

ATTACHMENTS

Accountability, Performance & Finance Committee meeting Separate Attachments 2

Tuesday, 5 November 2024

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28 March 2022

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Dear Malcolm

PEER REVIEW OF TRANSPORT NETWORK FUNDING - STAGE 1

1. Introduction

Tauranga City Council (TCC) is currently reviewing its approach to funding transport activities to ensure that each rating group is paying an appropriate share of the transport costs incurred by TCC.

Insight Economics has completed an assessment considering the need for and/or merits of:

- = Altering the share of transport rates between the two existing residential and commercial ratepayer groups, and/or
- = Identifying new ratepayer groups and resetting transport rates accordingly.

TCC has engaged Gray Matter Ltd to review the transport inputs and assumptions used in the Insight Economics report¹ (the "Report") as Stage 1. In Stage 2 we will complete more detailed transport analysis to better understand the split of transport cause and benefits to more fairly allocate costs between the residential and commercial rating units.

2. Assessment of Tauranga City Council's Transport Activity Funding

The key points from the review, paraphrased, are that:

- Benefit allocation is based on the direct benefits accruing to users of the road network using the number of vehicle trips (peak hour or daily).
- = Benefits derived from other transport modes, such as public transport, or wider indirect benefits of the transport network are not considered.
- Different ratepayer groups cause the need for, and benefit from, spending on the city's roading network.
- = Funding options that are simple, transparent, and therefore easy to explain are preferred.
- Typical trip generation rates were applied to building gross floor areas (GFA) with adjustments made to reflect primary vs diverted and pass-by trips and mix of heavy and light vehicles.
- Commercial land uses (commercial, retail and industrial) fund 20% of the transport rates but generate more than 50% of the daily and peak hour trips.
- = The differences between the proportion of trips and the proportion of transport rates across the three non-residential groups do not warrant disaggregating the commercial ratepayer group.
- = Insight Economics recommends that TCC's existing ratepayer groups be maintained, but that the funding split between residential and non-residential ratepayers for transport activities be reviewed.

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¹ Assessment of Tauranga City Council's Transport Activity Funding, 21 February 2022, Insight Economics

3. Review and Discussion

3.1. Exclusions

We have not reviewed the detailed assessment or calculations presented in Section 5 (Potential New Ratepayer Groups), Section 6 (Current Transport Rates by Group) or Section 8 (Current Funding vs Trip Demand) of the Report.

We have not repeated the calculations of trip presented in Section 7 (Trip Shares by Land Use). We have focussed our assessment on the assumptions and inputs used in that analysis.

3.2. Trip Generation

3.2.1. Step 1: Trip Rates

Table 3 of the Report presents seven land use categories adopted in the analysis based on the trip generation data in the NZ Transport Agency Research Report 453 (RR453)² which was published in 2011.

The Trips Database Bureau (TDB) formed following the commission of two research reports by Transfund (Research Reports 209 and 210) and includes data presented in RR453. These reports formed the basis of the TDB database and since 2002 the database has been added to and updated with new survey information. The TDB database was last issued in 2018. The TDB has now been integrated into TRICS³, a UK based system for trip generation surveys and analysis. We note that the majority of the data in the TRICS database is from the UK.

In our view the TDB database from 2018 represents a better data set for comparison of rates to inform review of Council's funding Policy than RR453 because it includes more current data.

	Unit of	Repor	t Rates		Recommended Rates ⁴	
Land Use	Measure	Daily Trips/ Unit	Peak hour trips/ unit	Comment	Daily Trips/ Unit	Peak hour trips/ unit
Commercial	100sq.m GFA	19.6	1.6	Update rate to TDB 2018	17.4	2.3
Small shopping centre (<4,000sq.m)	100sq.m GFA	92.0	14.6	Update rate to TDB 2018	74	12.4
Medium shopping centre (4,000- 10,000sq.m)	100sq.m GFA	77.3	12.2	Update rate to TDB 2018	47	10.8
Large shopping centre (>10,000sq.m)	100sq.m GFA	62.4	7.1	Update rate to TDB 2018	24	6.0
Service station	100sq.m GFA	449.0	65.1	Recommend deleting this land use, refer discussion below	Delete	Delete
Other industry (excluding Port)	100sq.m GFA	8.9	1.1	Refer discussion below	6.2	0.8 - 1.1
Residential	Household	10.0	1.1	Revise daily rate to 9.5	9.5	1.1

 Table 1:
 Trip Generation Rates (Report, Table 3)

The TDB contains survey of office activities with different rates to that of RR453, slightly lower daily rate and higher peak hour rate. The TDB retail/ shopping centre rates are slighter lower than published in RR453.

RR453 provides trip rates for different type of residential unit: Inner City (multi-unit), Inner Suburban and Outer Suburban. The Inner City rate is based on a very limited number of surveys of apartments located within the Christchurch central city and should be used with caution. The Report has used the Inner Suburban

² <u>https://www.nzta.govt.nz/resources/research/reports/453/</u>

³ <u>http://www.trics.org</u>

⁴ The rates are derived by filtering surveys based on land use type can calculating the 50% trip generation rate. Assumptions made in the analysis of industrial land uses is discussed within our review.

rate which we consider most appropriate, although we note that the published rate was 9.5 trips/day/unit (not 10 trips/day/unit as stated in the Report).

We would advise caution in applying GFA based trip generation rates for service stations. Much of the survey data used in was collected in the 2000's and earlier and the nature of service station offerings has changed with full service stations providing retail and car wash, etc. and self-service stations with no retail (i.e. no GFA). In our view the relationship between GFA and trip generation is not reliable for service stations. In general, trip generation for service stations is assessed as 2.5% to 5% of the passing traffic volume. We recommend that the service station land use is not used in this analysis.

In a previous analysis of the TDB data for HCC⁵ we recommended an industrial trip rate of 6.2 trips/day/100sq.m GFA. The HCC assessment included all land uses within the industrial category which covers commercial, industrial park, manufacturing, storage and vehicle testing. Analysis of the hourly surveys shows a trip generation rate of 0.8trips/hour/100sq.m GFA, but 40% of the surveyed sites are based on storage activities. If the storage activities are excluded from the analysis the trip rate is 1.1 trips/hr/100sq.m GFA. The hourly rate used in the Report is considered appropriate for this analysis.

The Report uses an industrial trip rate of 8.9 trips/day/100sq.m described as a weighted average rate of manufacturing and warehouse survey data. The TCC City Plan definition of Industrial zone provides for a wide range of activities

Buildings or land used for the manufacture, dismantling, processing, assembly, treating, testing, servicing, maintenance, storage or repairing of goods, products, articles, materials or substances and includes premises on the same land used for:

- a) The selling of goods by wholesale;
- b) The provision of amenities for employees;

As the industrial zones in TCC provides for a range of industrial type activities including high (e.g. wholesale retail, manufacturing) and low (e.g. storage, warehousing) trip generating activities it may be more appropriate to use a rate of 6.2 trips/day/100sq.m GFA.

We have assumed that the Port trip generation data provided in Table 4 of the Report is accurate and not reviewed the raw data provided by Council.

3.3. Step 3: Estimate Daily and Peak Hour Trips

The light vehicle/ HCV splits describe in the Report (Table 5) were sourced from mobileroad.org. That website collates and presents Council's traffic volume data. It is important to note that Council does not complete traffic surveys on all roads on the network and a large portion of the information included in mobileroad.org are estimates and not actual current counts.

Residential activities do generate some heavy vehicle trips including refuse collection, public transport, deliveries, furniture removal and emergency vehicles. Assuming 0% HCV is not strictly correct. The proportion of HCV trips is likely to be low (<5%) and 0% is appropriate for the purpose of this assessment.

⁵ HCC Development Contributions Policy Review of Transport Demand Conversion Factors, Gray Matter Ltd, March 2021

Table 5: Vehicle Weight Assumptions by Land Use Type					
Land Use Category	Car / Light CV	HCV			
Commercial	95%	5%			
Small shopping centre	95%	5%			
Medium shopping centre	95%	5%			
Large shopping centre	95%	5%			
Service station	95%	5%			
Other industry	90%	10%			
Residential	100%	0%			

Recent traffic counts for selected streets provided by TCC indicate that some industrial roads (e.g. Birch Ave, Totara St and Taurikura Drive) have 15-20% heavy vehicles so the 10% (Insight, Table 5) appears low for an industrial road. However, on many of these roads the majority of these heavy vehicles were classed as Medium Commercial Vehicles, i.e. buses and light trucks. Traffic counts of residential streets showed 2-5% heavy vehicles so the 0% used in the Report is also low.

There are a wide range of heavy vehicles including trucks, truck and trailers, buses, and specialist vehicles such as tractors. By definition⁶ a heavy vehicle is one with a maximum gross vehicle mass over 3,500kg and The relative impact of heavy vehicles on the road pavement depends on the size of the vehicle and the load it carries. For example a bus is likely to create less impact on the road pavement compared to a fully loaded truck and trailer unit carting material to/from the port. We will consider this in our Stage 2 analysis.

In general, it appears that the HCV percentages used in the Report are low for all land uses. This is likely to result in the Report underestimating the number trips across all land uses. However, the assumed HCV proportions for retail and commercial activities appear reasonable for the purpose of this assessment.

We recommend that vehicle classification be considered in more detail at Stage 2. This could include more detailed assessment of heavy vehicle movements considering the adjacent land use/ zone, vehicle classification and by road hierarchy/ ownership (state highways vs TCC arterial roads vs TCC local roads).

3.4. Step 4: Adjust for Diverted and Pass-by Trips

The Report relies on our earlier assessment⁷ of diverted and pass-by trips completed for HCC.

The ITE data source for that assessment did not include diverted or pass-by rates for office/ commercial or industrial land uses. For the purpose of this assessment, we consider it is appropriate to assume 0% diverted and pass-by trips for commercial and industrial land uses.

The information presented at Table 7 of the Report accurately reflects the recommendations of our earlier assessment, except that service stations were not included in our earlier analysis. Elsewhere in this review, we have recommended that the service stations land use be deleted from the analysis.

3.5. Impact on Trip Generation

I have not completed a parallel assessment of trip generation but have tested the impact that our recommended trip generation rates in Table 1 may have on the outcome of the Report.

I have compared my recommended trip generation rates (Table 1) to the rates used in the Report (Report, Table 3) and calculated the percentage change in the trip generation rate. This percentage was applied to the adjusted daily and peak hour trips (Report, Table 8) to give a high level indication for the scale of change.

The values below should be used with caution especially as they do not accurately split retail trips. The Report combined all three retail land uses (small/ medium/ large shopping centres) into a single item and it has not been possible to split them out. Retail trips make up 16% of daily trips and 20% of hourly trips.

⁶ <u>https://www.nzta.govt.nz/assets/resources/factsheets/13a/docs/13a-heavy-rigid.pdf</u>

⁷ HCC Development Contributions Policy Review of Transport Demand Conversion Factors, Gray Matter Ltd, March 2021

Based on the difference in the trip generation rates for the three land uses I have assumed 30% reduction for daily trips and 15% reduction for hourly trips (these values are indicated in italics in Tables 2 and 3).

Based on this indicative assessment my recommended trip generation rates have had a small impact (1-5%) on individual land uses, but the proportion of residential trips 46-53% is broadly aligned with the 48% from the Report.

Land use	Report Daily Trips	Reduction in Trip Rate	Updated Daily Trips	Updated Daily Share	Report Daily Share
Commercial	213250	11%	189793	20%	19%
Industrial	199620	30%	139734	14%	18%
Retail	181970	30%	127379	13%	16%
Residential	541210	5%	514150	53%	48%
Total Daily Trips	1136050		971055		

Table 2: Impact of Recommended Trip Rates on Daily Trips

Land use	Report Peak Hourly Trips	Reduction in Trip Rate	Updated Peak Hour Trips	Updated Peak Hour Share	Report Peak Hour Share
Commercial	17410	-44%	25027	19%	14%
Industrial	24470	0%	24470	19%	20%
Retail	23340	15%	19839	15%	19%
Residential	59530	0%	59530	46%	48%
Total Hourly Trips	124750		128866		

Table 3: Impact of Recommended Trip Rates on Hourly Trips

4. Conclusion

We have review the transport related assumptions and analysis in the Report and recommend some changes to the inputs to align with the Trips Bureau Database published in 2018 which supersedes the information in Research Report 453. These changes include:

- = Minor changes to the trip generation rate as outlined in Table 1 above.
- = Deleting the service station land use from the analysis.
- Considering an industrial trip rate of 6.2 trips/day/ 100sq.m GFA.

In general, it appears that the HCV percentages used in the Report are low for all land uses and further assessment is required to understand the impact of heavy vehicle trips.

Thank you for the opportunity to work with you on this project. We look forward to being of assistance during Stage 2 of the review.

If you have any queries, please do not hesitate to contact us.

Yours sincerely

AJ Black

Alastair Black Transport Engineer



Assessment of Tauranga City Council's Transport Activity Funding

Prepared for: Tauranga City Council

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1. Executive Summary

Purpose of Report

Tauranga City Council (TCC) is currently reviewing its approach to funding transport activities and engaged us to consider the need for and/or merits of:

- Altering the shares of transport rates between the two existing ratepayer groups, residential and commercial, and/or
- Identifying new ratepayer groups and resetting transport rates accordingly.

Context and Focus of Assessment

Tauranga is a fast-growing and highly car-dependent city. Plus, it contains NZ's largest port, so its transport work is under significant (and growing) pressure. Although TCC's transport responsibilities traverse a range of functions, including safety and education, this report focusses on the direct benefits accruing to users of the road network. Accordingly, it does not consider benefits derived from other transport modes, such as public transport. Nor does it quantify the wider, indirect benefits of the transport network over and above those accruing to users.

Guiding Principles

We reviewed the requirements of section 101(3) of the LGA plus the overarching principles of TCC's revenue and financing strategy to identify a set of guiding principles for this review. Overall, we focus on the extent to which different ratepayer groups cause the need for, and benefit from, spending on the city's roading network. In addition, we err towards funding options that are simple, transparent, and therefore easy to explain.

Options for Creating New Ratepayer Groups

Next, we considered the merits of potentially splitting up either the existing residential or commercial (i.e. non-residential) ratepayer groups by examining the extent to which properties within them vary in size and value. This initial exercise suggested that the commercial group is more likely to require splitting up because it encapsulates a wide range of land uses across properties of significantly varying sizes and values.

While there are several ways to group and rate properties, transport demand is likely to vary by land use and/or zone, so we focussed on those. Specifically, we analysed the extent to which business activities in the city's commercial and industrial zones house wide ranges of land uses (with transport demands thus varying), or whether they were relatively similar.

Overall, there is significant land use variation within the city's commercial and industrial zones, so zoning is unlikely to be a reliable proxy for the transport demand of each property. Accordingly, we focussed on grouping properties using the Core Logic "land use" classification. Four ratepayer groups were used for the remainder of the analysis:

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- Commercial (currently part of the commercial ratepayer group);
- Retail (currently part of the commercial ratepayer group);
- Industrial (currently part of the commercial ratepayer group); and
- Residential

Current Shares of Transport Rates

We used information in TCC's and BOPRC's LTPs to determine the share of general rates and UAGCs used for transport activities. Then, we identified the targeted rates set by each Council for transport purposes, and combined that with the corresponding shares of UAGCs and general rates to determine each group's share of total transport "rates."

Calculating Transport Causation/Benefit by Land Use Type (Trip Shares)

Using TCC's RID, each property was tagged to a land use type, with its GFA overlaid by trip generation rates per 100m² to estimate daily trips and peak hour trips for light and heavy vehicles.¹ Adjustments were then made to reflect:

- The share of trips that were primary versus those done enroute elsewhere, and
- The mix of heavy and light vehicles.

This helps capture the varying impacts of different trips. For example, trips enroute elsewhere typically have lower impacts, while heavy vehicle trips have greater network loads than light ones.

Current Funding versus Trip Demand

Our estimated shares of transport rates and daily/peak trips by ratepayer group were then reconciled to produce the table below.

Land Use	Share of Daily Trips	Share of Peak Hour Trips	Share of Transport Rates
Commercial	19%	14%	6%
Industrial	18%	20%	9%
Retail	16%	19%	4%
Residential	48%	48%	80%
Total	100%	100%	100%

Table 1: Causation/Benefit versus Rates Contributio	Table 1:	Causation/	Benefit	versus	Rates	Contributio
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Conclusions and Recommendations

The table above shows that households currently fund 80% of total transport rates, but account for only 48% of estimated daily and peak hour trips. Conversely, the three non-residential ratepayer groups (which are currently grouped as "commercial" in TCC's rating policy) fund 20% of transport rates but generate more than 50% of estimated daily and peak hour trips.

 $^{^1}$ Household demand was estimated on a per dwelling basis in line with common practice. <code>INSIGHT</code> | ECONOMICS

In our view, this discrepancy between shares of trips and the corresponding shares of transport rates warrants a review of the way that transport costs are recovered from residential versus non-residential ratepayers.

Further, while the relationship between trip shares and transport rates shares differs across the three non-residential groups, we do not consider these differences material enough to warrant disaggregating the commercial ratepayer group. Doing so would introduce significant additional complexity to the Council's rating policy, which contravenes our guiding principle of simplicity and transparency. Indeed, not only would the Council need to alter its rating policy to reflect the new grouping, but each non-residential property would need to be periodically reviewed to ensure that it is being allocated to the correct group.

Overall, we recommend that TCC's existing ratepayer groups be maintained, but that it reviews the funding split between residential and non-residential ratepayers for transport activities.

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2. Introduction

2.1. Purpose of Report

Tauranga City Council (TCC) is responsible for maintaining and operating the city's transport network to enable the safe and efficient movement of people and goods. This is a complex and expensive task, so it is critical that it is funded fairly and efficiently. Accordingly, TCC is currently reviewing its approach to funding transport activities, and engaged us to consider the need for and/or merits of:

- Altering the shares of transport rates between the two existing ratepayer groups, residential and commercial, and/or
- Identifying new ratepayer groups and resetting transport rates accordingly.

2.2. Steps in the Analysis & Report Structure

Following are the key steps in our analysis and the sections in which they are presented:

- 1. Identify the assessment context and determine the appropriate focus (section 3)
- 2. Adopt a set of guiding principles (section 4)
- 3. Assess options for regrouping ratepayers (section 5)
- 4. Calculate current transport rates paid by each group (section 6)
- 5. Estimate each group's share of daily/peak trips (section 7)
- 6. Reconcile the previous two steps to identify potential areas for refinement (section 8)

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3. Context and Focus of Assessment

This section briefly considers various local factors that shape the context of our assessment.

3.1. City Population Growth and Density

Over the last 25 years, Tauranga was New Zealand's fastest growing city, with its population nearly doubling from 80,000 in 1996 to 155,000 in 2021.² In addition, Tauranga is New Zealand's fourth smallest territorial authority by land area, and it has the second highest population density³. This is illustrated in Figure 1, which compare's the city's population density in 2020 to all other NZ territorial authorities. Tauranga's population density is 100 times the NZ median.



In short, the city's fast population growth, its small geographic area, and its high population density pose significant transport challenges for the Council (and for central Government).

3.2. Topography

Not only is Tauranga's geographic footprint relatively small, but its topography also creates additional challenges. Specifically, the city is spread across multiple peninsulas with only two ways to cross from east to west – via the existing harbour bridge and the Hairini interchange (SH29A).

 ² Three *districts* grew faster than Tauranga (Queenstown, Selwyn, and Waimakariri) but all from much lower bases.
 ³ Only Hamilton City has a higher population density than Tauranga (1,600 vs1,120 people/km²)
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This has been compounded by the city's rapid expansion outward from the CBD in various direction, as illustrated in the map below:



Figure 2: Urban Expansion of Tauranga City over Time (from UFTI Foundation Report)

The combination of awkward topography and rapid population growth emanating in several directions has caused a high degree of car dependency. For example, the city's 2021 Asset Management Plan for Transport notes that:

- Tauranga is one of the most car dependent cities in New Zealand, with an 84.7% car mode share for journeys to work;
- Similarly, a report by BOPRC states that 97% of all work and recreational trips are taken by private vehicle; and
- The current public transport mode share in the Bay of Plenty is around 1 to 2 %, compared to a national average of 5%.

3.3. Port of Tauranga

Finally, we note that the city is home to the Port of Tauranga, which is New Zealand's busiest seaport. It generates significant (and growing) amounts of traffic, which add additional pressure to the roading network. Figure 3 below shows Tauranga City's territorial authority boundary, with the location of port activity indicated in red.

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Figure 3: Location of the Port withing the Tauranga City Territorial Authority

3.4. Focus of Assessment and Limitations

Although TCC's (and BOPRC's) transport responsibilities traverse a wide range of functions, including safety and education, this report focusses on the direct benefits accruing to users of the road network. Accordingly, it does not consider benefits derived from other transport modes, including public transport. Furthermore, it does not seek to quantify the wider, indirect benefits of the transport network over and above those accruing directly to users.

These wider benefits are evident in the "land transport benefits framework and management approach" recently devised by Waka Kotahi, which has applied to all new business cases submitted to them since August 2020. The framework is illustrated below, and suggests that transport investments can have quite far-reaching impacts.

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Figure 4: Waka Kotahi Benefits Framework

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4. Guiding Principles

This section identifies guiding principles to help inform the assessment.

4.1. Legislative Requirements

Section 101 of the Local Government Act 2002 (LGA) sets out requirements for financial management. Section 101(3) identifies various factors that must be considered when deciding how to fund each activity, including transport. It is reproduced in the excerpt below.

Figure 5: LGA Requirements for Financial Management

1	01	Fina	Financial management						
	(3)) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,—							
		(a)	in re	lation to each activity to be funded,—					
			(i)	the community outcomes to which the activity primarily contributes; and					
			(ii)	the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and					
			(iii)	the period in or over which those benefits are expected to occur; and					
			(iv)	the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and					
			(v)	the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and					
		(b) the overall impact of any allocation of liability for revenue needs on the community.							

In short, section 101(3) requires decision makers to consider the beneficiaries of Council activities, both geographically and over time, plus the extent to which individuals or groups cause the need for Council to undertake those activities in the first place. In addition, section 101(3) requires decision makers to consider the rationale for funding activities separately, plus the overall impacts of any revenue allocations on the community.

4.2. TCC Revenue and Financing Strategy

TCC's Revenue and Financing Policy also includes a set of guiding principles, which closely reflect the LGA considerations above. For example, TCC sets its revenue and financing strategy to reflect causation and benefit, as per the LGA, plus affordability to ratepayers. In addition, it highlights the need to consider the practicalities and efficiencies of each funding option.

4.3. Key Principles Adopted

Our review focusses on the extent to which different ratepayer groups cause the need for, and benefit from, spending on the city's roading network. In addition, we err towards funding options that are simple, transparent, and therefore easy to explain.

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5. Potential New Ratepayer Groups

5.1. Overview

As noted earlier, TCC currently sets rates separately for two main ratepayer groups – residential and commercial (i.e. non-residential). This section considers the need for potentially splitting these groups up into more fine-grained categories, plus the potential options for doing so.

5.2. Need for Additional Residential or Commercial Groups

Given our preference to keep the rating system as simple as possible (while ensuring that it accurately reflects the distribution of causation and benefit across ratepayers), it seems undesirable to split up both of TCC's existing ratepayer groups. Accordingly, an important first step was to consider which existing ratepayer group would be most beneficial to potentially disaggregate. We did this by looking at the extent to which properties within each group vary across key property metrics (such as size and value) and hence are more amenable to being split up.

5.3. How to Interpret Box and Whisker Plots

The analysis below uses a special type of chart called a box and whisker plot to summarise the attributes of residential and commercial ratepayers. The following chart identifies the key elements of these charts and explains what each represents.



Figure 6: Key Elements of a Box & Whisker Plot

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In summary, a box and whisker plot summarises a distribution of values by identifying the:

- Mean (average) value;
- Minimum value (excluding outliers);
- Lower quartile (which 25% of values are below);
- Median value (which 50% of values are below);
- Upper quartile (which 75% of values are below);
- Inter-quartile range (within which the middle 50% of values fall); and
- Maximum value (excluding outliers).

5.4. Distribution of Capital Values

Bearing the above description in mind, the figure below compares the distribution of capital values across the two existing ratepayer groups. For the purposes of this exercise, we have relabelled the commercial group as non-residential to better reflect its composition.



Figure 7 reveals a significant difference in the distribution of capital values between the two groups, with non-residential being far more spread out (i.e. variable). The capital values of residential properties, conversely, are more condensed (and hence more uniform than non-residential).

5.5. Distribution of Building Sizes (GFA)

Next, we used our box and whisker diagrams to compare the distribution of building sizes across the two groups. The results are shown below, and reinforce our finding above (that non-residential properties are far more variable than residential).

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5.6. Conclusion on Which Group to Consider Splitting

Given the significant variation in the size and value of non-residential properties, and acknowledging the broad range of land uses within the non-residential category, we decided to focus on options for disaggregating the "commercial" ratepayer group.

5.7. Options for Disaggregating the Commercial Ratepayer Group

The Local Government Rating Act 2002 provides several ways to group properties, including:

- Zoning or land use;
- Property values, as measured by either land value, capital value, annual value, or the value of improvements (which equal capital value minus land value);
- Total land area, or the area protected by a Council-provided amenity or service;
- Amount of impervious (paved or sealed) surface area;
- Number of separately used or inhabited parts of the rating unit;
- Number or nature of connections to any Council reticulation system;
- Total floor space of buildings within the rating unit; or
- Number of water closets and urinals within the rating unit.

Intuitively, transport demand is likely to vary by land use and/or zone, so we focussed on those. Specifically, first we analysed the extent to which business activities in the city's commercial and industrial zones house a wide ranges of land uses, or whether they were relatively similar (and hence zoning was a good proxy for underlying land use). To that end, the figure below shows the

composition of GFA within the city's main commercial and industrial zones.
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Figure 9: Share of Land Use Type by Zone (GFA)

Figure 9 reveals that zoning is a strong proxy for land use in some zones, such as the Tauriko commercial business zone, but less so in others. For example, the commercial business zone houses a wide range of economic activities, as does the city centre business zone. Further, while the industrial zone mainly houses industrial activities, it does also include small amounts of commercial and other business activities.

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5.8. Conclusion on How to Potentially Split Commercial Ratepayers

As illustrated above, there is material variation in land use within the city's commercial and industrial zones, which means that zoning itself is not a reliable proxy for the land use (and hence likely transport demand of each property). Accordingly, we focussed on splitting up the commercial ratepayer group according to its land use, as defined by the Core Logic "land use" classification in the Council's Rating Information Database (RID).

Further, based on our recent review of every rating policy in New Zealand – for the NZ Productivity Commission – we adopted the following four ratepayer groups in the rest of the analysis:

- Commercial (currently part of the commercial ratepayer group);
- Retail (currently part of the commercial ratepayer group);
- Industrial (currently part of the commercial ratepayer group); and
- Residential

For the avoidance of doubt, the remainder of this analysis ignores ratepayers that are not currently classified as commercial or residential.

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6. Current Transport Rates by Group

This section calculates the rates currently paid by our four ratepayer groups towards TCC and BOPRC's transport activities.

6.1. Deriving Each Group's Transport Rates

We reviewed TCC's funding impact statement (FIS) for transport, and reconciled it with its rating policy to identify "rating" contributions made to transport activities. This exercise revealed that TCC ratepayers currently pay a targeted rate towards transport, with a share of their general rates and UAGCs allocated to it. To determine the share of general rates and UAGCs allocated to transport, we divided the amount allocated to that activity in the FIS by the total value of general rates and UAGCs. This showed that about 20% of TCC general rates and UAGCs flow through to transport activities.

Next, we repeated this exercise for BOPRC. It showed that only a relatively modest proportion (7%) of the UAGCs and general rates levied by BOPRC are allocated to transport activities, with a passenger transport levy also applied.

6.2. Summary of Rates Paid by Each Group

We used the findings of our analysis above to determine each property's contributions to TCC and BOPRC's transport activities. Then, we aggregated them by our four key ratepayer groups to derive the table below. In short, residential properties currently pay 80% of transport-related rates, with the remaining 20% spread across the three non-residential groups.

Ratepayer Groups	Total CV (\$m)	Transport Rates (\$000s)	Rates Share
Commercial	\$3,480	\$2,570	6%
Industrial	\$4,200	\$3,670	9%
Retail	\$1,900	\$1,630	4%
Residential	\$40,340	\$31,980	80%
Total	\$49,920	\$39,850	100%

Table 2: Shares of Transport-Related Rates by Ratepayer Group

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7. Trip Shares by Land Use

7.1. Overview

In this section, we describe the methodology used to estimate trip shares by ratepayer group, plus the results. This was first done as a 'bottom-up' analysis, with the modelling undertaken at an individual property level before being aggregated to land use categories. To ensure the integrity of the exercise, we then repeated it using a 'top-down' approach and reconciled the results.

7.2. Steps in the Analysis

The key steps in the analysis are as follows:

- Step 1: Identify appropriate trip generation data
- Step 2: Tag each property to a land use group
- Step 3: Estimate daily and peak hour trips
- Step 4: Adjust for diverted and pass-by trips
- Step 5: Convert HCV trips to light vehicle equivalents
- Step 6: Aggregate to four ratepayer groups

Each step is now described in more detail.

7.3. Step 1: Identify Appropriate Trip Generation Data

To begin, we explored the local and international literature on trip generation data to determine the most appropriate data source for our analysis. After careful consideration, we opted to use the 2011 NZ Trip Generation and Parking Demand Survey as the basis for our analysis (see the Appendix). Although dated, this is the latest local data available, and the (we understand) is the most commonly used in New Zealand. The survey provides data on daily and peak-hour trips for a range of land uses⁴.

Our first exercise was to identify which of these land use categories could be used in our analysis, based on the information available in the RID. Note that the aim of this process was not to segment the data into potential ratepayer groups (which would be the subject of a range of practical considerations), but rather to estimate underlying demand as accurately as possible.

Some categories could not be readily used because of the unit of measure adopted in the survey. For example, restaurants were surveyed on a 'per seat' basis – information that is not available in the RID. Other categories could not be used due to the granularity of the land use variable. For example, the trip generation data separately for fast food restaurants, but these could not be easily identified in the RID.

⁴ Trip length has not been analysed as part of this exercise - we acknowledge that this may vary across user groups. **INSIGHT** | ECONOMICS PAGE | 18

Land Use	Unit of Measure	Daily Trips/Unit	Peak Hour Trips/Unit
Commercial ⁵	100m ² GFA	19.6	1.6
Small shopping centre (< 4,000m ²)	100m ² GFA	92.0	14.6
Medium shopping centre (4,000-10,000m ²)	100m ² GFA	77.3	12.2
Large shopping centre (10,000m ² +)	100m ² GFA	62.4	7.1
Service station	100m ² GFA	449.0	65.1
Other industry (ex Port) ⁶	100m ² GFA	8.9	1.1
Residential	Household	10.0	1.1

Table 3 below shows the land use categories adopted in the analysis, and the corresponding trip metrics selected. Table 3: Trip Generation Rates Adopted

As the Port of Tauranga is a very large organisation with high trip generation rates, applying survey data would not produce reliable estimates. Instead, we estimated Port activity separately, using current and future traffic generation counts provided by Council (as summarised in Table 4 below).

Table 4: Trip Generation Assumptions - Port					
Light Vehicles					
Daily Trips	15,700				
Peak Hour Trips	1,360				
Heavy Vehicles					
Daily Trips	3,300				
Peak Hour Trips	380				

Table 4: Trip Generation Assumptio	ns - Port

Step 2: Tag Each Property to a Land Use Group 7.4.

Our next step was to tag each rateable property⁷ in the RID to one of the ratepayer groups defined above, and overlay the trip generation data. For most properties, this was a straightforward mapping exercise using the Core Logic land use code in the RID.

The process for tagging retail properties (besides service stations) was slightly different. This is because the RID captures retail data at a tenancy level, and does not differentiate between standalone retail outlets and shopping centres. As such, we opted to treat each Statistical Area 1 (SA1) unit as a 'shopping centre' for the purpose of this exercise. Each SA1 was hence classified as either a small, medium, or large shopping centre according to its total retail floorspace (GFA). We then assigned this grouping to each retail property within the SA1, regardless of its individual GFA. Finally, 'port industry' properties were identified separately using data supplied by Council.

^{5 &#}x27;Offices' survey data has been applied to all commercial properties

⁶ Based on a weighted average of 'manufacturing' and 'warehouse' survey data

⁷ Excluding dairy, horticulture, lifestyle, other and utility land use types **INSIGHT** ECONOMICS

Step 3: Estimate Daily and Peak Hour Trips 7.5.

We then applied the trip generation rates above to RID information on GFA to estimate daily and peak hour trips for each non-residential property. Residential estimates were calculated on a per household basis. The results were then segmented by vehicle weight according to the assumptions outlined in Table 5 below⁸

Table 5: Vehicle Weight Assumptions by Land Use Type				
Land Use Category	Car / Light CV	HCV		
Commercial	95%	5%		
Small shopping centre	95%	5%		
Medium shopping centre	95%	5%		
Large shopping centre	95%	5%		
Service station	95%	5%		
Other industry	90%	10%		
Residential	100%	0%		

Note that Port industry totals were derived directly from traffic count maps, as per Table 4.

This process resulted in the following initial demand estimates for our four primary land use groups:

Table 0. Initial Trip Estimates				
Land Use	Daily Light Trips	Peak Hour Light Trips	Daily HCV Trips	Peak Hour HCV Trips
Commercial	184,170	15,030	9,690	790
Industrial	146,210	17,840	17,800	2,210
Retail	363,190	48,010	19,120	2,530
Residential	541,210	59,530	-	-
Total	1,234,780	140,410	46,610	5,530

Table Culpitial Trip Estimator

Step 4: Adjust for Diverted & Pass-by Trips 7.6.

Not all trips contribute equally to demand on the road network. To illustrate, trips can be classified into the following three categories, according to the purpose and route of the trip.

Primary trips involve travelling from an origin to an ultimate destination. An example would be driving from home to work.

Diverted trips occur when a detour is made on a primary trip to visit a secondary destination. Visiting at a shop on the way home from work that is not along your usual route is an example of a diverted trip.

⁸ The split between light and heavy vehicles was derived by reviewing the shares of traffic volume across key parts of the city according to this website https://mobileroad.org/desktop.html. **INSIGHT** ECONOMICS

Pass-by trips occur when a stop is made on a primary trip, with no detour required. An example would be stopping at a shop that you drive past on the way home from work.

Pass-by trips do not generate additional demand on the road network, while diverted trips generate new demand only on the streets around the destination that are not a part of the primary route. To reflect this, we adjusted the trip numbers in Table 6 to reflect primary trips only.

Table 7 outlines the assumptions adopted for light vehicles9. In addition, all HCV trips are assumed to be primary in nature, except service stations (5% primary).

Land Use Category	Primary	Diverted	Pass-by
Commercial	100%	0%	0%
Small shopping centre	32%	22%	46%
Medium shopping centre	31%	32%	37%
Large shopping centre	45%	28%	27%
Service station	5%	-	95%
Port industry	100%	0%	0%
Other industry	100%	0%	0%
Residential	100%	0%	0%

Table 7: Primary Diverted and Pass-by Rates for Light Vehicles

Step 5: Convert HCV Trips to Light Vehicle Equivalents 7.7.

Heavy commercial vehicles (HCVs) take up more space on roads than cars and vans, and contribute disproportionately to road wear and tear. This is reflected in New Zealand's road user charges system, in which rates for diesel-powered vehicles vary by vehicle weight.

To estimate the overall impact on the roading network, we have assumed that each HCV trip is the equivalent of three light vehicle trips. This is based on a recent consent order between Waka Kotahi and TCDC in relation to trip generation data applied in TCDC's district plan.

Step 6: Summary by Ratepayer Group 7.8.

The following table shows the adjusted demand estimates, after accounting for trip type and vehicle weight.

Table 8: Adjusted Dally and Peak Hour Trips					
Land Use	Daily Trips	Peak Hour Trips			
Commercial	213,250	17,410			
Industrial	199,620	24,470			
Retail	181,970	23,340			
Residential	541,210	59,530			
Total	1,136,050	124,750			

⁻⁻⁻⁻⁻

⁹ Based on HCC Development Contributions Policy – Review of Transport Demand Conversion Factors', Gray Matter, March 2021, Table 4: Summary of Primary, Pass-by and Diverted Rates for Retail Trip **INSIGHT** | ECONOMICS **PAGE** | 21

8. Current Funding vs Trip Demand

In this section, we compare the demand generated by each land use group with its current rates contribution.

8.1. Summary of Key Results

The table below compares each group's share of transport rates (from section 6) with its share of trip generation (from the previous section), which we interpret as each group's share of roading causation/benefit.

	,		
Land Lico	Share of	Share of	Share of
Land Use	Daily Trips	Peak Hour Trips	Transport Rates
Commercial	19%	14%	6%
Industrial	18%	20%	9%
Retail	16%	19%	4%
Residential	48%	48%	80%
Total	100%	100%	100%

Table 9: Causation/Benefit versus Rates Contribution

8.2. Implications

The table above shows that household are estimated to currently fund 80% of total transport rates, but account for only 48% of daily and peak hour trips. Conversely, the three non-residential ratepayer groups (which are currently grouped as commercial in TCC's rating policy) fund 20% of transport rates but generate more than 50% of daily and peak hour trips.

In our view, this discrepancy between shares of trips and the corresponding shares of transport rates paid warrants a review of the way that transport costs are recovered from residential versus non-residential ratepayers.

Further, while the relationship between trip shares and transport rates shares differs across the three non-residential groups, we do not consider these differences material enough to warrant disaggregating the commercial ratepayer group. Doing so would introduce significant additional complexity to the Council' rating policy, which contravenes our guiding principle of simplicity and transparency. Indeed, not only would the Council need to alter its rating policy to reflect the new grouping, but each non-residential property would need to be periodically reviewed to ensure that it is being allocated to the correct group.

8.3. Overall Recommendation

We recommend that TCC's existing ratepayer groups be maintained, but that it reviews the funding split between residential and non-residential ratepayers for transport activities.

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Dally Trips

-0.3 1.2 10.1 0.9 8.1 1.4 10. 0.4 2.1 0.4 2.1

Appendix: NZ Trip Generation Survey

The table below shares the trip generation data used in our assessment.

		No. 11						Survey	Results b	y Percentil	le		
		NO. 01	Sites Sur	veyed			15%			50%			85%
LA	ND USE CATEGORIES	Parking	Peak Hour Trips	Daily Trips	Units per	Parking Demand	Peak Hour Trips	Dally Trips	Parking Demand	Peak Hour Trips	Daily Trips	Parking Demand	Peak Hour Trips
1. ASSEMBLY	1.1 Church	6	3	0	Congregation	0.4	0.9		0.4	1.0	-	0.6	1
2. COMMERCIAL	2.1 Office	6	12	4	100m ² GFA	2.4	0.9	13.5	2.7	1.6	19.6	3.2	2
3. EDUCATION	3.1 Preschool	25	26	6	Pupil	0.1	0.7	3.3	0.2	1.1	3.7	0.3	1
	3.2 Primary	4	6	3	Pupil	0.1	0.4	1.3	0.2	0.6	1.4	0.3	0
	3.3 Secondary	5	2	2	Pupil	0	0.1	0.3	0.1	0.1	0.3	0.1	0
	3.4 Tertiory	6	4	2	Pupil	0.1	0.1	0.8	0.3	0.2	1.1	0.3	0
	5.4 Teltiary	3	2	2	100m² GFA	0.9	0.5	3.4	2.7	1.1	7.3	4.4	1
INDUSTRY	4.1 Warehousing	13	21	2	100m ² GFA	0.3	0.2	1.9	0.9	0.9	2.1	1.7	1
	4.2 Contractor	7	7	0	100m ² GFA	0.8	0.4		2.8	2.8		5.1	(E
	4.4 Manufacture	17	18	6	100m ² GFA	0.4	0.5	7.6	1.1	1.4	17	2.0	2
. MEDICAL	5.1 Centre	1	4	5	Professional	1.5	8.0	38.5	1.5	9.9	59.8	1.5	11
	5.2.1 Hospital (Small)	5	3	1	Bed	0.8	0.7		1.6	1.8		2.3	3
	5.2.1 Hospital (Large)	4	1	1	Bed	0.9	-	-	1.5		-	2.1	1
6. RECREATION	6.1 Stadium	6	0	0	Spectator	0.2	-		0.2			0.2	
. RESIDENTIAL	7.1 Inner City (Multi Unit)	1	2	0	Unit	-	0.2		-	0.3	-	-	0
	7.2.1 Dwelling (Inner Suburban)	0	14	38	Unit	-	0.9	7.8	-	1.1	9.5	-	1
	7.2.2 Dwelling (Outer Suburban)	0	1	6	Unit	-	-	5.4	-		6.9		0
	7.3 Dwelling (Rural)	0	4	4	Unit	-	0.9	6.9	-	1.1	8.5		1
	7.4.1 Retirement Home	5	4	4	Bed	0.3	0.2	1.9	0.3	0.3	2.1	0.4	0
	7.4.2 Retirement Units	4	1	1	Unit	0.8	-		0.9		-	1.0	0
	7.5 Hostel	5	1	1	Bed	0.2	-		0.3		-	0.4	0
	7.6 Motel	17	21	17	Occ. unit	0.4	0.3	0.6	0.9	0.8	1.7	1.4	1
	7.7 Hotel	4	3	3	Room	0.6	0.4	3.2	1.2	0.8	4.8	1.8	1
8. RETAIL	8.1 Shop	9	11	6	100mº GFA	1.7	10.4	47.0	4.3	26.2	93.4	9.5	42
	8.2.1 Shopping Centre (Small)	79	54	13	100mª GFA	1.7	9.5	33.9	3.6	14.6	92.0	5.0	18
	8.2.1 Shopping Centre (Medium)	39	23	5	100m² GFA	2.0	9.0	53.5	3.3	12.2	77.3	4.9	17
	8.2.1 Shopping Centre (Large)	40	19	3	100m² GFA	1.5	3.8	43.0	2.7	7.1	62.4	3.7	9
	8.2.1 Shopping Centre (CBD)	8	2	1	100m ² GFA	1.0	4.8		1.7	6.6	-	2.9	8
	8.3 Garden Centre	4	7	7	100m ² GFA	0.5	1.9	12.2	3.1	14.1	82.2	6.1	27
	8.4 Discount	6	6	1	100mº GFA	3.2	4.5		5.2	11.2	-	6.5	15
	8.5 Supermarket	12	11	3	100m ^a GFA	3.0	13.5	73.6	4.2	15.8	102	5.3	17
	8.6 Bulk	17	20	7	100mª GFA	0.8	1.0	13.5	1.6	4.0	29.4	2.2	5
		7	Ô.	6	Rent	0.2	0.2	1.2	0.6	0.6	9.7	0.6	
	8.7 Restaurant			2	Seat	0.2	0.2	1.3	0.5	0.0	3.7	0.0	

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Source: https://www.nzta.govt.nz/resources/research/reports/453/

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8.10 Service S 8.11 Market



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Report on Rating Categories - Differential

A report to Tauranga City Council to support its consideration of rating structure in relation to industrial ratepayers, prepared by PJ and Associates June 2023.

Purpose

Following the adoption of the rating differential applied to commercial and industrial properties based on the work undertaken by Gray Matter and Insight Economics, it was requested that further investigations be undertaken to establish whether there is additional evidence to apply a separate rating differential between commercial and industrial properties. This report is in response to that request.

Approach

The Gray Matter assessment was based on trip generation and traffic surveys, whereas this report is based on an assessment of the proposed expenditure as part of the development of the Asset management plan in conjunction with the 2023/24 Annual Plan and 2024/34 Long term plan. As the purpose is to consider a rating differential to be applied to commercial and industrial properties, this report uses potential rating categories rather than the size or detailed land use as in the Gray Matter report. This report's outcomes provide support to the legal requirement of section 101 (3) (a) of the Local Government Act 2002 (LGA) to establish which parts of the community benefit from each activity. This is in contrast to section 101 (3) (b) LGA which provides the ability to modify the outcomes based on well beings.

The approach was in two parts, with the first being to allocate the roading expenditure into the following groups based on the broad categories contained within the Tauranga City Council's district plan:

- Residential
- Commercial
- Industrial

The information that was available related to the renewal expenditure being rehabilitation and reseal. While it would have been preferable to identify both operational and capital costs including expenditure that deals with congestion or safety into the various groupings above, currently this information is not recorded in Council's asset management system (RAMM) for each road. However, the amount of renewal work being undertaken on a road is generally reflective of the proportional cost, therefore it is a useful proxy for this report It is important to note that due to the purpose of this investigation, only the expenditure relating to the roads that are within the categories/sectors was gathered. Therefore, not all expenditure has been included within the tables below.

Summary of results

Set out below is the summary of the results of the accumulation of both capital values and costs.

Sector	Capital	value	Renewals over n	ext 10 years
	Rateable	Percentage	Costs	Percentage
Residential	72,581,443,500	88.26%	178,402,577	68.29%
Commercial	1,824,113,000	2.22%	18,542,617	7.10%
Industrial	6,875,454,000	8.36%	64,300,493	24.61%
Utilities	959,200,000	1.17%		

Initial results and further considerations

The results above support the differential that was arrived at as part of the Gray Matters report, but from cost basis do not provide conclusive evidence that would support a separate differential for commercial and industrial properties as ratio to renewal costs and capital values are of similar values.

The costing information that was made available only related to the renewal costs, however when assessing the impacts of both commercial and industrial traffic, there is an ability for the Council to consider the wider impacts on the community.

The second part of the report considers the overall impacts on revenue by assessing the current and future wellbeing of the community.

It is generally accepted that heavy vehicles create wider impacts on the community, not just financial impacts on the roading network. These wider impacts include congestion, noise, and pollution. Therefore, it is important to note that these wider impacts be then taken into final consideration when the total rates are recovered from each of the sectors listed above.

Furthermore, when setting a general rate differentially, a local authority is able to consider the wider impacts of groups of ratepayers on the local authority, not just one activity. For example, it can consider the impacts of industrial properties on the Resource policy/planning activity.

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Background

Currently the Council has two rating differentiations, being residential and a combined commercial/industrial, which are based on the Council's view that some land uses receive more benefit from, or place more demand on, council services and/or may have a differing ability to pay rates.

This reflects the requirements of section 101 (3) (a) (ii) Local Government Act (LGA) which states:

the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;

The Gray Matter report particularly focuses on this aspect, however, it is accepted that costs are driven by traffic volumes and size. Large vehicles have a greater impact on roads than cars. This then leads to the consideration of section 101 (3) (a) (iv) LGA which states:

the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity

Therefore, rather than focus on benefits, this requires a focus on costs and the groups causing the cost of renewals and maintenance of the roading network. This was then the focus of the investigation and the first part report.

In addition, the report considers section 101 (3) (b) (LGA), which provides a wider scope where the Council is required to consider not only who benefits but the overall impacts on the community considering four well beings.

Methodology of cost allocation

The overall approach was to allocate the selected roading expenditure into the following grouping:

- Residential
- Commercial
- Industrial

The information that was requested related to the roads within each zones-based Tauranga City Plan zones, and the zones were then allocated into the three groups above. A list of the various zones and grouping are set out in appendix 1.

While it could have been possible to consider each of the industrial zones as separate areas for analysis, because of the significant amount of the Port Industry zone being non rateable and the large number of heavy vehicle movements that transit through that zone, this would lead to a disproportionate expenditure to capital value for this zone.

The intention of using this method was to identify the proportional roading costs associated within each of these zones rather than attempt to distribute the total costs of the roading network based on usage and vehicle types, as this was done as part of the first study discussed above.

The costing data excludes roads that are shared by a number of zone/sectors groups as the focus of the allocation of expenditure is between commercial/industrial and not between residential, commercial and industrial. Therefore, the costs of roads like Cambridge and

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Report on Rating Categories - Differential

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Cameron have been excluded as these are clearly used by different groups/users. An additional challenge with the roading network is there are a significant number of state highways for which the council is not responsible either for the maintenance or funding.

The Information that was available only related to the renewal expenditure being rehabilitation and reseal. While it would have been preferable to identify both operational and capital costs into the various groupings above, currently this information is not recorded at specific road level. However, the amount of renewal work being undertaken on a road is generally reflective of the proportional cost, therefore it is a useful proxy for this report.

In addition, as other new capital expenditure is often being funded through contributions, loans or the Transportation targeted rate, new capital has been excluded from the calculation below.

However, this could change in the future and those benefiting from significant new capital expenditure will need to be identified to enable better allocations of rates between groups.

Results

Using the District plan categories as set out in appendix 1, the capital values were accumulated into the three sectors below. In addition, the total value of all utilities across the city have been included in this table as they primarily use the roading corridor for their businesses. They are also an important component of the total capital value.

While the report does not specifically consider the traffic associated with the Port and related industries, it is important to note that this traffic is likely to increase both from inside and outside the city boundaries.

Sector	Capital value			
	Rateable	Percentage		
Residential	72,581,443,500	88.26%		
Commercial	1,824,113,000	2.22%		
Industrial	6,875,454,000	8.36%		
Utilities	959,200,000	1.17%		

Set out below is a summary of the renewal expenditure for the next 10 years based on the roads within each of the sectors. The ratio of capital value to renewal for commercial is 2.94 and industrial is 3.20. While there is a difference, the amount is currently relatively small and does not support the application of a separate differential based solely on an expenditure allocation between commercial and industrial properties

Sector	Total Renewals over next 10 years			
	Costs	Percentage		
Residential	178,402,577	68.29%		
Commercial	18,542,617	7.10%		
Industrial	64,300,493	24.61%		

Set out below is a summary of reseal expenditure within each sector, including the proposed number of kms to be resealed.



Report on Rating Categories - Differential

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Sector	Reseal									
	Costs	Kms	Percentage							
Residential	121,310,354	378.06	82.87%							
Commercial	12,693,158	19.10	8.67%							
Industrial	12,384,971	16.58	8.46%							

Set out below is a summary of rehabilitation expenditure within each sector, including the proposed number of kms to be replaced.

Sector	Rehabilitation								
	Costs	Kms	Percentage						
Residential	57,092,223	36.62	49.71%						
Commercial	5,849,459	2.70	5.09%						
Industrial	51,915,522	15.52	45.20%						

Legal requirements and further considerations

As noted above there are a number of legal considerations that a council must consider as part of the development of any rating (Revenue & financing policy), being section 101 (3) (a) LGA which requires a council to discuss who benefits based on five criteria (as listed in appendix 2). This report considers the evidence relating to who benefits but more importantly section 101 (3) (b) (LGA) provides a wider scope where a council is required to consider not only who benefits but the overall impacts on the community considering four well beings. This allows a council then to consider non financial implications of groups of ratepayers. This would allow the City Council to consider the social impacts including safety concerns, together with impacts of congestion and the environmental impacts including noise and pollution caused by heavy vehicle servicing the industrial properties and charge a differential accordingly.

This report has not quantified those wider impacts, but notes that these tools are available to the Council if it so wishes to consider them as part of a subsequent step to this report.

It is not unreasonable therefore to implement a general rate differential at a higher rate for industrial properties based on the following:

- The economic impact created by the need for future capital expenditure as requested by sector groups to mitigate the impacts of heavy vehicles.
- The social impacts including congestion and safety on other road users by heavy vehicles.
- The acknowledgment by Waka Kotahi that freight heading to the port of Tauranga adds to congestion.
- The environmental impacts of noise and pollution caused by heavy vehicle servicing the industrial properties.
- The impacts of industrial properties on other activities of the Council including but not limited to monitoring.

The amount of the differential would need to be determined by the Council, but would be focused on properties that are used for industrial purposes rather than those zoned "Industry". Use rather than zone is an allowable method to identify properties under the

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Local Government (Rating) Act 2002. The Council would have to create a definition to ensure only those properties that are used for industrial purposes are included within this category.

Recommendations

- As there is sufficient non financial information to support an industrial rating category, that the Council considers using the provisions of section 101 (b) Local Government Act 2002 to develop a differential within the General rates for all properties used for industrial purposes
- 2. That Council considers the need to improve the capture and recording of information at the road specific or by zone (as listed in appendix 1) level. The additional information should at least include the following:
 - Maintenance and other key operational costs
 - Capital development including safety improvement
 - Capture the reasons or causes for the works, for example the urgent road renewals for Totara Road and Truman Lane which have had heavy traffic volumes and a rapid deterioration.
- 3. That once the information recommended in 2 above has been captured that the cost allocation be updated at least every three years prior to the development of the Long term plan or equivalent.



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Appendix 1 - Allocation based on Tauranga City Plan zones

The roads costs were allocated into the three areas based on the following:

Residential	Commercial	Industrial				
City Living – Residential 9m	City Centre Business Zone	Industry				
City Living – Mixed Use	Commercial Business	Port Industry				
Commercial 19m						
Wairakei Residential	Neighbourhood Centre	Tauriko Industry				
	(Wairakei)					
City Living – Mixed Use	Papamoa East Employment					
City Living – Residential	Tauriko Commercial Business					
High Density Residential	Wairakei Town Centre (Core)					
Ngati Kahu Papakainga	Wairakei Town Centre					
	(Fringe)					
Residential Large Lot						
Rural						
Rural Marae Community						
Rural Residential						
Suburban Residential						
Te Tumu Future Urban						

Non rateable and therefore not included in the table above.

Active Open Space Active Open Space – Major Conservation Education Centre 1 Education Centre 2 Education Centre 3 Education Centre 4 Greenbelt Passive Open Space Rail Road Special Use Baypark

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Appendix 2 - Extract of section 101 Local Government Act 2022

(3) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,—

(a) in relation to each activity to be funded,

- (i) the community outcomes to which the activity primarily contributes; and
- (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
- (iii) the period in or over which those benefits are expected to occur; and
- (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
- (v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

(b) the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural wellbeing of the community.



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1. THE IMPACT OF HEAVY VEHICLE TRAFFIC ON ROAD PAVEMENTS

1.1 Background

The road network in NZ compromises approximately 95,100 km of roads. About 12.5 % or 11,900 km of these roads are State Highways managed by NZTA. State highways generally carry higher traffic volumes and are constructed and maintained to higher design standards.

The remaining 83,200 km of roads are managed by Local Authorities. These roads carry lower volumes of traffic and accordingly they are designed to lower design standards.

New Zealand and Australia have led the world for many years in the design and management of low cost road pavements. This has allowed sealed road access to areas which would otherwise be serviced by unsealed gravel roads. Nevertheless, approximately 40 % or 38,000 km of roads are unsealed gravel roads In New Zealand. The majority of these are local roads.

One of the largest challenges facing Local Authorities is the rapidly growing amount of heavy commercial vehicle (HCV) traffic being carried on the roads which were not designed to carry this increase in traffic. Predictions are for HCV traffic on roads to double in the next 10 years. This is a result of increased heavy traffic-generating activities, such as forestry, quarries, landfills or dairy farming.

Additionally there has been an increase in the allowable weight that HCV can carry with the introduction of High Productivity Motor Vehicles (HPMV). This has in turn resulted in increased axle loadings on the road pavements.

Road Controlling Authorities are being faced with the need to make predictions of the impact of increased HCV traffic on their road networks and the funding required to maintain and upgrade the road networks to cope with this increasing demand.

1.2 The Function of Road Pavements

The road pavement must serve two basic functions: it must perform structurally and at the same time meet functional and operational requirements.

In terms of structural performance, it must be strong enough to support the axle loading from the heaviest vehicles (HCV traffic) using the road and the cumulative effects of the passage of these vehicles on the road. The surface must also be capable of resisting stresses imposed by axle loading in order to maintain its structural integrity. If a road surface is damaged and cracked by heavy axle loads, water can enter the underlying pavement layers, which weakens the pavement and can result in premature failure.

In terms of functional and operational performance, the road pavement must be wide enough and of suitable geometry to permit all vehicles to safely operate at an acceptable speed. The pavement must have a surface which has adequate strength, drainage, skid resistance, and visual delineation to ensure safe travel.

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1.3 Characteristics of New Zealand Roads

The majority of New Zealand roads comprise either granular pavement layers with a thin chip seal or asphalt surface or unsealed gravel roads which have been built up over time. These have been designed and maintained to carry the loading imposed by the historically forecast traffic.

Chipseal surfaces are not considered to contribute structurally to pavement strength; however, an intact chipseal surface prevents the ingress of water into a pavement, with water having a negative impact on pavement performance, particularly the subgrade.

Research since the 1960's by AASHTO, ARRB, Austroads and the NZ Transport Agency has shown that pavement deterioration of granular pavements is a function of the axle load applied to the pavement, the number of axle loads applied (expressed as Cycles) and the strength of the road pavement.¹

This relationship between the load and the pavement structure is the key determinant of the rate of pavement wear. Pavement wear caused by the passage of HCV traffic depends not only on the gross weight of the vehicle but also on the distribution of the vehicle weight onto the pavement. In particular it depends on:

- The number of axles on the vehicle
- The manner in which these axles and their wheels are configured into axle groups
- The loading applied to the pavement through each of these axle groups the axle group load and the contact stress (governed by tyre size and pressure).

Figure 1 below shows the dispersion of the wheel load from a vehicle axle onto the underlying pavement and the imposed stress on the pavement layers.



Figure 1: Stresses within a pavement under loading

Anecdotal evidence also indicates that the rate of pavement deterioration and the road maintenance costs increase with increased repetitions of axle loads on a road pavement and increased axle loads imposed by HCV traffic.²

Figure 2 below shows the typical road pavement performance over time.

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¹ Austroads Technical Report AP-T104/08 *Relative Pavement Wear of an Unbound Granular Pavement due to Dual Tyres and Single Tyres*

² Austroads Research Report AP-T216-13 Estimating Accelerated Road Wear Costs Due To Increased Axle Mass Limits



Traffic Load or Time

Over time, the road pavement slowly deteriorates during the gradual deterioration phase due to the wear caused by axle loadings imposed by HCV traffic. During this phase maintenance work carried out by RCA's will maintain the road in an acceptable condition. At some point in the life of the road pavement, the road condition reaches a point when rapid deterioration occurs due to structural failure of the road pavement. At this point the road pavement is no longer able to a carry the loads imposed by HCV axle loading and accelerated wear of the pavement occurs. This is shown as the rapid deterioration stage on Fig 2. At this stage the pavement has reached its terminal condition and the road pavement will require reconstruction or rehabilitation to restore the road pavement structural capacity.

Road pavements are designed to carry the forecast HCV traffic and to operate in the gradual deterioration phase. If the pavement loading increases due to increased HCV loading, this will shorten the gradual deterioration phase, which in turn brings forward the rapid deterioration phase of the pavement. The result is a corresponding decrease in the pavement life. As a result, the amount of maintenance required to maintain the road in acceptable condition will increase substantially, and the pavement will require reconstruction or rehabilitation to strengthen it to carry the additional loading earlier in the life of the pavement.

As outlined above, the axle loading applied to road pavements due to HCV vehicles contributes disproportionately to the pavement wear. Unless the affected road pavements are designed to carry the extra loading, the pavement will suffer accelerated deterioration which will result in the need to reconstruct or rehabilitate the road pavement, rather than maintaining the pavement with periodic resurfacing and maintenance. The increase in pavement maintenance and reduction of the pavement life is directly proportional to the pavement deterioration, which in turn is proportional to the HCV loading on the pavement.

Where the axle loading due to HCV movements on a road increases, the road's structural wear will generally increase in proportion with the increasing numbers (cycles) of axle loads on the road pavement. A substantial increase in axle loading from HCV traffic on a road that is not designed to carry the additional axle-loading will result in multiple adverse effects in the form of:

- · increased routine maintenance and resurfacing
- reduction in the level of service (road quality) as the road pavement deteriorates
- reduction in the pavement life

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- increased reconstruction and or rehabilitation costs due to the increase in required structural capacity
- increased lateral instability and damage along roads due to heavy wheel loads tracking close the edge
 of the road
- added traffic effects and cost of control measures (eg lower speed limits, signage, turning lanes, lane widening, islands, pedestrian paths or cycleways, removal of spillage or detritus to maintain safety and restore traffic flow

1.4 Road pavement design

Design of road pavements in New Zealand generally adheres to the guides produced by Austroads (2012) and the New Zealand Transport Agency's Supplements to Austroads (Transit 2007 for new pavement design, Transit 1999 for rehabilitation). These documents identify the methods by which the design traffic and the pavement structure are determined.

The design life of a pavement is typically chosen as 25 years, based on the period over which the expected traffic is calculated. The total design traffic loading may be applied earlier than 25 years if the design assumptions are not met and thus the theoretical life of the pavement will be less. Conversely, the pavement may not be subjected to the design traffic in the design period and the achieved life may theoretically be greater.

The design traffic is the product of a number of factors: typically the average daily traffic (averaged over a year as the annual average daily traffic), the percentage of heavy vehicles, the axle load per heavy vehicle, and the growth rate. Other factors, including the design period, the average number of axle groups per heavy vehicle, lane distribution and the direction factor, need to be considered in calculating the design traffic.

Design traffic is calculated by quantifying all the loading from heavy vehicles into Equivalent Standard Axles (ESA). This is achieved by determining the allowable Standard Axle Repetitions (SAR) before expected failure, based on the ratio of the load on an axle group to the standard load for an axle group to the power of an exponent. This is expressed in the equation: $SAR=(L/SL)^m$ where L is the load on the axle group, SL is the standard load on the axle group, and ^m is the load damage exponent (specified by NZTA to be equal to 4 for general pavement wear to granular pavements with thin bituminous surfacings).

The load applied by a single axle with dual tyres subjected to a load of 80 kN with an individual tyre contact area of 0.0267 square metres is 1 ESA. With a load damage exponent of 4, a doubling of axle load has a sixteen-fold increase on the pavement wear induced by the axle.

The standard loads for various axle groups that cause the same pavement wear as a single standard axle are reproduced from Austroads (2010) in Table 1 below. Austroads assumes that roads with the same surface deflection will suffer the same pavement wear, after the SAR value for the relevant case is taken into account.

Axle group type	Load (kN)					
Single axle with single tyres	53					
Single axle with dual tyres	80					
Tandem axle with single tyres	90					
Tandem axle with dual tyres	135					
Tri-axle with dual tyres	181					
Quad-axle with dual tyres	221					

Table 1Axle group loads

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A recognised method to establish design traffic loading involves establishing the commodities being carried on a road and applying the appropriate ESA load factor for the commodity for each heavy vehicle.¹ The load factors for commodities commonly encountered on rural local roads are listed in Table 2.

 Table 2
 Mean Load factors for common primary industry commodities²

Commodity	ESA4	ESA7
Aggregates	2.90	3.77
Livestock	1.49	1.92
Logging truck carrying jinkers	1.40	1.93
Logs	5.18	11.04
Milk	2.65	3.56
Powders (lime, fertiliser)	1.97	2.91
Stock food	1.62	1.69
Wool, hides	1.13	.77

1.5 Road pavement wear effects of heavy vehicle traffic

Where the number of vehicle movements on a road increases, the structural wear will generally increase in proportion with the increasing movements if the axle loads remain constant. By contrast, the load-wear-cost relationship results in an exponential function that means even small increases in individual axle loadings induce disproportionately large decreases in road pavement structural life.

The anticipated pavement damage caused by different axle configurations and axle weights can be determined by converting the axle loading to an equivalent number of passes of the standard axle using the fourth power relationship. As a result of extensive full-scale road testing³ in the USA in the late 1950s on heavy-duty structural asphaltic pavements, the pavement damage caused by an axle passing over any form of flexible pavement has traditionally been considered proportional to the fourth power of its weight relative to a standard axle.⁴

Rural roads usually have narrow traffic lanes and a surface water channel on each side of the road. This road construction is adequate for low levels of heavy commercial traffic. With increased pavement loading, however, the additional loading often over-stresses the pavement edge, resulting in loss of edge support followed shortly thereafter by edge break and shear failure, with associated substantial impacts on maintenance costs. Lane widening may be necessary, as truck and trailer units tend to track along a wider traffic path on corners than normal traffic, thus requiring a wider traffic lane than lighter traffic and placing greater stresses on the road edges.

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¹ Transfund NZ, (RR185), 2000, 5.2.6

² From Transfund NZ, (RR185), 2000, Appendix B, Table B1

³ AASHO Interim Guide for the Design of Flexible Pavement Structures. AASHO Committee on Design, Oct. 12, 1961

⁴ A standard axle has been defined as a twin-tyred single axle loaded to 80kN or approximately 8.2 tonnes.

1.6 Determining the impact of heavy vehicle traffic alternative loadings

A pavement impact assessment should be undertaken where a proposed increase in heavy vehicle traffic equals or exceeds 5% of the existing ESA loading on the road. A design horizon of at least twenty years should be adopted for the pavement life assessment. The 30-year Long Term Plan horizon is likely to be appropriate, and a longer horizon can be appropriate in some circumstances. In practice it is very straightforward to allow modelling to be projected out to 50 years or more in order to carry out a sensitivity analysis for the impact of any given cut-off date on the associated net present value calculation of future life-cycle costs. Where only a small number of roads is being considered, a long evaluation period is often necessary because of the irregular (markedly stepped) profile of the cumulative cost curve as the date for each life-cycle renewal expenditure is reached.

A pavement impact assessment should consider the surface condition and structural capacity of the pavement, and the effect on the forward works programme. Surface condition should be assessed preferably from high speed data surveys as well as visually and recorded with detailed location data. Structural capacity can be assessed readily with measurement of pavement deflection. Increased deflection before and after a temporary increase in loading of the pavement can be used to quantify any evidence of pavement deterioration.

Measured change requires falling weight deflection structural evaluation for the affected road prior to the increase in heavy vehicle traffic, as well as subsequent to that increase. Comparison of the change in deflection, considering any increase in pavement deflection and allowing for any seasonal variation in moisture content, allows the post trafficking remaining pavement life to be recalculated. Hence the cost of the additional trafficking can be determined from the difference in net present value between the respective forward work programmes.

While it has been widely recognised that routes carrying increased traffic loadings will incur additional road pavement wear and associated additional costs, quantification of such wear has, until very recently, been contentious and uncertain. Advances in pavement asset management technology and more comprehensive databases available for many authorities' pavement networks, now enable relatively reliable quantification of pavement structural wear and the marginal cost of increased loading. Once the current and proposed future axle loadings are defined it is possible to consider both the (i) "bring forward" costs of the added wear and (ii)consumption of existing assets to calculate equitable apportioning of those marginal costs.

Pavement wear and associated costs can be calculated, once the distress mode and relevant critical layer are identified and the relevant load damage exponent determined, where the region has a suitable database of pavement structural information (FWD data).

For many low volume roads, however, such a database may be unavailable and this procedure could be disproportionately costly for the levels of service and likely maintenance costs if the length of the affected route is short. (For larger studies costs can be brought down to less than \$100/lane km.) The methods adopted to determine the cost of the impact of heavy vehicle traffic on low volume road pavements need to be appropriate to the use and requirements of the road.

Assessing impacts on the Forward Works Programme involves a comparison of the nature and timing of roadworks required with and without the extra heavy vehicle traffic, based on predicted ESA loads. Forecasting required pavement works requires a sound knowledge of the issues involved, solid data and good professional judgement. RAMM condition data is not sufficient on its own, for this purpose.

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Works to provide heavy vehicle access, such as widening, corner radius smoothing or pavement strengthening, can be identified separately from the load related damage. Routine resurfacing and maintenance costs need to be allocated with appropriate consideration of potential damage caused by all other road users.

1.7 Assessing the Impacts of HCV Traffic Loading on Road Pavements

Calculation of the remaining life of the road pavement can be conducted as a desk top analysis from records of the existing pavement design, current pavement loading (ESA), pavement age, and past traffic The remaining life (in ESA's) is the difference between the pavement design life (in ESA's) and the cumulative past traffic. The calculation of pavement life can be further refined using Falling Weight Deflectometer (FWD) testing to determine the existing pavement strength and to calculate the remaining life.

New developments or land use activities can generate increases in heavy commercial vehicle traffic which may have adverse impacts on road pavements. Typical impacts resulting from an increase in the number and /or weight of vehicles using the road include:

- a need for extra pavement width
- a change is in surfacing type or pavement thickness
- an increase in maintenance, and
- a reduction in the pavement life, requiring road pavement upgrading, which may include strengthening works or reconstruction of the pavement.

The pavement assessment needs to consider the impact of the additional HCV traffic loading pavement on the road pavement and to determine the extent, timing and costs of:

- pavement upgrading such as road widening
- additional maintenance
- pavement strengthening and or reconstruction.

The procedures for assessing the impacts of HCV traffic on road pavements are outlined in the Queensland Government Department of Transport and Main Roads "Guidelines for the Assessment of Road Impacts of Developments." These guidelines are consistent with the road pavement design and maintenance principles adopted throughout NZ including:

- NZTA Economic Evaluation Manual (EEM)
- NZTA's Supplement to Austroads Pavement Design Procedures
- Austroads Guide AGP-T01-09 Pavement Technology Part 1 Introduction to Pavement Technology
- Austroads Guide AGP-T02-12 Pavement Technology Part 2 Pavement Structural Design
- Austroads Guide to Traffic Management AGTM12-09 Traffic Impacts of Developments

The following steps outline the process described in the Queensland Guideline to assess the road pavement impacts due to increased HCV traffic generated by a development or land use activity:

Identify the Land Use

1. Such as forestry, quarrying, dairy farming, dry stock beef raising, stock finishing, sheep farming, horticulture, viticulture, arable, etc.

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Determine the traffic loading	2. Determine the current road network affected by the proposed activity, and existing HCV traffic and pavement axle loading (ESA).
	Austroads Guide AGP-T02-12 Pavement Technology Part 2 Pavement Structural Design; NZTA Supplement to Austroads Pavement Design Procedures
Calculate remaining pavement life	3. Determine the condition of the existing road network and estimated remaining pavement life from road asset information held. Use RAMM data, maintenance records, as-builts, distress test results, condition data, deflection tests and unit rates for renewals.
Determine new HCV traffic	4. Determine the HCV traffic and pavement axle loading (ESA) generated by the proposed activity. List the types and number of HCV and calculate the total ESA generated.
Compare existing and new HCV traffic	5. Carry out a 'with" and "without" proposed activity HCV assessment for the pavement design period, based on likely traffic growth rates in both cases within the design period.
K	Austroads Guide AGP-T02-12 Pavement Technology Part 2 Pavement Structural Design; NZTA's Supplement to Austroads Pavement Design Procedures
Determine remaining pavement life	6. Determine the remaining life of the pavement based on information held or from FWD testing of the road pavement. If the axle loading (ESA) is increased by more than 5 % above the existing loading, the increase will result in a reduction in the pavement life.
Estimate new works schedule	7. Predict when the road pavement will require upgrading and/or strengthening due to the increased axle loading (ESA) on the pavement.
Calculate new works programme costs	8. Predict the cost of pavement upgrading and/or strengthening due to the increased loading generated by the development /activity. Establish if there is a change in the vehicle mix using the road that may require widening of the pavement or surfacing, and estimate the cost of the upgrading works and the associated maintenance and resurfacing throughout the design period.
	Austroads / NZTA State Highway Geometric design requirements, for the appropriate traffic volume.
Calculate the added cos from new HCV traffic	9. Predict the total cost of routine and programmed maintenance in each year within the design period, with the current traffic (ESA), and with the current traffic plus the additional traffic (ESA) generated by the development / activity. Discount to determine net present value.

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The above analysis should determine the extent to which any additional pavement upgrading works are required to accommodate the additional HCV traffic generated by a development /activity.

In some cases the pavement may have reached the end of its design life, but it may continue to operate satisfactorily with the current traffic volume. However, an increase in the pavement axle loading due to HCV traffic generated by a development or activity might not be able to be sustained by the pavement. In such cases a full pavement evaluation using FWD testing is recommended to assess what pavement upgrading and strengthening is required to carry the additional pavement loading from the additional HCV traffic generated by the development or activity.

The results of the pavement impact assessment give an indication of the road upgrading or strengthening works and maintenance requirements, (including resurfacing) required as a result of the increased pavement loading from HCV traffic generated by the development or activity.

The timing of the upgrading works depends on the residual strength of the existing road pavements and the increased axle loading on the pavement. In some cases the upgrading works need to be undertaken prior to commencement of the development or activity. However if the existing road has sufficient strength to carry the additional axle loading, the upgrading works may be deferred. In these cases it is recommended that monitoring of the road pavement is carried and the upgrading works are implemented before the road pavement reaches its terminal condition.

The impacts on bridge and other structures within the road corridor also need to be considered in cases where the additional axle loading imposed by HCV traffic generated by developments and changes in land use activities exceed the capacity of existing infrastructure.

1.8 Pavement Wear Calculations

Simplified vs Detailed Approaches

The spreadsheet calculation example in Appendix A demonstrates the calculation procedure using the Austroads Simplified Approach, as well as establishing a template for application elsewhere.

Simplified methods may suffice for specific instances of activities affecting pavement wear. However the nature of pavements in practice presents a need for due consideration of the level of detail warranted. A pavement is an assemblage of particulate materials that will vary in localised particle size distribution. As a result the pavement will have variations in stiffness within any constituent layer that can vary by an order of magnitude. The pavement will contain multiple layers with variations in stiffness and thickness.

The result will be variations in the pavement life in terms of ESA along any one road where the traffic is constant that can be several orders of magnitude. The cumulative distributions of pavement life highlight the importance of identification of valid structural treatment lengths. Homogenous sub-sections within each road will act in a similar fashion and will require a similar thickness of treatment for rehabilitation.

Effective sub-section identification for each road can reduce the variation in pavement life from two or three orders of magnitude to a typical variation of about one order of magnitude. A lesser variation should not be expected within a normal practical treatment length, which will encompass at least 100 m of pavement and usually more.

The consequence is that rehabilitation triggers are set based on a specified percentage of a given treatment length reaching a terminal condition. In practice the allowable percentage in terminal condition becomes a

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criterion beside maintenance cost in the selection of pavements for rehabilitation. The allowable percentage in terminal condition is, therefore, a key parameter in the FWP calculation.

If the identification of valid structural treatment length sub-sections has not been done in accordance with best practice, the modeled life of a pavement sub-section can change by a factor of five, depending on the adopted percentile for testing. This can have a massive effect on the NPV calculation. Some of this uncertainty can be offset by ensuring consistency, using the same assumptions and approaches for both original and altered activity calculations, but for equitable apportionment where costs are significant, detailed best-practice structural evaluation, rather than simplified approaches, should be considered.

1.9 **REFERENCES**

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AUSTROADS Pavement Technology Guide Part 1 And Part 2

AUSTROADS Guide To Traffic Management Part 12

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Funding Impact rates.

Summary of impact tables

Examples of rating impacts on residential, commercial and industrial properties under potential rating policy options

	Sta	atus O	Sta Qu \$10	itus o (- DM)	Sta Qu \$1	atus Io (- 5M)	Cor 13% (cu res	mmercial % to 14% rrent olution)	Cor 13% (cur reso \$10	nmercial 5 to 14% rrent blution, - M)	Cc 13 (cu re: \$1	ommercial % to 14% urrent solution, - 5M)	Combine Commercial and Industrial and reduce to 31%		Combine Commercial and Industrial and reduce to 31% (- \$10M)		Combine Commercial and Industrial and reduce to 31% (- \$15M)	
% of total Gene	eral	rates	diff	erential														
Residential		67%		1.0				66%		1.0				68%		1.0		
Commercial		13%		2.1				14%		2.2				14%		2.2		
Industrial		20%		2.6				20%		2.6				17%		2.2		
Residential																		
rates impact																		
Low		10.6%		8.6%		7.6%		10.3%		8.3%		7.3%		11.8%		9.8%		8.8%
\$/pw	\$	4.46	\$	3.64	\$	3.22	\$	4.34	\$	3.52	\$	3.11	\$	4.99	\$	4.13	\$	3.71
Lower Quartile		13.4%		10.6%	ŕ	9.3%		13.0%		10.3%	Ĺ	8.9%	Ĺ	15.1%	,	12.3%		10.9%
\$/pw	\$	7.90	\$	6.27	\$	5.46	\$	7.66	\$	6.04	\$	5.24	\$	8.92	\$	7.25	\$	6.41
Median (50%)		14.3%		11.3%		9.8%		13.8%		10.8%		9.4%		16.1%		13.1%		11.5%
\$/pw	\$	9.56	\$	7.55	\$	6.55	\$	9.27	\$	7.27	\$	6.27	\$	10.83	\$	8.76	\$	7.73
Upper Quartile		15.2%		11.9%		10.3%		14.7%		11.5%		9.8%		17.2%		13.9%		12.2%
\$/pw	\$	11.87	\$	9.32	\$	8.05	\$	11.50	\$	8.97	\$	7.70	\$	13.47	\$	10.85	\$	9.54
High residential		18.6%		14.4%		12.3%		18.0%		13.8%		11.7%		21.3%		16.9%		14.8%
\$/pw	\$	39.43	\$	30.50	\$	26.03	\$	38.12	\$	29.24	\$	24.80	\$	45.03	\$	35.86	\$	31.27
Commercial																		
rates impact																		
Lower Quartile		16%		12%		11%		19%		15%		14%		22%		18%		16%
\$/pw	\$	24	\$	19	\$	16	\$	29	\$	23	\$	21	\$	33	\$	27	\$	25
Median (50%)		17%		13%		11%		21%		17%		15%		24%		20%		18%
\$/pw	\$	45	\$	35	\$	30	\$	54	\$	44	\$	39	\$	62	\$	51	\$	46
Upper Quartile		18%		14%		12%		22%		17%		15%		25%		20%		18%
\$/pw	\$	77	\$	60	\$	51	\$	93	\$	75	\$	66	\$	107	\$	89	\$	79
High		19%		15%		12%		23%		18%		16%		26%		22%		19%
\$/pw	\$	1,753	\$	1,351	\$	1,150	\$	2,133	\$	1,714	\$	1,505	\$	2,459	\$	2,026	\$	1,810
Industrial																		
rates impact																		
Lower Quartile		15%		11%		10%		14%		11%		9%		5%		2%		0%
\$/pw	\$	21	\$	16	\$	14	\$	20	\$	15	\$	13	\$	6	\$	2	\$	0
Median (50%)		16%		12%		11%		16%		12%		10%		5%		1%		0%
\$/pw	\$	39	\$	30	\$	26	\$	38	\$	29	\$	24	\$	11	\$	3	-\$	1
Upper Quartile		17%		13%		11%		17%		13%		10%		5%		1%		-1%
\$/pw	\$	80	\$	61	\$	51	\$	77	\$	58	\$	48	\$	22	\$	5	-\$	3
High Industrial		18%		14%		12%		18%		13%		11%		5%		1%		-1%
\$/pw	\$	837	\$	633	\$	531	\$	807	\$	605	\$	503	\$	222	\$	44	-\$	44

Current rating Policy (Status Quo):

Commercial differential 2.1:1, Industrial differential 2.6:1.

General rates split - Residential 67%, commercial 13%, Industrial 20%.

Indicative property rates (single occupancy, residential one toilet, commercial/Industrial two toilets)

your proposed rates brea	INCOMITION 2020/2020	/									
					Proposed Total	Total (rates and					
	Capital Value	2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease	Deter hudset (Dive ICC)	C 04	7 004 447
	2021	osed	rates	TP IFF	Levies	%	\$/p	v	Rates budget (Plus IFF)	\$ 34	7,821,417
Residential											<u> </u>
Low Residential (1%)	\$365,000	\$2,349	\$2,171	\$83	\$2,433	10.6%	\$	4.46	commercial differential		2.10
Lower Quartile (25%)	\$715,000	\$3,313	\$3,008	\$163	\$3,476	13.4%	\$	7.90	Industrial differential		2.60
Median (50%)	\$885,000	\$3,782	\$3,414	\$202	\$3,984	14.3%	\$	9.56	Residential		67%
Upper Quartile (75%)	\$1,120,000	\$4,429	\$3,977	\$256	\$4,684	15.2%	\$	11.87	commercial		13%
High residential (99%)	\$3,930,000	\$12,168	\$10,697	\$897	\$13,065	18.6%	\$	39.43	Industrial		20%
					Proposed Total	Total (rates and					
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease	General rates b	by rating catego	ory
		osed	rates	TP IFF	Levies	%	\$/p	N			
Commercial											
Lower Quartile (25%)	\$1,080,000	\$8,486	\$7,571	\$693	\$9,179	15.6%	\$	23.84			
Median (50%)	\$2,080,000	\$14,637	\$12,941	\$1,334	\$15,971	17.0%	\$	44.63	20%		
Upper Quartile (75%)	\$3,630,000	\$24,169	\$21,264	\$2,328	\$26,497	17.8%	\$	76.85			
High commercial (99%)	\$84,252,000	\$520,007	\$454,168	\$54,034	\$574,041	18.9%	\$ 1	,752.78			
					Proposed Total	Total (rates and			13%		
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease		67%	
		osed	rates	TP IFF	Levies	%	\$/p	N		0.1.0	
Industrial											
Lower Quartile (25%)	\$790,000	\$7,780	\$6,950	\$507	\$8,287	14.8%	\$	20.53			
Median (50%)	\$1,570,000	\$13,641	\$12,063	\$1,007	\$14,648	16.3%	\$	39.42			
Upper Quartile (75%)	\$3,230,000	\$26,114	\$22,944	\$2,072	\$28,186	17.2%	\$	79.63	Residential	ommercial Indust	rial
High Industrial (99%)	\$34,503,600	\$261,102	\$227,932	\$22,129	\$283.231	18.2%	\$	837.20			-

Impact if general rates budget reduced by \$10 Million.

Indicative property rates (single occupancy, residential one toilet, commercial/Industrial two toilets) your proposed rates breakdown for 2025/2026

					Proposed Total	Total (rates and			
	Capital Value	2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase		
	2021	osed	rates	TP IFF	Levies	%	\$/pw	Rates budget (Plus IFF)	\$ 337,821,417
Residential									
Low Residential (1%)	\$365,000	\$2,306	\$2,171	\$83	\$2,389	8.6%	\$ 3.64	commercial differential	2.10
Lower Quartile (25%)	\$715,000	\$3,229	\$3,008	\$163	\$3,392	10.6%	\$ 6.27	Industrial differential	2.60
Median (50%)	\$885,000	\$3,677	\$3,414	\$202	\$3,879	11.3%	\$ 7.55	Residential	67%
Upper Quartile (75%)	\$1,120,000	\$4,296	\$3,977	\$256	\$4,552	11.9%	\$ 9.32	commercial	13%
High residential (99%)	\$3,930,000	\$11,704	\$10,697	\$897	\$12,601	14.4%	\$ 30.50	Inductrial	200/
					Proposed Total	Total (rates and		General rates by	v rating category
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase	o chi chi na teo b	, i a ting category
		osed	rates	TP IFF	Levies	%	\$/pw	_	
Commercial					-				
Lower Quartile (25%)	\$1,080,000	\$8,218	\$7,571	\$693	\$8,911	12.2%	\$ 18.69	20%	
Median (50%)	\$2,080,000	\$14,120	\$12,941	\$1,334	\$15,454	13.2%	\$ 34.70		
Upper Quartile (75%)	\$3,630,000	\$23,268	\$21,264	\$2,328	\$25,596	13.8%	\$ 59.52		
High commercial (99%)	\$84,252,000	\$499,096	\$454,168	\$54,034	\$553,130	14.5%	\$ 1,350.65	13%	2
					Proposed Total	Total (rates and			
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase		67%
		osed	rates	TP IFF	Levies	%	\$/pw		
Industrial									
Lower Quartile (25%)	\$790,000	\$7,538	\$6,950	\$507	\$8,044	11.4%	\$ 15.86		
Median (50%)	\$1,570,000	\$13,159	\$12,063	\$1,007	\$14,166	12.4%	\$ 30.14		
Upper Quartile (75%)	\$3,230,000	\$25,122	\$22,944	\$2,072	\$27,193	13.1%	\$ 60.54	Residential cor	nmercial = Industrial
High Industrial (99%)	\$34,503,600	\$250,500	\$227,932	\$22,129	\$272,629	13.7%	\$ 633.30		

Impact if general rates budget reduced by \$15 Million.

Indicative property rates (single occupancy, residential one toilet, commercial/Industrial two toilets)													
your proposed rates brea	your proposed rates breakdown for 2025/2026												
					Proposed Total	Total (rates and							
	Capital Value	2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease					
	2021	osed	rates	TP IFF	Levies	%	\$/pv	/	Rates budget (Plus IFF)	\$ 332,821,417			
Residential													
Low Residential (1%)	\$365,000	\$2,285	\$2,171	\$83	\$2,368	7.6%	\$	3.22	commercial differential	2.10			
Lower Quartile (25%)	\$715,000	\$3,187	\$3,008	\$163	\$3,350	9.3%	\$	5.46	Industrial differential	2.60			
Median (50%)	\$885,000	\$3,625	\$3,414	\$202	\$3,827	9.8%	\$	6.55	Residential	67%			
Upper Quartile (75%)	\$1,120,000	\$4,230	\$3,977	\$256	\$4,486	10.3%	\$	8.05	commercial	13%			
High residential (99%)	\$3,930,000	\$11,472	\$10,697	\$897	\$12,369	12.3%	\$	26.03	Industrial	20%			
					Proposed Total	Total (rates and							
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease	General rates by	rating category			
		osed	rates	TP IFF	Levies	%	\$/pv	/					
Commercial													
Lower Quartile (25%)	\$1,080,000	\$8,084	\$7,571	\$693	\$8,777	10.5%	\$	16.11					
Median (50%)	\$2,080,000	\$13,862	\$12,941	\$1,334	\$15,196	11.3%	\$	29.74	20%				
Upper Quartile (75%)	\$3,630,000	\$22,818	\$21,264	\$2,328	\$25,146	11.8%	\$	50.86					
High commercial (99%)	\$84,252,000	\$488,641	\$454,168	\$54,034	\$542,675	12.4%	\$ 1	,149.59					
					Proposed Total	Total (rates and			13%				
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease		67%			
		osed	rates	TP IFF	Levies	%	\$/pv	/					
Industrial													
Lower Quartile (25%)	\$790,000	\$7,416	\$6,950	\$507	\$7,923	9.7%	\$	13.52					
Median (50%)	\$1,570,000	\$12,918	\$12,063	\$1,007	\$13,924	10.5%	\$	25.50					
Upper Quartile (75%)	\$3,230,000	\$24,626	\$22,944	\$2,072	\$26,697	11.0%	\$	51.00	Residential cor	nmercial = Industrial			
High Industrial (99%)	\$34,503,600	\$245,199	\$227.932	\$22,129	\$267.327	11.5%	\$	531.36					

Rating Policy resolution to move the commercial general rate proportion to 15% over two years: Commercial differential 2.2:1, Industrial differential 2.6:1.

General rates split - Residential 66%, commercial 14%, Industrial 20%.



Impact if general rates budget reduced by \$10 Million.

Indicative property rates (single occupancy, residential one toilet, commercial/Industrial two toilets)

your proposed rates brea	kdown for 2025/2026									
					Proposed Total	Total (rates and				
	Capital Value	2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease		
	2021	osed	rates	TP IFF	Levies	%	\$/p	w	Rates budget (Plus IFF)	\$ 337,821,417
Residential										
Low Residential (1%)	\$365,000	\$2,300	\$2,171	\$83	\$2,383	8.3%	\$	3.52	commercial differential	2.20
Lower Quartile (25%)	\$715,000	\$3,217	\$3,008	\$163	\$3,380	10.3%	\$	6.04	Industrial differential	2.60
Median (50%)	\$885,000	\$3,662	\$3,414	\$202	\$3,864	10.8%	\$	7.27	Residential	66%
Upper Quartile (75%)	\$1,120,000	\$4,278	\$3,977	\$256	\$4,533	11.5%	\$	8.97	commercial	14%
High residential (99%)	\$3,930,000	\$11,639	\$10,697	\$897	\$12,536	13.8%	\$	29.24		
					Proposed Total	Total (rates and			General rates by	v rating category
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	crease		, 8 8 ,
		osed	rates	TP IFF	Levies	%	\$/p	w		
Commercial										
Lower Quartile (25%)	\$1,080,000	\$8,461	\$7,571	\$693	\$9,153	15.3%	\$	23.35	20%	
Median (50%)	\$2,080,000	\$14,587	\$12,941	\$1,334	\$15,921	16.6%	\$	43.68		
Upper Quartile (75%)	\$3,630,000	\$24,083	\$21,264	\$2,328	\$26,411	17.4%	\$	75.19		
High commercial (99%)	\$84,252,000	\$518,007	\$454,168	\$54,034	\$572,041	18.5%	\$	1,714.32	14%	
					Proposed Total	Total (rates and				
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease		66%
		osed	rates	TP IFF	Levies	%	\$/p	w		
Industrial										
Lower Quartile (25%)	\$790,000	\$7,503	\$6,950	\$507	\$8,010	10.9%	\$	15.20		
Median (50%)	\$1,570,000	\$13,091	\$12,063	\$1,007	\$14,098	11.9%	\$	28.84		
Upper Quartile (75%)	\$3,230,000	\$24,983	\$22,944	\$2,072	\$27,054	12.5%	\$	57.87	Residential cor	mmercial 🖷 Industrial
High Industrial (99%)	\$34,503,600	\$249,012	\$227,932	\$22,129	\$271,141	13.1%	\$	604.69		

Indicative prope	erty rates (sin	gle occupancy	, residential one	e toilet, coi	mmercial/Industr	ial two toilets)			
your proposed rates brea	kdown for 2025/2026	i i i i i i i i i i i i i i i i i i i							
					Proposed Total	Total (rates and			
	Capital Value	2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase		
	2021	osed	rates	TP IFF	Levies	%	\$/pw	Rates budget (Plus IFF)	\$ 332,821,417
Residential									
Low Residential (1%)	\$365,000	\$2,279	\$2,171	\$83	\$2,362	7.3%	\$ 3.11	commercial differential	2.20
Lower Quartile (25%)	\$715,000	\$3,175	\$3,008	\$163	\$3,338	8.9%	\$ 5.24	Industrial differential	2.60
Median (50%)	\$885,000	\$3,610	\$3,414	\$202	\$3,812	9.4%	\$ 6.27	Residential	66%
Upper Quartile (75%)	\$1,120,000	\$4,212	\$3,977	\$256	\$4,468	9.8%	\$ 7.70	commercial	14%
High residential (99%)	\$3,930,000	\$11,408	\$10,697	\$897	\$12,305	11.7%	\$ 24.80	Industrial	20%
					Proposed Total	Total (rates and			
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase	General rates b	ly rating category
		osed	rates	TP IFF	Levies	%	\$/pw		
Commercial									
Lower Quartile (25%)	\$1,080,000	\$8,321	\$7,571	\$693	\$9,014	13.5%	\$ 20.66		
Median (50%)	\$2,080,000	\$14,319	\$12,941	\$1,334	\$15,653	14.7%	\$ 38.51	20%	
Upper Quartile (75%)	\$3,630,000	\$23,614	\$21,264	\$2,328	\$25,942	15.3%	\$ 66.17		
High commercial (99%)	\$84,252,000	\$507,123	\$454,168	\$54,034	\$561,158	16.2%	\$ 1,505.02		
					Proposed Total	Total (rates and		14%	
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase		66%
		osed	rates	TP IFF	Levies	%	\$/pw		
Industrial									
Lower Quartile (25%)	\$790,000	\$7,383	\$6,950	\$507	\$7,890	9.3%	\$ 12.88		
Median (50%)	\$1,570,000	\$12,851	\$12,063	\$1,007	13,858	10.0%	\$ 24.23		
Upper Quartile (75%)	\$3,230,000	\$24,489	\$22,944	\$2,072	\$26,561	10.5%	\$ 48.38	Residential co	ommercial = Industrial
High Industrial (99%)	\$34,503,600	\$243,745	\$227,932	\$22,129	\$265,873	10.9%	\$ 503.39		

Impact if general rates budget reduced by \$15 Million.

Rating Policy option to recombine commercial and industrial rating categories and set proportion at residential 68%, commercial/Industrial 32%

Commercial differential 2.2:1, Industrial differential 2.2:1.

General rates split - Residential 68%, commercial 14%, Industrial 18%.

Indicative property rates (single occupancy, residential one toilet, commercial/Industrial two toilets)

your proposed rates breat	kdown for 2025/2026								
					Proposed Total	Total (rates and			
	Capital Value	2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase		
	2021	osed	rates	TP IFF	Levies	%	\$/pw	Rates budget (Plus IFF)	\$ 347,821,417
Residential									
Low Residential (1%)	\$365,000	\$2,376	\$2,171	\$83	\$2,460	11.8%	\$ 4.99	commercial differential	2.20
Lower Quartile (25%)	\$715,000	\$3,366	\$3,008	\$163	\$3,530	15.1%	\$ 8.92	Industrial differential	2.20
Median (50%)	\$885,000	\$3,847	\$3,414	\$202	\$4,049	16.1%	\$ 10.83	Residential	68%
Upper Quartile (75%)	\$1,120,000	\$4,512	\$3,977	\$256	\$4,768	17.2%	\$ 13.47	commercial	14%
High residential (99%)	\$3,930,000	\$12,460	\$10,697	\$897	\$13,357	21.3%	\$ 45.03	Industrial	18%
					Proposed Total	Total (rates and			
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase	General rates b	y rating category
		osed	rates	TP IFF	Levies	%	\$/pw	_	
Commercial									
Lower Quartile (25%)	\$1,080,000	\$8,957	\$7,571	\$693	\$9,650	21.5%	\$ 32.89		
Median (50%)	\$2,080,000	\$15,543	\$12,941	\$1,334	\$16,877	23.6%	\$ 62.07	18%	
Upper Quartile (75%)	\$3,630,000	\$25,752	\$21,264	\$2,328	\$28,080	24.8%	\$ 107.28		
High commercial (99%)	\$84,252,000	\$556,738	\$454,168	\$54,034	\$610,772	26.5%	\$ 2,459.15	1.497	
					Proposed Total	Total (rates and		1470	
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase		60W
		osed	rates	TP IFF	Levies	%	\$/pw		08%
Industrial									
Lower Quartile (25%)	\$790,000	\$7,047	\$6,950	\$507	\$7,554	4.6%	\$ 6.43		
Median (50%)	\$1,570,000	\$12,184	\$12,063	\$1,007	\$13,191	4.7%	\$ 11.41		
Upper Quartile (75%)	\$3,230,000	\$23,117	\$22,944	\$2,072	\$25,189	4.8%	\$ 22.00	Residential control	mmercial = Industrial
High Industrial (99%)	\$34,503,600	\$229,089	\$227,932	\$22,129	\$251,218	4.8%	\$ 221.55		

Impact if general rates budget reduced by \$10 Million.

Indicative prope	erty rates (sin	gle occupancy	, residential one	e toilet, cor	nmercial/Industri	al two toilets)				
your proposed rates brea	kdown for 2025/2026	5								
					Proposed Total	Total (rates and				
	Capital Value	2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease		
	2021	osed	rates	TP IFF	Levies	%	\$/p	w	Rates budget (Plus IFF)	\$ 337,821,417
Residential										
Low Residential (1%)	\$365,000	\$2,332	\$2,171	\$83	\$2,415	9.8%	\$	4.13	commercial differential	2.20
Lower Quartile (25%)	\$715,000	\$3,280	\$3,008	\$163	\$3,443	12.3%	\$	7.25	Industrial differential	2.20
Median (50%)	\$885,000	\$3,740	\$3,414	\$202	\$3,942	13.1%	\$	8.76	Residential	68%
Upper Quartile (75%)	\$1,120,000	\$4,376	\$3,977	\$256	\$4,632	13.9%	\$	10.85	commercial	14%
High residential (99%)	\$3,930,000	\$11,983	\$10,697	\$897	\$12,880	16.9%	\$	35.86	Industrial	17%
					Proposed Total	Total (rates and				
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease	General rates by	y rating category
		osed	rates	TP IFF	Levies	%	\$/p	w		
Commercial										
Lower Quartile (25%)	\$1,080,000	\$8,669	\$7,571	\$693	\$9,361	17.9%	\$	27.35	270/	
Median (50%)	\$2,080,000	\$14,988	\$12,941	\$1,334	\$16,322	19.6%	\$	51.38	1/70	
Upper Quartile (75%)	\$3,630,000	\$24,782	\$21,264	\$2,328	\$27,110	20.5%	\$	88.64		
High commercial (99%)	\$84,252,000	\$534,236	\$454,168	\$54,034	\$588,270	21.8%	\$ 2	2,026.41	14%	l l
					Proposed Total	Total (rates and			1476	
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Inc	rease		68%
		osed	rates	TP IFF	Levies	%	\$/p	w		00%
Industrial										
Lower Quartile (25%)	\$790,000	\$6,836	\$6,950	\$507	\$7,343	1.7%	\$	2.37		
Median (50%)	\$1,570,000	\$11,765	\$12,063	\$1,007	\$12,772	1.4%	\$	3.34		
Upper Quartile (75%)	\$3,230,000	\$22,255	\$22,944	\$2,072	\$24,326	1.2%	\$	5.41	Residential cor	mmercial Industrial
High Industrial (99%)	\$34 503 600	\$219 874	\$227 932	\$22 129	\$242,002	1.0%	\$	44 34		

Indicative property rates (single occupancy, residential one toilet, commercial/Industrial two toilets)									
your proposed rates brea	kdown for 2025/2026								
					Proposed Total	Total (rates and			
	Capital Value	2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase		
	2021	osed	rates	TP IFF	Levies	%	\$/pw	Rates budget (Plus IFF)	\$ 332,821,417
Residential									
Low Residential (1%)	\$365,000	\$2,310	\$2,171	\$83	\$2,393	8.8%	\$ 3.71	commercial differential	2.20
Lower Quartile (25%)	\$715,000	\$3,236	\$3,008	\$163	\$3,399	10.9%	\$ 6.41	Industrial differential	2.20
Median (50%)	\$885,000	\$3,686	\$3,414	\$202	\$3,888	11.5%	\$ 7.73	Residential	68%
Upper Quartile (75%)	\$1,120,000	\$4,308	\$3,977	\$256	\$4,564	12.2%	\$ 9.54	commercial	14%
High residential (99%)	\$3,930,000	\$11,744	\$10,697	\$897	\$12,641	14.8%	\$ 31.27	Industrial	17%
					Proposed Total	Total (rates and			
		2025/2026prop	2024/2025	TSP/TMO	rates and	Levies) increase	Increase	General rates b	y rating category
		osed	rates	IP IFF	Levies	%	\$/pw		
Commercial									
Lower Quartile (25%)	\$1,080,000	\$8,525	\$7,571	\$693	\$9,217	16.1%	\$ 24.57	17%	
Median (50%)	\$2,080,000	\$14,710	\$12,941	\$1,334	\$16,044	17.5%	\$ 46.04	1170	
Upper Quartile (75%)	\$3,630,000	\$24,298	\$21,264	\$2,328	\$26,626	18.3%	\$ 79.32		
High commercial (99%)	\$84,252,000	\$522,985	\$454,168	\$54,034	\$577,019	19.5%	\$ 1,810.05	14%	
					Proposed Total	Total (rates and			
		2025/2026prop	2024/2025	TSP/TMo	rates and	Levies) increase	Increase		68%
		osed	rates	TP IFF	Levies	%	\$/pw		
Industrial									
Lower Quartile (25%)	\$790,000	\$6,731	\$6,950	\$507	\$7,237	0.2%	\$ 0.34		
Median (50%)	\$1,570,000	\$11,556	\$12,063	\$1,007	\$12,562	-0.3%	-\$ 0.69		
Upper Quartile (75%)	\$3,230,000	\$21,823	\$22,944	\$2,072	\$23,895	-0.6%	-\$ 2.89	Residential control	mmercial = Industrial
High Industrial (99%)	\$34,503,600	\$215,266	\$227,932	\$22,129	\$237,395	-1.0%	-\$ 44.27		

Impact if general rates budget reduced by \$15 Million.

agenda						
8.6	Election 2	024				
File Nun	nber:	A16459736				
Author:		Coral Hair, Manager: Democracy and Governance Services Ceilidh Dunphy, Community Relations Manager				
Authoris	ser:	Christine Jones, General Manager: Strategy, Growth & Governance				

PURPOSE OF THE REPORT

1. The purpose of the report is to outline the campaign undertaken for the July 2024 elections, the outcomes achieved, the costs of the election, and the voter turnout.

RECOMMENDATIONS

That the Accountability, Performance & Finance Committee:

(a) Receives the report "Election 2024 ".

EXECUTIVE SUMMARY

- 2. This report summarises the key elements and actions taken in the 2024 Tauranga City Council (TCC) election campaign. The campaign focused on two phases attracting quality candidates and encouraging voter participation.
- 3. This election was conducted with a set of unique circumstances. This included moving from an appointed Council to a democratically elected Council, no Electoral Commission enrolment advertising, no incumbent elected members and a changing media landscape. The common local electoral difficulties including postal voting and political apathy in local government elections also meant there was a need to create as engaging a campaign as possible and use a variety of techniques and channels to try and reach as many people as possible.
- 4. The TCC electoral campaign had two phases:
 - Attracting quality candidates; and
 - Encouraging voter participation.
- 5. We had an aspirational objective to reach 50% overall voter turnout and the campaign included new or expanded initiatives to reach this, including video opportunity for each candidate with a standard set of questions, orange voting bins in 45 locations (including supermarkets), and translation of the electoral information into nine languages.
- 6. 85 nominations were received with 75 candidates standing for 10 positions, with 15 candidates also standing for the mayoralty. Voter turnout was 38.77%. The total cost of the election was \$912,977.

BACKGROUND

- Prior to the 2023 General Elections, the then Minister of Local Government Kieran McAnulty announced that the next local government election in Tauranga would be held on Saturday, 20 July 2024 and a decision was also made to postpone the 2025 Tauranga City triennial election until 2028.
- 8. The voters of Tauranga had not had an opportunity to vote in an election since October 2019 and faced a new representation arrangement that they were not familiar with, consisting of

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nine single member wards plus a mayor. There was a reduction in the number of councillors from 10 to nine.

- 9. Eight general wards were based on geographic areas of the city for those enrolled on the general roll and for the first time a Māori ward, Te Awanui, was introduced which covered the city for voters enrolled on the Māori roll. The eight general wards are: Mauao/Mount Maunganui, Arataki, Pāpāmoa, Welcome Bay, Matua-Otūmoetai, Bethlehem, Tauriko and Te Papa. Voters could vote for their ward councillor and the mayor.
- 10. Previously voters could vote for up to six councillors plus the mayor as there had been four councillors elected "at large" (by all voters) and three multi-member wards (two councillors per ward) based on geographic areas.
- 11. In their terms of reference, the Commissioners were asked by the Minister of Local Government 'to work with the Council to encourage quality candidates to stand for election.' The Commissioners defined the attributes that they believed reflected a quality candidate and spoke about this at various meetings prior to Christmas 2023 and these attributes were included on the candidate election webpage. We worked with the Commissioners who approved the look and feel of the stand campaign.
- 12. The Electoral Commission, who run national enrolment campaigns for triennial local government elections, did not run one specifically for Tauranga City Council (TCC). These campaigns involve advertising encouraging voter registration and sending letters to each elector advising of the date of the local election and asking them to check their details. In practice this meant that TCC was responsible for all advertising encouraging voter registration. However as there had been a national general election in October 2023, the enrolment was sitting at 89.37% at 31 January 2024, with 110,707 enrolled out of an estimated eligible voter of 123,071.
- 13. The Electoral Commission did have a <u>dedicated website page</u> for the Tauranga City Council election that also linked back to the Council's election website. The Electoral Commission notified people on the electoral roll who identified as being of Māori descent that there will be an exclusion period for changing rolls from 20 April 20 July 2024. Māori electors were not able to change roll types (from general to Māori roll or Māori to general roll) during this three-month period. Letters were sent to Māori electors from 19-25 March 2024 and the Electoral Commission undertook public communication to coincide with the mailout.
- 14. While we received national media coverage of the election, changes to the local media landscape, including a reduction in the number of senior print journalists, occurring at the time of the election meant that local media only covered mayoral candidates.
- 15. Warwick Lampp, electionz.com, is the Electoral Officer for TCC. Warwick will be attending the Committee meeting and providing his verbal summary of the way the 2024 election was conducted. Warwick has commented that this was an unusually "quiet" election and was different from previous elections in that there were no incumbent councillors acting in the role of governors standing for re-election.
- 16. Current local electoral legislation, set up by central government, provides only for postal voting and does not allow online or electronic voting, any forms of early voting outside of the voting period, or any voting on behalf of someone else. Completed voting papers can only be returned by post or courier or dropped in orange voting bins, which creates challenges for electors travelling overseas.
- 17. The level of service provided by the postal system has deteriorated over time while the postage costs have increased substantially since 2019. The Council contracted DX Mail as, in the view of staff, they guaranteed an excellent level of service at a competitive price. They delivered 109,364 voter packs between 28 June 2024 to 2 July 2024, working over the Matariki public holiday to achieve this service. DX Mail was also contracted to collect voting envelopes from the orange voting bins and post boxes. An exchange agreement with NZ Post meant that any voting envelopes dropped into the NZ Post mailboxes was exchanged on a daily basis and NZ Post was compensated for this.

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CAMPAIGN PHASES

- 18. Our campaign objectives included:
 - To design a campaign to help drive voter turnout among all eligible Tauranga residents
 Tauranga City Council's objective is to reach an aspirational 50 percent.
 - ii) To raise awareness of voting in an STV system, so voters know how their choices play a part in electing Tauranga's new Council.
 - iii) To authentically engage with Māori, youth, the disabled community, and Tauranga's ethnic communities.
 - iv) To help people understand the election process and returning to an elected council.
 - v) To create and use accessible and relatable collateral.
 - vi) To present candidate information in a way that's easy for voters to understand.
 - vii) To share more about what the Council does and manages in Tauranga.
 - viii) To communicate some of the attributes and experience that could make for a strong quality candidate as described by the Commissioners.
 - ix) To bring people along on the election journey by sharing good news stories (like ease of voting, voting for the first time) to get people interested in voting.
- 19. Attachment 1 shows the main elements of the campaign and key measurements.
- 20. There were two main phases of the election attracting quality candidates and encouraging voter participation. A summary of the two phases is set out below.

Stand For Council

- 21. The "Stand for Council" campaign was launched with a Candidate Information Evening on 19 February 2024 with over 120 people attending. A Candidate Information session with the Electoral Officer was held on 30 April 2024 with over 40 people attending.
- 22. A Candidates Information webpage was available from November 2023 with the Candidate Handbook, FAQ's and helpful information for candidates. This page was updated with key documents as they became available, like the Long-term Plan and the Pre-Election report.
- 23. The Commissioners invited potential candidates to book into one of their regular clinics for a 20-minute discussion about standing in the election.
- 24. Videos of Dr Jim Mather on "What is Great Governance?", Andrew Turner (ex-Deputy Mayor of Christchurch City Council), Pauline Cotter (Deputy Mayor Christchurch City Council), Moko Tepania (Mayor Far North District Council) and Tania Tapsell (Mayor Rotorua District Council) on why they stood for office were available on our YouTube channel and election website.
- 25. We booked widespread advertising across all channels for this phase, to attract candidates as well as to raise general awareness of the election.
- 26. 85 nominations were received from 75 candidates for 10 positions with 15 candidates also standing for the mayoralty. A diverse range of candidates was achieved in most wards. The table below shows the comparison to 2019 elections (Note: we do not obtain data on people's ethnicity when they stand for office).

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Item	2019	2024
Number of mayoral candidates	10	15
Number of women mayoral candidates	1	4
Number of candidates for other positions	43	70
Number of women candidates for other positions	11	21

Vote for Council

- 27. As the TCC election was out of cycle with the rest of the country, TCC was responsible for all election awareness-raising communications. To support this, a variety of new tactics were used to encourage as many people to vote as possible, including our harder to reach communities.
- 28. Widespread advertising was booked across all channels for this phase. An election-focused Instagram account (@Letstalktauranga) was also launched to help inform voters about the election, share information about where to vote and how to cast your vote in an STV system.
- 29. All candidates were offered the opportunity to film a 90 second video to sit alongside the candidate's statement on the TCC webpage and the majority took up this opportunity. Each candidate answered the same set questions and the videos had sub-titles. The videos generated nearly 50,000 views and helped voters learn about their candidates.
- 30. Another first for Council was the translation of all material into Te Reo, Punjabi, Korean, Hindi, Spanish, Portuguese, Chinese Mandarin, Samoan and Tongan. TCC distributed collateral around the city in conjunction with our community development team working in partnership with 27 community groups and organisations to promote the election to eligible voters in our harder to reach communities and those with low enrolment, including year 13 students across the city.
- 31. One of the most visible additions this election was placing 45 orange voting bins across the city, including all supermarkets, to make it easy for voters to drop off their voting papers. After advertising this across all channels, 86 percent of all votes came through the orange bins showing this approach worked. We are grateful to the supermarkets and other organisations who hosted the orange bins.
- 32. Four special voting locations were available seven days a week for the three-week voting period. A mobile special voting unit was deployed around the city for two weeks. We issued more than double the number of special votes (1,628) than in 2019 (764) as a result of increasing the number of voting locations and opening hours.
- 33. Meet the candidate events were publicised and held in the community on our election website.

Voter Turnout

34. The voter turnout at 38.77% is lower than 2019 (40.28%) but on a par with 2016 (38.07%) and slightly higher than 2013 (37.78%).

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35. A comparison with five other city council's voter turnout in 2022 is set out below:

Council	Voter turnout 2019	Voter turnout 2022
Auckland Council	34.7%	35.4%
Hamilton City Council	38.78%	29.2 %
Wellington City Council	40.12%	45.41%
Christchurch City Council	41.13%	43.31%
Dunedin City Council	45.6%	48.21%
Tauranga City Council	40.28%	38.77% (2024)

36. The issue of low voter turnout affects city councils in New Zealand. The Department of Internal Affairs tracks the trend in local authority voter turnout by council type on their <u>website</u>. The graph below shows the general decline in voter turnout, with 2010 higher turnout partly attributed to increased local voting for the first Auckland 'super city' election and in Christchurch following the 2010 Canterbury earthquake.



- Changes to the legislation to provide for online voting would assist with increasing voter turnout but is not the silver bullet to increase voter turnout.
- 38. We are undertaking research on the 2024 election to help us understand what we did well and what changes we may need to make to be more effective in future elections. It will also provide a basis for ongoing research that will help us determine trends over time.
- 39. The Electoral Commission has granted TCC access to their electoral roll data for this purpose. The data will be matched by the Electoral Officer with their records of whether people cast a vote or not. All personal details are stripped from the data and an anonymised dataset will be provided to the Council to calculate the voter turnout for different demographic groups (in age range and Māori and non-Māori voters) and geographic ward areas.
- 40. The result will be a report similar to that produced by <u>Auckland Council</u> and <u>Wellington City</u> <u>Council</u> after their elections regarding voter turnout.

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FINANCIAL CONSIDERATIONS

- 41. Budget provision of \$1,189,517 was provided for the election expenses over two financial years. The cost of the election was \$912,977.
- 42. Unspent budgets in the democracy services budget in the 2022/23 year were carried forward to the 2023/24 year to provide a total of \$514,321 for the 2023/24 year for election expenses. A budget of \$675,196 was included in the 2024/25 year.

Budget carried forward from 2022/23	Budget 2023/24 (excluding carry forwards)	Budget 2024/25	Total election budget available
\$382,655	\$131,666	\$675,196	\$1,189,517

43. The table below shows the comparison of costs for election expenses from 2024 to 2019 and explains the reason for the increase.

Election expense	2024 election \$	2019 election \$ & reason for increase	Difference \$
Candidate evenings	15,134	Extended levels of service	15,134
Orange bins	37,684	New activity	37,684
Electoral Officer's costs	246,732	225,689	21,043
Voting packs (printing)	196,053	186,691	9,362
Postage	173,985	94,001	79,984
Media and marketing	173,674	137,948	35,726
Other - translations	2,487	New activity	2,487
Voting materials	20,505	Included in media	20,505
Community initiatives	17,274	New activity	17,274
Special voting	29,449	Extended levels of service	29,449
Total	\$912,977	\$644,329	\$268,648

STATUTORY CONTEXT

- 44. Under section 42(2) (da) of the Local Government Act 2002, the Chief Executive is responsible for "facilitating and fostering representative and substantial elector participation in elections and polls under the Local Electoral Act 2001".
- 45. The Electoral Officer appointed by TCC under Section 12 of the Local Electoral Act 2001 is solely responsible for the conduct of the election and is not subject to the directions of the council, elected members or the Chief Executive.

STRATEGIC ALIGNMENT

46. This contributes to the promotion or achievement of the following strategic community outcome(s):

	Contributes
We are an inclusive city	\checkmark
We value, protect and enhance the environment	

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We are a well-planned city We can move around our city easily We are a city that supports business and education

LEGAL IMPLICATIONS / RISKS

47. There are no legal implications from this report.

TE AO MÃORI APPROACH

 The introduction of a Māori ward in Tauranga was supported by Te Rangapū Mana Whenua o Tauranga Moana.

CLIMATE IMPACT

49. Carrying out an election is a legislative requirement. There has been no work undertaken to determine the impact on the emissions profile of the Council in conducting postal elections.

SIGNIFICANCE

- 50. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
- 51. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) The current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) Any persons who are likely to be particularly affected by, or interested in, the issue.
 - (c) The capacity of the local authority to perform its role, and the financial and other costs of doing so.
- 52. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of low significance.

ENGAGEMENT

53. Taking into consideration the above assessment, that the issue is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

54. Undertake research on the 2024 election and report back findings.

ATTACHMENTS

1. Election 2024 Campaign Presentation - A16476978

Item



Our process

- Phased approach stand, learn about your candidates, voter awareness and vote, which all consisted of a range of different collateral and messaging from April – July
- Recruitment theme
- Achieved a diverse range of candidates, in most wards
- Candidate videos a first for local govt
- Data-led campaign which gave valuable insight on our community and what channels to use to reach our target audiences
- Geo-targeted and multicultural digital and social ads
- All campaign creative done in-house



Digital overview

2,747,957	5,492
Impressions	Clicks

- NZME and Bay of Plenty Times
- Sunlive
- Stuff
- Programmatic (this included ethnic targeted ads)
- Mobile bespoke (this included Te Reo targeted ads)
- Spotify





VOTE TAURANGA CITY COUNCI ELECTION

Digital creative



Digital creative





Multicultural



Multicultural







Facebook, Instagram and Linkedin were utilised for this campaign – both organically and through ads.

The launch of the Let's Talk Tauranga Instagram page was a first for TCC and provided a one stop shop for all things election, a depository of information targeted at the younger demographic.



Social media creative





Social media creative


Out of home overview

This included a wide range of billboards (static and digital) as well as busbacks around the city, across all phases.

We had **9 different digital billboard** sites delivering **98,682 plays in total**. We also utilised the free Owens Place digital billboard which also helped spread our key messages.

We had **4 static billboards and 3 busbacks**.



Out of home creative





Print overview

For print advertising, we utilised Bay of Plenty Times, Weekend Sun and BOP Business News.

There were regular print ads (half pages, quarter pages, DPS and full pages) in newspaper issues throughout all phases of the campaign.

- Bay of Plenty times circulation average 10k
- Weekend Sun readership 66k





Print creative





Print creative

Who will you hire to run our city?

Voting is now open in the Tauranga City Council elections for the ten most important roles in the city.

Check your mailbox for your voting packs.

Post your voting paper by Wednesday 17 July or drop it in an orange voting bin at Tauranga supermarkets, Tauranga City Council libraries, or the Mount Hub by midday, Saturday 20 July.

Find out who wants to represent you, and much more at tauranga.govt.nz/elections

This July, you decide. Voting closes midday 20 July.



tauranga.govt.nz/elections

'24

TAURANGA CITY COUNCIL ELECTION



Radio overview

- Newstalk ZB & ZM delivered messaging to 56.4% at least once with an avg freq of 8.5 times
- **Rock** & **The Sound** 52.7% had the opportunity to hear the advertising at least once with an avg freq of 11.6 times
- **Spotify** audio targeted at the youth audience of Tauranga (under 30) in the vote phase

Spotify example -



Earned media

Coverage across:

- Bay of Plenty Times
- Radio NZ
- Newstalk ZB
- 1News
- The Spinoff



Notable coverage secured in the Bay of Plenty Times with a first-time voter and electoral officer Warwick Lampp. The article also covered the success of the orange voting bins and council's 90 second videos.

Website overview

Between April 26 (nominations opening) and the final results being announced (July 23) the election pages on the TCC website totalled:

- 155,249 page views
- 77,628 sessions
- 43,647 users

The elections home page was the single most viewed page on the TCC website between voting papers being delivered (June 29) and the final results being announced (July 23). This beat the home page views which meant people were going directly to the page as a result of advertising and search.



Engagement overview

28 community-led events/activities were also delivered to approx. 4,410 people

This included the likes of secondary schools, cultural groups, rainbow youth sessions, kaumatua olympics and more.

- **6x** local election meet the candidate's events
- 6x general local election info sessions/workshops
- 9x community events with TCC stall
- 7x community-led forums where TCC spoke or distributed fliers





Engagement overview

- Partnered with **27 community groups/organisations** to promote the local election to eligible voters from our target groups
- Facilitated **training of 12 housing/meal providers** to support homeless community to get enrolled and cast special votes
- Funded sign language interpreters and video recording of candidate events to support accessibility
- Collateral designed, distributed and displayed in **9 different languages**, including social media tiles for community groups to use



Engagement overview





Learnings/things we'd do differently

- We will be back into triennial election cycle in 2028 with benefits of nation wide advertising by Electoral Commission and cost sharing with BOP Regional Council
- More focus in the 'stand phase' to promote awareness of what council does, how it impacts on people more than central government, why people should vote
- Use research findings to develop campaigns targeted at hard to reach voters
- More face to face engagement
- More of a focus on voting system and how STV works





What we'd do again

- Candidate information evenings
- Simple and easily accessible information
- In-house creative
- Identifying audiences and barriers to voting
- Candidate videos
- Orange voting bins in supermarkets
- Special voting more accessible hours and locations
- School and community engagement events



ATTACHMENT 2 - Questions and Answers

Online voting

1. Please provide an update on Government's position regarding online voting for local government elections

The review of the 2022 election undertaken by the Justice Select Committee recommended a further trial on electronic voting. See pages 19-23 of their report: <u>https://selectcommittees.parliament.nz/view/SelectCommitteeReport/52b5d9fb-5879-4298-f0f7-08dba75226f7</u>

The Minister did not support the Committee's recommendation: <u>https://www.dia.govt.nz/diawebsite.nsf/Files/Proactive-release/\$file/Proactive-release-of-</u> <u>Cabinet-material-about-the-Government-response-to-the-Inquiry%20into-the-2022-Local-</u> <u>Elections.pdf</u>

The Minister's response was as follows.

"The Government does not consider a trial of online voting as an effective use of public resources and time when there are significant concerns. The National Security Strategy highlighted that New Zealand is exposed to global trends and an increasingly disrupted and contested world, with direct implications at home. Intelligence agencies have reported risks associated with foreign interference and the growing availability of effective malicious cyber tools. Foreign countries that have implemented online voting have seen an initial increase in voter turnout with the new system before it returns to previous levels. For this reason, the Government does not believe that online voting would have a significant long-term effect on voter turnout. The Government notes that the burden of costs for a trial are difficult to determine at this time and does not consider that the costs outweigh the current risks."

Council had offered to trial online voting in 2019 local elections, along with nine other councils. The cost of the 2019 trial became prohibitive for the councils involved.

Postal voting is considered a convenient and generally safe method of delivering voting papers to many voters. However, the reduction in the postal service has created delays with both delivery and return of voting papers, especially in rural areas. As well as online voting, another solution is to have additional drop off locations for vote return. This is the approach that Council took in 2024, with the implementation of 45 orange voting bins across Tauranga city for the 2024 election (including in every major supermarket), and 86% of votes were returned via these bins.

In the event that online voting does become possible in the future, it would be most effective if it was complementary to other voting methods, rather than replacing them.

2. How can Council advocate to Government for the implementation of online voting?

Council can lobby directly to Government and/or via Local Government New Zealand (LGNZ)

Advocacy via LGNZ

LGNZ is an association that represents regional, city, and district councils that pay to be members. LGNZ ensures that council voices are heard at the highest level of central government.

In June 2024 LGNZ established an <u>Electoral Reform Group</u>, chaired by Nelson Mayor Nick Smith, that will explore four key areas of reform including:

- Increasing voter turnout.
- Implementation and transition to four-year terms.
- Considering the ways people can vote.
- Who should administer local elections, and how they are best run.

LGNZ makes submissions on behalf of member councils to various reviews relating to local electoral matters such as the Independent Electoral Review, the Future for Local Government and the Justice Committee. The Justice Committee inquiry into the 2022 local elections had a focus on low voter turnout and postal voting. LGNZ noted in their <u>submission</u> to the 2022 Inquiry that previous Justice Select Committees have made a number of viable recommendations for improving voter turnout. Very few have been adopted. LGNZ requested that:

- the option of online voting for local elections is seriously re-considered.
- If online voting is not possible in the short term, a much stronger hybrid model should be enabled to shift away from the current reliance on post with much more focus and provision for ballot boxes. This would need to be properly funded by central government; or Government provides funding for councils to have a higher number of additional ballot boxes until online voting is available as an option for local elections.
- Other possibilities such as a 'voting day' should be in the mix in the voting period.

LGNZ has now released their Electoral Reform – Issues paper (see Attachment 5 to the 5 November 2024 Committee report) and Council can provide feedback on this paper and the issues it raises.

Direct advocacy

Council can directly lobby local Members of Parliament to advocate for online voting as part of new voting methods and wider local electoral reform.

Council made a submission to the Justice Committee Inquiry into the 2022 local election and this is attached at the end of this document. Council supported making voting easier and more social to increase voter participation, including online voting, more accessible voting locations, changes to candidate profile statements and enabling overseas voting through electronic transmission of special votes.

Building voter participation

3. Why have Dunedin been doing so well in terms participation in their local government elections?

Dunedin City Council had voter turnout of 48.21% for the 2022 election, up from 45.6% at the 2019 election. After speaking to the electoral staff at Dunedin City Council, the following factors may have contributed to the increase in voter turnout.

- A mayoral race between incumbent Aaron Hawking and other city councillors, with the backing of political party machines.
- An at-large voting system for councillors with electors voting for 14 councillors using Single Transferable Vote (STV).
- Introduction of 25 orange voting bins at supermarkets, libraries/service centres and the university and technical institute.

- Communications campaign built on the national campaign.
- Various residents groups and interest groups, including the Chambers of Commerce, Students Association and groups in the community board areas, ran meet the candidate sessions.
- The tertiary institutions encouraged students to vote.
- Special voting locations at each library and at various times at the university and technical institute.
- 4. Can we have more of a focus on educating the community on the role of local government (throughout the electoral cycle) and the importance of voting?

This can be a priority in future campaigns. For the recent election campaign there was a focus on local government education through our social campaign, particularly aimed at younger demographics.



This was also a key focus of in-person engagement (i.e. at schools).

Outside of the election period Council links in council and local government explainers throughout its communication, and this is emphasised for significant consultation like Long-term and Annual Plans. Council has also run targeted 'Council 101' sessions with community groups and is planning to repeat this.

Council developed <u>Neighbourhood</u> pages during the election which corresponded to the city general wards and these pages linked through to the election webpage.

Council's submission to the Justice Committee Inquiry into the 2022 local election (provided at the end of this Attachment) discusses civics education in schools and notes the international evidence that civics education leads to higher voter turnout is limited. For this reason Council submitted against mandatory civics education in schools. The submission

discusses the importance of active engagement with the community in a meaningful way, such as building people's understanding of why local government is relevant to them personally.

Analysing voter participation

5. When will we get the Election Analysis Report?

The Election Analysis Report is provided as Attachment 3 to the Election 2024 Committee report. Highlights from the Election Analysis Report are included in the Election 2024 Committee report and are also repeated below.

- <u>A total of 109,381 residents were enrolled</u> at the time of the Tauranga local election, an enrolment rate of 87%.
- <u>The highest enrolment rates were in the older age groups</u> with all those age groups between 40 and 84 having enrolment rates over 90%, peaking with the age groups between 60 and 69 who had an enrolment rate of 94%.
- <u>The highest voter turnouts occurred in the age groups between 65 and 84</u>, with voter turnout rates between 54% and 65%.
- Those classified as retired or semi-retired were significantly more likely to vote in the election as they made up 15% of residents who had enrolled but made up 24% of those who voted. This was driven by the fact that this group had the highest voter turnout rate of 64%, which is two-thirds higher (66%) than the average voter turnout of 38%.
- The lowest voter turnout rates occurred in the age groups between 20 and 29, with voter turnout rates between 16% and 18%.
- <u>More females were enrolled to vote in the election than males</u> (female 55,152 / male 48,029) with females having a slightly higher voter turnout (females 39% / males 35%) meaning 21,322 females voted compared to 17,350 males.
- <u>Voter turnout for those of Māori descent was lower than non-Māori</u>. Voter turnout for those of Māori descent (not to be confused with the Māori ward, Te Awanui) was 30% compared to non-Māori voter turnout of 40%.
- 6. Will the election analysis report give us insight as to which groups of the community are the biggest voters in local government elections.

Yes. See above highlights.

7. Will the election analysis report provide breakdowns in relation to age, ethnicity and gender?

Yes. See above highlights.

8. Can the election analysis report please provide detail on how many times the candidate videos and podcasts were watched?

The candidate videos, which Council filmed and hosted on the Council website, were viewed just over 60,000 times. The podcasts, 'Know Your Candidate' produced by Anne Pankhurst, were managed independently of Council and had over 1000 downloads (note, this

information is not in the election analysis report, as that report is focused on an analysis of voter turnout).

Additional information

Surveys undertaken immediately after the 2022 local elections by Local Government New Zealand, Auckland Council, and other companies, found that the most common reason given for not voting was a lack of information about the candidates and what they stood for. The next most common reason was a "lack of interest". These have been the two most commonly cited reasons since surveys were undertaken in 2001.

For the 2022 local government elections, initiatives were developed to address this lack of information, such as the policy analysis tool developed by "<u>Policy Local</u>" (policy.nz) which provided an easily accessed profile for each participating elected member.

In 2022 LGNZ and Taituara (local government management organisation) focused many of their promotional strategies on those groups that are both under-represented and less likely to vote, such as young people.

For the 2024 election Council did not have the benefit of the national promotional strategies of LGNZ and other organisations like policy.nz. To mitigate this, and to build awareness and provide more candidate information, Council provided candidate videos of up to 90 seconds.

Every candidate running was invited to take part in this initiative. This provided a high-quality product that was easy to watch and provided information to votes which was additional to the 150 word candidate profile statement. As each participating candidate was asked the same three questions, this created a level playing field for candidates who chose to do the videos (69 candidates). It also allowed viewers to compare candidates' answers. These candidate videos were viewed over 60,000 times.

The Council also provided photos, candidate profile statements and contact details on its website for the mayoralty and ward candidates to enable voters to find information easily. This information was available prior to the voting papers being delivered.

Representation structure

9. Can we change the ward boundaries for next time, so that they don't go down the middle of streets?

The Council can change ward boundaries as part of the representation review process. Ward boundaries must conform with the boundaries of statistical meshblocks set by Statistics New Zealand. Meshblock boundaries generally follow road centre lines, cadastral property boundaries or topographical features such as rivers.

If the Council is considering boundaries that do not align with meshblock boundaries, it will need to consult Statistics NZ to ascertain whether meshblock boundary alterations are possible. Statistics NZ may, in some cases, be able to split meshblocks or nudge meshblock boundaries to better reflect communities of interest or current property boundaries.

10. Can we review our ward system with the aim of increasing diversity and representation of women and those of different cultures?

The Council will review the current representation arrangements in 2027, and these will be in place for the 2028 election. The Council must first determine whether to continue with the

Māori ward Te Awanui by 30 November 2026, and if the Council decides to continue, it must hold a public poll by 28 March 2027 on whether to establish a Māori ward. The results of this poll are binding. If the Council decides to disestablish the Māori ward in November 2026 that is the end of the process and there is no poll held.

If Council chooses to hold a poll, the results of the poll will inform the representation review.

In reviewing the representation arrangements, the Council must provide for effective representation of communities of interest and fair representation of electors. The Local Electoral Act 2001 does not specifically mention increasing diversity of cultures and representation of women. However, the Council is required to consider the following:

- Identifying communities of interest.
- The number of councillors (note each councillor must represent the same number of people (plus or minus 10% this is the fair representation requirement).
- Ward boundaries and ward names and the number of members in each ward. This
 includes considering the merits of single-member or multi-member wards, and a mix
 of wards and at large members (at large are those elected city-wide)¹. It also includes
 keeping those identified communities of interest together and not splitting
 communities of interest across wards.
- Whether or not to have community boards.

There are three phases to the representation review

- Pre-engagement and consultation
- Initial proposal (formal public consultation process)
- Final proposal (final council decision after hearing submissions on the initial proposal)

Any appeals or objections to the Council's final proposal will be heard by the Local Government Commission who will then issue a determination in 2028, and this will come into effect for the October 2028 election.

The <u>Local Government Commission Representation Review Guidelines</u> provides more detail on representation reviews. A project plan and timeframe is proposed to be brought back to the Council in the second half of 2026.

The Council can also review the electoral system and has the choice of First Past the Post (FPP) or Single Transferable Vote (STV). This is not formally part of the representation review process however this decision needs to be made before the detailed ward arrangements are determined, i.e. before 12 September 2026. The Council undertook public consultation and considered the matter in depth in 2017 and STV came into effect for the 2019 election.

Voting - how to, and process

11. Do options exist for people to cast votes from overseas for local elections?

¹ Please note that there are some restrictions around a fully "at large" model with Maori wards as the Local Electoral Act 2001 formula requires a set number of ward councillors to be in place to qualify for one Maori ward councillor.

Current local electoral legislation, set up by central government, provides only for postal voting and does not allow online or electronic voting, any forms of early voting outside of the voting period, or any voting on behalf of someone else.

This means that special votes cannot be sent or received electronically or posted earlier. Special votes are posted or couriered to the voter's address and they have to then complete the voting document and either post or courier it back if outside of Tauranga City. This creates challenges especially for those electors travelling overseas during the election period.

The Electoral Regulations 1996 for central government elections provides for electronic transmission of special votes to and from voters who are overseas during the voting period, and it makes sense that this ability be extended to local government elections. However, until the local electoral law is amended by central government the Council is unable to transmit voting papers to people electronically. The Council requested the legislation be amended in its submission to the Justice Committee Inquiry into the 2022 local elections.

12. Would we be likely to get a higher turnout if we had a polling day and polling booths like the general election?

LGNZ research notes that the decline in New Zealand's postal service may be an influence on voter turnout. In their 2022 survey of voters and non-voters they found that 52 percent of people who didn't vote said they would be more likely to vote if there were other voting methods available, with 67 percent indicating a preference for online voting. Continuation of postal voting was supported by 19 percent and a return to booth voting on a polling day was the first preference of 8 per cent.

LGNZ asked a representative sample of councils for suggestions for increasing voter turnout and suggestions received included:

- Online voting.
- Stronger national promotion campaign on voting.
- A national promotion campaign run by the Electoral Commission.
- More community engagement.
- Ask youth councils to have meetings to encourage young voters and e-voting.
- More local advertising.
- Encourage candidates to network with the public and encourage people to vote.
- Stronger analysis of candidate profiles (in blogs versus local newspapers).
- More analysis and profile of pre-election reports (by the Department of Internal Affairs).
- Target other tertiary institutions.
- Target Pacific communities.
- Make voting compulsory.
- Simplify the ratepayer roll application form.
- Better civics education in schools.
- Encourage candidates to raise their profiles.
- Return to booth voting.
- Address the delay in postal delivery as the frustrations involved in not receiving voting documents can lead to some people not voting.
- Door to door campaigning by candidates seemed to increase voter turnout in one council.

• Councils to coordinate "meet the candidates" evenings.

The Electoral Officer, Warwick Lampp, advised that a return to single-day booth voting would be resource intensive. Additionally, if it was not combined with alternative voting methods, but instead replaced them, it would likely result in a lower voter turnout as it would be inconvenient for many voters.

13. Can we provide better education regarding the STV system and how to vote?

STV education was a key focus for this election campaign, for example Council developed an explainer video and provided it on the Council website. If STV remains the voting system in place for the 2028 election, then Council can implement additional education initiatives focused on STV.

Council's role

14. Why does Council not run 'meet your candidates' events?

The purpose of Council's Local Elections Policy (the Policy) is to ensure that Council remains impartial in relation to local elections and recognises that Council needs to play a neutral role in an election. The Policy states that Council assets should not be used by any party/and/or candidate to gain an electoral advantage and that it will support community organisations to arrange public meetings to meet candidates in the interests of local democracy.

This impartiality is important to avoid the possibility of any preferential treatment being given or claimed to be given by Council. Candidates are not permitted to use Council resources for campaigning purposes, except those venues which are available for public hire.

The Policy can be reviewed ahead of the 2028 election and Council can consider whether it should have a role in running 'meet the candidates' events as part of this review. The challenge of running politically neutral events could be viewed as higher in an election with incumbents standing. However, some councils do successfully run their own 'meet your candidate' events whilst maintaining political neutrality, and it is an option for this Council moving forward.

15. Did the Chief Executive adequately meet his legislative responsibilities?

The work completed to meet these responsibilities is outlined in the Committee report. An independent legal opinion was also sought, is provided as Attachment 4 to the Committee report, and provides assurance that the Chief Executive has met his responsibilities under the LGA.

16. Did the Commission have input into the pre-election report?

No, the pre-election report was completed by the organisation on behalf of the Chief Executive.

17. Did Council analyse the daily tracking of votes received and use this information to make calls to action at critical points?

Yes, and Council used this information to:

- proactively and successfully pitch a story to the BOPT about orange voting bin locations.
- publish additional posts on social media to raise awareness, see examples below.



18. Did Council run marketing campaigns focused on getting better participation from younger people and Māori?

Yes, Council ran Te Reo targeted digital ads and partnered with Moana Radio. Council chose platforms targeting younger demographics specifically, including Spotify and Instagram (as well as print, radio, social etc...to capture wider demographics). Council tailored marketing for specific platforms like Instagram to make it more appealing for younger voters (see example provided in the response to question 4, above). Council also reached out to over 100 local youth influencers to share content around the election, unfortunately most declined to be involved.

19. Can Council make media releases (including photos if applicable) available to the media faster? (there was a significant delay following the inaugural meeting).

Yes, in the future Council can take be proactive in ensuring a quick turnaround and promoting its own media release. In this case media attendance at the meeting was organised directly, including a photographer from Bay of Plenty Times. There was widespread media coverage of the inaugural meeting, but with advanced notice of key decisions Council can issue a media release as well.

The cost of the election

20. Are staff costs and overheads included in the cost analysis?

In general staff costs were not included in the cost analysis, except for the additional payments made to staff that worked at the special voting locations outside of their normal

work hours. There was a range of work completed for the elections across the organisation, including preparing the pre-election report and developing marketing material.

21. Are marketing costs included in the cost analysis?

Yes, exclusive of staff time.

22. What was the \$15k of costs relating to candidate meetings for?

The cost of candidate evenings (meetings for potential candidates, not 'meet your candidate' events) was \$13,902 not \$15,134 as previously advised. An interpreter fee for a community development event was wrongly coded to the candidate evening. It has now been moved to community development costs.

Item	Cost
Hall hire including technology	\$2,624.35
Catering	\$4,643
Presenters and interpreters	\$6,274.57
Security	\$360

23. Was a post-election survey conducted?

- No, this can be considered for future elections and would require a budget allocation.
- 24. Can budget please be allocated in the future for gathering community feedback postelection?
- Yes, this can be considered for future elections.

Candidate support

25. The information in the voter booklet doesn't provide much insight into candidates' policy positions, are candidates encouraged to use these statements to provide information about their policies and objectives?

Candidates have the option of providing a maximum of 150 words plus a photo to be included in the booklet that goes out with the voting documents. These profile statements are governed by sections 61 and 62 of the Local Electoral Act 2001. An Electoral Officer is not required to verify or investigate any information included in the profile statement.

Council, in its submission to the Justice Committee Inquiry into the 2022 election, stated that it believes these candidate profile statements are not helpful to voters trying to make an informed decision on whom to vote for. They may even deter voters who feel they have a deficit of useful information to make an informed choice.

Council recommended to the Justice Committee that changes are made to section 61 of the Local Electoral Act 2001 to ensure that specific information on candidates is captured in these profile statements and suggested the following mandatory headings:

• governance experience.

- experience in working with the community.
- any business experience or managing a budget.
- specific issues they are concerned about and look to progress.
- issues they are passionate about.

26. Can we provide candidates with more information on what is involved in running a successful campaign?

In the past Council has invited previous Councillors no longer standing for Council along to candidate information evenings to provide their experiences on standing for Council. This has included providing tips on how they ran their own campaigns, why they stood and what to expect when elected. These have been well received in the past and can be repeated in the future if desired.

The Council has a requirement to remain politically neutral and would not directly provide advice on campaign tactics to any candidates.

27. Can we provide candidates with more information on how to set up campaigns on social media (and the time this take)?

No, it is not Council's role, nor that of the Electoral Officer, to provide advice to candidates on how to set up campaigns and/or use social media. Please see the answer to question 26 above.

28. How can Council enable more, and higher quality candidate events?

Council's Local Elections Policy states that the Council will support community organisations to arrange public meetings to meet candidates in the interests of local democracy. The Policy is due for review prior to the next election and this provides an opportunity to consider what else Council can do to support, enable (and perhaps deliver itself) higher quality candidate events.

Additional information

Twenty-four 'meet the candidates' events were advertised on Council's webpage as at 17 July 2024. This included 'It's in the Ballot' ward events for Arataki, Bethlehem, Matua-Otūmoetai, Mauao/Mount Maunganui, Pāpāmoa, Tauriko, Te Awanui, Te Papa and Welcome Bay, and for the Mayoral race, and a range of other events run by ratepayers' associations and community groups.

29. Can we provide more sites for hoarding and posters?

The Council can review the <u>Local Elections Policy</u> before the next election and can decide to provide more council sites for electoral hoardings. This Policy ensures that election signs do not present a risk to safety and sets out specific sites in Schedule 1 on Council land within the city that candidates can put up signs without seeking Council permission (as long as they meet the requirements for size). Controls on election signs are also set out in the Street Use and Public Places Bylaw and the City Plan, such as approval for siting election signs not in the schedule and the length of time signs are up.

Some councils do not provide for any signs to be installed on council owned land and this option can also be considered during the review of the Policy.

30. Some areas of Tauranga do not have ratepayer associations (which took an active role in organising meet the candidate events). How can we encourage ratepayer associations to have a whole of Tauranga approach?

Council can ask ratepayer associations to take a whole of Tauranga approach for these events, however this would be the choice of the individual organisations.

Tauranga City Council submission to Justice Committee Inquiry into 2022 local elections

13 February 2023

Chairperson Justice Committee

Kia Ora Chairperson

Tauranga City Council - Submission to Inquiry into 2022 Local Elections

Thank you for the opportunity to submit on the Inquiry into 2022 Local Elections.

While Tauranga City Council (TCC) did not have an election in October 2022, as it currently has Commissioners in place until July 2024, there are some issues in the terms of reference that will impact on future elections; and we make comments on these aspects.

As Commissioners we believe we are well placed to provide independent and objective input into the Inquiry. We have no conflict of interest and none of us will be standing in the next local government election.

A. LOW VOTER TURNOUT

We have reviewed the information in Taituarā's submission on voter turnout which concluded there had been a decrease in turnout at the 2022 elections to 40.4%, down 1.8% from the 2019 elections, largely explained by lower turnout in Auckland. TCC does not believe there is a need to panic but agrees with Taituarā that research indicates lower turnout leads to even lower turnout in future elections, and that this matter is of equal concern to both local and central government.

TCC supports Taituarā's submission and recommends:

- That the Justice Committee agrees that declining citizen participation and engagement is an issue of equal concern for both central and local government.

A1 Civics Education and active engagement with the community

Post-election research shows that a significant number of eligible voters do not consider that voting in local government elections makes a difference and is relevant to them personally We believe that active engagement with the community in a meaningful way, which makes people feel that local government is relevant to them personally, is the key to increase voter turnout.

"<u>My Tauranga Vibe</u>" is an example of an approach used by TCC to engage as many people as possible in shaping the aspirations of our city. It was successful because it was electronic, easy to complete and was relevant. This was part of a broader package of

engagement with the community that as Commissioners we undertook to find out what was relevant and important to our community.

We see that low voter turnout reflects the lack of relevant engagement that councils undertake to make people feel involved in what is happening in their community. We support more innovative and relevant engagement tools being used by councils in addition to the more formal consultation processes.

The Independent Review Panel on the Future of Local Government (Independent Review Panel) in their draft October 2022 report^[1] notes the international evidence that civics education leads to higher voter turnout is limited; however, there is evidence these programmes can empower people to be active, well-informed citizens with an interest in local politics and can prompt young people to take civic action ranging from volunteering and voting to lobbying or running for local council.

TCC does not believe that civics education will be the panacea to improve voter turnout. We are aware there are a number of programmes that schools run currently around civics and elections, and we support those, but there is only so much that schools can do. We are mindful not to add to the curriculum load on teachers and schools.

TCC recommends:

- That the Justice Committee recommends that greater emphasis be placed by councils on relevant engagement with their communities to increase voter turnout.
- That the Justice Committee agree that civics education is not mandated in schools.

A2 National communications and engagement campaigns

TCC believes that national campaigns should be fully funded by central government and rolled out across the country to provide a consistent and reliable message to all voters. Smaller councils who cannot afford to participate in the national campaign currently miss out and we do not believe that is fair or equitable.

TCC recommends:

- That the Justice Committee agrees that there should be a national communications and engagement campaign designed to build awareness of local elections and understanding of how to vote.
- That the Justice Committee recommends that the campaign should be fully funded by central government.

A3 Making voting easier and more social

TCC supports initiatives to make voting easier to increase voter participation.

These include:

- Online voting
- More accessible voting place locations

- Candidate Profile Statements
- Overseas voting electronic transmission of special votes

Online voting

Online voting is widely used for non-government elections such as company board elections, iwi and rūnanga trusts, community trusts and school boards. It is provided as an alternative method and does not replace postal voting. It is common for such votes to have online, postal and in person options.

Online voting is seen as more convenient, more accessible for voters with high needs such as the visually impaired, would assist overseas voters and is likely to engage more younger voters over time. We can see no reasons why online voting should not be introduced for all councils for the 2025 elections.

TCC was one of the councils involved in working towards trialling online voting in the 2019 elections. TCC recognises the security concerns relating to online voting but believes these can be dealt with and should not stop online voting for local elections going ahead. TCC also notes that the cost of the 2019 trial became prohibitive for the councils involved and recommends that central government pay for the cost of local government elections.

TCC supports the continued use of postal voting, which is a convenient and generally safe method of delivering voting papers to many voters. However, the reduction in the postal service has created delays with both delivery and return of voting papers, especially in rural areas. As well as online voting, another solution is to have additional drop off locations for vote return.

TCC recommends:

- That the Justice Committee recommends that online voting be undertaken by local government for the 2025 elections.

More accessible voting place locations

With the reduction in postal deliveries and street receivers, more vote return options are necessary. Some councils introduced "the big orange bins" in the 2022 elections for vote return and TCC understands this was a successful initiative, with some councils e.g. Wellington City Council receiving nearly half their vote return via the bins. These were secure wheelie bins for people to "post" their vote and were available in places such as libraries, supermarkets, petrol stations, voting hubs and at community events.

Councils that used these bins promoted the use and locations on their website and through social media. TCC will be using the "big orange bins" at its next election.

If the Electoral Commission becomes responsible for local government elections (see below) councils could use the local knowledge of where best to place these bins.

TCC recommends:

- That the Justice Committee supports councils providing more accessible vote return options such as the use of collection boxes in community venues.

Candidate Profile Statements

Candidates have the option of providing a maximum of 150 words plus a photo to be included in the booklet that goes out with the voting documents. These profile statements are governed by sections 61 and 62 of the Local Electoral Act 2001. An Electoral Officer is not required to verify or investigate any information included in the profile statement.

TCC believes these candidate profile statements are not helpful to voters trying to make an informed decision on whom to vote for. In fact they can even deter voters who feel they have a deficit of useful information to make an informed choice.

TCC recommends that changes are made to section 61 of the Local Electoral Act 2001 to ensure that specific information on candidates is captured in these profile statements and suggest the following mandatory headings:

- governance experience
- experience in working with the community
- any business experience or managing a budget
- specific issues they are concerned about and look to progress
- issues they are passionate about

TCC recommends:

- That the Justice Committee supports a review of the candidate profile statement provisions in section 61 of the Local Electoral Act 2001 to provide more specific and relevant information for voters.

Overseas voting – electronic transmission of special votes

The Electoral Regulations 1996 for central government elections provides for electronic transmission of special votes to and from voters who are overseas during the voting period, and it makes sense that this ability be extended to local government elections.

TCC supports Taituara's submission and recommends:

 That the Justice Committee agrees to amend the local electoral law to allow for the electronic transmission of special votes to and from voters who will be overseas during the voting period.

B. CENTRALISED DELIVERY OF LOCAL ELECTIONS

TCC notes that the report into the 2019 Local Elections recommended that the Government consider giving responsibility for running all aspects of local elections to the Electoral Commission. The Independent Review Panel considering the Future for Local Government

in their draft October 2022 report also recommends the Electoral Commission conduct local elections.

TCC is supportive of a move towards centralised delivery of all local electoral functions by a fully resourced Electoral Commission. We believe that the cost of local government elections should be fully funded by central government.

The benefits of this centralised approach are:

- Better resourced agency to implement new voting methods, like online voting
- Better co-ordination of and consistent nation-wide promotion of local election campaigns with a view to promote diversity of candidates
- Achieve savings through economies of scale
- Equity for smaller communities who struggle to afford governance costs
- National consistency of approach for voters and candidates in interpretation and application of electoral law and regulations
- Increase in security around the conduct of the electoral process
- Better able to attract and retain electoral staff

TCC recommends:

- That the Justice Committee recommend that the Government transfer responsibility for running all aspects of local elections to the Electoral Commission.
- That the Justice Committee recommend that the Electoral Commission be resourced to undertake local government elections.
- That the Justice Committee recommend that central government fund all aspects of local government elections.

C. LOWERING THE VOTING AGE

TCC does not have a view on whether the voting age should be lowered from 18 to 16 years and recognises this is a hot topic with the recent Supreme Court decision that a voting age of 18 is inconsistent with the Bill of Rights, the Independent Review Panel considering the Future for Local Government recommending the voting age be lowered to 16 years and the Independent Electoral Review (IER) also looking at the voting age.

TCC encourages Parliament to consider the wider ramifications of lowering the voting age in relation to the legal definition of a "child". Should 16 years be considered the age of maturity for voting, then other aspects of life, where 18 years is considered the age of maturity, would also need to be reconsidered such as:

(a) alcohol(b) armed forces(c) youth justice(d) marriage

TCC notes that Parliament could lower the voting age to 16 years for local government elections in advance of, or instead of, central government elections, as there is a lower threshold required to change local election voting age than central (50% compared to 75%).

TCC agrees with Taituarā that, whatever the voting age decided on by Parliament, it should be the same for both local and central government elections to avoid confusion, the administrative burden of having two rolls, and a disjointed and conflicting rationale for choosing different voting ages.

TCC supports Taituara's submission and recommends:

- That the Justice Committee agrees that the voting age should be identical for local and central government elections.
- That any lowering of the voting age should be accompanied by an expansion of civics education in early secondary schools.

D. FOUR-YEAR LOCAL ELECTORAL TERM

The length of the local electoral term is also an electoral topic being discussed now. The Future for Local Government Independent Review Panel recommended in their draft October 2022 report that there be a four-year local electoral term. IER is reviewing the length of the Parliamentary term as part of its terms of reference.

TCC previously supported the Local Government New Zealand remit for a four-year electoral term in 2020 for the following reasons:

- (g) Promotes longer term thinking and decision-making by councillors resulting in more stable decision-making and greater certainty to the public, investors and stakeholders
- (g) Allows for more time to implement a local government vision by extending the productive working time of a council and reducing councillor turnover
- (g) Gives more time for new councillors to be better educated and informed and takes the pressure off them to get up to speed quickly
- (g) Encourages the use of more mechanisms to increase participatory democracy
- (g) Reduces voter fatigue and may result in increased voter turnout
- (g) Reduces the administration costs of setting up and inducting a new council
- (g) Savings in election costs by reducing the number of elections

Depending on the announcement of the Minister of Local Government regarding the TCC election date in 2024, the next term of TCC may be either 15 months or just over four years.

The change would result in local government and central government elections been held in same year once every third cycle. The central government term could also be extended for four years.

Any changes to the electoral cycle may impact on the Long-Term Plan (LTP) and Annual Plan cycle. It is recommended that the LTP be decoupled from the election cycle and that the LTP be completed for a 10 year period and reviewed every five years. This approach will reinforce that the LTP is a strategic document which sets the long term direction and intent of Council.

TCC recommends:

- That the Justice Committee supports a four- year local electoral term.
- That the Justice Committee supports changes to the Long-Term Plan cycle and recommend that LTPs are in place for 10 years and reviewed every five years.

The Council does wish to speak to this submission.

Ngā mihi

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¹¹ Future for Local Government October 2022 draft report <u>https://www.futureforlocalgovernment.govt.nz/assets/Reports/Draft-report-final.pdf</u>



2024 Tauranga City Council local election voter turnout

Election overview.

The 2024 Tauranga City Council election was the first election to be held in Tauranga since the disestablishment of the Government appointed Commission, who were appointed in February 2021. The last Tauranga City Council election was held in October 2019.

In the period between these two elections there was a change in the representation model, from a mixed representation model (a mayor, four councillors at large, six councillors elected to represent three wards i.e. two per ward) to a single member ward model (a mayor, nine councillors elected to represent nine wards i.e. one per ward).

This document is designed to provide an overview of who was enrolled for this election and who then voted or did not vote.

Report overview.

The voting data used in this report was provided by electionz.com, which included the records of the 109,381 registered voters in Tauranga City at the time of the election. The data included the following fields:

- Title
- Occupation
- Māori descent indicator
- Registered ward
- Date of birth (in 5-year bands)
- Voting indicator

In the first part of this report the enrolment data from electionz.com has been compared to the Tauranga population, which has been based on data from the Census 2023 (undertaken in June 2023). It should be noted that the Census data reports on 5-year age groups, such as 15 to 19 years old. As the voting age is 18 and over an estimate has been made for the age group 18 to 19 years old to align with those eligible to vote and the data provided by electionz.com.

2024-09-12 Tauranga City Council Election Report

Summary findings

In total 109, 381 residents were enrolled at the time of the Tauranga local election, an enrolment rate of 87%.

The 30-54 age group make up the largest proportion of the Tauranga population over 18 with 53,010 residents (42% of the population). The 30-54 age group were the largest proportion enrolled to vote with 46,235 residents (41% of those enrolled to vote).

The number of residents in the 18-29 age group (21,606 residents, 17% of the population) made up a similar proportion of the enrolled population as the 70+ age group (24,020 residents, 19% of the population) but due to lower enrolment rates (77%) the younger age group are underrepresented on the electoral roll.

The highest enrolment rates were in the older age groups with all those age groups between 40 and 84 having enrolment rates over 90%, peaking with the age groups between 60 and 69 who had an enrolment rate of 94%.

The highest voter turnouts occurred in the age groups between 65 and 84, with voter turnout rates between 54% and 65%. The lowest voter turnout rates occurred in the age groups between 20 and 29, with voter turnout rates between 16% and 18%.

More Females were enrolled to vote in the election than Males (Female 55,152 / Male 48,029) with Females having a slightly higher voter turnout (Females 39% / Males 35%) meaning 21,322 Females voted compared to 17,350 Males.

Those classified as retired or semi-retired were significantly more likely to vote in the election as they made up 15% of residents who had enrolled but made up 24% of those who voted. This was driven by the fact that this group had the highest voter turnout rate of 64%, which is two-thirds higher (66%) than the average voter turnout of 38%.

Voter turnout for those of Māori descent, (not to be confused with the Māori ward, Te Awanui) was 30% compared to non-Māori voter turnout of 40%.

Voter turnout across the wards ranged from 30% in Te Awanui ward up to 45% in Matua-Otūmoetai ward. As the Matua-Otūmoetai ward is also one of the larger wards, this ward also had the most voters (13,219 residents).

When analysing the average age of each ward and voter turnout in that ward there is a strong relationship between the average age of voters in the ward and voter turnout – the older the average age the more likely there will be a higher voter turnout. Also, when comparing the average age of those enrolled to vote in the election and those who then voted in the election there was a 7 year and 7-month age difference. For Pāpāmoa, Tauriko, and Te Papa wards the average age difference is approximately 8 years and 6 months.

The gender split for voter turnout across the wards is largely similar.

2024-09-12 Tauranga City Council Election Report

Tauranga and enrolled voter populations.

In June 2023 Tauranga had an estimated population of 125,076 residents aged 18+. Of these, 109,381 residents were enrolled to vote in the 2024 election, which is an 87% enrolment rate.

The largest groups in the Tauranga population sit in the age groups between 30 and 54, with most of the intermediary five-year age groups having over 10,000 residents. The 45-49 age group is the exception with just under 10,000 residents (9,690). In total the combined 30-54 age group accounts for 53,010 residents, or 42% of the population.

Those in the age groups below 30 (the 18-29 age group) make up 17% of the population (21,606 residents) which gives them a similar representation within the Tauranga population as those aged 70 and over, which is 19% (24,020 residents). For the 70+ age group, all the intermediary five-year age groups have below 8,000 residents.

The remaining age groups, those aged between 55 and 69, all have between 8,000 and 10,000 residents and in total make up the remaining 21% of the population.



Figure 1: Population by age group.

Source: Census 2023, Stats NZ

The 30-54 age group also makes up the largest percentage of those who have enrolled (again 42%) with a total of 46,235 enrolled residents and over 9,000 enrolled residents in each of these five-year age groups. Again, it is the 45-49 age group which is the exception within this group, with just under 9,000 enrolled residents (8,720 residents).

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The situation with the remaining age groups changes slightly with those in the 18 to 29 age group dropping to 2% to 15% of the enrolled residents (16,565 enrolled residents) while those in remaining age groups – the 55-69 age group and the 70 and over age group – both show 1% increases up to 23% and 20% of enrolled residents (24,720 and 21,861 enrolled residents respectively).

Figure 2: Enrolled population by age group.



Enrolled Population by Age Group

Source: Census 2023, Stats NZ /

Likelihood to be enrolled by age group.

When you compare the age profile of the Tauranga population to the profiles of those enrolled, it highlights that all the age groups up to the 35-39 age group are less likely to be enrolled than the average Tauranga resident. The 18-19 age group are the age group least likely to the enrolled (28% less likely to be enrolled) with the 90+ age group is the only other age group that is less likely to be enrolled (12% less likely).

All the age groups between 40 and 89 are more likely to be enrolled than the Tauranga population, but they do not have the extremes of those less likely to be enrolled, only being between 2% and 8% more likely to be enrolled.

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Figure 3: Likelihood to be enrolled for age groups.



Source: Population data - Census 2023, Stats NZ / Enrolment and voting data - electionsnz.com

Based on the age groups used above:

- the 18-29 age group (17% of the population) are 12% less likely to be enrolled
- the 30-54 age group (42% of the population) are neither more nor less likely to be enrolled
- the 55-69 age group (21% of the population) are 7% more likely to be enrolled
- the 70+ age group (19% of the population) are 4% more likely to be enrolled

Enrolment rates by age group.

Being significantly less likely to be enrolled means the 18-19 age group has by far the lowest enrolment rate of all the age groups at 63%. This is 24% lower than the city-wide enrolment rate of 87%.

The voter enrolment rate then tends to increase as the age groups get older, up from 78% for the 20-24 age group to a peak of 94% enrolment rate with the 65-69 age group, 17% higher than the average enrolment rate. The enrolment rate then tends to trend downward as the age groups get older with the 90 years and over age group having the lowest enrolment rate of the older age groups (77%).

Across the age groups defined above:

- the 18-29 age group (17% of the population) have an enrolment rate of 77%
- the 30-54 age group (42% of the population) have an enrolment rate of 87%
- the 55-69 age group (21% of the population) have an enrolment rate of 93%
- the 70+ age group (19% of the population) have an enrolment rate of 91%

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		Enrolled	Enrolment
Age groups	Residents	residents	rate
18-19 years	3,796	2,400	63%
20-24 years	8,130	6,357	78%
25-29 years	9,680	7,808	81%
30-34 years	11,970	9,622	80%
35-39 years	11,240	9,564	85%
40-44 years	10,090	9,071	90%
45-49 years	9,690	8,720	90%
50-54 years	10,020	9,258	92%
55-59 years	9,090	8,414	93%
60-64 years	9,100	8,528	94%
65-69 years	8,250	7,778	94%
70-74 years	7,840	7,226	92%
75-79 years	7,000	6,489	93%
80-84 years	4,880	4,507	92%
85-89 years	2,700	2,411	89%
90 years and over	1,600	1,228	77%
Total	125,076	109,381	87%

Figure 4: Enrolment rate by age group.

Source: Population data – Census 2023, Stats NZ / Enrolment data – electionz.com

Voter turnout by age group.

The voter turnout for the election was 38.77% but the turnout rates varied across the age groups.

Although the 18-19 age group had the lowest enrolment rate, they voted at a higher rate than those of a similar age. The age groups between 20 and 34 had the lowest voter turnout rates, between 16% and 20%, compared to those in the 18-19 age group who had a higher voter turnout of 25%.

Voter turnout trends upward from this point. The 35-39 age group had a 26% voter turnout and the rate then continues to increase to 65% in the 75-79 age group, with all the age groups above 55 having a voter turnout rate above the average turnout rate of 38%. With the increasing voter turnout in these older age groups, it is these age groups that become the largest segments of voters.

The largest group of voters is between 60-79 who account for 17,447 voters with each of the five-year intermediary age groups between have over 4,000 voters. Despite this age group only representing 27% of the enrolled population they account for 41% of voters making this age group 51% more likely to vote than the average.

Across the age groups defined above:

- the 18-29 age group (15% of those who enrolled) had a voter turnout of 18%
- the 30-54 age group (42% of those who enrolled) had a voter turnout of 29%
- the 55-69 age group (23% of those who enrolled) had a voter turnout of 49%
- the 70+ age group (20% of those who enrolled) had a voter turnout of 61%

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Figure 5: Voter turnout by age group.

	Enrolled	Voted	Voter	Voter
Age groups	residents	residents	turnout	profile
18-19 years	2,400	611	<u>25%</u>	1%
20-24 years	6,357	1,152	<u>18%</u>	3%
25-29 years	7,808	1,216	<u>16%</u>	<u>3%</u>
30-34 years	9,622	1,889	<u>20%</u>	4%
35-39 years	9,564	2,452	<u>26%</u>	<u>6%</u>
40-44 years	9,071	2,766	<u>30%</u>	7%
45-49 years	8,720	2,884	<u>33%</u>	7%
50-54 years	9,258	3,478	<u>38%</u>	8%
55-59 years	8,414	3,514	42%	8%
60-64 years	8,528	4,142	<u>49%</u>	10%
65-69 years	7,778	4,530	<u>58%</u>	11%
70-74 years	7,226	4,526	<u>63%</u>	11%
75-79 years	6,489	4,249	<u>65%</u>	10%
80-84 years	4,507	2,834	<u>63%</u>	7%
85-89 years	2,411	1,307	54%	3%
90 years and over	1,228	522	43%	1%
Total	109,381	42,072	<u>38%</u>	100%

Source: Enrolment and voting data - electionz.com

Figure 6: Enrolment and voting rate by age group.



Enrolment and Voting Rates by Age Groups

Source: Enrolment and voting data - electionz.com

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Gender

Females make up 50% of the eligible voters in Tauranga while Males make up another 44. The remaining 6% did not have a gender assigned to the enrolment record or gender could not be determined from the description available.

Females make up just over half the voters in Tauranga (51%) with Males slightly underrepresented when compared to those enrolled with a voter turnout of 41%. The lower representation of Males amongst those who voted is due to their lower voter turnout (36%) and the higher turnout out amongst undetermined gender group (55%).

Figure 7: Enrolment and voting rate by gender.	

Gender	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Female	55,152	50%	21,322	51%	<u> </u>
Male	48,029	44%	17,350	41%	<u>36%</u>
Undetermined	6,200	6%	3,400	8%	<u>55%</u>
Total	<u>109,381</u>	100%	42,072	100%	<u>38%</u>

Source: Enrolment and voting data - electionz.com

Employment

Employed residents make up the majority of those enrolled and those who voted in the Tauranga election (57% and 56% respectively). Of those where an employed status could be determined, the semi-retired / retired group was the second largest group (15%) but their representation amongst the voter base was much higher (24%). This over representation amongst voters was due to their significantly higher voter turnout. At 63% voter turnout this group was two-thirds more likely to vote than the average enrolled Tauranga resident.

Students, the unemployed and those whose employment status was not specified in the data all had voter turnout between 23% and 24%. This meant these groups were underrepresented amongst voters, especially those where the employment status could not be determined. This group made up 17% of those enrolled but only 10% of voters meaning they were 39% less likely to vote than the average enrolled Tauranga resident.

Employment	Enrolled Population	Enrolled Profile	Voter Population	Voter Profile	Voter Turnout
Employed	62,409	57%	23,564	56%	38%
Semi / Retired	16,226	15%	10,254	24%	<u>63%</u>
Homemaker	<u>5,804</u>	5%	2,416	6%	42%
Student	<u>5,298</u>	5%	1,211	3%	23%
Unemployed	<u>1,147</u>	1%	270	1%	24%
Not specified	<u>18,497</u>	17%	4,357	10%	24%
Total	109,381	100%	42,072	100%	38%

Figure 8: Enrolment and voting rate by employment.

Source: Enrolment and voting data – electionz.com

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Māori descent

Those declaring themselves as Māori at the time of enrolment made up 17% of the enrolled population in Tauranga. Due to a lower voter turnout rate (30%) Māori only made up 13% of those that voted, making them 24% less likely to vote that the average enrolled Tauranga resident.

Figure 9: Enrolment and voting rate by descent.

Descent	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Māori	18,679	17%	5,623	13%	<u> </u>
Non-Māori	90,702	83%	36,449	87%	40%
Total	<u>109,381</u>	100%	42,072	100%	38%

Source: Enrolment and voting data - electionz.com

Almost 50% of the Māori who enrolled and voted did so in the Te Awanui ward (48% enrolled and 47% voted). The remaining residents declaring themselves as Māori voters were evenly spread across the geographical general wards, with each ward making up between 6% to 8% of the enrolled Māori population and voters. Māori voter turnout varied between the geographical general wards, from a 25% voter turnout in the Te Papa ward up to 34% voter turnout in the Bethlehem and Matua-Otūmoetai wards.

Figure 10: Māori enrolment and voting rate by ward.

Ward	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Arataki	<u>1,332</u>	7%	403	7%	30%
Bethlehem	<u>1,050</u>	6%	357	6%	34%
Matua-Otūmoetai	1,141	6%	391	7%	34%
Mauao/Mount Maunganui	1,157	6%	378	7%	33%
Pāpāmoa	<u>1,318</u>	7%	354	6%	27%
Tauriko	942	5%	299	5%	<u>32%</u>
Te Awanui	8,941	48%	2,668	47%	<u>30%</u>
Те Рара	1,340	7%	335	6%	<u>25%</u>
Welcome Bay	1,458	8%	438	8%	<u>30%</u>
Total	18,679	100%	5,623	100%	30%

Source: Enrolment and voting data – electionz.com

Wards

The new Tauranga general wards were designed to evenly split the Tauranga population across the eight geographically based wards, although Māori voters could decide to vote in the Te Awanui ward. The proportion of the enrolled population in the geographical gerneral wards was therefore similar, ranging from 10% to 13% of the Tauranga enrolled population, or 10,933 residents in the Mauao/Mount Maunganui ward up to 13,735 residents in the Pāpāmoa.

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Turnout across the geographical general wards varied from a high of 45% in the Matua-Otūmoetai ward to the lowest turnout of 33% in the Te Papa ward. With Te Papa already being one of the smaller wards (11,132 enrolled residents) the low voter turnout meant this ward had the lowest number of voters at 3,697 (9% of voters). Matua-Otūmoetai being the one of the larger wards (13,219 enrolled residents) and the highest voter turnout, meant the ward had the highest proportion of voters at 14% (5,981 voters).

The Te Awanui ward is the smallest ward in Tauranga representing 8% of the enrolled population (8,941 residents) and had a voter turnout out of 30%. This ward therefore accounted for 6% of voters (2,668 residents).

Ward	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Arataki	<u>13,006</u>	12%	5,305	13%	41%
Bethlehem	<u>12,923</u>	12%	5,645	13%	44%
Matua-Otūmoetai	<u>13,219</u>	12%	5,981	14%	<u>45%</u>
Mauao/Mount Maunganui	<u>10,933</u>	10%	4,370	10%	40%
Pāpāmoa	<u>13,735</u>	13%	4,712	11%	<u>34%</u>
Tauriko	<u>12,071</u>	11%	4,501	11%	<u> </u>
Te Awanui	<u>8,941</u>	8%	2,668	6%	30%
Те Рара	<u>11,132</u>	10%	3,697	9%	<u>33%</u>
Welcome Bay	<u>13,421</u>	12%	5,193	12%	<u>39%</u>
Total	<u>109,381</u>	100%	42,072	100%	38%

Figure 11: Enrolment and voting rate by ward.

Source: Enrolment and voting data – electionz.com





Likelihood to vote by Ward

Amongst those enrolled in the Te Awanui ward, residents from the suburbs of Pāpāmoa Beach and Mount Maunganui were by far the largest groups with 18% and 16%, making up just over a third of the ward (34%). Residents from these suburbs also made up a similar percentage of the total voters in the Te Awanui ward, with for 445 voters from Pāpāmoa Beach and 466 voters from Mount Maunganui. The suburbs of Hairini and Welcome Bay, which both sit in the Welcome Bay ward, combined to represent 13% of the enrolled residents in the Te Awanui ward and had another 349 voters.

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The voter turnout in the wards can, in part, be linked back to the higher voting rates amongst the older age groups. Below we estimated the average age for those enrolled and those who voted in each ward. The average age of those enrolled in a ward has a strong / very strong positive association (a correlation of 0.74) with the voter turnout. This suggests that the older the average age is within a ward, the higher the voter turnout will be.

Also comparing the average age of those enrolled to the average age of those who voted highlights the age difference, with those voting being on average 7.6 years (7 years and 7 months) older than those who were enrolled. For Pāpāmoa, Tauriko, and Te Papa wards the average age difference is approximately 8 years and 6 months.

Ward					Voter
	Enrolled	Average	Voter	Voter	Average
	Population	Age (est.)	Turnout	Population	Age (est.)
Arataki	<u>13,006</u>	54.6	41%	5,305	61.7
Bethlehem	<u>12,923</u>	54.4	44%	5,645	62.0
Matua-Otūmoetai	<u>13,219</u>	51.6	45%	5,981	<u>58.1</u>
Mauao/Mount Maunganui	<u>10,933</u>	50.5	40%	4,370	<u>58.0</u>
Pāpāmoa	<u>13,735</u>	50.0	34%	4,712	<u>58.4</u>
Tauriko	<u>12,071</u>	50.7	37%	4,501	<u>59.2</u>
Te Awanui	<u>8,941</u>	41.6	30%	2,668	<u>45.6</u>
Те Рара	<u>11,132</u>	51.4	33%	3,697	<u>59.8</u>
Welcome Bay	<u>13,421</u>	50.6	39%	5,193	57.4
Total	<u>109,381</u>	50.9	38%	42,072	<u>58.5</u>

Figure 13: Average enrolment and voting age by ward.

Source: Enrolment and voting data - electionz.com

With an overall gender split of 50% Female / 44% Male amongst those enrolled, there were no major difference across the wards. This profile did not change significantly when reviewing those who voted, which was 51% versus 41%. When comparing genders across the wards between those who were enrolled and those who voted there is little difference in the gender profiles.

Ward			Enrolled			Voting
	Enrolled	Enrolled	Undeter-	Voting	Voting	Undeter-
	Females	Males	mined	Females	Males	mined
Arataki	<u>51%</u>	43%	6%	51%	40%	<u> </u>
Bethlehem	<u>51%</u>	43%	6%	51%	41%	<u> </u>
Matua-Otūmoetai	49%	44%	7%	50%	41%	<u> 9% </u>
Mauao/Mount Maunganui	49%	44%	7%	48%	42%	10%
Pāpāmoa	51%	45%	4%	52%	42%	<u>6%</u>
Tauriko	51%	44%	5%	51%	42%	7%
Te Awanui	53%	43%	4%	55%	40%	<u>5%</u>
Те Рара	<u>50%</u>	44%	6%	51%	40%	9%
Welcome Bay	49%	45%	5%	49%	42%	8%
Total	50%	44%	6%	51%	41%	8%

Figure 14: Average enrolment and voting age by ward.

Source: Enrolment and voting data – electionz.com

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Appendices: Ward profiles based on enrolled and voter populations, turnout.

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	Enrolled	Enrolled	Voter	Voter	Voter
Tabal	Population	Profile	Population	Profile	Turnout
Total	13,006	100%	5,305	100%	41%
Age				r	
18-19	208	2%	52	1%	25%
20-24	628	5%	113	2%	18%
25-29	715	5%	119	2%	17%
30-34	935	7%	217	4%	23%
35-39	1,000	8%	266	5%	27%
40-44	985	8%	286	5%	29%
45-49	986	8%	312	6%	32%
50-54	973	7%	364	7%	37%
55-59	1,012	8%	367	7%	36%
60-64	1,002	8%	469	9%	47%
65-69	996	8%	580	11%	58%
70-74	1,041	8%	641	12%	62%
75-79	1,077	8%	705	13%	65%
80-84	807	6%	506	10%	63%
85-89	432	3%	215	4%	50%
90+	209	2%	93	2%	44%
Gender					
Female	6,664	51%	2,718	51%	41%
Male	5,542	43%	2,138	40%	39%
Undetermined	800	6%	449	8%	56%
Ethnicity					
Māori	1,332	10%	403	8%	30%
Non-Māori	11,674	90%	4,902	92%	42%
Employment					
Employed	6,993	54%	2,568	48%	37%
Semi / Retired	2,798	22%	1,752	33%	63%
Homemaker	760	6%	347	7%	46%
Student	521	4%	125	2%	24%
Unemployed	109	1%	20	0%	18%
Undetermined	1,825	14%	493	9%	27%

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Bethlehem

	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Total	12,923	100%	5,645	100%	44%
Age					
18-19	269	2%	80	1%	30%
20-24	658	5%	155	3%	24%
25-29	742	6%	129	2%	17%
30-34	897	7%	146	3%	16%
35-39	901	7%	233	4%	26%
40-44	927	7%	302	5%	33%
45-49	935	7%	311	6%	33%
50-54	1,120	9%	392	7%	35%
55-59	973	8%	471	8%	48%
60-64	1,020	8%	516	9%	51%
65-69	968	7%	591	10%	61%
70-74	958	7%	659	12%	69%
75-79	1,075	8%	760	13%	71%
80-84	814	6%	534	9%	66%
85-89	451	3%	270	5%	60%
90+	215	2%	96	2%	45%
Gender					
Female	6,606	51%	2,891	51%	44%
Male	5,530	43%	2,301	41%	42%
Undetermined	787	6%	453	8%	58%
Ethnicity					
Māori	1,050	8%	357	6%	34%
Non-Māori	11,873	92%	5,288	94%	45%
Employment					
Employed	6,892	53%	2,837	50%	41%
Semi / Retired	2,717	21%	1,823	32%	67%
Homemaker	779	6%	369	7%	47%
Student	601	5%	142	3%	24%
Unemployed	103	1%	31	1%	30%
Undetermined	1,831	14%	443	8%	24%

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Matua-Otūmoetai

	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Total	13,219	100%	5,981	100%	45%
Age					
18-19	275	2%	72	1%	26%
20-24	743	6%	134	2%	18%
25-29	800	6%	146	2%	18%
30-34	1,039	8%	254	4%	24%
35-39	1,112	8%	371	6%	33%
40-44	1,142	9%	445	7%	39%
45-49	1,068	8%	428	7%	40%
50-54	1,222	9%	556	9%	45%
55-59	1,047	8%	525	9%	50%
60-64	1,125	9%	644	11%	57%
65-69	974	7%	644	11%	66%
70-74	943	7%	644	11%	68%
75-79	788	6%	541	9%	69%
80-84	532	4%	361	6%	68%
85-89	250	2%	149	2%	60%
90+	159	1%	67	1%	42%
Gender					
Female	6,537	49%	2,975	50%	46%
Male	5,760	44%	2,440	41%	42%
Undetermined	922	7%	566	9%	61%
Ethnicity					
Māori	1,141	9%	391	7%	34%
Non-Māori	12,078	91%	5,590	93%	46%
Employment					
Employed	7,863	59%	3,656	61%	46%
Semi / Retired	1,842	14%	1,240	21%	67%
Homemaker	738	6%	356	6%	48%
Student	615	5%	136	2%	22%
Unemployed	95	1%	28	0%	29%
Undetermined	2,066	16%	565	9%	27%

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Mauao / Mount Maunganui

	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Total	10,933	100%	4,370	100%	40 %
Age					
18-19	191	2%	52	1%	27%
20-24	606	6%	101	2%	17%
25-29	839	8%	98	2%	12%
30-34	1,029	9%	215	5%	21%
35-39	951	9%	274	6%	29%
40-44	901	8%	297	7%	33%
45-49	909	8%	320	7%	35%
50-54	897	8%	360	8%	40%
55-59	850	8%	384	9%	45%
60-64	922	8%	507	12%	55%
65-69	883	8%	546	12%	62%
70-74	732	7%	463	11%	63%
75-79	552	5%	365	8%	66%
80-84	369	3%	227	5%	62%
85-89	192	2%	108	2%	56%
90+	110	1%	53	1%	48%
Gender					
Female	5,358	49%	2,112	48%	39%
Male	4,839	44%	1,830	42%	38%
Undetermined	736	7%	428	10%	58%
Ethnicity					
Māori	1,157	11%	378	9%	33%
Non-Māori	9,776	89%	3,992	91%	41%
Employment					
Employed	6,760	62%	2,701	62%	40%
Semi / Retired	1,271	12%	805	18%	63%
Homemaker	515	5%	255	6%	50%
Student	487	4%	129	3%	26%
Unemployed	100	1%	23	1%	23%
Undetermined	1,800	16%	457	10%	25%

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Pāpāmoa

	Enrolled	Enrolled	Voter	Voter	Voter		
	Population	Profile	Population	Profile	Turnout		
Total	13,735	100%	4,712	100%	34%		
Age							
18-19	312	2%	66	1%	21%		
20-24	663	5%	84	2%	13%		
25-29	880	6%	102	2%	12%		
30-34	1,295	9%	204	4%	16%		
35-39	1,401	10%	292	6%	21%		
40-44	1,309	10%	343	7%	26%		
45-49	1,248	9%	373	8%	30%		
50-54	1,176	9%	377	8%	32%		
55-59	983	7%	379	8%	39%		
60-64	1,000	7%	456	10%	46%		
65-69	986	7%	582	12%	59%		
70-74	977	7%	583	12%	60%		
75-79	811	6%	489	10%	60%		
80-84	452	3%	264	6%	58%		
85-89	180	1%	96	2%	53%		
90+	62	0%	22	0%	35%		
Total	13,735	100%	4,712	100%	34%		
Gender							
Female	6,993	51%	2,435	52%	35%		
Male	6,147	45%	1,981	42%	32%		
Undetermined	595	4%	296	6%	50%		
Total	13,735	100%	4,712	100%	34%		
Ethnicity							
Māori	1,318	10%	354	8%	27%		
Non-Māori	12,417	90%	4,358	92%	35%		
Total	13,735	100%	4,712	100%	34%		
Employment							
Employed	7,980	58%	2,561	54%	32%		
Semi / Retired	2,080	15%	1,286	27%	62%		
Homemaker	637	5%	236	5%	37%		
Student	491	4%	85	2%	17%		
Unemployed	125	1%	33	1%	26%		
Undetermined	2,422	18%	511	11%	21%		

2024-09-12 Tauranga City Council Election Report

Tauriko

	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Total	12,071	100%	4,501	100%	37%
Age					
18-19	294	2%	66	1%	22%
20-24	684	6%	110	2%	16%
25-29	827	7%	103	2%	12%
30-34	1,082	9%	190	4%	18%
35-39	1,124	9%	258	6%	23%
40-44	1,058	9%	293	7%	28%
45-49	939	8%	293	7%	31%
50-54	1,076	9%	420	9%	39%
55-59	936	8%	395	9%	42%
60-64	829	7%	402	9%	48%
65-69	773	6%	416	9%	54%
70-74	755	6%	482	11%	64%
75-79	728	6%	509	11%	70%
80-84	528	4%	350	8%	66%
85-89	309	3%	168	4%	54%
90+	129	1%	46	1%	36%
Gender					
Female	6,104	51%	2,282	51%	37%
Male	5,324	44%	1,887	42%	35%
Undetermined	643	5%	332	7%	52%
Ethnicity					
Māori	942	8%	299	7%	32%
Non-Māori	11,129	92%	4,202	93%	38%
Employment					
Employed	6,918	57%	2,481	55%	36%
Semi / Retired	1,863	15%	1,199	27%	64%
Homemaker	600	5%	243	5%	41%
Student	592	5%	107	2%	18%
Unemployed	82	1%	26	1%	32%
Undetermined	2,016	17%	445	10%	22%

2024-09-12 Tauranga City Council Election Report

Te Awanui

	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Total	8,941	100%	2,668	100%	30%
Age					
18-19	383	4%	109	4%	28%
20-24	981	11%	211	8%	22%
25-29	1,083	12%	208	8%	19%
30-34	1,093	12%	228	9%	21%
35-39	970	11%	256	10%	26%
40-44	920	10%	299	11%	33%
45-49	768	9%	273	10%	36%
50-54	718	8%	269	10%	37%
55-59	616	7%	205	8%	33%
60-64	553	6%	212	8%	38%
65-69	358	4%	169	6%	47%
70-74	242	3%	129	5%	53%
75-79	133	1%	49	2%	37%
80-84	74	1%	30	1%	41%
85-89	37	0%	20	1%	54%
90+	12	0%	1	0%	8%
Gender					
Female	4,720	53%	1,464	55%	31%
Male	3,887	43%	1,076	40%	28%
Undetermined	334	4%	128	5%	38%
Ethnicity					
Māori	8,941	100%	2,668	100%	30%
Employment					
Employed	4,895	55%	1,627	61%	33%
Semi / Retired	266	3%	125	5%	47%
Homemaker	502	6%	104	4%	21%
Student	778	9%	222	8%	29%
Unemployed	235	3%	49	2%	21%
Undetermined	2,265	25%	541	20%	24%

2024-09-12 Tauranga City Council Election Report

Те Рара

	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Total	11,132	100%	3,697	100%	33%
Age					
18-19	195	2%	41	1%	21%
20-24	649	6%	99	3%	15%
25-29	911	8%	117	3%	13%
30-34	1,052	9%	184	5%	17%
35-39	977	9%	210	6%	21%
40-44	778	7%	168	5%	22%
45-49	809	7%	211	6%	26%
50-54	846	8%	272	7%	32%
55-59	823	7%	306	8%	37%
60-64	908	8%	388	10%	43%
65-69	871	8%	461	12%	53%
70-74	727	7%	390	11%	54%
75-79	611	5%	355	10%	58%
80-84	439	4%	257	7%	59%
85-89	309	3%	146	4%	47%
90+	227	2%	92	2%	41%
Gender					
Female	5,532	50%	1,884	51%	34%
Male	4,948	44%	1,493	40%	30%
Undetermined	652	6%	320	9%	49%
Ethnicity					
Māori	1,340	12%	335	9%	25%
Non-Māori	9,792	88%	3,362	91%	34%
Employment					
Employed	6,130	55%	2,063	56%	34%
Semi / Retired	1,611	14%	884	24%	55%
Homemaker	569	5%	206	6%	36%
Student	577	5%	115	3%	20%
Unemployed	174	2%	34	1%	20%
Undetermined	2,071	19%	395	11%	19%

2024-09-12 Tauranga City Council Election Report

Welcome Bay

	Enrolled	Enrolled	Voter	Voter	Voter
	Population	Profile	Population	Profile	Turnout
Total	13,421	100%	5,193	100%	39%
Age					
18-19	273	2%	73	1%	27%
20-24	745	6%	145	3%	19%
25-29	1,011	8%	194	4%	19%
30-34	1,200	9%	251	5%	21%
35-39	1,128	8%	292	6%	26%
40-44	1,051	8%	333	6%	32%
45-49	1,058	8%	363	7%	34%
50-54	1,230	9%	468	9%	38%
55-59	1,174	9%	482	9%	41%
60-64	1,169	9%	548	11%	47%
65-69	969	7%	541	10%	56%
70-74	851	6%	535	10%	63%
75-79	714	5%	476	9%	67%
80-84	492	4%	305	6%	62%
85-89	251	2%	135	3%	54%
90+	105	1%	52	1%	50%
Gender					
Female	6,638	49%	2,561	49%	39%
Male	6,052	45%	2,204	42%	36%
Undetermined	731	5%	428	8%	59%
Ethnicity					
Māori	1,458	11%	438	8%	30%
Non-Māori	11,963	89%	4,755	92%	40%
Employment					
Employed	7,978	59%	3,070	59%	38%
Semi / Retired	1,778	13%	1,140	22%	64%
Homemaker	704	5%	300	6%	43%
Student	636	5%	150	3%	24%
Unemployed	124	1%	26	1%	21%
Undetermined	2,201	16%	507	10%	23%

2024-09-12 Tauranga City Council Election Report

TOMPKINS WAKE

21 October 2024

Fiona Nalder Principal Strategic Advisor: Strategy & Corporate Planning TAURANGA CITY COUNCIL Shortland & Fort Building Level 17 88 Shortland Street PO Box 2543 Auckland 1140 New Zealand Ph: +64 9 558 0699 DDI: +64 9 558 0601 linda.oreilly@tompkinswake.co.nz

Partner: Mark Renner

File Ref: 228211

Email: fiona.nalder@tauranga.govt.nz

Dear Fiona

Chief Executive Responsibilities in Relation to 2024 Elections

1. We refer to your instruction of 17 October 2024 requesting our review of a draft report to Council on the manner and extent to which Council's chief executive fulfilled his responsibility under section 42(2)(da) of the Local Government Act 2002 ("the LGA"), and our advice on the extent to which those responsibilities were met.

Discussion

- 2. The responsibility for the chief executive of a local authority to seek to improve representation and voter participation in local authority elections is relatively new, having been added to the LGA just prior to the 2019 triennial elections by section 15 of the Local Government Regulatory Systems Amendment Act 2019. Since inserted it has applied to the 2019 and 2022 triennial elections, with little if any apparent increase in voter participation throughout the country over that period. It has applied to the Tauranga elections in 2019 and 2024.
- 3. Section 42(2)(da) reads:

...

- "A chief executive appointed under subsection (1) is responsible to his or her local authority for
- (da) facilitating and fostering representative and substantial elector participation in elections and polls held under the Local Electoral Act 2001; "
- 4. As noted in your report, there are two aspects to this responsibility:
 - Facilitating and fostering representative participation; and
 - Facilitating and fostering substantial elector participation.
- 5. We agree with your conclusion that this wording makes the chief executive responsible for enabling and encouraging representation and elector participation, not ensuring it. It could

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Item 0.0 - Attachment 4

- 2 -

not be otherwise since there are many factors quite outside the control of the chief executive that may encourage or discourage representation and elector participation. For example both the preferred voting system and the voting method may have an influence on turnout, and these are matter determined by the Council rather than the chief executive. Other topical issues may give rise to increased interest in representation and voter turnout, but this is also outside the control of the chief executive. The issue of increasing participation in local authority elections is not amenable to any simple solution, as is demonstrated in the report on the 2022 triennial election produced by LGNZ - Local Government Voters 2022 : LGNZ Nov 2023.

- 6. We note from your report the efforts made to encourage candidates to stand, and the significant increase in the number of candidates standing in 2024 compared to the most recent Council elections in 2019. It would appear that the objective of increasing the participation in representation was successful.
- 7. In relation to voter participation we note the comparative statistics provided in the draft report that shows voter turnout is consistent with past turnouts both in Tauranga and for other local authorities and city councils. These statistics include the 2019 and 2022 triennial elections held since section 42(2)(da) LGA imposed this additional electoral responsibility on chief executives of local authorities. In comparison with the 2022 voter turnout in other cities, Tauranga has performed better than Auckland Council, and significantly better than Hamilton City Council which provides perhaps the most direct comparison in terms of the similarity of the two councils.
- 8. Beyond the measures taken in the past to increase representation and voter participation we note the addition of voting bins in high volume locations such as supermarkets, the option for candidates to submit short videos for the Council website, and the translation of voting materials into nine languages other than English. The first two innovations seem to have been well utilised but not to have increased voter turnout. They may, however, have helped to prevent voter turnout from slipping lower. We note also that Council created its own branding for election materials and used 'call to action' messaging throughout the electoral campaign. It is not clear what effect these measures and the distribution of voting materials in a variety of languages may have had, but it should be self-evident that having timely reminders and information available in a form that all participants can understand is fundamental to participation.

Conclusion

- 9. After considering the information provided in your report about the measures taken by Council under the direction of the chief executive, we are of the view that he has fully complied with the responsibility imposed by section 42(2)(da) LGA. The measures taken seem likely to have resulted in greater representation participation, if not to an increase in voter participation. In saying this we note also that the longer delay between elections, and the 'out of sequence' timing of the election, may also have had an effect on voter participation. We have also considered the comparison and consistency with the election outcomes of other local authorities in the last two triennial elections,
- 10. Finally, we suggest that your report might mention that the chief executive also complied with the requirement of section 99A LGA to prepare a pre-election report and made that report public on its website under the heading 'information for candidates'.

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Yours faithfully TOMPKINS WAKE

LMD Reilly

Linda O'Reilly Special Counsel

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Local electoral reform Issues paper

// Local Government New Zealand's Electoral Reform Working Group

// 2024





Foreword from the Chair of the Working Group

Kia ora Mayors, Chairs, councils, communities and residents

This Issues Paper is about Local Government New Zealand leading a discussion on how we can strengthen the democratic mandate we have to represent communities across New Zealand.

The decline in participation in local elections is an existential threat to local government. It is getting so low that it is a risk to our mandate and is about half the turnout of central government elections. It also compares poorly internationally with local elections in other democracies. We need to identify why people are not voting and find practical changes that will enhance participation.

The most urgent challenge, with most councils conducting their elections by post, is the collapse of what New Zealanders now refer to as "snail mail". There have been multiple commitments to trial e-voting but none have eventuated and security remains a significant concern. The third alternative is polling booth voting as per general elections. We need to move quickly to find a reliable replacement for postal voting.

An underlying issue we are also concerned with is ensuring New Zealanders understand the role of councils. There are problems with voters knowing who the candidates are and what they stand for. This is exacerbated by the growth of social media and the decline of traditional media.

A further issue is the appropriate term for local government. This discussion is pertinent with the Coalition Government proposing a referendum on central government moving to a four-year term. There is a strong argument for alignment. Three years is unusually short by international standards. The case for councils to move to four years is that it will better enable us to deal with long-term challenges such as infrastructure, housing and climate change.

These challenges over turnout, voting method, information and length of term come at a time when democratic values are being challenged globally. We need to work harder than ever to maintain and build trust in our democratically elected councils.

Changes to our electoral system are difficult. They are rightly subject to a high level of scrutiny as they go to the core of how our communities are governed. For reform to be successful, it requires good research, wide consultation and broad agreement. Our group is working hard and across the political spectrum to try and build a platform for positive change. We welcome your feedback and support on these issues so that together we can strengthen the future of local government in New Zealand.

Nga mihi nui,

Mil Smith

Hon Dr Nick Smith, Mayor of Nelson Chair, LGNZ Electoral Reform Working Group



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Purpose and timeframes for this work

The purpose of the working group

The National Council of Local Government New Zealand (LGNZ) set up the Electoral Reform Working Group to drive LGNZ's advocacy work around strengthening local government's democratic mandate, with a particular focus on increasing participation in local body elections.

The working group's members are:

- // Mayor Hon Dr Nick Smith, Nelson City (Chair) // Professor Andrew Geddis, University of
- // Mayor Campbell Barry, Hutt City
- // Councillor Toni Boynton, Whakatāne District, // Co-Chair Te Maruata //
- // Professor Andrew Geddis, University of Otago
- / Mayor Susan O'Regan, Waipā District
 - // Mayor Rehette Stoltz, Gisborne District

The group can be contacted by emailing electoralreform@lgnz.co.nz

Timeframes

Alongside this issues paper, the working group will produce a draft position paper. Submissions on these papers, alongside targeted engagement with key organisations, will inform the development of a final position paper.

The high-level timeline is:



Scope of this issues paper

This paper sets out the key issues the working group is exploring. The working group is focused on effecting change, so this paper is focused on factors that we can influence and that are likely to gain wide buy-in from local government. For completeness, this paper makes reference to other factors that are important but out of scope because they don't meet these criteria.

Providing feedback on this issues paper

Consultation on this document closes at **midnight on Sunday 19 January 2025**. You can provide feedback using the feedback form (a pdf and online survey option are available at https://www.lgnz.co.nz/policy-advocacy/key-issues-for-councils/local-electoral-reform/) or by emailing electoralreform@lgnz.co.nz.



Background on participation in local elections

History of local elections and electoral reform

The rules governing local elections are set out in the Local Electoral Act 2002 and regulations made under that legislation. This framework has been subject to frequent change, with some 29 amendments to the Act since it was first passed – many of which have an influence over voter participation.

Other reforms, such as the introduction of elected District Health Boards, have also impacted voter turnout.

Timeline of key events

- 1976 Postal voting was introduced by the Local Elections and Polls Act 1976, and first used by some county councils in the 1977 election
- **1989** Local government is reorganised, moving from around 850 local bodies to 86 local authorities
- 1993 Locally elected Area Health Boards are disestablished
- 2001 A review of the 1976 Act is conducted, resulting in its replacement with the Local Electoral Act 2001

District Health Boards are introduced, with half their members elected as part of local elections

2002 The option to establish Māori wards and constituencies is introduced for all councils Councils are given the option to adopt either First Past the Post (FPP) or Single Transferable Vote (STV) as their electoral system

Candidate profile statements and candidate booklets are used for the first time

- **2009** The Local Government Act is amended to make Council Chief Executives responsible for *"facilitating and fostering representative and substantial elector participation in elections and polls held under the Local Electoral Act 2001"*
- 2010 The first election of the amalgamated Auckland Council takes place
- 2011 The Electoral Commission takes over responsibility for the electoral roll, replacing the Chief Registrar of Electors
- 2019 District Health Boards are disestablished
- **2021** The Local Electoral (Māori Wards and Māori Constituencies) Amendment Act is passed, removing the ability to require a binding poll on Māori wards and constituencies
- 2024 The Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Act re-introduces the ability to require a binding poll. This legislation also changes election timeframes in response to declining reliability of the postal system.



Participation in local elections

Voter turnout in local authority elections in New Zealand has been in decline for much of the last three decades. However, since 2007 (with the exception of the formation of Auckland Council in 2010), turnout has been stable at between 42 and 44%. This represents a fall in total turnout of approximately 14 percentage points since 1989.

Over the same period, turnout in parliamentary elections has fallen by 6.5%. The current gap between turnout for parliamentary elections and local authority elections is approximately 36%. This gap has grown by 3% since 1992.

Turnout varies significantly between councils, ranging in 2022 from under 30% to over 60%. Turnout tends to be higher in smaller and rural councils than in larger and urban councils. Turnout is also higher in those councils where councillors represent a small number of residents.

When compared to similar countries, voter turnout in New Zealand councils is close to the middle. It's well below countries like Norway, Denmark, and Iceland, where local governments have traditionally had a greater role with more autonomy. However, turnout in local elections is declining even amongst those countries.



Figure 2 Turnout by council type



Figure 3 Turnout at last local elections





Who votes?

Post-election surveys suggest that voters in local elections are more likely to be: women than men; older or retired (although the proportion of voters under 45 is increasing while over 45 is gradually decreasing); from the South Island; have lived at the same address for 10 years or more; and European or Pākehā are more likely to vote than those who identify as Māori, who are then more likely to vote than those who identify as Pasifika, with the lowest participation rate being Asian.



Why people don't vote

The Horizon Research nationwide survey following the 2022 local elections found that the most common reasons for not voting were that people did not know enough about the candidates (31%) and their policies (26%) and could not work out who to vote for (22%). Another 11% of non-voters said that they did not vote because they did not receive voting papers.

The Auckland Council 2022 demographic study on voter turnout noted these possible causes of low turnout:

- Perceived relevance of local government to the everyday life
- Family and work commitments and an inability to pay attention to local politics in light of other life priorities
- Differences in the level of exposure to civics education
- Complexity of the local government system and voting process, along with differences in knowledge about local government across communities
- For some communities, a lack of identification with and ability to see one's identity reflected in the local governance system
- A distrust of and disengagement from the local government system, particularly amongst Māori
- The existence of a social norm of non-voting in some families, neighbourhoods and communities.



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

The public's lack of understanding of what councils do – and not seeing the work of councils as important – have been repeatedly identified as reasons people don't vote in local elections. Building understanding is therefore one way to increase engagement and participation with councils, including voting in local elections. The rates system can mean ratepayers have greater engagement with councils, compared to other voters.

What do people say would increase turnout?

40% - more information about what councils do

32% - make it easier to engage with your council

(2022 LGNZ post-election survey)

Civics education is about learning your rights and duties as citizens, including democratic processes and how you can interact with government and create change. While it is important to include in compulsory schooling, civics education is broader than this.

The Panel for the Review into the Future for Local Government agreed that civics education would be beneficial for all ages. It also included a recommendation that "local government and councils develop and invest in democratic innovations, including participatory and deliberative democracy processes", as a means of improving the connection people feel to decisions that impact them, their whānau and community.

Key elements of this issue

Civics education is a key way to build understanding of councils' work and value

Civics education objectives are built into the New Zealand Curriculum in Year 9 and 10 Social Studies. Schools have the flexibility to design their own curriculum within the national framework, including decisions about teaching civics and citizenship. In 2020, the Ministry of Education published a <u>Civics and Citizenship Education Teaching and Learning Guide</u> to support primary and secondary school teachers, but it is unclear how widely this resource is being used.

While the school curriculum is a key starting point for civics education, community-wide education is also important. This is particularly important for communities that have the lowest voting participation rates.

LGNZ and some councils deliver elements of civics education through initiatives that encourage young people to vote or engage with their local councils. One of these initiatives was <u>Ngā Pōti ā-Taiohi - Youth Voting 2022 programme</u>, run by LGNZ as part of the VOTE 2022 campaign. The programme gave students the opportunity to run their own elections alongside the local body elections, and provided teachers with resources to plan and run an election in their classroom. Auckland Council has also run a <u>youth voting programme</u>, aimed at those in Years 7-10. Many councils also have youth councils, which also foster young people's understanding of what local government does and why it is important.



Options to increase the uptake and effectiveness of civics education

Building on work some councils and organisations already do, delivery of civics education could be strengthened by:

Greater support for delivery of civics in schools

This could see the development and distribution of additional resources, alongside support to help teachers deliver the curriculum. These resources could be developed by a collective of councils or a specific organisation with a stewardship role for local government could be directed and funded to do this.

Strengthened civics education requirements in the New Zealand Curriculum While some civics education objectives are built into the New Zealand Curriculum (as part of social studies in Years 9 and 10), the next step is including more year groups, with more specific content and a dedicated component focused on local government.

Partnering with community organisations to better engage people who aren't participating Councils, or organisations with a stewardship role for local government, could work with representatives from communities who are less likely to participate in local government or vote in local government elections. The focus of this engagement could be to understand barriers to participation and voting – and work together on actions to address them.

Councils have an opportunity to better promote their role, work and value

Councils have many touch points with their communities. They also have a range of statutory requirements to inform communities about current and proposed work. This presents many opportunities for councils to demonstrate their value and promote their importance, at the same time as building wider understanding of local government.

Options for better promotion of councils' role, work and value

Nationwide promotion of local government's work and value

This could take many forms and be led by a range of different organisations (or as a joint project by councils). One example is local government week in New South Wales, which is designed to showcase the work councils do in their communities. Local Government NSW provides councils with a digital toolkit that includes key messages, templates, event suggestions, and social media posts, to help them make the most of the week.

Greater use of localism approaches by councils

Councils could commit to undertaking more localism approaches in the ways they engage with, partner with, and devolve to the community. For example, participatory tools, such as participatory budgeting, citizens' assemblies and collaborative community planning.

Enhancing how councils communicate their value

Councils could look at the current ways they communicate their value, and how people engaged with them. This could be supported by more flexible legislation around Long-term Plan consultation documents or annual reports. Councils could also look to programmes like Te



Korowai (formerly CouncilMARK) to support how they communicate their performance to their communities.

Introduce a stewardship function that includes a role of promoting the role of councils

The Panel for the Review into the Future for Local Government recommended the establishment of a new local government stewardship institution, with roles that should include overseeing the health of local democracy. If a new stewardship institution is created, its role could also consist of promoting local government's value, fostering public confidence in councils, and building professionalism in councils.

Decline of local media

Changes to the media landscape, including fewer local media outlets, mean declining coverage of both the work councils do and council decision making. This affects communities' ability to understand and engage in the work of councils. There is also an increasing focus on sensational, negative news stories, as 'clicks' drive revenue for media outlets and social media firms. This negativity can deter people from engaging with local government.

Local Democracy Reporting is one initiative which has sought to address this in part. It acts as a small wire service of local body news managed by Radio New Zealand. Reporters are hosted by newsrooms but funded publicly. It started with eight reporters in 2019, and presently has 16 fulltime roles from Northland to Southland. Their overarching aim is to address local democracy issues – predominantly council reporting, but it can include other areas such as local iwi or health agencies.

Out of scope factors

These factors also contribute to a low interest in, and understanding of, the role and value of local government but are out of direct scope of this work:

- // Growing distrust of, and disillusionment with, government and democratic institutions.
- // The role and scope of local government. Local government overseas with wider responsibilities in education, health, and policing can have higher levels of voting.
- // The number of councils, and their representation arrangements. Generally, smaller councils tend to attract higher voter turnout.

Issue 1 consultation questions

- 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?



Issue 2: Understanding candidates and their policies

One of the primary reasons that people cite for not voting is they don't know enough about the candidates. Voters receive very little information to help them get to know candidates in local elections and to understand their policy positions. The Report of the Justice Committee on the

Inquiry into the 2022 Local Elections (the Select Committee Report) referred to three postelection surveys that identified lack of sufficient information about candidates as one of the main reasons people gave for not voting in the 2022 local elections.

Currently the primary mechanism for providing candidate information is through *candidate profile statements*, which are distributed in a booklet with voting papers. First used at the 2002

What do people say would increase turnout?

37% - more information about candidates

32% - require candidates to include policy positions in profile statements

19% - more events to get to know the candidates

(2022 LGNZ post-election survey)

local elections, the 150-word statements must be limited to information about the candidate (including any group or organisation the candidate is affiliated with) and their policies and intentions if elected. Electoral Officers may include a disclaimer alongside a candidate profile statement if they are concerned about the accuracy of the statement but are not required to verify or investigate any information in candidate statements.

Other current mechanisms for conveying information about candidates and their political positions include: direct promotion by candidates and tickets (where these exist) through pamphlets, billboards, and advertisements; public meetings organised by candidates, councils, or third parties such as business associations or residents groups; and reporting by media organisations.

The more informed the voting public is on policy issues, the more the public is likely to demand information and clarity from candidates on their policy positions. In turn candidates having clarity on their own policy positions, informed by an understanding of the role they're standing for, contributes to a more informed voting public.

Key elements of this issue

There is insufficient information provided to voters on candidates and their positions

With a maximum of 150 words and very little in the way of content requirements, it's challenging for candidate profile statements to provide sufficient information for voters to make informed decisions. Statements are often bland and tend to focus on the background and experience of the candidate, often with little detail about their policy platform.

To bridge this gap, various websites have been established during different election years that have profiled candidates and enabled comparison of their policy positions. These websites have been developed by a range of organisations, from councils to media organisations, advocacy groups, and others (including LGNZ and Taituarā). Because providing information to these websites has been



voluntary, they rely on a meaningful number of candidates participating (for example, by answering policy questions), to make them effective.

Political neutrality in the running of elections is an important touchstone in New Zealand's democratic tradition, and is essential to maintain trust in election outcomes. This means that although councils facilitate elector participation, there is some caution as to the extent to which councils should be involved with facilitating information about candidates' (including incumbents') political positions and views, or in ensuring that this is accurate.

Recent examples of candidate profiling

• **The Policy NZ website** operated during the 2022 local elections and was funded through a mix of commercial sponsorship, advertising and donations, and published in partnership with *The Spinoff*.

Candidates were given the opportunity to provide some basic information about themselves, their top three priorities if elected, and statements on key policy areas.

The website also allowed you to 'like' policy statements within a policy area without seeing first who made them – before toggling to see whose positions you agreed with.

During the 2022 campaign, it had 143,000 unique users (as many as 1 in 10 voters), and 1.6 million page views. Average session duration was over six minutes.

• Tauranga City Council at their 2024 elections offered all candidates the opportunity to film a 90-second video in which each candidate answered the same set policy questions. These sat alongside the candidate's statement on the council's webpage. The majority took up this opportunity, and the videos generated nearly 50,000 views. Turnout for this election remained in line with previous elections, at 39%.

Options to address insufficient information on candidates and their policy positions

A centralised digital platform providing candidate information to voters

One possibility is to move candidate profile statements to a centralised digital platform, sortable by region, city or district, and supplement them with additional information on candidates and their policy positions. This online platform could be a new one, or could build on previous websites. It could also be overseen by a public body such as Taituarā, DIA, LGNZ, the Local Government Commission or the Electoral Commission – particularly if the same public body were to take on a wider stewardship or oversight role for local government elections.

Require candidates to provide an explanation of their policies

If candidate profile statements were moved to a centralised digital platform, it may be worth considering whether there are benefits to requiring candidates to answer standard policy questions and/or explain their key policies – or whether it would be more appropriate to keep this as an optional exercise. Any public body involved would need to be mindful of maintaining political neutrality, particularly when designing candidate questions and any decisions around moderating or editing candidate statements.



The decline in civil organisations and local media

We know the ways in which voters get their information are changing. This is part of a wider shift away from traditional media towards digital and social media.

Civic organisations (such as Rotary, Grey Power, business associations and resident associations) have also previously played an important role in local democracy, through holding 'meet the candidate' events, which provide a setting for local Where did you get your information about candidates from?

	2004	2022
Radio	27%	14%
Newspapers	67%	22%
Facebook	0%	20%
	(2022 LGNZ post-ele	ction survey

citizens to discuss policy issues. However, both the membership and reach of many civic organisations is declining, resulting in fewer third-party hosted 'meet the candidate' events.

In a similar vein, as mentioned in issue 1, we're also seeing a decline in the presence and size of local media, and less funding for 'public good' journalism. This has meant less in-depth media coverage of local politics, local decision-making (including reporting on the voting records of current councillors and board members) and local elections.

The role of candidate campaigning and candidate knowledge

As well as voters receiving information through candidate profile statements, digital platforms, and local organisations and media, candidates also play a role in helping voters understand who they are and what they stand for. Ensuring candidates are well informed about the role of elected members, and about the key issues facing their council, is likely to enhance their ability to develop informed perspectives on a range of policy areas – and to communicate their positions to voters.

The VoteLocal.co.nz website provides information to improve the knowledge of candidates, including a Candidate's Guide, Inclusive Campaigning Guidelines, and a Guide to Local Government. Some councils have also provided events for prospective candidates to give them an opportunity to gain a better understanding of the role. In some Australian states, there are mandatory candidate training requirements aimed

Case study: Queensland's mandatory candidate training

In Queensland, all local government candidates must complete training about the role and responsibilities of councillors within six months of the election. Mandatory training was a recommendation that came out of the Queensland Crime and Corruption Commission's 'Operation Belcarra' Report (2017).

The mandatory training provides information on obligations as a candidate and councillor, accountability, decision-making and other responsibilities to help ensure councillors and council employees can deliver on the needs of our communities. The training takes approximately 90 minutes. See more at: https://www.localgovernment.qld.gov.au/forthe-community/so-you-want-to-be-a-councillor

at helping candidates understand the role and responsibilities of being an elected member.



Out of scope factors

These factors also contribute to ensuring voters have sufficient understanding of candidates and their policy positions but are out of direct scope of this work.

- // Unlike many similar countries, in New Zealand candidates do not generally stand under the banner of a central government party. Party affiliation can give greater clarity to electors about what policies candidates stand for.
- // The nature of representation arrangements (including wards/constituencies and Māori wards). This can reduce the number of candidates a voter needs to choose from, and smaller wards enable greater engagement with voters.
- // How councils report decisions, particularly over how elected members vote on particular issues.

Issue 2 consultation questions

- 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?



Issue 3: Voting methods

Local elections can be more complicated for voters than parliamentary elections with the number of elected positions and candidates, and (in some cases) a mix of voting systems (i.e. FPP and STV elections).

Currently, the Local Electoral Act 2001 provides for local authorities to use one or more voting methods, and lists postal voting, booth voting and electronic voting. This is subject to the method being explicitly allowed for in regulations, and currently the Local Electoral Regulations 2001 only enables postal voting, booth voting, or a combination of both. All local elections have been conducted by postal voting since 1995.

Postal voting can present a barrier to voting given challenges with reliability and access. This is compounded by the decline of the postal system, which significantly threatens the future viability of postal voting in New Zealand.

The Cabinet Paper on the Government response to the Inquiry on the 2022 Local Elections stated, "*Postal voting is becoming increasingly untenable for local elections*" and noted that further work needs to be undertaken to ensure future local elections can be delivered. The potential that NZ Post could not meet the statutory timeframes for the 2025 local elections saw the delivery period for voting papers extended. This is a short-term solution given the continuing decline of post.

To counter the reduction of post boxes many councils now provide drop-off points for completed voting papers at supermarkets, malls and libraries. The recent 2024 Tauranga City Council elections had 45 locations drop off locations including major supermarkets. The results were marked: 86% of voting papers were returned via the orange bins, 10% through NZ Post, and 4% through DX Mail.

Figure 6 Number of NZ Post boxes 2010 - 2023







Figure 8 Preferred method of voting (2022 LGNZ postelection survey)





The Panel for the Review into the Future for Local Government stated that the postal voting system *"is not adequate for the next 30 years"*. It encouraged decision-makers to explore alternative options for distributing and receiving voting papers that are fit-for-purpose and accessible. The Panel

specifically suggested exploring electronic and online voting systems, while noting risks associated with online voting would need to be managed to retain the integrity of the voting system.

While online voting is often suggested as a viable alternative to postal voting, all attempts since the mid-1990s to trial it for local elections have been unsuccessful, largely due to security or cost issues. The recent investigation by the NSW **Electoral Commission investigated** whether internet voting was feasible for the 2027 state and local elections and concluded "there is no sound basis on which to contemplate a large-scale programme [internet voting] in New South Wales in the short term." This was largely due to

History of online voting in local elections in New Zealand

- **2013** The Online Voting Working Party was established on 4 September 2013 to consider the feasibility of online voting and proposed trialling online voting at the 2016 election
- **2014** In response to the Online Voting Working Party's report, the Government agreed to work to enable a small number of local authorities to trial online voting in the 2016 local elections
- **2016** The Government decided not to enable a trial of online voting in the 2016 local elections as the trial requirements and the requirements of the Local Electoral Act 2001 could not be met in time.
- 2018 Nine councils (Auckland, Gisborne District, Hamilton City, Marlborough District, Matamata-Piako District, Palmerston North City, Selwyn District, Tauranga City Council and Wellington City) jointly sought to trial online voting at the 2019 election. This did not proceed due to funding and other constraints.
- **2023** The Justice Committee inquiry into the 2022 local elections recommended the Government consider funding a trial of online voting in local elections. Cabinet did not agree with this recommendation, stating *"The Government does not consider a trial of online voting as an effective use of public resources and time when there are significant concerns"*

concerns about security and voter understanding of the process.

The Electoral Commission provided this perspective to the working group:

"The search for online voting solutions that are robust, cost effective and that meet internationally accepted standards around security and voter verification continues and has not reached a point where the move could be taken without putting trust and confidence in the electoral system at risk."

Andrew Clark, Director General of the Government Communications Security Bureau, offered this view to the working group:

"The GCSB recognises the legitimate democratic interest in online voting and the potential accessibility advantages it may bring. However, a move to online voting would expose our local body elections to greater risk from malicious cyber actors with a range of motivations.

Implementation of online voting for local elections would require significant uplift in cyber security measures across the local government sector to ensure there was sufficient cyber security resilience to protect both local democracy and confidence in our democratic systems."



Key elements of this issue

Postal system decline means voting methods must be reconsidered

There are three broad options for the voting methods that can be used for local elections, outlined below. Each of these options could be implemented in combination with others or as a single approach. There could be a standard national approach across all councils, or it could be left to individual councils to make their own decisions (as is currently the case). There are strong advantages in having a single system nationwide, in terms of voter understanding and the ability to pool investment.

Options for voting methods					
	Advantages	Disadvantages			
Postal voting	Relatively inexpensive voting method and relatively straightforward to administer. Convenient for voters because they can vote in their own time in their own home without having to stand in line at a polling booth.	Declining capacity of NZ Post to deliver voting papers within timeframes and fewer post boxes available to receive completed voting papers. Concerns with the integrity of postal voting, specifically the inability to be certain that all voting papers are completed by the correct voter. Requires up-to-date voter registration to receive voting papers.			
In- person/ booth voting	Not affected by the issues of a declining postal system, or other barriers the postal system creates. Enables booths to be located at key locations for people to promote voting.	Delivery of in-person/booth voting is significantly more expensive than postal voting. Could be inconvenient for voters (who would have to go to a voting location), particularly those in remote areas or who cannot easily travel.			
Online voting	Convenient method of voting for most people, which may lead to greater participation.	Particular concerns with the security risks posed by online voting. Significant establishment costs. Creates barriers for those without access or the ability to access the online platform. Cost and disruption if election is declared void due to an irregularity.			

Item 0.0 - Attachment 5


Potential enhancements could improve postal voting in the short term

There are other options to improve the current system of postal voting, although these would not address the long-term, significant challenge of a declining postal system.

Options to improve the existing postal system

Delivering voting papers

- Offering the option of emailing voting papers or providing the option of downloading voting papers. This would be similar to overseas voters in parliamentary elections, who can download (and upload) their voting papers. This option could be limited to overseas voters (which the Government has recently agreed to consider, as resources allow) or extended more widely.
- Simplifying the legislative requirements for re-issuing voting papers, so they can be ordinary votes rather than special votes.
- Enable physical locations that can re-issue voting papers to those who have not received their voting papers in the mail (either due to a failure by NZ Post or a change of address).

Receiving completed voting papers

- Offering the ability to upload completed voting papers electronically (again, similar to
 process for overseas voters in parliamentary elections) or emailing a scan of completed
 voting papers. As with the electronic delivery of voting papers, this option could be
 limited to overseas voters, or extended more widely.
- Expanding the number of drop-off points for completed voting papers (for example, at supermarkets, malls and libraries), to make up for the reduced number of post boxes.

Out of scope factors

These factors also contribute to ease or access to voting but are out of direct scope of this work. This is in part because there is not a common view across local government on these issues.

- // The voting system used (STV and FPP). This can particularly complicate or confuse when elections on the same voting utilise different systems.
- // Lowering the voting age. This could help encourage young people's involvement and interest in local government, noting the participation of younger voters is lower than average participation of all voters. Research has indicated that the earlier people vote, the more likely they are to become regular voters.

Issue 3 consultation questions

- 5. Given the challenges outlined, what should be the future 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?



Issue 4: Administration and promotion of elections

Local authorities are responsible for administering local elections in their areas. Administration includes conducting elections, preparing voting papers, counting votes, assessing special votes, and responding to information requests from candidates and the public.

Most councils outsource all or part of their role administering elections to private election service providers. Currently these are Independent Election Services Ltd and Electionz.com. This can include outsourcing the role of electoral officer under the Local Electoral Act 2021, and in the 2022 local elections, 70 of the 78 councils did this. While the other councils appointed a staff member to act as electoral officer, most of these contracted a private company to undertake aspects of the administration of the election.

The Local Government Act 2002 was amended in 2009 to explicitly make the promotion of elections a responsibility of council chief executives. This role involves "facilitating and fostering representative and substantial elector participation in elections and polls" s42(2)(da) Local Government Act 2002. Councils tend to have two stages to their promotion activity - stage one encourages people to stand as candidates, and stage two encourages people to vote. The Electoral Commission also undertakes a nationwide enrolment campaign as part of local elections.

Investment in promoting local elections is significantly less than investment by the Electoral Commission in promoting The roles different organisations play in the administration of local elections

Department of Internal Affairs (DIA): administers electoral legislation, approves format of voting papers, provides a vote-counting computer programme, and provides information and responds to queries.

Local authorities: conduct local elections via the electoral officer role (with functions often contracted out to private companies). Councils also facilitate and foster elector participation (a role given to council chief executives in 2019).

Private election service providers: perform administrative tasks as contracted by local authorities, often including the electoral officer role.

Electoral Commission: maintains the electoral roll (keeps voter details updated), promotes voter enrolment, and assesses some special vote declarations to determine eligibility to vote.

Who invests what in promoting elections?

2022 Local Elections				
	Total spend	Per elector		
Electoral Commission. (enrolment campaign)	\$1.7m	\$0.43		
Example councils				
Auckland Council	\$600,000	\$0.53		
Nelson City Council	\$20,000	\$0.51		
Tasman District Council	\$23,000	\$0.49		
Marlborough District Council	\$11,200	\$0.29		
Dunedin City Council	\$45,000	\$0.47		
2023 General Election				
Electoral Commission (includes enrolment and Māori Electoral Option campaign)	\$11.9m	\$4.13		



participation in national elections. In general elections, political parties also invest significantly in promotion. The parties inside the current parliament declared promotion expenses of over \$15m for the 2023 election. This includes public funding of \$3.5m through the broadcasting allocation. Individual candidates declared a further \$3.45m of local expenditure. While local elections in larger cities, particularly when competitive, can see high levels of declared expenditure, local elections generally see significantly lower campaign spending by candidates.

The Panel for the Review into the Future for Local Government suggested that the administration of local elections should be conducted by the Electoral Commission. It specifically noted the functions it felt the commission should undertake including design and oversight, standard setting, promotional activity, specific initiatives to promote diversity of candidates, determination of the election method, and the conduct of the election process.

The Justice Committee, in their <u>Inquiry into the 2022 Local Elections</u>, also recommended the Government consider making the Electoral Commission responsible for administration of local elections. It suggested that (at a minimum) the Electoral Commission should be responsible for: oversight of local elections; regulation of election service providers; and management of complaint procedures. The Government has agreed to consider this but has indicated it would be a long-term project that would take place only when work programme priorities allow.

Key elements of this issue

Who should administer local elections?

Councils' resource constraints play into decisions about how much is invested in the administration and promotion of local elections. These resource constraints limit how much councils can spend on election promotion in comparison to what is spent on parliamentary elections. They also lead councils to engage private election service providers to provide many of the administrative functions. Discomfort has been expressed about the bulk of local elections being run by private businesses.

The devolved system for local elections can also lead to inconsistency between councils in messaging, and interpretation of legislation and rules. There may be value in creating greater consistencies in the administration and promotion of elections between parliamentary elections and local elections. This could deliver financial efficiencies, more cohesive promotion, and greater voter turnout.



Options for who is responsible for the administration of local elections

These options could stand alone or be combined. For example, some outsourcing combined with either council or electoral commission administration. The organisation charged with electoral administration could also deliver promotion or this function could be separate.

	Advantages	Disadvantages
Councils administer elections in house	Election administration can be better tailored to local circumstances. The running of elections would be subject to all current accountability and oversight processes, e.g. LGOIMA information requests.	Electoral law may be interpreted and applied inconsistently nationally. High costs of technology and equipment to process votes. Level of investment in elections would vary from council to council, based on resource constraints. Many councils would struggle to carry out all the tasks currently performed by private election providers.
Councils outsource election administration to commercial third parties	An ability to tailor election administration to local circumstances, but with the benefits of scale and greater consistency. Lower cost to access equipment and technology.	Electoral law may be interpreted and applied inconsistently nationally. Level of investment in elections would vary from council to council, based on resource constraints. Not all aspects of election administration are subject to all current accountability and oversight processes.
The Electoral Commission administers elections	Access to the Commission's existing knowledge, expertise and resources in election administration as well as increased trust in local elections due to the Commission's reputation. National consistency in local investment and interpretation of the law. Central and local government elections could have a similar look and feel, which may support greater turnout for local elections.	Would require the Commission to have a greater local presence, which could increase costs, potentially requiring council funding. More challenging to understand and meet local needs and preferences. It may be less practical to retain elements of choice provided for in the Act, including voting methods and the voting system.

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Who should be responsible for the promotion of local elections?

Promotion of local elections is also impacted by councils' resource constraints. These resource constraints limit how much councils can spend on election promotion in comparison to what is spent on parliamentary elections.

Options for who could be responsible for promoting local elections

Councils (in house)

Councils could continue to be responsible for facilitating and fostering representative and substantial elector participation. The advantage of this is that councils have specific insight into what will engage local voters to participate. The disadvantage is that councils do not have the financial resources to invest substantively in the promotion of their local elections. Investment would likely remain inconsistent across the country, depending on each council's budget, and remain much lower in comparison to the promotion of parliamentary elections.

A national umbrella organisation (either funded by councils or centrally)

A national umbrella organisation could have responsibility for the promotion of all local elections. This could be an expansion of an existing organisation or a new one, and could be funded by councils, by government, or a combination of both. There would be similar advantages to that of the Electoral Commission, that come with centralisation, such as consistency and efficiencies from pooling resources, but it could have a specialist focus on the promotion of local elections. This would enable national consistency of the turnout campaign, and potential combination with other roles such as wider promotion of what local government does and why it is important. In the past Local Government New Zealand and Taituarā have collaborated to support councils to deliver promotional campaigns in elections.

The Electoral Commission

Having the Electoral Commission responsible for the promotion of both national and local elections may result in a greater level of promotional activity and a raised profile for local elections through nationwide coordinated events, and hopefully, greater voter participation. However, it may be difficult for the Electoral Commission to suitably promote individual elections across the country, where knowledge of local issues assists effective voter engagement.

Issue 4 consultation questions

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



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

There is no optimum term length. Term length is a balancing act between maximising the productive period between elections which enables councils to deliver on agreed plans, and elections playing their role as a key accountability mechanism for elected members. Having a large overlap in productive windows between central government and local government can foster greater collaboration and increase joint delivery. It also decreases the impact of changes in direction after elections at either level.

New Zealand's three-year term for local government is short by international standards. For instance, most OECD nations have a term length of four or more years for their local governments.

The Panel for the Review into the Future for Local Government recommended a move to a four-year term for local government as this would *"improve members' abilities to make decisions for the long term by providing a longer window to get things done."* LGNZ members agreed with the report's recommendation and called for the local government term to shift to four years from the 2025 elections. This echoed a remit adopted at LGNZ's 2020 AGM.

The longstanding practice for constitutional change would suggest a move to four-year terms requires broad support from both the community and across parliament. A poll testing public support for fourLocal government term lengths for a selection of countries, states or provinces

Three years Four years	New Zealand Australia, United Kingdom, Canada (most provinces and territories), Sweden, Denmark, Finland, Norway, Switzerland, Netherlands, Spain, United States (many states including New York, California, and Pennsylvania), Japan, South Korea
Five years	Ireland, Germany (all states except Bayern), Italy, Austria
Six years	Germany (Bayern), France

Figure 9 Public views on four-year terms for New Zealand councils



year terms was commissioned as part of this work in August 2024. This poll by Curia Market Research Ltd of 1,000 NZ adults aged 18+ found that 47% supported four-year terms, but 65% would support them if central government also had a four-year term.

The Act Coalition agreement requires the Government to introduce the Constitution (Enabling a 4-Year Term) Amendment Bill shortly and support this through its first reading. This presents an opportunity to move to a four-year term for both central and local government.



Key elements

Alignment with central government elections

Different term lengths between local and central government would mean key events and processes (e.g. planning and budgeting cycles, and elections) would align differently every term. This makes it highly desirable that if central government moves to a four-year term, local government does too.

Options for aligning local and central government four-year terms

There are three main options for relative timing of elections:

	Advantages	Disadvantages
Option 1: Central government and local government elections one year apart - <i>status quo</i>	Enables an overlap of three years of councils' and central government's terms, reducing the shocks from a change in direction after an election.	The overlapping in preparation time for elections could make it more challenging for a single agency to deliver both central and local elections.
Option 2: Central government and local government elections two years apart	Would give people certainty of when elections would occur as they would be evenly spaced. Local elections would be less likely to be dominated by central government issues. Midterm changes could exert a moderating influence	Potential for significant change in relationships and policy every two years, which could undermine the relationship between central and local government and impact on the ability for joint delivery.
Option 3: Central government and local government elections at the same time (either concurrently or in the same year)	The higher turnout of central elections could result in higher turnout in local elections. Organising elections at the same time, or close together, could reduce costs. Alignment between central government and local government terms would enable four years of stability, which could support increased delivery and partnership.	Local elections could be dominated by central government issues, crowding out focus on important local issues. The parliamentary term is not fixed, so it could be challenging to align all elections to the same date without changes to constitutional arrangements for central government elections. Filling out multiple voting papers could put people off voting in local elections or from voting at.



Transition

We need to consider how local government (and central government) could transition to a four-year term. This will depend on the relative timing chosen and the point at which a decision is made and may mean that a transition involves some longer or shorter interim terms.

Implementation

Current council planning cycles (particularly the LTP) and other legal requirements are currently structured around a three-year term. There are three main options for councils' current recurring requirements: remain on current timeframes (adjusted to fit the new four-year cycle), modify the requirement in some other way, or remove it.

Ideas on transition

We're interested in views on how these (and other) recurring obligations for councils should be adjusted in the implementation of four-year terms.

	Current timings	External inputs/influences
The Long-term Plan	Every three years (with a 10-30-year horizon for key elements)	
The Regional Land Transport Plan	Every six years (with a 10-year horizon)	Government Policy Statement on Land Transport (updated every three years, with a 10-year horizon)
The Regional Public Transport Plan	Must be kept current for at least three years in advance (but not more than 10 years)	Government Policy Statement on Land Transport (updated every three years, with a 10-year horizon)
District Plans and Regional Policy Statements	Review every 10 years	National Direction, RMA amendments
Future Development Strategies	Review every three years, with a full update every six years	NPS-Urban Development, LTP, land use plans
Representation reviews	Every six years (with the option to review every three years)	The Census (every five years)



Accountability

Elections are the key accountability mechanism between elected members and their communities. Other checks and balances on councils and elected members include: Ministerial Powers to Assist and Intervene; codes of conduct; standing orders; and the power and functions of the Ombudsman and the Auditor-General.

Moving to four-year terms reduces how often the community can exercise this accountability mechanism. It is therefore reasonable to consider other accountability mechanisms as part of a move to four-year terms. New or strengthened accountability mechanisms could increase public and central government support for this change. Central government is considering enhanced accountability mechanisms as part of the proposed Constitution (Enabling a 4-Year Term) Amendment Bill.

Options to address accountability

- Retain status quo measures, including ministerial powers to assist and intervene, and the codes of conduct.
- Strengthen status quo measures, including giving the Minister wider or stronger powers to assist and intervene, strengthening codes of conduct and the consequences for breaching them, and giving chairs of meetings stronger powers to maintain order.
- Enable recall elections. These elections are used overseas to remove elected representatives during their term and are triggered by a petition signed by a certain percentage of the electorate.
- Empower an external body or stewardship agency with stronger oversight functions and powers to hold elected members to account e.g. a new Parliamentary Commissioner, or changes to the role of the Ombudsman or Auditor-General.

Issue 5 consultation questions

- 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?



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?

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?

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?

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?

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?

Additional questions

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

