



The Northern Action Group Incorporated

26 November 2024

Response to the Local Electoral Reform: Issues Paper: LGNZ, LEWG December 2024

Introduction

The Northern Action Group Inc (NAG) is pleased to provide our response to your Local Electoral Reform Issues paper.

Your Issues paper addresses voters' participation, responses to the end to postal voting, civics education, voting administration and length of electoral term.

Unfortunately, our assessment is that you are avoiding addressing underlying significant issues and, as a consequence, the ideas you canvass for the issues you do address are not new. The paper lacks any vision and metaphorically suggests sticking wallpaper over any visible cracks. For the things you do address, positive actions to do anything that will be necessary or might make a material difference to participation (like on-line voting or recall elections) are mentioned with indifference, but not strongly advocated.

The irony, not lost on students of Local Government reform, is that a past Local Government Minister, whose own attempts at reform fell well short of the mark¹ has been tasked by LGNZ to produce this issues paper.

In this response we offer our comments on what we think really matters and on the issues you raise in the paper.

Localism

As a small country New Zealand has a long history of competition between local and central government for the responsibility of taking money off citizens and spending it back on investments and services for them. The basic human nature of the pursuit of power and control has supported a drive for centralization and concentration of both local and national activities that has become unhealthy and destroyed local competition and innovation – as the national poor productivity performance attests.

¹ E.g. see Mike Reid: Report for the Policy Observatory: "Saving Local Democracy: an Agenda for the new government"; AUT February 2018.



The Northern Action Group Incorporated

Excessive centralisation has flown in the face of the extensive evidence that localism works best for local government. Proper subsidiarity to allow that to function well under the control of local ratepayers rather than an overarching, and sometimes overreaching central government is the real key to a participatory local democracy.

The arguments for effective localism have been made persistently² over the years, including by us in our submission³ to yourselves.

As an entity, Local Government New Zealand has a recent history, driven by its active members, of supporting localism in name but failing to address what that really means. You let the “Localism” project die and instead just used it to argue that central government should give local authorities more money and autonomy to raise money and spend it as they wish.

Recent experience from failing councils is that this has been from the neglect of the basic responsibilities of Councils and spending on activities that currying political favour and MSM support, rather than meeting ratepayers’ immediate needs or looking after their interests.

Recent push back on that from the current Government and Mayors like Wayne Brown in Auckland is showing how out of touch LGNZ has got with the people who ultimately pay for it – ratepayers.

It has become an association of self-interested mayors and officials who have become focused on wellbeing and redistribution concerns and not basic local services and infrastructure. Of course, the Government has had a part to play in reshaping Council’s obligations without improving their funding, but LGNZ has shown in its support and reports that it is more keen to support, and get approval from, Government rather than ratepayers.

Significant Issues not discussed in the report

Structural changes – Council sizes

Academics like Jean Drage⁴ have long pointed out in papers and submissions that localism is the key to engagement of the public and better performance in terms of voter turnout. It is not a matter of failure to educate them. People will educate

² <https://www.nzinitiative.org.nz/reports-and-media/opinion/localism-nz-needs-a-better-system/> ;
<https://www.nzinitiative.org.nz/reports-and-media/reports/localismnz-bringing-power-to-the-people/>

³ “Reinvigorating Local Democracy: NAG submission to the LGNZ Localism paper”: November 2019:
<https://nag.org.nz/Submission%20Reinvigorating%20local%20democracy%20Nov2019.pdf>

⁴ . <https://localgovernmentmag.co.nz/fall-out-from-the-2022-elections-the-grim-reality/>



The Northern Action Group Incorporated

themselves if they care enough about something to want to understand it. Ratepayers have lost interest in caring because Councils don't provide what they want, or don't listen, because they have become remote from the people who pay them. Part of that is that increased centralisation has brought reduced representation and remoteness from voters/ratepayers.

Smaller local governments and higher representation ratios mean citizens have a higher likelihood of knowing or running into the people they elect as representatives. We are much likely to see higher voting turnouts and greater interest from the public citizens if they know who is going to represent them.

All councils and territorial authorities are obliged to fit within a "one size fits all structure" under the Local Government Act 2002, irrespective of the size or nature of their council area. The result is some 67 local authorities that vary in size (2023 stats) from 4,215 (ignoring islands) to Auckland at 1,656,486. 66% of them have populations under 50,000 and should be reviewed for amalgamation, just as AC should be reviewed for de-amalgamation.

As TDB Advisory noted in their 2013 report on Governance for the Wellington and Wairarapa Regions ⁵ "The extensive international literature provides little support for a size and cost-effectiveness relationship for larger councils." Optimal sizes appear to be in the range of 30,000 to 70,000. Smaller councils don't have sufficient resources to cover overheads and larger councils develop institutionalised bureaucracies which find things to spend money on and increase costs.

Legislation changes – modern structures needed – biases removed

At the bottom end there is a need to rationalise smaller councils and reduce their numbers while retaining an appropriate level of representation (1:5000 or less). At the other end Auckland Council needs a recognition of its special character as New Zealand's largest population center. Its governance and management structure needs to be changed to better manage the area with more subsidiary delegation. Revised legislation (both for governance and representation) might usefully entertain different management structures for territorial authorities or councils over or under say 100,000, obviously with flexibility around the margin. The rural areas (which should never have been part of the city) of Rodney⁶ and Franklin need to be merged with the adjacent councils, whose sizes may need to be adjusted accordingly.

⁵ <https://www.tdb.co.nz/wp-content/uploads/2016/05/TDB-Advisory-Assessing-regional-governance-options-2013.pdf>

⁶ Auckland is more than 4 times larger than the next Largest TA, Christchurch, and the structure dictated by legislation has never worked for Auckland's rural areas – Rodney makes up 40% of AC but has under 5% of its population.



The Northern Action Group Incorporated

The idea that ratepayers should be able to choose the form of their own democracy is given lip service in the local government legislation and the bias for change (in terms of requiring 10% of the affected area to submit a proposal) is towards amalgamation and against de-amalgamation. Existing councils are given more flexibility to propose changes than the people they represent. Neutrality should be restored.

Citizens' referenda – not “consultation”

One way to get people more engaged in local government is to give them a real voice. The process of “consultation” stipulated under the Local Government Act (LGA) is being abused by Territorial Authorities (TAs). Instead of allowing people to help shape Council policy by asking them to contribute views to the formulation of policies or decision, Councils make their decision behind closed doors and use the consultation process as a device to then seek and frequently ignore, the views of citizens. Surveys and consultation questions are “framed” to solicit preferred answers, and responses are rationalised to fit Council's views.

As a consequence, citizens have become fed up with the process of pointlessly “having their say” and this has contributed to the general apathy that “no one listens”. Because the low levels of representation (high ratios) have meant representatives are personally more remote from communities, citizens are discouraged from any form of participation.

Allowing participation through referenda can change that, but it requires on-line voting polling or voting to encourage participation, i.e it needs to be easy for people and low cost for Councils. Seeking greater engagement of citizens in Council decision making is one reason which alone justifies an immediate push to introduce on-line voting capability.

The recent Labour Government “Review into the Future for Local Government”⁷ recommended [Recommendation 10] that “Local government and councils develop and invest in democratic innovations, including participatory and deliberative democracy processes.”

⁷ [https://www.dia.govt.nz/diawebsite.nsf/Files/Future-for-Local-Government/\\$file/Te-Arotake_Final-report.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/Future-for-Local-Government/$file/Te-Arotake_Final-report.pdf)



The Northern Action Group Incorporated

Consultation questions

Issue 1: The public's understanding of local government and why it's important

1. What should be done to improve understanding of local government and its value, and who should hold responsibility for this?
2. What should be done, given the decline in local media, to increase visibility of local government work and local elections?

Response 1:

Ratepayers will want to educate themselves when they have a reason to do so. Making local government more local and more representative will solve the problem for itself.

More people are using streaming services and SM for access to information. Councils and the Electoral Commission have noted that and are responding. AI will make access to information easier for people if they want it, so nothing more has to be done to “tell” people why they should be interested in voting. Just give them a reason to be!

i.e Fix the structure of Local Government in NZ, allow genuine participation, and make it easy to vote (online).

Issue 2: Understanding candidates and their policies

3. How should voters receive better information on candidates and their policy positions and whose role should it be?
4. Is it important to improve candidate knowledge of local government, and if so, how should this be done?

Response 2:

Standardisation plays a critical role in making information useful and easier to access and understand (e.g that's why we have Accounting (Financial Reporting) Standards).

Useful requirements would be for all candidates to provide a profile as part of their registration as a candidate (otherwise don't accept them). It should be restricted in size and content defined. The Electoral Commission can do that. SM videos of a short duration can be provided, a standard for that set, and videos approved for electioneering.

Candidates need to face serious fines and punishments for providing false or misleading information and negative advertisements (criticising other candidates personally) should not be allowed.



The Northern Action Group Incorporated

Issue 3: Voting methods

5. Given the challenges outlined, what should be the future voting method (or methods) of voting in local elections, and why?
6. Should the voting method (or methods) be nationally consistent or decided locally, and why?
7. What short-term improvements should be made to the postal voting system, until a permanent solution can be implemented?

Response 3:

Despite reciting the long history of consideration of on-line voting in NZ (since 2013); the long term decline of mail post; and the comparatively low costs of electronic voting, you seem paralyzed by the prospect of “security” and “risks”.

The GCSB’s vague scaremongering of “**exposing** our local body elections to greater risk from **malicious** cyber actors with a range of motivations” paints a sorry emotional picture of pornographic voters and the rape of our electoral and electronic virginity! It ignores the reality that these cyber hacks and frauds need to be addressed in an age of internet communications anyway. The influence of disinformation and misinformation via social media and general internet fraud, and the prospect of “malicious actors” abusing our trust and ignorance are here now. In fact, much less concern arises around the unlikely prospect of hacking proven online voting systems, which have now had many years to prove their resilience and integrity.⁸

There is no value in deferring the introduction of on-line voting. Since its use as the dominant future voting system is unavoidable, work should proceed NOW to make it as suitable and effective as possible. Early trials and, if possible, testing and application against the 2025 Local or 2026 National elections should be a priority (even if only for those who volunteer to use the system).

Proprietary systems should be avoided and proven Open Source solutions (like the Swiss Post system) adopted. Open source systems, like the Swiss Post one, are an effective way of ensuring scrutiny and reassuring voters of the integrity both of their votes and of the outcome.

No voting system will be perfect, and NZ needs to develop familiarity with and acceptance of electronic voting on an optional basis. Eventually even booth voting

⁸ <https://digital-solutions.post.ch/en/e-government/blog/the-key-facts-about-the-2024-e-voting-hacker-test>

<https://digital-solutions.post.ch/en/e-governmenthttps://digital-solutions.post.ch/en/e-government/digitization-solutions/e-voting/security-given-top-priority>

Swiss Post even has a reward system for confirmed vulnerability.



The Northern Action Group Incorporated

must also go (for cost reasons). Voice options are needed already for blind people and overseas voters can email voting forms to vote.

In NZ, voter identification can never be more reliable than the registration process for getting on the Electoral Roll.

If you want to do this on-line you need a phone number and email address and either a driver's licence, Passport, or RealMe account (which pretty much goes through a similar process). <https://help.vote.nz/hc/en-nz/articles/360001675056-How-to-enrol>

So, if you can enroll on-line we don't see why you can't vote on-line, especially since overseas voters can. Modern voting systems are heavily encrypted and designed to protect privacy and integrity of voting.

And online voting will be introduced as an option initially for those who want to use it! It's not going to change the world overnight!

We think your group appreciates that people are busy and younger people are always online. We are seeing the effects in the transformation in media, but Government has just been too conservative and slow to respond. If we want younger people to vote it needs to be via an app.

Standardising and making available candidate information should support the system but is not a part of it. Candidates should be allowed to make a standard (Electoral Commission approved, time and content restricted) video pitch for TikTok or Instagram or equivalent for any voter who actually wants to know who to vote for.

Despite concerns about interference, overseas voting system have proved secure and effective⁹. They allow real democracy and voter choice (including the possibility of their use for referenda, which would be popular with voters).

A single national Open Source system for the **technology** of the voting **method** (electronic voting) (ie. a standard phone or computer app) is preferred for cost and integrity reasons, but the **electoral system** of voting (either STV or FPP) can be varied depending on the council or the purpose.

A national app could also be credibly used by other organisations for polling or referenda (either to the general public or selective private groups). The Electoral Commission should supervise system use (to prevent misuse, or biased or abusive

⁹ Estonians have been voting electronically successfully since 2005

<https://www.id.ee/en/article/e-voting-and-e-elections/>



The Northern Action Group Incorporated

questions being voted on) but use by commercial organisations might help pay for the costs of the system and its maintenance.

No changes are needed to the current postal system if the alternative of an electronic system is offered for those who want to use it. No money should be spent on trying to fix a postal system that people don't prefer when it could be spent on developing a system they do. It would be a waste.

The weaknesses and costs of the current postal system for voting will become glaringly more obvious the longer we postpone this inevitable decision.

The Justice Committee's report to the Inquiry into the results of the 2022 Local Elections¹⁰ recommended the Government fund a trial of on-line voting in local elections (Recommendation 3).

Issue 4: Administration and promotion of elections

8. Who should administer local elections, and why?
9. Who should be responsible for promoting local elections, and why?

Response 4:

An independent body is needed to run elections and elected representatives cannot be relied upon to choose or operate systems that are not in their own self interests.

The Electoral Commission should have overall responsibility under statutory independence and supervise the conduct of both national and local government elections.

The Justice Committee's report to the Inquiry into the results of the 2022 Local Elections (q.v) recommended:

Recommendation 5: "We recommend that the Government consider the merits of making the Electoral Commission responsible for administration of local elections. We recommend that, as a minimum, the Government should make the Electoral Commission responsible for oversight of local elections, including the regulation of election service providers and management of complaint procedures."

¹⁰ <https://selectcommittees.parliament.nz/download/SelectCommitteeReport/52b5d9fb-5879-4298-f0f7-08dba75226f7>



The Northern Action Group Incorporated

Issue 5: Four-year terms (including transition and implementation)

10. Which of the three timing options, for a four-year term, do you prefer?
11. How should councils' budget and planning cycles be adjusted to a four-year term?
12. Do four-year terms for local councils require increased accountability mechanisms, and if so, which do you support?

Response 5:

Extending terms for good local representative is clearly desirably, to avoid the costs of re-electing them. For bad representatives, the accountability of **recall elections** is essential as a check and balance on the downside of longer terms.

Having longer terms without recall elections will encourage stronger policy swings between elections and discourage the continuity and stability local government needs. Recall elections, which even allow open terms (elected until recalled) for good representatives directly address that concern.

Recall elections have been supported by advocates, including us, for some time¹¹.

For projects a rule of thumb is that the planning horizon should be as long as but no longer than the longest lead time of any component. Local government makes some long-term decisions, but well managed projects rarely take more than five years to complete.

So, we would support a five-year term for elected representatives with recall elections, but no extension without recall elections.

It is a pity you have not covered the issue of Recall Elections more in your issues paper. You spend more words and space discussing possible term extensions, than you spend on accountability.

For elected representatives to propose extending their terms of appointment and suggesting that anyone other than the voters who elect them should have a right to replace them can only be perceived as a sign of their insecurity.

¹¹

https://d3n8a8pro7vhmx.cloudfront.net/taxpayers/pages/1533/attachments/original/1597897801/Recall_Elections_Report_v11.pdf?1597897801 ;
<https://nag.org.nz/Recall%20provisions%20for%20elected%20officials%20Jul2020.pdf>



The Northern Action Group Incorporated

The public are increasingly distrustful of politicians and institutions and a proposal to extend representatives' terms must be accompanied by the increased accountability you suggest. However, that must be accountability to the people, not to other representatives.

In terms of process, recall petitions (for one or more representatives) should not be allowed more frequently than 6 monthly during an office term (and one year for any elected member for whom a petition has failed) and no closer than 6 months to a scheduled election.

Because of the widely varying sizes and representation ratios across Councils (referred to above), the normal quota of citizens for petitions of 5% of electors should have a minimum of 1,000 and maximum of 5,000. This would allow for the widely varying representation ratios in some council positions. e.g. the AC mayor. [5% of 50,000 is 2,500, but 5% of 1m is 50,000]. (Setting a maximum of 5,000 electors to petition for a recall election would prevent representatives from seeking the relative security from a petition they would find in Councils of over 100,000 population if the threshold was 5%)

Additional questions

13. Do you have any other ideas or options to improve participation in local elections?

Response 6:

These have been covered above in our comments before the Questions and responses:

The key ideas behind local participation in elections, which you have not addressed but should, are Localism, Subsidiarity and Community Empowerment.

Kind Regards

William Foster, Chair
Northern Action Group Inc