

Title: Postal Voting Bill IA No: CO 2009 RPC Reference No: N/A Lead department or agency: Cabinet Office Other departments or agencies: N/A	Impact Assessment (IA)			
	Date: 04/05/2018			
	Stage: Final			
	Source of intervention: Domestic			
	Type of measure: Primary Legislation			
Contact for enquiries:				
Summary: Intervention and Options				RPC Opinion: Not Applicable

Cost of Preferred (or more likely) Option				
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANDCB in 2014 prices)	One-In, Three-Out	Business Impact Target Status
-£0.08m	N/A	N/A	Not in scope	Not a regulatory provision

What is the problem under consideration? Why is government intervention necessary?

In his report on electoral fraud, Sir Eric Pickles made two recommendations in relation to postal voting which the Government accepted. These were to prohibit handling of completed postal votes by campaigners and limit the number of postal votes that are handed in to polling stations. There have been significant concerns over many years, including in Birmingham in 2005 and notably in Tower Hamlets in 2014, where the handling of postal votes by party campaigners has been questioned and led to doubts about the veracity of the outcome of the election. This Bill proposes to prevent such handling and to limit the number of electors on behalf of whom a person may hand in postal votes in order to mitigate the possibility and perceptions of electoral fraud.

What are the policy objectives and the intended effects?

Sir Eric’s review reported that the collection and handing in of multiple completed postal ballot packs by someone to a polling station (sometimes referred to as “postal vote harvesting”) creates the impression those ballot papers could have been tampered with or fraudulently completed, and have been put forward in bulk at the last moment in the hope that they will not be so stringently checked by the returning officers. To circumvent this, the Bill prohibits party campaigners and individuals supporting a particular candidate from handling postal votes. This is supported by a new criminal offence. Additionally, the Bill imposes a limit on the number of electors on behalf of whom an individual can hand in postal ballot packs for, whether to the returning officer or at a polling station.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Option 1: Do nothing
 Option 2: Make the following changes:

- Implement the details of the Postal Vote Handling Bill to preclude the handling of postal votes by party campaigners. Also to limit the number of people that anyone can assist when handing in postal votes to a returning officer or at the polling station.

Additional options were considered upon consulting key stakeholders in the electoral community, but are not included in this Assessment. The Government’s response to the Pickles Review, ‘Securing the Ballot’, can be found here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/580514/government-response-sir-eric-pickles-review-electoral-fraud.pdf

Option 1 will not address the issues or deliver our policy objectives.

Will the policy be reviewed? It will not be reviewed. If applicable, set review date: Month/Year					
Does implementation go beyond minimum EU requirements?			N/A		
Are any of these organisations in scope?		Micro No	Small No	Medium No	Large No
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded: N/A		Non-traded: N/A

I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) that the benefits justify the costs.

Signed by the responsible Minister: _____ **Date:** _____

Summary: Analysis & Evidence

Policy Option 1

Description: Do Nothing

FULL ECONOMIC ASSESSMENT

Price Base Year 2019	PV Base Year 2019	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: N/A	High: N/A	Best Estimate: N/A

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	N/A	N/A	N/A
High	N/A	N/A	N/A
Best Estimate	N/A	N/A	N/A

Description and scale of key monetised costs by 'main affected groups'

In line with impact assessment guidance, the Do Nothing option has zero costs or benefits as impacts are assessed as marginal changes against the Do Nothing baseline.

Other key non-monetised costs by 'main affected groups'

As above, the Do Nothing option has no costs or benefits as impacts are assessed as marginal changes against the Do Nothing. However, without giving statutory grounding to the postal vote handling guidelines already produced by the Electoral Commission, it's likely that postal vote harvesting will continue to be an issue. This has negative implications for the integrity of the electoral system and potentially serious ramifications for the validity of our democratic process.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	N/A	N/A	N/A
High	N/A	N/A	N/A
Best Estimate	N/A	N/A	N/A

Description and scale of key monetised benefits by 'main affected groups'

N/A

Other key non-monetised benefits by 'main affected groups'

N/A

Key assumptions/sensitivities/risks

N/A

Discount rate:

3.5%

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: N/A	Benefits: N/A	Net: N/A	

Summary: Analysis & Evidence

Policy Option 2

Description: Option 2

FULL ECONOMIC ASSESSMENT

Price Base Year 2019	PV Base Year 2019	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: -£0.04m	High: -£0.22m	Best Estimate: -£0.08m

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	N/A	£0.00m	£0.04m
High	N/A	£0.02m	£0.22m
Best Estimate	£0.03m	£0.01m	£0.08m

Description and scale of key monetised costs by 'main affected groups'

The key monetised costs are those related to enforcement of the new offence, and associated judicial costs for offences that result in convictions. None of these costs will fall upon business or charities; we expect all to fall upon Government services. Enforcement costs consist predominantly of police staff time, while judicial costs arise from the provision of legal aid, costs of court proceedings, and costs related to imprisonment. Due to the low expected number of cases, cautions and convictions, these costs are limited. There are also costs associated for the Electoral Commission (EC) to produce updated guidance, and for electoral administrators to amend postal vote guidance.

Other key non-monetised costs by 'main affected groups'

There may be some costs incurred by voters who may have to spend additional time to post their ballot where they may previously have had it collected. Furthermore, we expect there to be insignificant familiarisation costs for party political campaigners. Offences that result in fines are identified as a transfer and are therefore not monetised.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	N/A	N/A	N/A
High	N/A	N/A	N/A
Best Estimate	N/A	N/A	N/A

Description and scale of key monetised benefits by 'main affected groups'

The main non-monetised benefits are those associated with the strengthening of the electoral and democratic system. An electoral system that has a greater perceived level of security and integrity could ultimately lead to higher engagement and turnout. Furthermore, it should reduce the need for lengthy investigations into the validity of certain polls and elections.

Other key non-monetised benefits by 'main affected groups'

The main non-monetised benefits are those associated with the strengthening of the electoral and democratic system. An electoral system that has a greater perceived level of security and integrity could ultimately lead to higher engagement and turnout. Furthermore, it should reduce the need for lengthy investigations into the validity of certain polls and elections.

Key assumptions/sensitivities/risks

Discount rate:

3.5%

A key sensitivity is the expected number of cases, cautions and convictions brought for the new offence. As expected, there is a strong relationship between cases of electoral fraud and the number of polls conducted each year. As such, the number of cases varies each year, but our central estimate is an average of 7 additional cases brought per annum. Sensitivity analysis has been conducted on the total number of cases, cautions and convictions brought each year. Additionally, we have made assumptions relating to the expected costs associated with investigating alleged crimes and, for those that result in convictions, subsequent costs of prosecution and imprisonment.

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: N/A	Benefits: N/A	Net: N/A	
			N/A

Evidence Base (for summary sheets)

Problem under consideration

1. In recent years, there have been multiple cases of electoral fraud, in many different guises. To tackle the problem the Government is embarking on a programme of work to secure the UK's electoral system. This programme is underpinned by the 'Securing the Ballot' report written by Sir Eric Pickles in 2016¹.
2. The issue that is addressed in this Bill is linked to postal vote fraud, of which dozens of cases are reported each year. In the past there have been a number of relatively large and important incidents relating to the mishandling and abuse of postal votes, notably in Birmingham in 2005 and 2009, and Tower Hamlets in 2014².
3. The fraud the Bill seeks to preclude arises from allowing party campaigners or individuals supporting a particular candidate, to collect postal votes from residents to deliver to the elections office, the polling station or to post locally. However, this allows campaigners to potentially divert postal votes or, more seriously, tamper with them. Additionally, postal votes can be handed into polling stations in bulk at the last moment, in the hope that they will not be stringently checked. This has a serious impact on the perception of the integrity of elections.
4. Between 2011 and 2017, there have been 186 allegations of postal vote fraud (some of which may include dozens or hundreds of ballot papers). Of these allegations, there have been four cautions and four convictions³.

Rationale for intervention

5. In August 2016, Sir Eric Pickles published his review into electoral fraud. In this report, Sir Eric made two recommendations in relation to postal voting:
 - a. *R7. Completed postal ballot packs should only be handed in at a polling station by the voter or a family member/designated carer acting on their behalf – a limit of two should be applied for any one person handing in completed ballots and require an explanation as to why they are being handed in and signature provided.*
 - b. *R19. Political campaigners/activists should be banned from handling completed postal votes and postal vote envelopes. The provisions should not apply to family members and designated carers (subject to a limit of two, as per Recommendation 7).*
6. Sir Eric found that the “handing in of postal ballot papers at polling stations has long been a source of concern.” His review reported that the collection and handing in of multiple completed postal ballot packs by someone to a polling station (sometimes referred to as ‘postal vote harvesting’) creates the impression those ballot papers could have been tampered with or fraudulently

¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/545416/eric_pickles_report_electoral_fraud.pdf

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/580514/government-response-sir-eric-pickles-review-electoral-fraud.pdf

³Yearly reports of electoral fraud can be found here; <https://www.electoralcommission.org.uk/find-information-by-subject/electoral-fraud/data-and-analysis>

completed, and have been put forward in bulk at the last moment in the hope that they will not be so stringently checked by the returning officers.

7. There is no statutory prohibition on political campaigners/activists handling other voters' postal votes but the Electoral Commission has published a Code of Conduct for Campaigners⁴ which has been agreed to by the national political parties. This Code states that campaigners should never (in relation to postal voting ballot papers): touch or handle anyone else's ballot paper; observe voters completing their ballot paper; or handle or take any completed postal ballot packs from voters. Political parties and candidates can voluntarily agree to abide by the Code, but it is not legally binding. The Code has been ignored by unscrupulous campaigners in some areas, even whilst notionally signing up to it. In many elections there have been examples of party members handing in numbers of postal votes and in the Tower Hamlets mayoral elections in May 2014, where there were instances of campaigners directly asking people to hand over their postal votes. Sir Eric noted that the lack of a statutory ban on the handling of postal ballots leaves scope for the integrity of postal voting to be undermined, and that if an activity should be banned, that should be done in legislation and with an effective sanction attached.
8. Several key electoral stakeholders, such as the National Police Chiefs Council and the Society of Local Authority Chief Executives, in their evidence for the Pickles' review agreed that without the force of law, the Electoral Commission's Code of Conduct on handling postal votes is difficult to enforce. Indeed, in its review of the 2017 local government elections and the UK Parliamentary general election, the Association of Electoral Administrators stated that "it's time for urgent and positive Government action"⁵.

Policy Objective

9. In response to the two postal voting recommendations made by Sir Eric Pickles, The Bill makes the following changes to current policy:
 - a. prohibits the handling (or harvesting, collecting or posting) of complete, incomplete, or blank postal ballot papers by candidates, party members or workers, and others, when the person concerned is acting to promote a particular outcome at a relevant election. Defined family members and carers are exempted from this prohibition. (Note that, in any event, the prohibition does not prevent people who are not seeking to promote a particular outcome at the election from assisting a voter to get their vote delivered on time);
 - b. introduces a criminal offence in relation to contravention of the above;
 - c. prohibits the handling of postal votes by people who are doing so with a corrupt intent. This captures people who are not necessarily allied to parties, or otherwise seeking to effect a particular outcome at an election, but are nevertheless acting with dishonest intent: for example, who are handling the votes of other people over whom they exercise undue influence, or intend to tamper with the vote. In this instance, family and carers are not exempt - because of the dishonest nature of their intentions;
 - d. introduces a criminal offence in relation to the contravention of the above;
 - e. introduces an ability to limit the number of electors on behalf of whom a person may hand in postal votes to a returning officer or at a polling station (such limit to be specified in secondary legislation); and
 - f. requires returning officers to notify electors if their postal vote has been rejected because

⁴ https://www.electoralcommission.org.uk/_data/assets/pdf_file/0011/179741/Code-of-conduct-for-campaigners-2015.pdf

⁵ <https://www.aea-elections.co.uk/wp-content/uploads/2017/09/aea-post-election-report-mayjune-2017.pdf>

of a suspected breach of (i), (iii) or (v) above.

10. It should be noted that there are some exceptions to the proposed policy. R7 of the Pickles review suggested that individuals should only be allowed to hand in completed postal ballot packs on behalf of individuals of whom they are a family member or designated carer. In its response to the report, the Electoral Commission advised the Government to carefully consider whether a limit on the categories of people who can hand in completed postal ballot packs would disadvantage voters who have a genuine need for assistance.
11. The Bill introduces a limit on the number of electors for whom any individual can hand in postal vote papers to a returning officer or at a polling station on polling day. The exact limit will be prescribed in regulation. This broadens the recommendation made by Sir Eric Pickles, which was limited to handling only by family and carers, to aid accessibility, whilst retaining the original intention of the recommendation.
12. The Bill will implement R17 as per the Pickles suggestion, drawing a wide definition of 'carer'. This is has been drafted with the support of Department of Health and Department of Work and Pensions.
13. The Postal Voting Bill has developed the two relevant recommendations from the Sir Eric Pickles report in relation to postal voting to workable solutions whilst supporting the manifesto commitment to legislate to "reform the postal voting process".

Monetised and non-monetised costs and benefits of each option (including administrative burden)

No change option (Option 1)

14. Monetised costs

N/A

15. Non-monetised costs

N/A

16. Monetised benefits

N/A

17. Non-monetised benefits

N/A

Option 2: The passing of the Postal Vote Handling Bill, which will seek to reduce the potential of electoral fraud by creating strict rules on the quantity of postal votes party campaigners are allowed to carry. These rules can be amended through the use of Statutory Instruments (SIs).

Overarching assumptions, risks and sensitivities

18. The Representation of the People Act (RPA) 1983 introduced several electoral offences⁶, including specific offences related to postal voting - namely, 13D (1A) for false applications, and a range of offences (60-62 and 62A) relating to personation and multiple voting. Between 2011 and 2017, there have been a total of 186 allegations of fraud related to these offences⁷. Of these allegations, four have resulted in cautions, and four have resulted in convictions. This is against a backdrop of more than 3000 polls⁸ across the United Kingdom.
19. There has been a significant variation in the number of cases brought for electoral fraud between years. This has ranged from as few as 8 cases (in 2013) to as many as 63 (in 2012), with an average of 27 cases per annum. There is a reasonably strong correlation between the number of cases and the number of polls in each year (approximately 0.60). As such, we have made forward-looking projections for the total number of postal vote fraud cases related to existing offences based upon the number of expected polls in each year. The mean number of cases-per-poll (0.07) forms our central estimate (sensitivity analysis has been conducted on this variable, as outlined below).
20. Projections for the number of cases, cautions and convictions relating to the proposed offence are pivotal in calculating the total cost burden. We have assumed for our central estimate that the new offence for handling postal votes will increase the incidence of criminal cases relating to postal voting by 20%. This results in an average of an additional 7 cases per annum. (Sensitivity analysis has been conducted on this variable, as outlined below). Forecasting the expected number of cases for a new offence is inherently difficult as there is not a complete record of the frequency that previous activity would have violated the offence had it been in existence. Furthermore, the introduction of a new offence may well have altered the actions of those that would have violated the law if it had been an existing criminal offence. It was felt that 7 cases brought per annum was a reasonable estimate given the specificity of the offence, and given that this activity has largely been focused in a handful of areas.
21. In determining the expected number of cautions and convictions, we have observed the rate of cautions and convictions per case brought since 2011. This rate is equal to 2.15% for both. We have taken that rate as our central estimate for the new proposed offence, and applied it to the projected number of expected cases. The central estimate is that, over a 10 year period, there will be one conviction and one caution. For the purpose of this impact assessment, we have assumed that these will fall in the year 2022 due to the higher number of polls in a General Election year. (It should be noted that there are a higher number of polls falling in the year 2027; however, we have chosen 2022 to avoid discounting the potential costs at a higher rate). Sensitivity analysis has been conducted on this variable to form our high and low estimates.
22. Sensitivity analysis has been conducted on the following variables. These variables form the basis of our estimates of the number of cases, convictions and cautions brought each year. The total estimated number of cases, convictions and cautions for our central, high and low estimates in each year can be seen in Table 1.
 - a. The total number of cases brought per annum for existing offences related to postal voting has been projected using the mean number of criminal cases-per-poll. The mean number of cases-per-poll held was calculated to be 0.07, which forms our central estimate. The low estimate is taken as the minimum number of cases-per-poll (0.04), as observed in 2011.

⁶<http://library.college.police.uk/docs/APPREF/Schedule-of-election-and-referendum-related-crimes-and-penalties.pdf>

⁷ <https://www.electoralcommission.org.uk/find-information-by-subject/electoral-fraud/data-and-analysis>

⁸https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/694598/Election_Timetable_in_England.pdf

The high estimate is taken as 0.12 (this was preferred to the maximum of 0.21, observed in 2013, as this is skewed by the significantly low number of polls in that year).

- b. As above, the central estimate for the number of cases brought for this new offence is based upon a 20% increase on the expected number of cases brought for existing offences. Low and high estimates are based upon a 10% and 30% increase on the expected number of cases respectively.
- c. The central estimate for the number of cautions and convictions was calculated by taking the mean rate of caution/conviction per case (2.15%) related to existing postal voting offences between 2011 and 2017. There is no strong basis to suggest that the rate of caution/conviction will differ for the proposed offence relative to the existing offences relating to postal voting. Nevertheless, to account for this uncertainty, low and high estimates have been based upon rates of 1% and 5% respectively.

23. It should be noted that the three variables above each relate to one another. As such, the relationship between the low, central and high estimates for the number of cases, cautions and convictions are not linear. The total number of each outcome per annum is shown in Annex A, Table 1.

Monetised costs

24. These costs can broadly be separated into judicial and enforcement costs.

Enforcement Costs

25. There are enforcement costs for policing and investigating alleged crimes, in addition to issuing cautions. These costs arise due to the associated staff time for members of the police. This has been calculated based upon the average wage of a police inspector, which is approximately £35.65/hr based upon inflated average wage data for police inspectors from 2016⁹, including overheads estimated to be 16.5% based upon data from Eurostat¹⁰.

26. Most cases that are brought are either locally resolved, or it is concluded that no crime has been committed¹¹. It has been assumed that, for each case brought, 20 hours of police time was required. This puts the total cost of a case brought, if not resulting in a caution nor a conviction, at £713 per case. It should be noted that there is no reliable data on the amount of time typically spent to investigate allegations related to existing postal vote or similar offences. Home Office officials have confirmed that this is likely to be a conservative estimate given the nature of the proposed offence.

27. For cases that result in a caution, we assume that members of the police force will spend a total of 2 hours on average per caution, in addition to the 20 hours spent investigating the case, as above. We have assumed an additional 2 hours because cautions are typically delivered 'out-of-court' and are quick and effective ways to penalise¹². This time is inclusive of the time spent issuing the

⁹ <https://www.metfriendly.org.uk/services/police-finance-information/police-pay/>

¹⁰ [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Labour_costs_per_hour_in_euro,_whole_economy_\(excluding_agriculture_and_public_administration\)_T1.png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Labour_costs_per_hour_in_euro,_whole_economy_(excluding_agriculture_and_public_administration)_T1.png)

¹¹ <https://www.electoralcommission.org.uk/find-information-by-subject/electoral-fraud/data-and-analysis>

¹² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/416068/cautions-guidance-2015.pdf

caution and completing all associated paperwork, and puts the total staff cost of issuing a caution - inclusive of initial investigative work - at £784.

28. It is assumed that the 20 hours required to investigate a case for the proposed offence is the same for a conviction. Therefore, the total enforcement costs for a conviction is equal to £713. However, there are additional associated judicial costs for a conviction, detailed in the following section.

Judicial Costs

29. Cases that reach the courts will incur costs for HM Courts and Tribunal Services. Home Office officials have confirmed that cautions and cases that do not result in convictions do not typically require a judicial process.
30. Based upon data from the Crown and Prosecution Service¹³, the cost of a case is estimated to be £2,123 per case requiring court proceedings (inflated from 2009 in line with HMT Green Book guidance). This figure is the maximum recoverable fee a judge can order convicted persons to pay to help cover the costs of the prosecution.
31. Additional legal aid costs also apply to cases where it is provided. Legal aid is provided to meet the costs of legal advice and representation in a court or tribunal if the defendant meets the criteria laid out by the Government¹⁴. According to Ministry of Justice data, the average cost of legal aid is equal to £743 per criminal case¹⁵. Furthermore, based on Ministry of Justice data from 2017, we have calculated that legal aid was provided in 62% of criminal court cases¹⁶.
32. There are associated costs to hold those who are convicted of electoral fraud and sentenced to prison. Given that this is a non-violent crime, for which criminals can be assumed not to pose a substantial risk to personal or national security, we expect convicts to be housed in the lowest category prisons - Category C prisons. Data from the Ministry of Justice suggests that there is a significant difference in the costs of imprisonment for men and women¹⁷, with the annual cost being £19,500 and £34,413 respectively. These costs have been appropriately inflated, using the CPIH measure, since 2015. The calculations in this impact assessment have assumed an equal probability of offences being committed by men and women; therefore, we have assumed the average annual cost of imprisonment to be the mean average of the cost for men and women, at £26,957.
33. The proposed penalty for this offence is either an unlimited fine, or a maximum imprisonment of two years. The EC's analysis of cases of alleged electoral fraud in 2017¹⁸ highlights one conviction of a case related to 60-62A which resulted in a fine of £150. We have taken a conservative approach and assumed that 50% of convictions will receive a prison sentence, with the remaining 50% receiving a fine. (Given that such a fine constitutes a transfer from the offender to the court and/or affected parties, this has not been monetised as part of these calculations).
34. The same report highlights two convictions which resulted in sentences for unrelated electoral crimes. In both instances, sentences were suspended, with lengths of 12 weeks and 8 months. We

¹³ CPS Data can be found here; <https://www.cps.gov.uk/legal-guidance/costs-annex-1>

¹⁴ Eligibility laid out here: <https://www.gov.uk/legal-aid>

¹⁵ <https://www.gov.uk/government/collections/legal-aid-statistics>

¹⁶ <https://www.gov.uk/government/statistics/criminal-court-statistics-quarterly-october-to-december-2017>

¹⁷ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/563326/costs-per-place-cost-per-prisoner-2015-16.pdf

¹⁸ https://www.electoralcommission.org.uk/_data/assets/pdf_file/0006/239973/Fraud-allegations-data-report-2017.pdf

have adopted a conservative approach and assumed that, for the basis of our calculations, the average prison sentence handed for a conviction related to the new offence is not suspended, and equal to 12 months (half of the maximum length).

35. To summarise, we have calculated the following costs for closed cases, cases that end in cautions and finally, cases that end in conviction. All costs are in 2018 prices, and have been inflated in line with HMT Green Book guidance in our calculations.

- a. Average cost of case: £713
- b. Average cost of caution: £784
- c. Average cost of conviction: £16,772

36. It should be noted that the average cost of conviction is a weighted average, based upon the assumption that 50% of convictions result in a fine, and that the average sentence handed down for the remaining convictions is 1 year. Below, we note the costs of conviction for each of the individual outcomes:

- a. Cost of conviction resulting in a fine: £3,294
- b. Cost of conviction resulting in a 1-year sentence: £30,251
- c. Maximum potential cost of conviction (based on a 2-year sentence): £57,207

37. We expect there to be costs incurred by the Electoral Commission and electoral administrators to produce updated guidance, as below. We expect the total cost to be approximately £30,000, which is a conservative estimate.

- a. Electoral administrators in the 391 LAs across the UK will be required to update the postal voting pack that is sent to each household. There will not be any extra material burden above the time spent making the changes. We have assumed it would take two members of staff 2 hours each to update the pack. Based upon an internal Cabinet Office cost survey of electoral administrators, we have assumed an average hourly wage of £19.30, including overheads of 16.5% based on Eurostat data.
- b. The Electoral Commission will be required to update their guidance which is issued to electoral administrators. This is an electronic process that will be sent in a 'bulletin'. Therefore, we anticipate the only cost will be associated with staff time. We have assumed it would take 2 members of staff 4 hours each to update the guidance. We have assumed an average hourly wage of £21.91, inflated from 2017 wage data from the Electoral Commission's Quarterly Publication of Salaries.¹⁹

Non-monetised costs

38. We do not expect - and indeed, there is no evidence to suggest - that this policy will have a negative impact on charities, nor on businesses. The risk to accessibility of voting for vulnerable members of society, who are reliant upon others to hand in postal votes on their behalf, is mitigated both due to exemptions for family members and carers²⁰, and allowing any individual to handle postal votes of others up to the prescribed number (which will be set in guidance following implementation). Campaigners who are handling a postal ballot pack on behalf of a family member or carer are also

¹⁹ https://www.electoralcommission.org.uk/_data/assets/pdf_file/0019/102736/Quarterly-Publication-of-Salaries-2017-18.pdf

²⁰ The definition of 'carer' has been drafted with the support of the Department of Health and the Department of Work and Pensions

exempt from the criminal offence. As such, we expect that it is extremely unlikely that the introduction of this new offence will alter the accessibility of voting.

39. The requirement for political parties to notify their candidates and volunteers of the new law, as laid out in the implementation plan, is assumed to carry a negligible cost. These costs are not monetised, as we have assumed that political parties will have sufficient communication means and infrastructure (such as emails which are usually free to send) to do so without incurring a meaningful cost.
40. We acknowledge that there may be associated costs for individuals who previously relied on others to collect postal ballot papers on their behalf. We expect that these costs will largely arise in the form of their own personal time, in addition to potential transport costs in reaching post boxes. We have been unable to monetise these costs as we do not know how many electors will be affected, but are aware that they may disproportionately affect voters in rural areas.
41. Furthermore, in the event of violations of this new offence, EROs will be obligated to notify electors if their postal vote has been rejected. This may happen in the case where a campaigner ‘dumps’ real and fraudulent postal votes at a polling station in the hope that they will not be scrutinised. It is inherently difficult to estimate the number of postal votes that may be delivered in such a fashion given that such behaviour has not been observed in the past. As such, these costs have not been monetised; however, we expect that the per-electoral cost will be approximately £0.46 (including £0.26 for staffing costs, £0.05 for printing an A4 letter, and £0.15 for postage costs. These costs are based upon an internal Cabinet Office cost survey of EROs from 2016. Prices have been inflated accordingly).

Monetised benefits

42. There are no monetised benefits arising from the introduction of this offence. For cases that result in fines, this will constitute a monetary transfer from the offender(s) to the Government.

Non-monetised benefits

43. As part of the bill that will be put forward to parliament, this policy intends to improve the integrity of the UK’s electoral and democratic process. This has two overarching benefits;
 - a. To improve the real and perceived integrity of the electoral system;
 - By working to reduce electoral fraud via postal voting, the bill should restore confidence in the security of UK elections. This should lead to more satisfactory and accurate electoral outcomes and a more engaged electorate.
 - b. To improve the accuracy of elections
 - The reduction in postal vote fraud, ensuing from the bill, will lead to more definitive elections, where the outcome is much less open to challenge, as was the case in Birmingham. This strengthening of the democratic system should lead to more certain outcomes, as well as potentially reducing voter apathy and distrust towards elections

Preferred option

44. Option 2 is the only option that has the ability to adequately tackle electoral fraud. This option will help to improve the real and perceived integrity of the electoral system, and will help to improve

the accuracy of elections by deterring further attempts to use postal votes to defraud the electoral system.

45. Option 1 will not address our policy objectives.

Implementation plan

46. The Electoral Commission set guidance for political parties, campaigners and activists through their Code of Conduct. This will need to be updated to reflect the new criminal offence. We envisage that political parties will also run communication plans to ensure their candidates and agents are aware of the new policy. There could be changes to the postal voting ballot pack to raise awareness among the general public.

Annex A: Data tables

Table 1: Estimated number of cases, convictions and cautions related to the new offence (Option 2)

Year	Expected polls	Number of Cases			Number of Cautions			Number of Convictions		
		High	Central	Low	High	Central	Low	High	Central	Low
2019	274	10	4	1	0	0	0	0	0	0
2020	456	16	6	2	1	0	0	1	0	0
2021	227	8	3	1	0	0	0	0	0	0
2022	613	22	8	2	1	1	0	1	1	0
2023	477	17	6	2	1	0	0	1	0	0
2024	536	19	7	2	1	0	0	1	0	0
2025	75	3	1	0	0	0	0	0	0	0
2026	157	6	2	1	0	0	0	0	0	0
2027	668	24	9	2	1	0	0	1	0	0
2028	656	24	9	2	1	0	0	1	0	0
Total	4139	149	55	15	6	1	0	6	1	0

Table 2: Central cost estimate (PV)

Central Cost Estimate (PV) at Each Year			
2019	£32,949 ²¹	2024	£4,718
2020	£4,239	2025	£651
2021	£2,082	2026	£1,345
2022	£20,821	2027	£5,645
2023	£4,257	2028	£5,479

²¹ The 2019 figure includes the transitional costs which accrue in the first year.

Table 3: Low, central and high estimates of 10 year total costs.

	Net Present Value ²²
Low	£40,560
Central	£82,185
High	£217,850

²² Costs have been discounted at 3.5%, in line with guidance outlined in the Green Book.