Proactive release of Regulatory Impact Statement: Changing timelines to enable local elections to be delivered

The information contained in this Regulatory Impact Statement was the best available information when it was drafted. Since then, the Department of Internal Affairs (the Department) has been made aware of further information. The Regulatory Impact Statement should be read with the following information in mind:

Paragraph 3 of the executive summary:

Urban delivery currently operates 6 days per week with delivery points receiving mail 3 days a week either on Monday/Wednesday/Friday or Tuesday/Thursday/Saturday.

Paragraph 4 of the executive summary should be replaced with:

NZ Post has advised the Department that it will not be able to deliver voting papers inside the statutory timeframes for 2025 and future local elections. This is because letter volumes have reduced significantly since the Act was passed resulting in a reduction in staff and postal infrastructure. Therefore, the volume of mail required to be delivered for the local elections can no longer be absorbed by NZ Post's regular operation.

In 2010 the local election mailing added 17% to NZ Post's weekly mail volume, whereas the 2025 local election will add over 140% to NZ Post's weekly mail volume. In the future, NZ Post will require up to two weeks to complete nationwide delivery of voting papers for local elections in the future. NZ Post has already been challenged in urban areas.

Paragraph 25:

Rural mail delivery is 5 days per week.

Paragraph 26:

NZ Posts ability to add temporary resource may also be constrained by the labour market at the time.

Regulatory Impact Statement: Changing timelines to enable local elections to be delivered

Coversheet

Purpose of Document			
Decision sought:	This analysis and advice has been produced for the purpose of informing key policy decisions to be made by Cabinet.		
Advising agency:	The Department of Internal Affairs		
Proposing Minister:	Minister of Local Government		
Date finalised:	20 February 2024		

Problem Definition

New Zealand Post (NZ Post), as the main provider of delivering local electoral voting papers has advised it will not be able to deliver voting papers within the statutory timeframes under the Local Electoral Act 2001 from the 2025 elections onwards. As a result, eligible voters may not have enough time to complete and return their voting papers.

Executive Summary

Under the Local Electoral Act 2001 (the Act) there is a 22.5 day voting period for postal voting in local elections. Under the Local Electoral Regulations 2001 (the Regulations) all postal voting papers must be delivered in the first 6 days of the voting period.

NZ Post provides almost all the postal services for local elections (one council used DX Mail in 2022). While booth voting is an option for councils, all councils have used postal voting since 1995. This is different to general elections, where all voting is done via booth voting (apart from overseas voting).

NZ Post has advised the Department that it will not be able to deliver voting papers inside the statutory timeframes for 2025 and future local elections. This is because letter volumes have reduced significantly since the Act was passed, while courier demand has increased. This has led to a reduction in staff and postal infrastructure. Urban postal delivery now happens on alternate days (Monday, Wednesday, Friday), so there are fewer opportunities to deliver to each address during the prescribed window.

NZ Post is also restructuring its postal services. In this restructure, it will take up to two weeks to complete nationwide delivery of voting papers for local elections in the future.

To enable a longer delivery period for voting papers from six days to 14 days, the legislation and regulations must be amended. It is not possible to simply change the delivery window in regulations as the voting period is part of a sequence of dates in the Act and Regulations. Any significant changes to one date has flow on implications for others.

There are three options proposed in this RIS:

- 1. Status quo keep the existing six-day delivery window.
- 2. Extend the timeframe for delivering voting papers and address other issues in the electoral timeframe.
- 3. Extend the timeframe for delivering voting papers.

Options were analysed against the criteria of whether an option would:

- enable voters to cast their votes by the due date;
- be cost effective; and
- pursue administrative efficiency in the timeline electoral timeframe. This includes optimising processing times for voting papers and when voting papers are sent out.

Option Two is the preferred option. This would give delivery organisations such as NZ Post more time to deliver voting papers, and electors enough time to receive them and cast their votes. This option also enables the Department to address other issues in the electoral timeframe at the same time.

Option Three met most of the criteria and could have been a viable option. However, under Option Three, other administrative inefficiencies in the local electoral timeframe would be left unaddressed and this is not preferable.

Extending the timeframe, assumes that NZ Post can still get the labour for the one-off event. Under the preferred option there are some cost implications. A longer voting period requires local authorities to staff special voting locations for a longer period. However, the benefits of a longer voting period outweigh the costs as the costs will be very minimal of local authorities.

Engagement on the policy issue has been targeted including with NZ Post, DX Mail, electoral officers and local government members who agree with the preferred option. The general public has not been consulted as part of this work, however issues with voters receiving their voting papers late or not at all have been well canvassed by several inquiries held by the Justice Committee after each local election since 2004.

Limitations and Constraints on Analysis

The solution to the identified problem needs to be made as amendments to the Local Electoral Act 2001 and Local Electoral Regulations 2001.

The constraints in our analysis include:

- Needing to have the changes implemented before the start of the 2025 election processes.
- Direction from the Minister that these changes are to be implemented at the same time as other legislative changes that need to be enacted by August 2024.

The limitations of this are:

- There is a short window for consultation. We have mitigated this by undertaking targeted consultation with all the key delivery organisations, and some other interested parties. Stakeholders are generally happy with the preferred option over the current status quo. The main missing component is consultation with the general public.
- Based on our targeted consultation, we consider that the financial costs to the government and councils will be low and manageable: 9(2)(f)(iv)

9(2)(f)(iv) \$7,000 - \$10,000 for individual councils, and \$390,000 - \$546,000 for all councils.

- We have not considered alternative options to postal voting like electronic voting because the costs and risks are currently too high. Requiring just booth voting has also been ruled out as it is not possible to complete significant system reform in time for the 2025 local elections as contracts are already being signed with postal services.
- The new Government has signalled it is open to reviewing longer-term reform when priorities and resourcing allows.

An assumption is that NZ Post will be able to deliver within the new timeframes, however a delivery period of two weeks is preferable to the current statutory timeframe of six days.

Responsible Manager(s) (completed by relevant manager)

Richard Ward General Manager Policy and Operations Department of Internal Affairs



22 February 2024

Quality Assurance (completed by QA panel)			
Reviewing Agency:	Department of Internal Affairs		
Panel Assessment & Comment:	The panel considers that the information and analysis summarised in the RIA meets the quality assurance criteria.		

Section 1: Diagnosing the policy problem

What is the context behind the policy problem and how is the status quo expected to develop?

Local elections are held every three years

- 1. Local elections are governed by the Local Electoral Act 2001 and the Local Electoral Regulations 2001. Voters elect councillors for regional councils and territorial authorities (either a city or district council, depending on the area) and for the mayor of their city or district. They also vote for candidates to Local Boards, Community Boards, and Licensing Trusts. The Local Electoral Act 2001 sets the date for local elections as the second Saturday in October, every three years.
- 2. For at least 150 years, local authorities have managed their own electoral processes. Each local authority appoints an electoral officer. That officer has the responsibility for conducting elections and polls under the Local Electoral Act 2001. This role is statutorily independent and not under the direction from the local authority.
- 3. Over time the administration of local elections has increasingly been outsourced to the private sector. Sometimes, this includes the statutory role of the electoral officer. Two New Zealand companies provide election management services to local government. In the 2022 local elections, 75 of the 78 local authorities in New Zealand contracted a private company to provide at least some electoral services.

Local electoral principles

- 4. Under section 4 of the Local Electoral Act 2001 the principles that the Act is designed to implement include that all electors have a reasonable and equal opportunity to:
 - cast an informed vote;
 - nominate 1 or more candidates; and
 - accept nomination as a candidate.
- 5. The principles also specify that there must be public confidence in, and public understanding of, local electoral processes through:
 - the provision of a regular election cycle;
 - the provision of elections that are managed independently from the elected body;
 - protection of the freedom of choice of voters and the secrecy of the vote;
 - the provision of transparent electoral system and voting methods and the adoption of procedures that produce certainty in electoral outcomes; and
 - the provision of an impartial mechanism for resolving disputed elections and polls.

Postal voting

- 6. Local elections or polls may be conducted using postal voting, booth voting, or a combination of the two. Local authorities determine which voting method will be used. Since 1995, all local authorities have used postal voting exclusively.
- Under the Local Electoral Act 2001 there is a 22.5 day "voting period" for postal voting. Under the Local Electoral Regulations 2001 voting papers must be delivered in the first 6 days of the voting period.
- 8. NZ Post provides almost all the postal services for local elections. Palmerston North City Council was the only local authority to use an alternative mail provider (DX Mail) in

the 2022 local elections. DX Mail is not currently able to service the whole country for a national event.

Special votes

9. Voters can cast a special vote if they do not receive their voting papers or are not on the electoral roll. Under some circumstances people can also arrange for the electoral officer to post or courier special voting papers to them or for someone else to pick them up on the voter's behalf – e.g. if they are housebound. Voters must make a declaration that they believe they are eligible to be a special voter and that they have not already voted in the election. The volume of special votes is increasing with each triennial election.

Compilation of voting papers

- 10. Datam is a business division of NZ Post that handles some of the tasks required for postal voting, such as printing and assembling voting papers.
- 11. In the 2022 local elections, Datam produced and assembled over 3.4 million voting papers. These contained over 1,000 different iterations of voting papers, and 100 different candidate profile books.
- 12. Local elections are more complicated than parliamentary elections. This is because of the variations in voting entitlements. Each elector must be sent a voting pack that includes candidate information and voting forms. Both are relevant to their area and their specific voting entitlement.
- 13. Work on printing and assembling voting papers can begin when councils provide Datam information on candidates and electors. Candidate nominations and electoral rolls close 57 days (approximately eight weeks) before polling day.
- 14. Section 51 of the Local Electoral Regulations states that electors must be sent their voting papers in a six-day window beginning three weeks before voting closes (the mandated delivery period). After receiving information from councils, Datam are left with roughly four weeks to:
 - print and assemble voting papers; and
 - lodge them for delivery by NZ Post or DX Mail.
- 15. An example of the timetable for the 2025 local elections is set out below.

Timetable for 2025 local elections

Key dates	Key election step	Statutory timeframes	
14 July (Mon)	Nomination forms, candidate info packs and preliminary rolls sent to councils	No later than 28 days before the closing of the electoral roll, or the day by which nominations must be received	
By 17 July (Thurs)	Latest date for first public notice of election; nominations opens; and roll opens for inspection		
By 1 August (Fri)	Deadline for publishing pre-election report		
15 August (Fri)	ominations close; electoral roll closes 57 days before polling day		
16 August – 18 September	Final postal sort data to mail house; print voting papers. Verify candidate profiles		
19 September (Fri)	Voting period opens		
19 – 24 September	Delivery of voting documents	6 days	
19 September – 11 October	Voting period, early processing of votes	22.5 days	
11 October (Sat)	Polling day; Official result declaration	Second Saturday in October every third year	

Previous issues with postal voting

- 16. During the Inquiry into the 2022 local elections, the Justice Committee heard documented reports of delayed delivery in Amberley, Ngāruawāhia, Southland, and Marlborough Sounds, and parts of Sydney, Australia.
- 17. Whanganui District Council submitted to the Inquiry that delays in postal services meant that some voters had to cast special votes to ensure that their vote was received by polling day. The Council said it received voting papers up to three weeks after polling day which meant their votes were not counted.
- 18. One North Island electoral official received dozens of queries every day from people who were not receiving their voting papers.¹
- 19. NZ Post treated late or non-delivered election mail as a serious issue. If sufficient information was given, they acted immediately to ensure voters received their voting packs as soon as possible. NZ Post accepted responsibility for delivery problems that were proven to be due to staff or process errors.
- 20. NZ Post did note to the Inquiry that there were also other reasons why people did not receive their voting packs. These included people failing to enrol or update contact details with the Electoral Commission or to register for the NZ post rural delivery service.
- 21. Similar concerns about the non-delivery of voting papers have been made in previous Justice Committee Inquiries into local elections.²

¹ Local body elections: Undelivered voting papers will deter some – official. RNZ, 30 September 2022. <u>https://www.rnz.co.nz/news/national/475774/local-body-elections-undelivered-voting-papers-will-deter-some-official</u>

² Inquiry into the 2019 Local Elections and Liquor Licensing Trust Elections, and Recent Energy Trust Elections, Report of the Justice Committee: <u>https://selectcommittees.parliament.nz/download/SelectCommitteeReport/ef7d5da0-662e-4f9f-b4fc-</u> 70e561a0c53c.

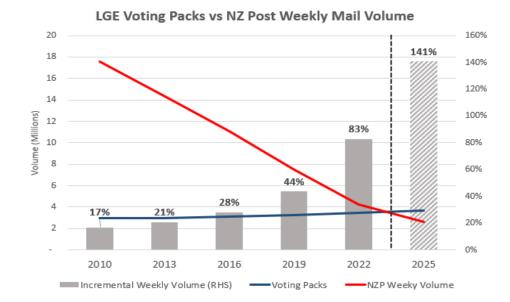
Inquiry into the 2017 General Election and the 2016 Local Elections, Report of the Justice Committee: <u>https://selectcommittees.parliament.nz/download/SelectCommitteeReport/40920de8-7698-4594-9bc8-7b81d060ffe3</u>

What is the policy problem or opportunity?

22. NZ Post, as the main provider of delivery services for local electoral voting papers has advised it will not be able to deliver the voting papers within the statutory timeframes under the Local Electoral Act 2001 from 2025 onwards. As a result, eligible voters may not be able to complete and return their voting papers in time.

NZ Post are finding it increasingly difficult to deliver voting papers in time

- 23. Letter volumes have reduced significantly since the Local Electoral Act 2001 came into effect, while courier demand has increased. This has led to a reduction in staff and postal infrastructure like post boxes. NZ Post has stated that they can no longer absorb national-level mailout events, such as local elections, into business-as-usual timeframes.
- 24. NZ Post is also shifting to an integrated model involving post being delivered by couriers. In the future, it will take up to two weeks to complete nationwide delivery of voting papers for local elections. This two-week period assumes that NZ Post can still get the labour for the one-off event.
- 25. Rural communities are impacted more significantly in delays to their voting papers being delivered. Rural communities are harder to reach, and they have fewer delivery days compared to urban postal delivery.
- 26. The New Zealand population continues to grow, and NZ Post must deliver to more people with fewer resources. It is not cost effective for NZ Post to maintain permanent excess capacity in their delivery network for the temporary peak arising from local elections. Adding short-term capacity is expensive and would likely bring additional challenges due to the inexperience of temporary staff.



Graph 1: Voting papers vs NZ Post Weekly Mail Volume (Source: NZ Post)

- 27. The table above shows that:
 - demand for post has dramatically decreased;
 - local elections require an ever-increasing upscaling of NZ Post's capacity for one week, every three years;
 - the 2010 local elections required a 17% increase in NZ Post delivery output for that week;
 - the 2022 local elections required an 83% increase in output for NZ Post; and
 - the 2025 local elections are estimated to require a 141% increase in delivery output for NZ Post.

Role of Electoral Officers

28. The statutory obligation of delivery sits with the electoral officer. They generally contract that function to another organisation, such as NZ Post. That organisation has said they cannot meet the current timeframes. This is a risk that is not going to be possible for the electoral officers to manage.

The key risk for the 2025 local election is the delivery of voting papers

- 29. By September 2025, NZ Post will be partway through their transition to the integrated model. This means in some areas it could take up to two weeks to deliver voting papers. It also means some electors may be denied a reasonable opportunity to cast their vote. This increases the risk of weakening democracy and goes against the principles set out in the Local Electoral Act 2001. This could expose electoral officers and councils to risk of petitions to the District Court for inquiries into the elections.
- 30. NZ Post have not identified any significant risks for postal returns of voting papers. Councils already mitigate any potential risks in the return of voting by providing alternative drop off locations in public places which are cleared daily but are difficult to use in rural locations. Work is underway to encourage the use of more drop boxes across the country for 2025.

Long-term future of postal voting

- 31. As mail volume decreases and people lose confidence in the postal system, the longterm viability of postal voting will continue to be questioned. Taituarā's post-2022 election survey of electoral officers found that 42 percent of respondents rated the overall performance of NZ Post as poor, compared to 19 percent in 2019.
- 32. In the Inquiry into the 2022 local elections, Christchurch City Council submitted that postal voting is "not an enduring, or reliable way" to conduct local elections. It said that it is essential that an alternative or additional methods of voting are put in place for future elections.³
- 33. The Inquiry into the 2022 local elections recommended the Government consider the merits of reviewing the statutory timeframes for the local election process. In particular,

³ Submission from Christchurch City Council on the Inquiry into the 2022 Local Elections <u>https://www.parliament.nz/resource/en-</u> <u>NZ/53SCJU_EVI_130198_JU234212/9c87d5ce512b31463e4897ea481b26ad8167b652</u>

they suggested a review of processes such as the time available for voting papers to be assembled, delivered, and returned.⁴

- 34. In its final report, the Future for Local Government Review Panel said that the current postal voting system "is not adequate for the next 30 years". The Panel encouraged decision-makers to consider alternative options. This included electronic and online voting systems, to ensure that voting is accessible and fit for purpose. ⁵
- 35. The Department acknowledges that any potential option to address the postal delivery timing issues will only be a temporary solution. Postal voting may face sustainability issues in the long-term. However, a solution needs to be found to ensure the 2025 and 2028 local elections can be delivered to a high enough standard. The Department will consider alternative options to postal voting when resourcing becomes available.

Other problems with local electoral timetable

- 36. There are other issues with the local electoral timeframes that have been identified, along with NZ Post's delivery timing difficulties.
- 37. For Datam, the timeframes for assembling voter packs have remained the same since the 1980s but the number of eligible voters has increased significantly.
- 38. Datam would like more time to receive candidate nomination information so they can start printing the voting papers. In the Inquiry into the 2022 local elections, Datam submitted that the Act and Regulations should be amended. They suggested the closing date for candidate nominations and electoral rolls be three days earlier. They indicated this would help them produce and assemble the growing volume of material in compliance with statutory timeframes.⁶
- 39. Another issue that has been previously raised, is concern about the day on which voting papers start to be sent out. Electoral officers would like the voting papers to be sent out earlier in the week. This is as opposed to the current Friday. Ideally, they would like it to be a Monday or Tuesday. This means that if errors in the printing are not picked up until the papers are going out, it is easier to remedy and re-send corrected documents, rather than trying to solve this over a weekend.

Stakeholder engagement

NZ Post

- 40. NZ Post has discussed with the Department the issues they are having with nationallevel mailout events. Events such as local elections can no longer being able to be absorbed into the business as usual postal delivery timeframes. In discussions with the Department, NZ Post have discussed how they will need to stand up a separate delivery solution for national events. They have said it would take up to two weeks to deliver voting papers in 2025.
- 41. Datam have suggested amending the Local Electoral Act 2001 and Local Electoral Regulations 2001 to move the closing date for candidate nominations and electoral

⁴ Inquiry into the 2022 Local Elections, Report of the Justice Committee. <u>https://selectcommittees.parliament.nz/download/SelectCommitteeReport/52b5d9fb-5879-4298-f0f7-08dba75226f7</u>

⁵ Te Arotake I te Anamata mō Ngā Kaunihera | Review into the Future for Local Government. <u>https://www.dia.govt.nz/diawebsite.nsf/Files/Future-for-Local-Government/\$file/Te-Arotake_Final-report.pdf</u>

⁶ Inquiry into the 2022 Local Elections, Report of the Justice Committee. <u>https://selectcommittees.parliament.nz/download/SelectCommitteeReport/52b5d9fb-5879-4298-f0f7-08dba75226f7</u>

rolls three days earlier. This would help it to produce and assemble the growing volume of material in compliance with statutory timeframes.

Electoral Reference Group (ERG)

- 42. The Department has had discussions with members of the Electoral Reference Group (ERG) about this issue and options to amend the local election timeframes. ERG is a small working group, coordinated by Taituarā (Local Government Professionals). It is made up of council officials and electoral officers, representatives from the two election service provider companies, and staff from Taituarā and Local Government New Zealand.
- 43. Feedback from members has been productive. It has helped to identify places in the timeline which may be adjusted to give more time to deliver voting papers without any unintended consequences.

The Justice Committee Inquiry into the 2022 local elections

44. As mentioned above, the Inquiry into the 2022 Local Elections heard from several submitters about the issues with voting with post. These submissions included members from the public which have provided valuable information about the issues they have faced regarding postal voting in recent years.

Agencies relevant to election processes

45. The Department has also been engaging with key government departments and Crown entities who have a role in election preparations to ensure any proposed changes are workable. These departments and Crown agencies include the Electoral Commission, StatsNZ, and Land Information New Zealand.

Key assumptions underlying the policy problem

- 46. The key assumptions underlying this policy problem are:
- The issues with postal voting will continue to get worse;
- The issues with postal voting are to do with the short delivery window;
- NZ Post cannot get additional resources to surge during local elections; and
- Any additional time provided to postal services to deliver voting papers will be enough time.

What objectives are sought in relation to the policy problem?

47. The objective sought is to:

- ensure all eligible voters receive their voting papers in a timely manner so that they are able to vote in local elections; and
- a secondary objective is to address administrative inefficiencies and pressure in the current timeframes for delivering local elections.

Section 2: Deciding upon an option to address the policy problem

What criteria will be used to compare options to the status quo?

- 48. The options will be assessed against the following criteria:
 - Electors are able to cast their votes by the due date: Electors receive their voting pack within the statutory timeframe to make an informed decision.
 - **Cost effectiveness:** Any change will not impose an unreasonably burden on local authorities' budget for delivering local elections, or impose a significant cost on the Crown, relative to the benefit.
 - Administrative efficiency: Any changes not only address the immediate issues but also consider other difficulties with the electoral timeframes that have been raised previously.
- 49. The above criteria have been given different weighting based on their importance.
- 50. The most important criterion is that electors receive their vote within the statutory timeframe. That is so they are able to participate in the democratic process by receiving their vote with enough time to post it back to be counted. The second most important criterion is administrative efficiency. There is benefit in sorting out some other longstanding issues with the electoral cycle to enable the system as a whole to work more efficiently.
- 51. There is a relationship between cost effectiveness and ensuring all electors are able to cast their votes by the due date. Because NZ Post needs more time to deliver voting papers, it means there is a longer period to vote. The trade-off of giving NZ Post more time, is that it will impose some costs on local authorities because local authorities will be required to staff special voting places for longer.

What scope will options be considered within?

53. The solution to the identified problem needs to be made as amendments to the Local Electoral Act 2001 and the Local Electoral Regulations 2001.

An option to require all local authorities to provide booth voting has been ruled out of scope.

54. All councils have used postal voting for several years because it is less expensive and easier to administer. It would not be feasible for councils to switch to booth voting in time for the 2025 local elections. That would be a massive logistical change. Supporting a shift to booth voting or a combination of booth and postal could be part of longer-term reform of local elections.

Requiring all local authorities to use DX Mail has been ruled out of scope.

55. While some councils are looking to use DX Mail in 2025, NZ Post is still the preferred supplier for local authorities. That is because of its ability to deliver across New Zealand, including rural areas. DX Mail would likely have to contract out to NZ Post to deliver to remote areas in New Zealand. NZ Post is also obligated to maintain a certain service level under the Deed of Understanding it has signed with the New Zealand Government making it the more viable option for local authorities.

Amending the close of polling to a later date has been ruled out of scope

56. Not only is it well established that local elections are held on the second Saturday in October every three years, but it would also mean that in 2028 the election day would be during Labour Weekend. This would make voting difficult for anyone who was away from home without their voting papers and wanted to vote. Delaying the close of polling would also put additional pressure on end of year processes for councils where there are already some tight timeframes.

Providing additional funding to NZ Post to deliver within the current statutory timeframes has been ruled out of scope.

- 57. Providing NZ Post with a one-off funding boost for the 2025 local elections has been ruled out of scope as there is no guarantee that NZ Post will be able to find the staff to deliver voting papers within the existing timeframes. In previous elections, NZ Post has ruled out extra resourcing because it is too difficult to find and upskill the staff in the short amount of time available.
- 58. NZ Post is already required to meet a minimum level of service for delivery under the Deed of Understanding which is signed between the Crown and NZ Post.⁷ The minimum level of service delivery means that under the status quo, they are struggling to meet the statutory timeframes to send out voting papers. Giving more money to NZ Post does not mean the local elections in 2025 will be delivered in time.

⁷ https://www.nzpost.co.nz/sites/nz/files/2021-10/2013-deed-of-amendment-restatement.pdf

What options are being considered?

- 59. We have considered three options:
 - **Option One –** Status quo.
 - **Option Two** Extend the timeframe for delivering voting papers and address other issues in the electoral timeline (preferred option).
 - Option Three Extend the timeframe for delivering voting papers.

Option One – Status quo

- 60. Under the status quo voting papers would be required to be delivered within the first six days of the voting period. NZ Post have informed the Department that six days will not be enough time to deliver voting papers to electors in 2025 and beyond.
- 61. The same issues that were canvassed in the Inquiry into the 2022 local elections would likely happen again. That was where voting papers were delayed in getting to electors or some electors did not receive their voting papers at all. The status quo would also continue to disproportionality effect rural New Zealanders as rural mail is delivered less frequently than in urban areas.
- 62. The status quo would not maintain confidence in and understanding of the local electoral process as people will continue to struggle to be able to participate in the democratic process.
- 63. There is no stakeholder support for keeping the status quo as there are pressures not only on NZ Post but also Datam in preparing the voting papers. There will be continued legal risks for electoral officers and local authorities under the status quo if people do not receive their voting papers in time. The main legal risk is of people challenging any election results in the District Court. The impact of this could be extended costs to councils, uncertainty about the legitimacy of the elected membership, and the possibility that elections would need to be re-run.

Option Two – Extend the timeframe for delivering voting papers and address other pain points in the electoral timeline

- 64. Under this option, the delivery period for voting papers would be extended from six days to 14 days to give delivery organisations such as NZ Post more time to deliver voting papers.
- 65. This option will also seek to achieve greater administrative efficiencies. These include:
 - electors to be included on the printed roll earlier, by up to two weeks (electors that are not on the printed roll need to cast a special vote).
 - nominations opening (to be an election candidate), and the roll being available for inspection, earlier by approximately ten days.
 - councils' pre-election report to be published approximately two weeks earlier (but still two weeks prior to nominations closing).
 - nominations closing, and the roll inspection closing, earlier by approximately two weeks (the nomination and roll inspection periods will be a few days shorter overall).

- the start of the voting period and delivering voting papers earlier by approximately ten days, and extending the period for papers to be delivered to 14 days.
- 66. This option would provide a greater opportunity for electors to receive their vote by enabling voting papers to be delivered over a longer period of time.
- 67. This option would address other issues in the electoral timeframe including changing the day in which voting papers start to be sent out. Currently voting papers are sent on a Friday which makes it more difficult to fix any mistakes in the voting papers over the weekend. Under this option, voting papers would start to be delivered on a Monday or Tuesday.
- 68. Under this option, Datam would also have more time to print and process voting papers reducing the risk of any mistakes.
- 69. This option would impose some costs on local authorities as a longer voting period would require local authorities to have special voting places set up for a longer period of time. However, special voting places are also often used to assist people with voting and to allow voting papers to be dropped off. Cost would depend on the size of the Council but for a council like the size of Dunedin, the costs would be an extra \$5,000-\$7,000.
- 70. 9(2)(f)(iv)
- 71. Key local government stakeholders prefer this option. This is because it would give greater confidence to electoral officials and the public that voting papers will be delivered on time. It would also provide more logical sequencing and spacing of statutory timeframes, This would reduce errors or make them easier to fix quickly as well as giving more time for people to vote.

Option Three – Extend the timeframe for delivering voting papers

- 72. This option would extend the delivery period for voting papers from six days to 14 days. This would give delivery organisations such as NZ Post more time to deliver voting papers, and enable people to receive their vote and cast it.
- 73. Under this option, the issues with the local electoral timeframes would not be addressed. Datam would not have the additional time to process voting papers as they would like which increases the risk of mistakes being made.
- 74. Key local government stakeholders did not prefer this option as it would not address other issues in the electoral cycle. Stakeholder concerns with the electoral cycle have been well documented to the Department. Stakeholders also understand that local electoral legislation is not changed often and their preference is to fix other lingering issues with the local electoral timetable at the same time as fixing the postal issues.
- 75. This option would also impose some costs on local authorities as special voting places would have to be open for a longer period of time.

How do the options compare to the status quo/counterfactual?

	Option 1 – Status quo	Option 2 – Extend the timeframe for delivering voting papers and address other pain points in the electoral timeline	Option 3 – Extend the timeframe for delivering voting papers
Voters are able to cast their votes by the due date	- NZ Post cannot meet the current statutory timeframes for delivering voting papers and there have been numerous cases of people receiving their voting papers late or not at all.	++ There is a much greater chance that people will receive their vote and on time with a longer delivery window.	++ There is a much greater chance that people will receive their vote and on time with a longer delivery window.
Cost effectiveness	0 No additional money needs to be spent by local authorities, other than postal price increases, but the problems will continue to get worse.	+ There will be some additional cost to councils (roughly \$5,000-\$7,000 for a council the size of Dunedin 9(2)(f)(iv) but it is relatively low compared to the benefits.	+ There will be some additional cost to councils (estimated at an extra \$5,000-\$7,000 for a council the size of Dunedin and to the 9(2)(f) (iv)) but it is relatively low compared to the benefits.
Opportunity to address other issues in the local electoral timeline	0 This option does not address any existing issues in the local electoral calendar and the problems will continue to persist.	+ Other sequencing and timing issues in the electoral timeline can be fixed alongside the primary changes.	0 This option does not address any existing issues in the local electoral calendar and the problems will continue to persist.
Overall assessment	-	++	+

Example key for qualitative judgements:		
++	much better than doing nothing/the status quo/counterfactual	
+	better than doing nothing/the status quo/counterfactual	
0	about the same as doing nothing/the status quo/counterfactual	
-	worse than doing nothing/the status quo/counterfactual	
	much worse than doing nothing/the status quo/counterfactual	

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

- 76. Compared to the status quo, Option Two best meets the criteria and is the Department's preferred option.
- 77. Option Two would give delivery organisations such as NZ Post the additional time they need to enable voting papers to be delivered within the new statutory timeframes allow people to receive their vote within the new statutory time.
- 78. The key trade-off of giving more time to deliver voting papers is that there is a shorter nomination period. However, electoral officers have advised the Department that they rarely receive any nominations in the first week that they are open.
- 79. Another trade-off in finding more time is that the printed roll would be closed off earlier. However, one of the mitigation steps will be to ensure that the enrolment campaign by the Electoral Commission, to get electors to update their enrolment details, also starts earlier.
- 80. The preferred option meets the criterion of being more cost effective than the status quo and Option Three. That is because the anticipated costs of the option lead to significant benefits, rather than no spending at all leading to a complicated election and a higher risk of results being challenged in court.
- 81. 9(2)(f)(iv)
- 82. There will also be costs for local authorities who will have to staff special voting places for longer with an extended voting period. However, these costs for councils are relatively low compared to how much local authorities budget for their local elections.
- 83. Option Two would provide greater administrative efficiency that would not be able to be achieved if the Department went with Option Three. This is the characteristic which narrowly sets the preferred option apart from Option Three. Option Three has similar benefits as outlined above, given that it also extends the delivery timeframe. However, Option Three fails to attend to wider efficiency issues in the electoral timeline.

What are the marginal costs and benefits of the option?

Affected groups (identify)	Comment nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.	Impact \$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.	Evidence Certainty High, medium, or low, and explain reasoning in comment column.			
Additional costs of the preferred option compared to taking no action						
Regulated groups: Local Authorities	Will have to extend the time period they offer special voting facilities.	\$390,000 - \$546,000 total cost for all councils	Medium.			
Regulators	N/A					
Others (e.g., wider govt, consumers, etc.): 9(2)(f)(iv)	9(2)(f)(iv)	9(2)(f)(iv)	Medium			
Total monetised costs		9(2)(f)(iv)	medium			
Non-monetised costs						
Additional benefit	s of the preferred optio	n compared to taking n	o action			
Regulated groups Local Authorities and electoral officers	Realistic public expectations, more confidence in electoral results	Medium	Medium			
Regulators						
Others (e.g., wider govt, consumers, etc.) Electors	Given a reasonable opportunity to cast an informed vote.	Medium	Medium			
Total monetised benefits	-	-	-			
Non-monetised benefits		Medium	Medium			

84. The Department has been unable to conduct full costings of the preferred option. However, some engagement with key local government stakeholders has indicated that the costs of the preferred option would be very low. This is because the only costs identified are the costs imposed on local authorities having to keep their special voting places open for a longer period of time.

85. 9(2)(f)(iv)

86. The cost on all local authorities is based on an estimate for a council the size of Dunedin - \$5,000 - \$7,000 multiplied by 78 local authorities.

Section 3: Delivering an option

How will the new arrangements be implemented?

- 87. The preferred approach would amend the Local Electoral Act 2001 and the Local Electoral Regulations 2001 to amend certain dates in the Act and Regulations.
- 88. Local authorities, primarily, through their electoral officers will be responsible for understanding and meeting the new timeframes. They will also be responsible for communicating with potential candidates and electors about election steps and timeframes. The Department will work with Taituarā to ensure that all local authorities are aware of the changes.
- 89. There will also be implications for other organisations. The Department has been working with the following organisations to test the proposed new timetable and ensure that it can be delivered:
 - the Electoral Commission;
 - StatsNZ;
 - Land Information New Zealand;
 - the Local Government Commission;
 - Taituarā (including the Electoral Reference Group); and
 - electionz.com and Election Services.
- 90. The Department is also part of an election 2025 working group. The group's members include NZ Post, DX Mail, members of the Electoral Reference Group, and election service providers. These meetings occur every three months to identify risks and ways to mitigate them leading up to the 2025 local elections.
- 91. The Department does not see any implementation risks. Election providers are very knowledgeable in the services they provide local authorities and we would expect this to continue under the new timeframes. The Department will continue to investigate the long-term viability of the postal system and part of any future work programme.

How will the new arrangements be monitored, evaluated, and reviewed?

92. The Department will receive direct feedback from local authorities and electoral officers and through the peak sector bodies, Taituarā – Local Government Professionals Aotearoa and Local Government New Zealand, on the effectiveness of the amendment. Typically, after each round of local elections, the Department participates in a post-election de-brief of electoral officers. That de-brief is arranged by Taituarā (including organisations such as NZ Post and the Electoral Commission). The Justice Committee has also, by convention, undertaken an inquiry after each of the recent local elections including receiving public submissions.

When and how will the new arrangements be reviewed?

93. The Department will consider the impact of, and feedback on, the amendments following the 2025 local elections and evaluate whether any further changes are required to the legislation and regulations. The Department will brief ministers in 2026 if further changes are required