

Mayor and Councillors
COUNCIL

7 SEPTEMBER 2017

Meeting Status: **Public**

Purpose of Report: For Decision

SELECTING THE ELECTORAL SYSTEM FOR LOCAL BODY ELECTIONS

PURPOSE OF REPORT

- 1 This report provides the Council with the opportunity to change the electoral system used in the District local body elections from the Single Transferable Vote (STV) system to the First Past the Post (FPP) system.

DELEGATION

- 2 Council has the authority to consider this matter.

BACKGROUND

- 3 There are two electoral systems in use for local body elections in New Zealand – STV and FPP. The STV system has been an option for councils since the 2004 local body elections.
- 4 The Local Electoral Act 2001 provides local authorities and/or their communities with three options for choosing which system is used:
 - a local authority may resolve to change its electoral system; or
 - a local authority may resolve to hold a poll to determine which system should be used; or
 - electors may demand that a poll be held on the matter.
- 5 There are specific timeframes and conditions associated with each of these options (see Appendix 1). Council must make a decision by 12 September 2017. Council's decision must be publicly advertised by 19 September, to alert the community to its right to demand a poll to countermand any resolution. Appendix 1 contains further details of statutory timeframes and legislative provisions.
- 6 Local body elections ask voters to choose representatives for their local council, district health board/s (DHBs) and regional council. Legislation requires DHB elections to be held using the STV system, but councils are free to choose which electoral system they want for the other elections. This has meant that for most councils, their ballot papers featured both systems, which arguably is potentially confusing for voters.

How do the two systems work?

- 7 Appendices 2, 3, 4 and 5 provide details about each system works and voter reactions.

The two systems in New Zealand local body elections

- 8 FPP has been used by a majority of councils. Only a relatively small number of councils have ever opted to use STV since it was first introduced in 2004 and over the triennia a number of 'STV councils' have moved back to using FPP.
- 9 The Kāpiti Coast District has used the STV system for every local body election since the option first became available in 2004. This has been the situation for a small number of other councils as well (see Table 2). Palmerston North City Council and Greater Wellington Regional Council (GWRC) changed to STV for the first time in 2013 and subsequently for the 2016 elections.
- 10 When GWRC moved to STV for the 2013 elections – the first regional council to do so - this meant for the first time since STV was used by the Kāpiti Coast District Council, voters in this District were faced with one system (STV) on their voting papers. This does not appear to have influenced voter turnout which was 49% in 2010, 51.1% in 2013 and 48% in 2016.
- 11 Some councils, having tried STV, decided to move back to FPP. The reasons for the change back to FPP over the 2007-2010 period included:
 - Chatham Islands concluded that FPP was simpler to use and that 'STV had failed';
 - Thames-Coromandel District Council decided that FPP was simpler for voters to understand.

ISSUES AND OPTIONS

Issues

- 12 Before examining a brief comparison of the two systems it might be useful to consider some key principles which the Local Electoral Act 2001 was designed to implement (Section 4):
 - (a) Fair and effective representation for individuals and communities;
 - (b) All qualified persons have a reasonable and equal opportunity to-
 - i) Cast an informed vote;
 - ii) Nominate one or more candidates
 - iii) Accept nomination as a candidate;
 - (c) Public confidence in, and public understanding of, local electoral processes through-
 - i) The provision of a regular election cycle;
 - ii) The provision of elections that are managed independently from the elected body;
 - iii) Protection of the freedom of choice of voters and the secrecy of the vote;
 - iv) The provision of transparent electoral systems and voting methods and the adoption of procedures that produce certainty in electoral outcomes;
 - v) The provision of impartial mechanisms for resolving disputed elections and polls.

13 Taking into consideration the principles of fair and effective representation, public confidence and trust, and ease of voting, which system performs best?

Table 1: Summary comparison of FPP and STV

FPP ¹	STV
Ease of casting votes	
<p>A straightforward system of voting</p> <p>Familiar to most people</p> <p>'Tactical' voting is possible; votes can be used to prevent a candidate from winning in certain circumstances</p>	<p>A less straightforward system of voting</p> <p>More information is needed for people to understand the ranking of candidates</p> <p>It is more difficult (some would say impossible) to cast a 'tactical' vote; as a result voters are encouraged to express their true preferences</p>
Ease of counting votes and getting results out	
<p>Counting votes is straightforward</p> <p>Votes can be counted in different locations and then aggregated</p> <p>Election results are usually announced soon after voting ends</p>	<p>Vote counting requires a special computer programme</p> <p>Votes must be aggregated first and then counted in one location</p> <p>Election results usually take a little longer to produce</p>
Fairness and representative nature of election results	
<p>Official results show how many people voted for which candidates</p> <p>Results are easy to understand</p> <p>A 'block' of like-minded voters can determine the election of multiple candidates in multi-member wards/constituencies, without having a majority of the votes, thereby 'over-representing' themselves.</p> <p>The overall election results will not be proportional to voters' wishes, and will not reflect the electoral wishes of the majority of voters, only the largest group of voters who may not be the majority.</p>	<p>Official results identify which candidates have been elected and which have not and in which order. They do not show how many votes candidates got overall, as all successful candidates will have the same proportion of the vote (quota). This information can still be requested (iteration reports).</p> <p>Results can be easy to understand if presented appropriately.</p> <p>STV moderates 'block' voting as each voter casts only one single vote, even in multi-member wards/constituencies.</p> <p>The overall election results reflect the wishes of the majority of voters in proportion to their support for a variety of candidates.</p>

¹ See Appendix 2 for more information on how FPP voting works.

In single-member elections, the winner is unlikely to have the majority of votes, just the largest group of votes. There will be more 'wasted' votes (votes that did not contribute to the election of a candidate).	In single-member wards/constituencies, the winner will have the majority of voters (preferences). Every vote is as effective as possible (depending on the number of preferences) so there are fewer 'wasted' votes and more votes will contribute to the election of a candidate than under FPP
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Voter turnout

- 14 Does the choice of system improve voter turnout? It's hard to assess this definitively, when such a small number of councils use it and there were so many other variables operating (eg Auckland 'supercity' elections, local issues, controversial candidates etc).
- 15 The following tables present statistics on local authorities who used STV and also for those who reverted to FPP across triennia. It is difficult to see that STV resulted in overall improvements in voter turnout.

Table 2: Percentage (%) voter turnout for local authorities who chose to use STV in every election since STV was introduced in 2004

Local authority	2001 (<u>all</u> FPP)	2004 STV	2007 STV	2010 STV	2013 STV	2016 STV
Dunedin City	54	53	47.4	53	43	46
Kaipara District*	56	51	43.1	53	N/A	48
Kāpiti Coast District	63	51	53.4	49	51.1	48
Marlborough District	66	62	50.9	57	55	54
Porirua City	43	43	38.7	39	37	40
Wellington City	48	42	39.7	40	42	46
National Average	47	46	44	49	42	43

*in 2013 Kaipara did not have elections for mayor and councillors but did vote for DHB (using STV) and regional council role (using FPP).

Table 3: Local authorities' voter turnout where there was movement between electoral systems after the introduction of the STV option in 2004

Local authority	2001 % (all FPP)	2004 %	2007 %	2010 %	2013 %	2016%
Chatham Islands	77	68 (STV)	63.9 (STV)	72 (FPP)	54 (FPP)	72 (FPP)
Matamata-Piako	52	42 (STV)	42.1 (FPP)	42 (FPP)	45 (FPP)	24 (FPP)
Palmerston North	50	50 (FPP)	46 (FPP)	43 (FPP)	39 (STV)	39 (STV)
Papakura District	42	40 (STV)	34.6 (FPP)	Part of Auckland Council		
Thames-Coromandel	61	56 (STV)	52.9 (STV)	61 (FPP)	48.1 (FPP)	38 (FPP)
Greater Wellington Regional*	50	43 (FPP)	43 (FPP)	43 (FPP)	42.3 (STV)	44 (STV)

*GWRC was the first regional council to move to STV

- 16 Matamata-Piako and Papakura District Councils decided to revert back to the FPP system for the 2007 election. That decision resulted in a marginal increase in voter turnout for Matamata-Piako and a reduction just over 5% for Papakura (the latter is now part of the new Auckland Council governance structure). Thames-Coromandel District Council reverted to FPP for the 2010 elections and experienced an increase in voter turnout of almost 8%, however ensuing elections showed a fairly steep decline in turnout.
- 17 It would be impossible to state with a certainty that consistency of system was the sole factor responsible for any increase in voter turnout as there may have been other factors operating: ie the local issues at the time, a strong mayoral race, perceptions about the previous council, candidates with strong personalities, the disengagement of voters with the process itself, and in 2010 perhaps a ripple effect from the Auckland Council elections. According to the report on the enquiry into the 2004 local body elections by the Justice and Electoral Select Committee, qualitative data for one 'fully STV' election (Marlborough District) suggested that the main reasons for not voting were: not knowing enough about the candidates, not getting around to voting or leaving it too late, lack of interest or inclination.

Blank and informal votes

- 18 For the 2013 elections Greater Wellington Regional Council chose to change to STV and also used STV for the 2016 elections. For the Kāpiti Coast District elections this meant that for the first time since STV was introduced District voters had only one electoral system for all the elections on their ballot papers. Arguably this could have resulted in fewer blank or informal votes as voters would not be confused by the 'switch' in systems across the ballots.

The statistics below show a decrease in informal votes for GWRC over the last two elections.

KCDC 2010		KCDC 2013		KCDC 2016	
Blank votes %	Informal votes %	Blank votes %	Informal votes %	Blank votes %	Informal votes %
5.09	0.66	4	1	5.1	0.5

Source: DIA 2013 local body election statistics

GWRC 2010		GWRC 2013		GWRC 2016	
Blank votes %	Informal votes %	Blank votes %	Informal votes %	Blank votes %	Informal votes %
7.2	6.7	9	0	9.8	0.3

Process to follow

19 Appendix 1 details the statutory obligations pertaining to a change in the electoral system. To summarise the options for action:

1. Regardless of the decision today Council still has to let the public know of its right to demand a poll to change the system (and this would be done by Council officers lodging a public advertisement by the due date of 19 September 2017);
2. Council can resolve to retain STV;
3. Council can resolve to change to FPP;
4. Council could resolve to hold a poll on the electoral system. The poll would be held on or before 21 May 2018, with the results being binding and applying to the 2019 and 2022 elections.
5. The public may demand a poll be held on the electoral system. They may do this either at any time, or in response to Council's public notice. To be valid a demand from the public must:
 - be made by notice and in writing;
 - be made by people qualified as electors of the local authority, who are enrolled either on the local authority roll (resident or ratepayer) or the most recently published parliamentary roll, at an address within the District;
 - be signed by 5% or more of the number of electors enrolled as eligible to vote at the 2016 local body election (which in the Kāpiti Coast District Council's case would be around 2,000 electors);
 - be delivered to the principal office by 28 February 2018 if the result of the poll is to take effect at the 2019 local body elections;
 - state the elector's name and the address for which the person is qualified as an elector of the local authority.

- 20 The timing of the poll depends on when the valid demand is made. If a valid demand is received from the public by 28 February 2018 the poll must be held on or before 21 May 2018 and this would mean the poll results would apply to the 2019 and 2022 elections. If it is received after 28 February 2018 the poll must be conducted after 21 May 2018. If the latter, the results would apply to the 2022 and 2025 elections. A poll may be conducted at the same time as a triennial election.

CONSIDERATIONS

Policy considerations

- 21 The preferred electoral system for local body elections in the District has been STV since this option became possible in 2004. The Local Electoral Act allows the decision to apply to the next two Triennial Elections. Assuming the Council selects a system it is recommended that it resolves to apply this system to the next two Triennial Elections.

Legal considerations

- 22 Legal considerations have been detailed above and also at Appendix 1.

Financial considerations

- 23 The budget for the 2019 elections is approximately \$150,000. If the Council decides or is required to hold a poll the cost is estimated at around \$70,000.

Tāngata whenua considerations

- 24 There are no tāngata whenua considerations.

SIGNIFICANCE AND ENGAGEMENT

Significance policy

- 25 This matter has a moderate degree of significance under Council policy.

Engagement planning

- 26 An engagement plan is not needed to implement this decision, as any ensuing action is prescribed by legislation.

Publicity

- 27 In accordance with the provisions of the Local Electoral Act 2001 Council's decision will be publicly notified by 19 September in order to give the community the opportunity to request a poll be held on the matter.

Other considerations

- 28 Council uses a computer programme to process votes under the STV system. If the Council moved to the FPP system the same computer program could be employed to do the vote processing and final calculations, and being a simpler method of counting, the results would probably be released earlier on Election Day. With STV there can be some delay in announcing the results if a higher than expected volume of votes are lodged on the last day of voting.

RECOMMENDATIONS

29 That Council confirms the Single Transferable Vote (STV) system as the preferred electoral system for the next two triennial elections, and any associated election, and this decision be publicly notified by 19 September 2017 in accordance with statutory requirements including the public's right to demand a poll on this decision;

or

30 That Council resolves to change the electoral system from Single Transferable Vote (STV) to the First Past the Post (FPP) system for the next two triennial elections, and any associated election and that this decision be publicly notified by 19 September 2017 in accordance with statutory requirements including the public's right to demand a poll on this decision;

or

31 That the Council resolves to undertake a poll of electors on the electoral system to be used for the next two triennial elections, in accordance with the provisions in the Local Electoral Act 2001.

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ATTACHMENTS:

- Appendix 1 Timeframes for each decision option
- Appendix 2 How FPP and STV work as electoral systems
- Appendix 3 'Choosing Electoral Systems in Local Government New Zealand – a resource document' see under 'Further information' at <http://www.stv.govt.nz/STV/legislation.htm>
- Appendix 4 The Local Government Electoral Option 2008 see under 'Further information' at <http://www.stv.govt.nz/STV/legislation.htm>

APPENDIX 1 – TIMEFRAMES AND STATUTORY PROVISIONS

Timeframes for change of electoral system

By Friday 12 September 2014	Local authority resolution on electoral system – optional (sections 27, 32 Local Electoral Act (LEA))
By Friday 19 September 2014	Public notice on electoral system – mandatory (sections 28, 32 LEA)
By Saturday 28 February 2015 (effectively Monday 2 March 2015)	Last date to receive a demand for a poll on the electoral system for the 2016 elections (sec 30 LEA) Last date for local authority to resolve to hold poll on electoral system for the 2016 elections (sec 31, LEA)
By Thursday 21 May 2015	Last date to conduct a poll on the electoral system for the 2016 elections (sec 33, LEA)

(*source: SOLGM Code of Good Practice for the Management of Local Authority Elections and Polls 2016)

Extracts from Local Electoral Act 2001

Section 27 Local authority may resolve to change electoral systems

- (1) Any local authority may, not later than 12 September in the year that is 2 years before the year in which the next triennial general election is to be held, resolve that the next 2 triennial general elections of the local authority and its community boards (if any), and any associated election, will be held using a specified electoral system other than that used for the previous triennial election.
- (2) A resolution under this section-
 - (a) Takes effect, subject to paragraph (b), for the next 2 triennial general elections of the local authority and its community boards (if any), and any associated election; and
 - (b) Continues in effect until either-
 - (i) A further resolution under this section takes effect; or
 - (ii) A poll of electors of the local authority held under section 33 takes effect.

Section 28 Public notice of right to demand poll on electoral system

- (1) Every local authority must, not later than 19 September in the year that is 2 years before the year in which the next triennial general election is to be held, give public notice of the right to demand, under section 29, a poll on the electoral system to be used for the elections of the local authority and its community boards (if any).
- (2) If the local authority has passed a resolution under section 27 that takes effect at the next triennial election, every notice under subsection (1) must include-
 - (a) Notice of that resolution; and
 - (b) A statement that a poll is required to countermand that resolution.
- (2A) Despite subsections (1) and (2), if, on or before the date referred to in subsection (1), the local authority has passed a resolution under section 31 and has specified a date for the holding of the poll that is on or before 21 May in the year before the next triennial general election, subsection (1) does not apply.

Section 29 *Electors may demand poll*

- (1) *A specified number of electors of a local authority may, at any time, demand that a poll be held on a proposal by those electors that a specified electoral system be used at the elections of the local authority and its community boards (if any).*

specified number of electors, in relation to a local authority, means a number of electors equal to or greater than 5% of the number of electors enrolled as eligible to vote at the previous general election of the local authority.

Section 30 *Requirements for valid demand*

- (1) *A demand must be made by notice in writing-*
- a. *Signed by a specified number of electors; and*
 - b. *Delivered to the principal office of the local authority.*
- (2) *An elector may sign a demand and be treated as one of the specified number of electors only if-*
- a. *The name of that elector appears-*
 - i. *In the case of a territorial authority, on the electoral roll of the territorial authority; and*
 - ii. *In the case of any other local authority, on the electoral roll of any territorial authority or other local authority as the name of a person eligible to vote in an election of that local authority; or*
 - b. *In a case where the name of an elector does not appear on a roll in accordance with paragraph (a),-*
 - i. *The name of the elector is included on the most recently published electoral roll for any electoral district under the Electoral Act 1993 or is currently the subject of a direction by the Electoral Commission under section 115 of that Act (which relates to unpublished names); and*
 - c. *The name given by the elector who signed the demand is-*
 - i. *Confirmed by a Registrar of Electors as the address at which the elector is registered as a parliamentary elector; and*
 - ii. *Within the district of the local authority; or*
 - d. *The elector has enrolled, or has been nominated, as a ratepayer elector and is qualified to vote as a ratepayer elector in elections of the local authority.*
- (3) *Every elector who signs a demand must state, against his or her signature,-*
- a. *The elector's name; and*
 - b. *The address for which the person is qualified as an elector of the local authority.*
- (3A) *if a valid demand is received after 28 February in the year before the next triennial general election, the poll required by the demand-*
- a. *Must be held after 21 May in that year; and*
 - b. *Has effect in accordance with section 34(2) (which provides that the poll has effect for the purposes of the next but one triennial general election of the local authority and the subsequent triennial general election.*

Section 31 Local authority may resolve to hold poll

- (1) A local authority may, no later than 28 February in the year immediately before the year in which the next triennial general election is to be held, resolve that a poll be held on a proposal that a specified electoral system be used for the elections of the local authority and its community boards (if any).*
- (2) A resolution may, but need not, specify a date on which the poll is to be held.*

APPENDIX 2 – HOW STV AND FPP ‘WORK’ AS ELECTORAL SYSTEMS

FPP

Under the FPP (First Past the Post) electoral system, the candidate with the most votes wins. This is a very simple method of electing candidates and is widely used throughout the world. It was used in New Zealand for Parliamentary elections up until the introduction of MMP (Mixed Member Proportional) in the 1996 general election. Although FPP is very simple, some people have argued that the results of an FPP election may not always reflect the wishes of the majority of voters. The following examples show how results of FPP elections may vary. Where one candidate has a clear majority of votes, it can be seen that the majority of people did support the winning candidate.

	Number of Votes	Percentage of Votes
Candidate One	140	70%
Candidate Two	20	10%
Candidate Three	20	10%
Candidate Four	20	10%
	Total Votes = 200	Total = 100%

In this example, the winning candidate received 70% of the total votes. However, the winning candidate might receive more votes than any other one candidate, but receive fewer votes than the other candidates put together.

	Number of Votes	Percentage of Votes
Candidate One	80	40%
Candidate Two	60	30%
Candidate Three	40	20%
Candidate Four	20	10%
	Total Votes = 200	Total = 100%

In this case, the winning candidate got 40 percent of the total votes; the other candidates received 60 percent of votes. It could be said that the election result did not reflect the wishes of the majority. Some people have also argued that even when the winning candidate gets the majority of the votes, many people's votes are "wasted".

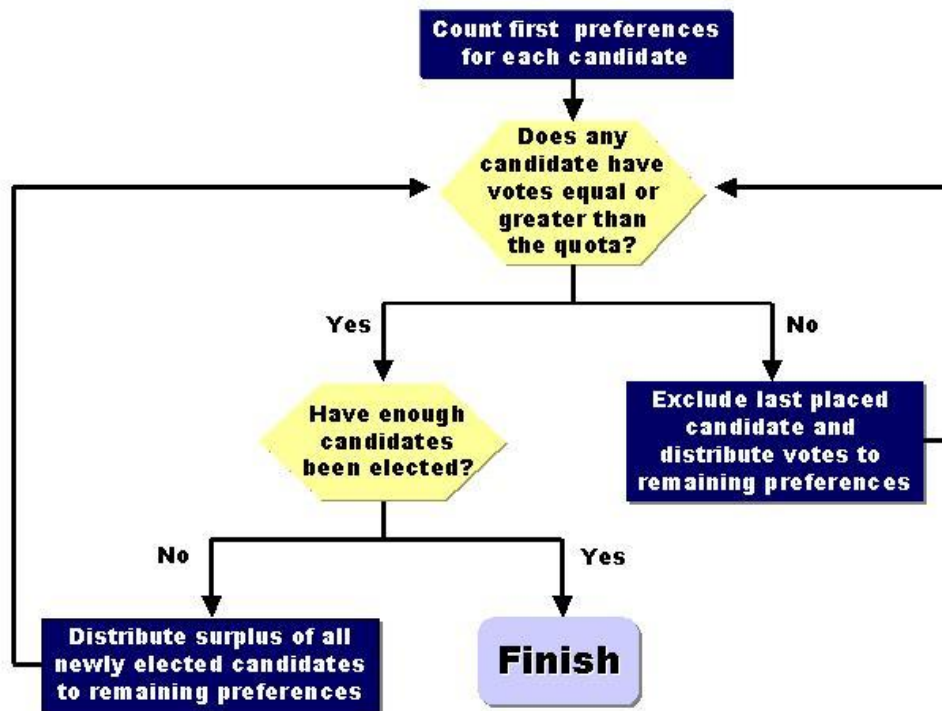
STV

STV stands for Single Transferable Vote, so-called because every voter has one vote, but that vote (made up of multiple preferences) can be transferred to other candidates.)

In its simplest form, STV means that voters are able to rank candidates in order of preference, rather than simply pick their most preferred candidate for each vacancy. Under an STV electoral system, voters rank candidates in their order of preference. A good example to consider is an election to select three councillors for a ward in a council election. Under STV, you would write '1' next to the name of your favourite

candidate, '2' next to your second favourite candidate and so on. STV means that you have one vote, but can indicate your preferences for all the candidates. Under FPP, you would place ticks next to the names of up to three candidates, which means you would have three votes. The number of vacancies and votes determines the quota a candidate must reach to be elected. The formula for deciding the quota is total number of valid votes, divided by the number of vacancies plus one. This counting process is illustrated in the diagram below.

HOW VOTES ARE COUNTED UNDER STV



(source: Department of Internal Affairs website www.dia.govt.nz)