appointed on the nomination of the Premier, and a member appointed on the nomination of the Leader of the Opposition.
Elector	A person who is entitled to vote at an election.
Electoral Commissioner	The statutory officer appointed to manage the conduct of State and other elections.
Electoral district	One of the 93 Legislative Assembly electorates.
Election Management Application	A computer software application consisting of four modules (staffing, candidates, declaration votes and results) to automate many of the routine tasks otherwise performed by election officials.
Electoral roll	The certified list of persons eligible to vote at an election. The rolls are maintained by the Australian Electoral Commission.
Electorate	The population of electors or the region in which electors live. Electorates have clearly defined boundaries which are shown on electoral district maps.
Enrolment	The act of enrolling or having one's name added to the list of electors entitled to vote.
Federal Government	At Federation in 1901, the States handed over certain powers to the central or Federal Government for administration on an Australia wide basis, while reserving other functions for State government responsibility.
Formal vote	A ballot paper at an election or referendum, which has been correctly marked according to instructions, and contributes to the outcome of the poll.
Independent	A candidate for election to, or a member of, parliament who is not a member of a political party.
Informal vote	A ballot paper which is either left blank or is incorrectly marked. Those ballot papers are excluded from the count and therefore do not contribute to the election of a candidate.
iVote	An internet and telephone-based voting system.
Joint Standing Committee on Electoral Matters	The Joint Standing Committee on Electoral Matters of the NSW Parliament reviews the administration and conduct of State and Local Government Elections and any other function referred by the Premier.



Name/Title	Synopsis
Legislative Assembly	The Lower House of Parliament in NSW. It consists of 93 members, one elected for each electoral district.
Legislative Council	The Upper House of Parliament in NSW. It has 42 members elected for an 8 year term, half of whom are elected at each NSW State election.
Nomination	The process by which a person applies to become a candidate for election.
Opposition	The party or parties which do not hold sufficient seats in parliament to lead a government.
Ordinary vote	A vote recorded in the normal manner at a polling place on election day.
Parliament	The legislative body, consisting of the elected representatives of the people, which determine the laws governing the nation or state. The candidates or political party holding the majority of seats form the government.
Political party	An organised group with a common political philosophy which seeks to win and retain public office for itself and its leaders. Party organisations support or endorse candidates for elections who, if elected, usually vote as a group for their policies in parliament. The party with the greatest numbers in parliament forms the government.
Poll	An election.
Polling place	A building such as a school, designated as a place to which voters go during an election to cast their votes.
Postal vote	Electors, who are outside their electoral district on election day, or unable to attend a polling place during polling hours, may send a vote by post. Voters must apply for a postal vote prior to election day.
Pre-poll	Electors who cannot vote on election day can apply to vote early at the office of a returning officer or at a pre-poll voting centre.
Recount	A second or further count of votes in an election.
Redistribution	Changes in boundaries of electoral districts to take into account population changes. The result should be that the number of electors enrolled in each district should be equal, give or take three per cent.
Referendum	Vote taken to allow electors to express their view on a particular subject or issue. Some alterations to the Constitution can only be made after approval in a referendum.
Registrar	Person who has the responsibility of maintaining electoral rolls in NSW.
Returning Officer	The election official responsible for conducting an election for a Legislative Assembly district or the Legislative Council or a council.
Roll	See electoral roll.
Scrutineer	A person appointed by a candidate to ensure that procedures and counting are undertaken in a proper manner.
SmartRoll	A data system that automatically enrolls and re-enrolls eligible electors adding their correct details to the NSW electoral roll.
Term	The length of time a parliament may sit before having to call an election. NSW has fixed four year terms.
Virtual tally room	Where voting figures are collected and provisional results are announced.
Vote	The process of choosing/selecting a candidate for political office.
Writ	The document by which the Governor (or the Speaker of the Legislative Assembly, in the case of by-elections) directs the Electoral Commissioner to conduct an election. The Governor issues Writs on the advice of the government.

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# Five-year overview



The NSW Electoral Commission manages the roll for 4.7 million electors.



Over 330 Local Government elections have been conducted since 2007 in NSW.



Over 40 Local Government By-elections have been conducted since 2007 in NSW.



The NSW Aboriginal Land Council Election was held across nine regions in August 2011.

**Figure 25 - Election Services 2007/08 to 2011/12**

Service delivery	2007/08	2008/09	2009/10	2010/11	2011/12
Electors enrolled as at 30 June 2012	4.5M	4.5M	4.5M	4.6M	4.7M
State elections (4-yearly cycle)	0	0	0	1	0
State by-elections	0	4	1	0	1
Local Government Elections	0	332	1	0	2 <sup>a</sup>
Local Government By-elections	0	11	15	16	1 <sup>b</sup>
NSW Aboriginal Land Council Election	1	0	0	0	1 <sup>c</sup>
Registered club elections	19	15	16	17	18
Statutory board and industrial ballots conducted	38	30	22	16	26

**Notes:**

- a The Wollongong City Council and Shellharbour City Council elections were held on 3 September 2011. They are excluded from holding elections in 2012 by virtue of the *Local Government (Shellharbour and Wollongong Elections) Act 2011*.
- b The Balranald Shire Council By-election was held on 23 July 2011. The election was declared uncontested as the number of candidates nominated for election as councillor was not greater than the number of councillors to be elected.
- c The NSW Aboriginal Land Council Election was held for nine councillors of the NSW Aboriginal Land Council with one member to be elected to represent each of the nine regional Aboriginal Land council areas.



Temporary election staff are trained to meet stakeholder expectations.

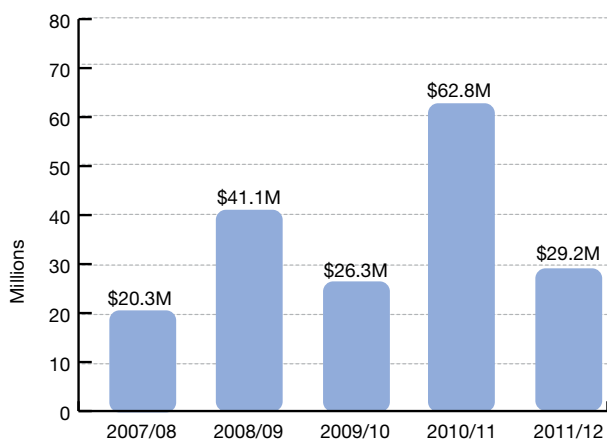
**Figure 26 - Election Resources 2007/08 to 2011/12**

Resources	2007/08	2008/09	2009/10	2010/11	2011/12
Permanent staff numbers as at 30 June 2012	38	36	35	37	43
Temporary election staff	0	13,684	779	21,808	75 <sup>d</sup>

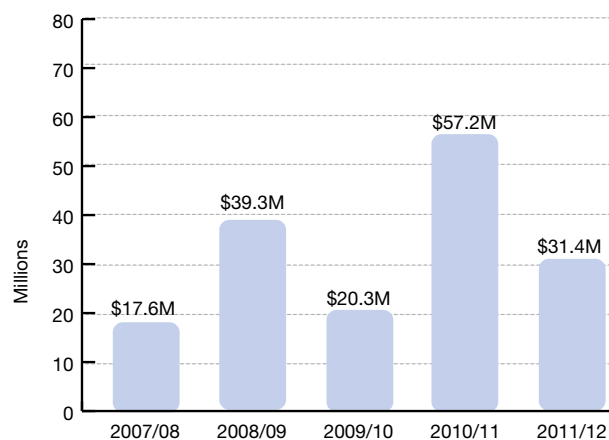
**Notes:**

<sup>d</sup> This figure represents 64 Returning Officers, eight Returning Officer Support Officers and three Client Service Officers recruited in 2011-12 for the 2012 Local Government Elections. The total estimated temporary staffing pool for the Local Government Elections in September 2012 is 14,500.

**Figure 27 - Revenue and other income 2007/08 to 2011/12**



**Figure 28 - Total expenditure 2007/08 to 2011/12**





*Our design and development of technology-assisted voting (iVote) won us an award from Vision Australia.*



*Our 2010/11 Annual Report won a silver award at the 2012 Australasian Reporting Awards.*



*Our work towards multiculturalism is recognised with a medal of commendation by the Community Relations Commission.*



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*Further copies of the NSW Electoral Commission's 2011/12 Annual Report can be downloaded from our website [www.elections.nsw.gov.au](http://www.elections.nsw.gov.au)*