THE SPEAKER’S COMMITTEE

SECOND REPORT 2010

Work of the Committee in 2010
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Presented to the House of Commons in pursuance of paragraph 1(1) of Schedule 2 of the Political Parties, Elections and Referendums Act 2000

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The Speaker's Committee

The Speaker’s Committee is appointed in accordance with the provisions of section 2 of the Political Parties, Elections and Referendums Act 2000 to perform the functions conferred on it by that Act.

Current membership

Rt Hon John Bercow MP, Speaker of the House of Commons (Chair)
Rt Hon Nick Clegg MP, Lord President of the Council
Mr Graham Allen MP, Chair of the Political and Constitutional Reform Committee
Rt Hon Grant Shapps MP, Minister of State for Housing and Local Government
Rt Hon Sir Gerald Kaufman MP
Mr Sam Gyimah MP
Naomi Long MP
Bridget Phillipson MP
Mr Gary Streeter MP

Previous Reports

First Report 2009, was published in April 2009 as House of Commons Paper No. 385 of Session 2008–09.
First Report 2010 was published in July 2010 as House of Commons Paper No. 320 of Session 2010–11

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Introduction

1. Under paragraph 1(1) of Schedule 2 to the Political Parties, Elections and Referendums Act 2000 (PPERA), the Speaker’s Committee is required to report to the House of Commons not less than once a year on the exercise by it of its functions. The last Report covered the period of the 2008–09 Session (3 December 2008–12 November 2009). This Report covers the 2009-10 Parliamentary Session and the first seven months of the 2010 Parliament (May–November 2010).

2. The powers and responsibilities of the Committee were changed by the establishment on 1 April 2010 of the Local Government Boundary Commission for England. This was created by the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA) to assume the responsibilities previously held by the Boundary Committee for England—constituted by the Electoral Commission—under section 14 of the PPERA. The responsibilities of the Committee in relation to this new body are broadly similar to those it bears in relation to the Electoral Commission. These include:

- establishment and oversight of a procedure for the selection of a candidate for the chair of the Commission;¹
- examination, and modification (as appropriate) of the body’s estimates of its income and expenditure;² and
- examination, and modification (as appropriate) of the body’s five-year plans of its aims and objectives.³

A summary of the principal statutory functions of the Committee is given at Annex 1.

Membership

3. There were no changes in the membership of the Committee during the 2009-10 Parliamentary Session. Rt. Hon. John Bercow MP was re-elected to the Speakership in the 2010 Parliament and by virtue of this re-election has remained chair of the Committee. Following the change of Government at the General Election, and other changes in the composition of the House the wider membership of the Committee changed substantially. The formal transfer of responsibility for electoral policy from the Ministry of Justice to the Cabinet Office led to the appointment, ex officio, to the Committee of Rt. Hon. Nick Clegg MP in his role as Lord President of the Council.⁴ Within the House responsibility for the scrutiny of electoral matters passed to the new Political and Constitutional Reform Committee: its chair, Mr Graham Allen MP, similarly joined the Speaker’s Committee by virtue of his office.

¹ Local Democracy, Economic Development and Construction Act 2009 (LDEDCA) Sch. 1 Paragraph 2
² LDEDCA Sch. 1 paragraph 11
³ LDEDCA Sch. 1 paragraph 12
⁴ Paragraph 4(c) of the Lord President of the Council Order 2010 (S.I., 2010, No. 1837)
4. We are grateful to those Members who have left the Committee for their contribution and service; we are also pleased to welcome a number of new Members to the Committee in the current Parliament. Details of the full membership changes are set out in Annex 2.

**Informal sub-committee**

5. Following the General Election the Speaker re-established the informal sub-Committee to prepare for the full Committee’s scrutiny of the Electoral Commission and LGBCE draft estimates and five-year plans. The sub-Committee remains chaired by Mr Gary Streeter MP; the other members are Rt. Hon. Sir Gerald Kaufman MP and Rt. Hon. Grant Shapps MP.

**Meetings**

6. The full Committee met seven times and the informal sub-Committee met once in the period covered by this Report. The minutes of the meetings are reproduced in Annex 3. The Chair and officials of the Electoral Commission, and the Chair and officials of the Local Government Boundary Commission for England attended parts of some meetings at the invitation of the Committee.

**Parliamentary accountability**

7. During the 2009–10 Parliamentary Session the Member answering on behalf of the Committee replied to 10 Questions on the floor of the House and to 40 questions in writing. Of the 10 Questions that were put down for answer on a named day, four received a substantive reply on that day, three within one day of the day set down, and three within four days.

8. In the new Parliament to date, the Member answering on behalf of the Committee has replied to 17 Questions on the floor of the House and to 33 Questions in writing. Of the 8 Questions that were put down for answer on a named day, all received a substantive reply on that day. We are grateful to the officials of both the Electoral Commission and the LGBCE who devote considerable time and effort to the task of drafting responses.

**Appointment of Electoral Commissioners**

9. During the period covered by this report Anthony Hobman was appointed to the Electoral Commission. Four nominated Commissioners have also been appointed to the Electoral Commission.

10. The role of nominated Commissioner was created by the Political Parties and Elections Act 2009 in order that a minority of commissioners should have practical experience from across the political spectrum. The same statute also strengthened the role of the Speaker’s Committee in relation to Commissioner appointments, requiring that the Committee put in place and oversee the procedure for the selection of candidates, from nominations put forward by the registered leaders of qualifying parties. In 2010 an independent selection panel established by the Speaker’s Committee considered the applicants by CV and by

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[5] Political Parties and Elections Act 2009 s4(2)
interview; following the Speaker’s consent, the political parties were consulted on the proposed candidates (in accordance with the statute) before the names were put to the House. The four new Commissioners—Baroness Browning, David Howarth, Lord Kennedy of Southwark and Rt. Hon. George Reid—were formally appointed by Her Majesty in October 2010.

11. A full description of the procedure is set out in the Committee’s First Report 2010, Appointment of nominated Commissioners to the Electoral Commission (HC 320). We note that in her report to the Speaker’s Committee the chair of the independent selection panel, Dame Denise Platt, indicated the panel’s disappointment that there was not a greater range of diversity among the names put forward by the party leaders. The Committee supports the view that greater diversity among the names being put forward in future would be desirable.

Designation of posts

12. Under the PPERA as originally enacted the Electoral Commission could not appoint anyone either as staff or as a Commissioner who had been actively involved in politics in the previous ten years. A review of the Commission determined that this provision had led to a corporate lack of experience of the political parties which could impede the organisation’s effectiveness as a regulator. The Political Parties and Elections Act 2009 reformed the PPERA by:

- Providing for a restricted number of ‘nominated Commissioners’ who had recent experience of political parties;6

- Replacing the original ten-year restriction on other Commissioners and staff with a five year restriction on Commissioners and the Chief Executive, and a twelve month restriction on political activity for all other staff; and

- Providing for the general twelve-month restriction to be extended by the Chief Executive, for specific posts, to two to five years where this was considered necessary to maintain public confidence in the effectiveness of the Commission in carrying out any of its functions.

13. Before making any such designations the Chief Executive is required to consult the Speaker’s Committee. A written proposal by the Chief Executive to designate eleven senior posts was considered by the Committee at its meeting on 3 March and subsequently on 30 November, with the Chief Executive in attendance.

14. The Chief Executive advised the Committee that he proposed to designate the following posts:

- Deputy Chief Executive;
- Director of Electoral Administration;

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6 Speaker’s Committee: First Report 2010, Appointment of nominated Commissioners to the Electoral Commission, HC 320 (2010-11)
• Director of Party and Election Finance;
• The Heads of the Commission’s offices in Northern Ireland, Scotland and Wales;
• Legal Counsel;
• Head of Guidance and Policy, Party and Election Finance;
• Head of Enforcement, Party and Election Finance;
• Head of Audit Services, Party and Election Finance; and
• Enforcement Team Manager, Party and Election Finance

Each of these posts was one in which there would be strong expectations of even-handedness: a number were advisers to the Board while others were charged with making decisions on the sanctions that would apply when rules were breached. Designating these posts would place an extended interval between any previous political activity of the postholder and current decisions. This would help to maintain confidence in the Commission’s effectiveness, would help to protect the postholder from any perceptions of unequal treatment and would also help to manage potential candidates’ expectations about their suitability for these posts. The Committee concurred with the Chief Executive’s proposal.

15. Under the PPERA as amended, any designations made by the Chief Executive must be renewed after three years. The Chief Executive proposed that, as this was a new procedure, he would review the effectiveness of the designations after twelve months, and would then write to the Committee again. The Committee was satisfied with this suggestion.

Draft electoral change orders under the Local Democracy, Economic Development and Construction Act 2009

16. The Committee’s last annual report set out the new Parliamentary procedure for implementing recommendations arising from a review of electoral arrangements by the Local Government Boundary Commission for England (as prescribed by s59 of the Local Democracy, Economic Development and Construction Act 2009). The first draft orders under s59, relating to electoral changes in

• Cornwall;
• Northumberland;
• Cheshire East; and
• Cheshire West and Chester

were laid before both Houses in October 2010. The draft orders in relation to Cheshire East and Cheshire West and Chester were prayed against in the Commons (motions were tabled requesting that the order be not made); but the allotted time ended without the

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7 Speaker’s Committee: Third Report 2009, Work of the Committee in 2009 HC205 (2009-10) paragraphs 13 to 16
motions being considered. There is, therefore, nothing to stop all four orders being made. Eight further draft orders in respect of

- Bedford;
- Central Bedfordshire;
- Mansfield;
- Northampton;
- Sedgemoor;
- South Derbyshire;
- Stoke-on-Trent; and
- West Somerset

were tabled at the end of November 2010.

17. The Committee’s last annual report further noted that a member of the Speaker’s Committee would participate in any debate on such a draft order in order to acquaint the House with the views of the Commission and to deal with any questions. No equivalent arrangement, however, had then been made for dealing with such Motions in the House of Lords. We have recently been advised that Lord Harris of Haringey and Earl Cathcart have agreed to participate in any debate in the Lords on an equivalent basis: this development is welcome.

Financial Scrutiny

18. During the period covered by this annual report the Committee has formally considered the draft Main Estimates for 2010/11 and the draft corporate plans for 2010/11 to 2014/15 of both the Electoral Commission and the Local Government Boundary Commission for England.

19. More recently, we have given preliminary consideration to the draft Main Estimates for 2011/12 and the draft corporate plans for 2011/12 to 2015/16 of each body. These were submitted early in order that the Committee might have an initial opportunity to consider them prior to the Spending Review of October 2010.

Main Estimates for 2010/11

20. In reaching its decisions on the Main Estimates for 2010/11 the Committee had regard to the advice of the Treasury, as set out in a letter from the Chief Secretary to the Speaker of 12 November 2009. It also had regard to the report of the Comptroller and Auditor General dated 20 November 2009, which constituted the ‘most recent report’ for the purposes of paragraph 15(3)(a) of Schedule 1 of the PPERA.
21. The Committee also agreed, in accordance with past practice, that both bodies might, without further reference to it, make such minor and insubstantial adjustments to the Estimates as might be required for technical reasons, subject to Treasury agreement in each case.

**Electoral Commission Main Estimate**

22. The Committee agreed a Net Resource Requirement for the Electoral Commission for 2010/11 of £21,450,000 with Operating Appropriations in Aid of £26,000, as consistent with the economical, efficient and effective discharge by the Commission of its functions in that year. It agreed, on the same basis, a Net Cash Requirement for 2010/11 of £21,800,000, to include net voted Capital of £1,150,000.

23. In relation to the resource implications of the corporate plan, the Committee approved, as a basis for forward planning by the Commission, indicative Net Resource Requirements, excluding the costs of elections to the UK Parliament and referendums, of £20,550,000 for 2011/12, £20,600,000 for 2012/13, £20,150,000 for 2013/14 and £21,250,000 for 2014/15. The Estimates for future years remain subject to annual approval by the Committee. In this context, the Committee expects any variation in future Estimates and plans from the Net Resources and Capital figures for 2011/12 onwards, as set out in the current corporate plan, to be drawn to its attention at the appropriate time and properly justified. On this basis, the Committee approved the corporate plan for 2010/11 to 2014/15, without amendment.

**Local Government Boundary Commission for England Main Estimate**

24. Prior to the establishment of the LGBCE, a draft Main Estimate for its work in 2010/11 was submitted to the Committee by the Electoral Commission. On the basis of the draft submitted by the Commission the Committee agreed in principle a Net Resource Requirement for the LGBCE for 2010/11 of £2,845,000 as consistent with the economical, efficient and effective discharge by the Commission of its functions in that year. It also agreed, on the same basis, a Net Cash Requirement for 2010–11 of £2,983,000, to include net voted Capital of £200,000.

25. In relation to the resource implications of the LGBCE corporate plan, the Committee approved, as a basis for forward planning by the Commission, indicative Net Resource Requirements of £2,820,000 for each of the financial years 2011/12 to 2014/15. The Estimates for future years remain subject to annual approval by the Committee. In this context, the Committee expects any variation in future Estimates and plans from the Net Resources and Capital figures for 2011/12 onwards, as set out in the current corporate plan, to be drawn to its attention at the appropriate time and properly justified. On this basis, the Committee approved the corporate plan for 2010/11 to 2014/15, without amendment.

**Revised forecast (Electoral Commission)**

26. Various issues arose after the Main Estimate was agreed that significantly changed the Electoral Commission’s financial plans for 2010/11. These were:
• Plans for a referendum on the UK parliamentary voting system to be held on 5 May 2011;

• The planned relocation of the Commission’s London office was brought forward, to be completed in 2010/11 rather than 2011/12; and

• The firming up of plans for a referendum in Wales to be held in March 2011.

27. The Commission forecast that these changes would result in additional expenditure of £3.64 million, comprising £2.92 million resource spending on the UK-wide referendum and £0.72 million capital spending, mainly arising from the London office move. The Commission advised the Committee in September 2010 that it had identified savings in resource spending of £3.14 million for the current financial year, arising from reduced spending on core items (£2.63 million), the UK general election (£0.1 million) and the referendum in Wales (£0.41 million). It proposed to use these savings to offset the majority of the additional costs arising from the referendum on the UK parliamentary voting system and the rescheduling of the London office relocation.

28. The Commission consulted the Committee on the possibility that it might need to bring forward, in early 2011, a Spring Supplementary Estimate of approximately £0.5 million to make up the shortfall between the 2010/11 Main Estimate and revised forecast.

29. The original Main Estimate and revised forecast for 2010/11 is summarised in the Table below.

Table 1: Comparison of 2010–11 Main Estimate and revised forecast of the Electoral Commission’s 2010–11 funding requirements

<table>
<thead>
<tr>
<th></th>
<th>Main Estimate 2010–11 £m</th>
<th>Revised Forecast 2010–11 £m</th>
<th>Change £m</th>
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</thead>
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<tr>
<td>Core resource expenditure</td>
<td>16.330</td>
<td>13.700</td>
<td>-2.630</td>
</tr>
<tr>
<td>Policy development grants</td>
<td>2.000</td>
<td>2.000</td>
<td>-</td>
</tr>
<tr>
<td>UK general election</td>
<td>2.500</td>
<td>2.400</td>
<td>-0.100</td>
</tr>
<tr>
<td>Referendum in Wales</td>
<td>2.710</td>
<td>2.300</td>
<td>-0.410</td>
</tr>
<tr>
<td>Referendum on the UK parliamentary voting system</td>
<td>2.920</td>
<td>+2.920</td>
<td></td>
</tr>
<tr>
<td><strong>Total net resource requirement</strong></td>
<td><strong>23.540</strong></td>
<td><strong>23.320</strong></td>
<td><strong>-0.220</strong></td>
</tr>
<tr>
<td>Planned capital expenditure</td>
<td>1.002</td>
<td>1.722</td>
<td>+0.720</td>
</tr>
<tr>
<td><strong>Total requirement</strong></td>
<td><strong>24.542</strong></td>
<td><strong>25.042</strong></td>
<td><strong>+0.500</strong></td>
</tr>
<tr>
<td><strong>Potential Supplementary Estimate required</strong></td>
<td><strong>0.500</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

30. The Committee gave its approval to the following elements in the revised forecast:

• that savings made against the Wales referendum budget might be used to offset the funding requirements of the UK-wide referendum; and
• that approximately £0.72 million might be switched from resource to capital in 2010/11 for the Commission’s London accommodation move and other adjustments to other capital budgets.

**Proposed expenditure in preparation for a UK-wide referendum**

31. The Commission estimated that expenditure in relation to a May 2011 referendum on the UK parliamentary voting system would amount to £9.275 million in total, £2.92 million of which was likely to be required in 2010/11. It sought approval from the Committee for this expenditure, together with agreement that it might commit an estimated £2.0755 million of expenditure for the UK-wide referendum in the period from mid-October to December 2010. £875,500 would be from the current year’s budget and £1.2 million would fall to be paid from the Commission’s budget for 2011/12.

32. Government guidance on *Managing Public Money* (to which the Electoral Commission has regard) recommends that the Treasury should be consulted on any proposal to commit expenditure in advance of the relevant legislation being passed. In this instance the relevant legislation—the Parliamentary Voting Systems and Constituencies Bill—was still under consideration. The Committee accordingly consulted the Treasury, which indicated that it had no objection to the Commission’s proposal. The proposed expenditure on a UK-wide referendum was approved by the Committee.

**Potential Spring Supplementary Estimate**

33. The Electoral Commission had highlighted the possible need for a Spring Supplementary Estimate of £0.5 million to make up the shortfall between what it would require to cover the additional costs of the UK referendum and the savings it had made elsewhere. At the time of writing this report the Committee, mindful of the general restraint on public spending, has asked the Commission to look for further savings to cover the current £0.5 million shortfall, although we remain ready to discuss the matter again.

34. The Committee has been greatly assisted in its financial scrutiny by the expertise of the House of Commons Scrutiny Unit. We are very grateful for its advice and support.

**Minutes of discussions**

35. In 2009, the Speaker’s Committee noted that it had for the first time arranged for a full transcript to be prepared of exchanges relating to the draft Estimates and corporate plans. We have continued that practice. These transcripts, and further notes on the other business of the Speaker’s Committee, may be found in Annex 3.

**Formal minutes**

36. On 30 November the Committee resolved to publish its formal minutes on its website, with effect from the start of the 2010 Parliament. This would enable more regular reporting of the Committee’s decisions. The formal minutes of the Committee’s meetings on 6 July and 13 October, together with the formal minutes of the sub-committee meeting

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*Available at: [http://www.hm-treasury.gov.uk/psr_mpm_index.htm](http://www.hm-treasury.gov.uk/psr_mpm_index.htm)*
on 11 October have accordingly been published at: http://www.parliament.uk/business/committees/committees-a-z/other-committees/speakers-committee-on-the-electoral-commission/formal-minutes.
Annex 1: Powers and duties of the Speaker’s Committee

The following table summarises the principal powers and duties of the Speaker's Committee, with reference to the relevant provisions of the Political Parties, Elections and Referendums Act 2000 as amended (PPERA) and of the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA).

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<th>Powers and duties</th>
<th>PPERA provisions</th>
</tr>
</thead>
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<tr>
<td>To put in place and oversee a procedure for selection of persons to be put forward for appointment or re-appointment as Electoral Commissioners (including the chair)</td>
<td>PPERA Sections 3(2) and 3(5A)</td>
</tr>
<tr>
<td>To report to the House that one or more of the statutory grounds for removal of an Electoral Commissioner has been made out before a Motion for an Address for the removal of a Commissioner can be made</td>
<td>PPERA Schedule 1, paragraph 3(5)</td>
</tr>
<tr>
<td>To designate the Commission's accounting officer and to specify his responsibilities</td>
<td>PPERA Schedule 1, paragraph 19(1) and (2)</td>
</tr>
<tr>
<td>To receive the Electoral Commission's annual accounts</td>
<td>PPERA Schedule 1, paragraph 18(1)(b)</td>
</tr>
<tr>
<td>To report to the House, at least once a year, on the exercise of its functions</td>
<td>PPERA Schedule 2, paragraph 1</td>
</tr>
<tr>
<td>To examine the Electoral Commission's estimates; decide whether the Committee is satisfied that they are consistent with the economical, efficient and effective discharge by the Commission of its functions; and modify them as necessary to make them consistent</td>
<td>PPERA Schedule 1, paragraph 14(3)</td>
</tr>
<tr>
<td>To lay before the House of Commons, with or without modification, the Electoral Commission's estimates</td>
<td>PPERA Schedule 1, paragraph 14(5)</td>
</tr>
<tr>
<td>To examine the Electoral Commission's plan of aims and objectives over the next five years and its estimated requirement for resources during that period; decide whether the Committee is satisfied that the plan is consistent with the economical, efficient and effective discharge by the Commission of its functions; and to modify the plan as necessary to make it consistent</td>
<td>PPERA Schedule 1, paragraph 15(2)</td>
</tr>
<tr>
<td>To lay before the House of Commons, with or without modification, the Electoral Commission's five year plan</td>
<td>PPERA Schedule 1, paragraph 15(4)</td>
</tr>
<tr>
<td>To consult the Treasury, and have regard to any advice it may give, before reaching decisions on the Electoral Commission's estimates and five year plan</td>
<td>PPERA Schedule 1, paragraphs 14(4) and (6); and 15(3) and (5)</td>
</tr>
<tr>
<td>To receive the Comptroller and Auditor General's reports on the economy, efficiency and effectiveness with which the Commission has used its resources, and to have regard to the most recent such report when considering the Commission's estimates and five year plan</td>
<td>PPERA Schedule 1, paragraphs 16(1); 14(4) and (6); and 15(3) and (5)</td>
</tr>
<tr>
<td>If the Committee modifies an estimate or five year plan, or does not follow any recommendation in a report of the Comptroller and Auditor General, or any statutory advice from the Treasury, to include a statement of the reasons in its next report to the House</td>
<td>PPERA Schedule 1, paragraphs 14(6); and 15(5)</td>
</tr>
<tr>
<td>To put in place and oversee a procedure for selection of a person to be put forward for appointment as chair of the Local Government Boundary Commission for England</td>
<td>LDEDCA Schedule 1, paragraph 2(2)(b)</td>
</tr>
<tr>
<td>To recommend for re-appointment the chair of the Local Government Boundary Commission for England</td>
<td>LDEDCA Schedule 1, paragraph 2(2)(b) and (11)</td>
</tr>
<tr>
<td>To report to the House that one or more of the statutory grounds for removal of the chair of the Local Government Boundary Commission for England has been made out before a Motion for an Address for the removal of the chair can be made</td>
<td>LDEDCA Schedule 1, paragraph 2(9)</td>
</tr>
<tr>
<td>To designate the Local Government Boundary Commission for England's accounting officer and to specify his responsibilities</td>
<td>LDEDCA Schedule 1, paragraph 16(1) and (2)</td>
</tr>
<tr>
<td>To receive the Local Government Boundary Commission for England's annual accounts</td>
<td>LDEDC Schedule 1, paragraph 15(1)(b)</td>
</tr>
<tr>
<td>To be consulted by the Speaker on the exercise of his power to determine the remuneration of the members of the Local Government Boundary Commission for England</td>
<td>LDEDCA Schedule 1, paragraph 4</td>
</tr>
<tr>
<td>To examine the Local Government Boundary Commission for England's estimates; decide whether the Committee is satisfied that they are consistent with the economical, efficient and effective discharge by the Commission of its functions; and modify them as necessary to make them consistent</td>
<td>LDEDCA Schedule 1, paragraph 11(3)</td>
</tr>
<tr>
<td>To lay before the House of Commons, with or without modification, the Local Government Boundary Commission for England's estimates</td>
<td>LDEDCA Schedule 1, paragraph 11(5)</td>
</tr>
<tr>
<td>To examine the Local Government Boundary Commission for England's plan of aims and objectives over the next five years and its estimated requirement for resources during that period; decide whether the Committee is satisfied that the plan is consistent with the economical, efficient and effective discharge by the Commission of its functions; and to modify the plan as necessary to make it consistent</td>
<td>LDEDCA Schedule 1, paragraph 12(2)</td>
</tr>
<tr>
<td>To lay before the House of Commons, with or without</td>
<td>LDEDCA Schedule</td>
</tr>
<tr>
<td>Modification, the Local Government Boundary Commission for England's five year plan</td>
<td>1, paragraph 12(4)</td>
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<td>To consult the Treasury, and have regard to any advice it may give, before reaching decisions on the Local Government Boundary Commission for England's estimates and five year plan</td>
<td>LDDEDCA Schedule 1, paragraphs 11(4)(b); and 12(3)(b)</td>
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<tr>
<td>To receive the Comptroller and Auditor General's reports on the economy, efficiency and effectiveness with which the Local Government Boundary Commission for England has used its resources, and to have regard to the most recent when considering the Commission's estimates and five year plan</td>
<td>LDDEDCA Schedule 1, paragraphs 13(1)(b); 11(4)(a); and 12(3)(a)</td>
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<tr>
<td>If the Committee modifies an estimate or five year plan, or does not follow any recommendation in a report of the Comptroller and Auditor General, or any statutory advice from the Treasury, to include a statement of the reasons in its next report to the House</td>
<td>LDDEDCA Schedule 1, paragraphs 11(6); and 12(5)</td>
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Annex 2: Membership of the Speaker's Committee in the period covered by this Report

The membership of the Speaker's Committee is determined in accordance with the provisions of section 2 of the Political Parties, Elections and Referendums Act 2000. It consists of nine members as listed below: three ex officio, and six appointed—a Member of the House of Commons who is a Minister of the Crown with responsibilities in relation to local government, appointed by the Prime Minister, and five Members of the House of Commons who are not Ministers of the Crown, appointed by the Speaker. Appointed members serve for the duration of the Parliament, unless they cease to be Members of the House, resign from the Committee, or another member is appointed in their place, and are eligible for reappointment.

Membership in Session 2009–10

Ex officio members

*By virtue of section 2(2) of the Political Parties, Elections and Referendums Act 2000*

The Rt Hon John Bercow MP, Speaker of the House of Commons.

The Speaker is also the Chair of the Committee.

*By virtue of the provisions of sections 2(2)(a) and 2(6)*

The Rt Hon Sir Alan Beith MP, as Chair of the Justice Committee.

*By virtue of the provisions of section 2(2)(b)*

The Rt Hon Jack Straw MP, as Lord Chancellor.

Appointed members

*Appointed by the Prime Minister, by virtue of section 2(2)(c) and 2(3)*

The Rt Hon Rosie Winterton MP, Minister for Local Government.

*Appointed by the Speaker, by virtue of section 2(2)(d) and 2(4)*

Lady Hermon MP

The Rt Hon Sir Gerald Kaufman MP

Mr Humfrey Malins, CBE MP
Mr Gary Streeter MP
Sir Peter Viggers MP

**Membership since May 2010**

**Ex officio members**

*By virtue of section 2(2) of the Political Parties, Elections and Referendums Act 2000*

The Rt Hon John Bercow MP, Speaker of the House of Commons

The Speaker is also the Chair of the Committee

*By virtue of the provisions of sections 2(2)(a) and 2(6)*

Mr Graham Allen MP, as Chair of the Political and Constitutional Reform Committee

*By virtue of the provisions of section 2(2)(b)*

The Rt Hon Kenneth Clarke MP, as Lord Chancellor (until August 2010)

The Rt Hon Nick Clegg MP, as Lord President of the Council (since August 2010)

**Appointed members**

*Appointed by the Prime Minister, by virtue of section 2(2)(c) and 2(3)*

The Rt Hon Grant Shapps MP, Minister of State for Housing and Local Government

*Appointed by the Speaker, by virtue of section 2(2)(d) and 2(4)*

Rt Hon Sir Gerald Kaufman MP

Mr Sam Gyimah MP

Naomi Long MP

Bridget Phillipson MP

Mr Gary Streeter MP
Annex 3: Minutes of the Speaker’s Committee

Minutes of the Sixth Meeting of the Speaker’s Committee in 2009

Wednesday 25 November 2009 in Committee Room 16

Present:

Rt Hon John Bercow MP, Speaker, in the Chair
Rt Hon Sir Alan Beith MP, Chair of the Justice Committee
Lady Hermon MP
Rt Hon Sir Gerald Kaufman MP
Rt Hon Jack Straw MP, Lord Chancellor and Secretary of State for Justice
Mr Gary Streeter MP
Sir Peter Viggers MP
Rt Hon Ms Rosie Winterton MP, Minister for Local Government

Apologies for absence:
Mr Humfrey Malins MP

Also in attendance for items 1 to 3 only: Simon Fiander and Ian Hart, House of Commons Scrutiny Unit, and Aileen Murphie, National Audit Office

1. Scrutiny of the draft Main Estimate 2010-11 and draft Corporate Plan of the Electoral Commission, and draft Main Estimate 2010-11 and draft Corporate Plan of the Local Government Boundary Commission for England

The Committee noted that the Commission had withdrawn its bid for a Winter Supplementary Estimate, following a letter to Mr Speaker from the Chief Secretary to the Treasury which had requested postponement to the Spring round.

The Committee agreed that formal agreement to the draft Main Estimates and Corporate Plans would, following representations from the Chief Secretary to the Treasury, be deferred to early 2010 but that detailed scrutiny would meanwhile proceed as planned.

The Committee was briefed by Simon Fiander and Ian Hart of the Scrutiny Unit of the House of Commons and by Aileen Murphie of the National Audit Office.

The Chair, Chief Executive and Finance Director of the Electoral Commission and the Chair of the Boundary Committee were called in and answered questions put by members of the Committee. A full transcript is appended to these minutes.

The Committee agreed to defer formal approval of the draft Estimates and Corporate Plans to early 2010. It was agreed that if these were not subject to any changes of substance, approval could be given without further proceedings.
2. Remuneration of members of the Local Government Boundary Commission for England

The Committee considered paragraph 4 of Schedule 1 to the Local Democracy, Economic Development and Construction Act 2009, under which the Speaker is responsible for determining the remuneration of the Chair and members of the Local Government Boundary Committee for England (LGBCE). The Committee noted that under the terms of the Act the Speaker is required to consult it before making his determination.

The Electoral Commission had recommended that the level of remuneration of the Chair of the LGBCE should be set at the same level as the current remuneration of members of the Boundary Committee for England, as follows:

- Chair—daily fee of £359 (£180 per half day)
- Deputy Chair—daily fee of £316 (£158 per half day) unless formally deputising for the Chair, in which case the Chair’s fee rate would apply
- Other members—daily fee of £316 (£158 per half day)

The Committee agreed these rates. It further agreed that fees for members of the LGBCE should be adjusted annually in accordance with the recommendations of the Review Body on Senior Salaries for High Court judges, to the extent that they are accepted by the Government. The Committee noted that this formula also applies to Electoral Commissioners.

The Committee further agreed that LGBCE appointments should not be pensionable and that any allowances and other expenses should be in line with those of the LGBCE’s staff.


The Committee agreed to publish as an Annex to a short Report the report of the Comptroller and Auditor General on the Electoral Commission’s response to his previous recommendations. The Speaker brought up a draft Report, which was agreed without amendment as the Committee’s Second Report of 2009.

4. Appointment of an Electoral Commissioner

Mr Speaker reported that he had consulted Party leaders on the proposed appointment of Anthony Hobman as an Electoral Commissioner, as required under PPERA, and that no Party leader had raised any concern. Mr Speaker informed the Committee that he would write to the Leader of the House, asking for the necessary Motion for an Address to be tabled.

5. Nominated Commissioners

Mr Speaker reported that, following decisions taken at the meeting on 28 October, he had written to Party leaders, inviting their nominations for the posts of nominated Commissioner.

Mr Robertson, the leader of the SNP, had subsequently queried why Mr Speaker had written to the leader of the Co-operative Party as part of this exercise. The answer to Mr
Robertson’s question was that the Co-operative Party is a qualifying party within the meaning of the legislation and that Mr Speaker was therefore obliged to invite it to consider making a nomination.

Mr Straw agreed that this was an unforeseen quirk of the legislation, which could be amended in due course. Mr Straw added that he understood that the Co-operative Party would not be putting a name forward for consideration as a nominated Commissioner.

6. Any other business

There was no other business.

7. Date of next meeting

The Committee noted that it may need to meet before the end of the year, in order to put in place arrangements for assessing Party leaders’ nominations for the posts of nominated Commissioners.

Oral Evidence taken before the Speaker’s Committee on Wednesday 25 November 2009

Members present:
Rt Hon John Bercow MP, Speaker of the House of Commons, (Chairman)
Rt Hon Sir Alan Beith MP
Lady Hermon
Rt Hon Sir Gerald Kaufman MP
Rt Hon Jack Straw MP
Mr Gary Streeter MP
Sir Peter Viggers MP
Rt Hon Rosie Winterton MP

Examination of Witnesses

Witnesses: Max Caller, Chair, Boundary Committee for England, Carolyn Hughes, Director of Finance and Corporate Services, Electoral Commission, Stephen Rooney, Director of Communication, Electoral Commission, Peter Wardle, Chief Executive, Electoral Commission, and Jenny Watson, Chair, Electoral Commission, gave evidence.

Q39 Chairman: Colleagues, just before we get under way with questions to you as witnesses, which will be conducted very much in the manner of a Select Committee, can I ask you formally for the record to introduce yourselves?

Jenny Watson: I am Jenny Watson, the Chair of the Electoral Commission. This is Peter Wardle, my Chief Executive; Carolyn Hughes, our Director of Finance and Corporate Services and just behind us is Stephen Rooney, our Director of Communications. On my left is Max Caller, who is one of my commissioners, but, for the purposes of today, is here as Chair of the Boundary Committee. Behind him is Archie Gall, head of boundary reviews.
Q40 Chairman: Thank you. Before we get under way, just to satisfy my curiosity, are you the same Max Caller who was the Chief Executive to the London borough of Barnet, the borough of my birth and schooling?

Max Caller: I am.

Chairman: Good. You bring me back to when I was a teenager.

Max Caller: I didn’t think that Barnet was the most exciting place. Hackney got much more exciting later.

Chairman: I am John Bercow. We have a series of questions and there might be some additions to or subtractions from them as we go along. We shall see. We shall begin with Sir Alan Beith.

Q41 Sir Alan Beith: It is good that a performance indicator is now kept on the proportion of people who are not registered to vote. But your latest corporate plan says that you are to wait for the 2011 census to monitor progress. Surely there is quite a lot of material out there, such as research on non-registrations mentioned in the NAO report, which means that you could be getting on with the task in a more timely way?

Jenny Watson: Perhaps I can take part of this, and Peter can take the other part. We are not being idle at the moment. Indeed, we are doing some research into the state of registers. That will be published in February or March next year. It will look at a sample of local authorities to see what we can find out about the state of the register in those authorities in relation to both accuracy and completeness. That is going on this year.

The census problem that you allude to is that all the experts seem to agree that that is the gold standard as regards the comparison for registration. Peter, you may want to talk a little about what we are doing in the future corporate plan.

Peter Wardle: Yes, we are indeed working on that. The commission has brought together a group of experts, including the ONS and academic experts. As the chair says, the clear consensus is that the only clear denominator for the percentage of people on the register is with the census. Even that has its faults because, until 2011, we will not have had nationality questions on the census. The lack of the nationality questions has made it particularly difficult to do very much with the ONS interim estimates of population because it takes a lot of work to discount and get through to get an absolute precise figure. There is a lot of work going on with the ONS at the moment to make sure that we have the next 10-year estimate as soon as possible. In the meantime, we are as confident as we can be, as are our academic and other expert advisers, that the figure that we estimated on the basis of the 2001 census remains about the same. We are looking at 8 or 9% of eligible people not on the register.

Q42 Mr. Straw: What percentage?
Peter Wardle: Eight or 9% of people not on the register in 2000 who could be. Interestingly, that is a figure that you also see in Canada and Australia. We are running at about the same level as those two democracies. We are pretty confident that that figure has not changed significantly over the last few years. We shall see in 2011—or probably a year later than that by the time the results are through—whether there has been a dramatic change, but we are not seeing any evidence of it at the moment. If we were asked, we would still say that the best available estimate is the one made in the 2001 figures and we have not seen any better estimate since then.

Q43 Sir Alan Beith: Another factor that influences the figures is that the law allows quite a large number of people to be registered in more than one place. Therefore, if you simply take the number of people registered as a factor of the population without discounting that—the impact of which is different in different types of area—your estimate will not be very realistic.

Peter Wardle: Absolutely right. There is a problem with both the denominator and the numerator at the moment. The denominator in terms of the population estimate of over-18s does not account for those who are not eligible for reasons of citizenship, because up to now that is not what the census has counted. The numerator is actually the number of entries, not the number of people. It suffers from exactly the problem that you have identified.

What we did around the 2000 figures was intensive work to discount for that, which is why we are confident of the 92%. To repeat that in the absence of a further census is possible, but it would only be possible, on a national basis, at very significant cost. That is why, in the meantime, we are working through the methodology on a local basis, looking at particular areas—related to our work on performance standards—to see if we can get some real evidence of where particular interventions by electoral registration officers are having an impact on the register. For that, we are doing a combination of house-to-house surveys, and comparing them and validating them against the register because people tend to claim that they are on the register when they are not, and looking at other sources of information like council tax records, so that we can really drill down in respect of local authorities and get a much better picture. It will be a useful underpinning analysis to support the next national estimate.

Jenny Watson: We can then share that widely across local authorities so that they can learn from one another. It is not research for research’s sake, but research that informs our ability to do something, which is to say, “If you want to increase your register, this is how you can go about it.”

Q44 Sir Alan Beith: But the census will not tell you whether a person who has registered in one place is also registered in another. Indeed, there is no source of information on that other than to apply a search mechanism to a vast electoral register. Are you still working on reliable ways of approximating?
Peter Wardle: Yes. When we have the census, we will have to supplement it. Last time, we had to supplement to discount for the citizenship point. That should not be such a problem this time round because there will be a citizenship question. We still have to work on the numerator, and to do that we just have to interview a sufficiently representative sample. Last time round, we simply took what they said. This time round—because we are doing some interim work—we are looking at whether other sources of information can better validate what we are told in those interviews. We will certainly have to do the work to discount for legal multiple registrations, but with the work that we are doing at the moment we think that that will be more precise next time round than it was in 2000.

Q45 Mr Straw: Can I ask the chair or Mr. Wardle a follow-on question? I think we all understand that, in the chair’s words, the 2011 census will always provide the gold standard, and that it will be a better standard this time because it has got the nationality questions in it. However, there is continuing concern—and I know you share it—that it is going to be 2012 before we get much reliable census information, and that as much as possible is done to ensure that the EROs canvass effectively.

At lunch time, by pure chance, I was stopped in the corridor by two colleagues on my side who have a long taken an interest in issues of electoral registration. I have asked for further details, which I will pass on to you, but I wondered if you had come across this. One of them had sought further information in a data-protected form, in terms of personal data about numbers of people registered and so on, from a local ERO. It had refused to provide that informally. He then put in an FOI request, which had been turned down on the basis that they were not a section 7 scheduled public authority, because they were Crown servants and the commissioner had confirmed that. Now, I can deal with that by putting them in the schedule—by just signing an order which, after advice and consideration between consulting with you guys, I am minded to do—but I just wondered whether this was a one-off problem, because it is pretty extraordinary from what I have learnt. Anyway, I am waiting for more information that some EROs have been unhelpful when it comes to providing depersonalised data about that in the interests of improving registration.

Peter Wardle: I have not come across that before. Unless the data were really drilling down into a lot of detail—and it doesn’t sound like it was—that sounds quite surprising, because this information is generally available.

Q46 Mr Straw: But even it were susceptible to an FOI request the public authority would be under a duty to adapt or personalise information anyway, without question, because data protection trumps FOI.

Peter Wardle: I have not come across that issue.

Mr Straw: Okay. I’m awaiting further information on that.
**Jenny Watson:** It would be helpful if we can share that. Perhaps that is something that we can follow up as well.

**Mr Straw:** Of course.

**Q47 Mr Streeter:** On the proposal to delay the supplementary estimate from the winter round to the spring round, I am just wondering what impact this will have on the preparatory work for the LGBCE, and also on your own business—your own work in the Electoral Commission.

**Peter Wardle:** As I said in my letter to the Committee secretary on 19 November, it gives us problems. What we are doing at the moment is having to go through our planned spending between now and, effectively, February when we hope the money will become available and review all those plans and in some cases delay spending in order to fund the top priorities, because we have no certainty at the moment despite this having been a clearly agreed way forward since July.

The priority for us is the set up of the local government boundary commission for England. In order to fund that, which was a key part of what we are looking to use the supplementary estimate money for, we are, as I think I mentioned at the meeting of the Sub-Committee, having to delay some other internal investment; for example, a new IT system that would help us better manage our correspondence and phone calls. We can delay that; it is a pity, but it is a delay we can manage. It also means that we have to delay filling vacancies; we will have to delay filling vacancies if they arise between now and getting access to the funds.

The key impact, though, which I wanted to underline in the letter that I sent to the Committee secretary, is that until we have access to that money we have a problem starting our preparatory work for a public awareness campaign for the general election. If the money comes through as we hope, in February, then we are okay. But if it doesn’t, then we have a real difficulty. It is disappointing; it is manageable. It is disappointing that the news from the Treasury came through so late in the process, with something like four or five working days before the deadline for the winter supplementaries to answer a fairly difficult exam question—can you demonstrate that without this money the Electoral Commission will grind to a halt? I could not put my hand on my heart in that short period of time and say that I am certain that that is the case and we are facing doom and destruction. We are facing difficulties. There will be some things that do not go ahead. We will have to run with somewhat fewer posts for a period of time, but provided that we get access to the money in February in the spring process then I think we will be back on track. That should be in time to fund the general election campaign without significant detriment. But the timing is very important.

**Q48 Mr Streeter:** What about the long-term impact of this situation? Is there likely to be one?
Peter Wardle: I don’t think so. This is really my take on it. People have not raised the question of the principle of the additional money, but there is a question about the timing. We hope to get access to that money after Christmas. We can manage our way through what is effectively a three-month or so delay. If there is a long-term impact I suppose I will be somewhat more cautious about entering into an agreement with the Committee, as I did this year, to have a two-stage draw-down of funds. You wouldn’t be surprised if I came to the Committee next year and said, “I’d rather have it all in one go, thank you.”

Carolyn Hughes: There may also be an effect on the estimate that we put in for 2010–11, for example, some of the things that we have delayed further into this financial year. We would then need to look at later start dates. Certainly the capital expenditure will change the estimate for 2010–11.

Jenny Watson: But I should say that all of that is predicated on the money being there in the spring. If it weren’t to be—I am perhaps less considered in my words than my chief executive—we would be in difficulty, or if we were only able to have some of it then we would be in difficulty.

Q49 Lady Hermon: Could I move to the slightly different topic of public awareness campaigns in the event—I know we have a Cabinet Minister here, but I am sure his lips are sealed and he wouldn’t know anyway—of a May general election?

Mr Straw: That is top secret.

Lady Hermon: I know. Have lessons been learned from the very successful public awareness campaigns on voter registration? In Northern Ireland we have had individual registration for a long time. How have you rated those in terms of their success in Northern Ireland? Is that the sort of campaign and theme that you will adopt throughout the rest of the United Kingdom?

Jenny Watson: Stephen, I think I might ask you to answer that if you don’t mind.

Stephen Rooney: As you say there have been extensive campaigns in Northern Ireland around individual registration. Specifically that involved encouraging people to register to vote and in the early stages it involved giving people the information they needed to be able to take part in that new process. We evaluate all our campaigns very extensively and we have detailed learning from all of those campaigns and we build on each campaign year on year. So, yes, we would envisage a campaign in the run-up to the general election which would build on all of that learning. We see increasing responses to the campaigns year on year. So we had high orders of registration forms, for example, both downloaded from our website and ordered through our call centre as a result of our most recent campaign.

Q50 Lady Hermon: Thank you, that is very interesting. Politicians and MPs in particular have not exactly covered themselves in glory this year. When you say that there
has been a high uptake in registration, does that indicate that people are not as disillusioned with politicians and elections as the press might have us believe?

**Jenny Watson:** I think it’s very difficult to tell. You could take two routes. We know that we have had a much greater rate of downloads of registration forms for the European parliamentary election campaign. I don’t think we know enough to know whether that was people thinking, “You know what, I’m going to be very sure that I do get out there and cast my vote”, or whether some people were saying, “Actually, I’m not going to.” What we do know from our tracking work is that there was an increase in the number of people who said that they did not vote and, I’m afraid, who talked specifically about MPs’ expenses being one of the issues around that. In some ways, it has surfaced a whole debate about democratic participation and the role of political parties. People are engaging in that debate. I suspect that we may see perhaps a higher turnout at the election than many commentators predict because people realise that democratic politics works when people participate. Stephen, I don’t know if we have any more detail around that. I don’t think we have enough to know anything in more detail.

**Stephen Rooney:** No, I don’t think so.

**Q51 Lady Hermon:** Would you consider that at the present time you have sufficient funds to run a public awareness campaign ahead of a possible—I stress “possible”—May general election?

**Jenny Watson:** You have seen what we have put before you and I think we have costed what we’ve put before you. I am not sure if you are saying if we had more money could we do more? Yes, of course we could. You can always do more, but what we are doing is saying we think this is realistic, we think that this will deliver and we think that in working in partnership with other organisations we can give the campaign a greater reach than it might have had only through paid air time.

**Peter Wardle:** To go back to the point about lessons, we will be spending less money at this election. We are very confident of better results, because we have learned lessons about targeting our efforts much more precisely, both in Northern Ireland and in Great Britain.

**Q52 Lady Hermon:** When I was reading through some of the Committee paperwork, I was concerned to discover that there are some—not all—electoral registration officers and local returning officers who either weren’t very enthusiastic or weren’t very aware of how to promote public awareness. What are you doing to address this shortcoming, and can we turn it around before a possible—perhaps possible—May election?

**Jenny Watson:** There is a lot that we can do. We know we have had performance standards for electoral registration officers and what we have is a programme of what we describe as follow-up visits. It is what I would call assertive outreach to people who are not
performing as they should be—registration officers who aren’t—to say to them, “This is what we expect, these are the resources that we provide, and this is the improvement that we are looking for in the future from you.” We are making that very clear to them.

**Q53 Lady Hermon:** Sorry to interrupt, Jenny, but do you actually physically go out to them, or do you bring them all together and embarrass them—name and shame them?

**Peter Wardle:** Every single electoral registration officer who failed to meet those performance standards has had a personal visit from the Electoral Commission. In addition to the points about what we expect, we have said we want to see an action plan for them on how they are going to improve this year. These figures were on the 2008 experience, and in each case we have said to them we expect to see them meeting the standard this year via an action plan. That will be the crunch point, because if they do not meet the standard this year, then early in 2010, before the general election, it will be made very clear that, despite our very clear expectations of them, they have failed to do so. We will have no hesitation in making that as clear as we need to, not just to them but to other people in the area.

**Q54 Lady Hermon:** So the sanction can be naming and shaming?

**Jenny Watson:** They are already on our website. Every local authority where there is a registration officer—this is obviously GB—is on our website with how they have performed against our performance standards, so it is possible for people to go and see. We are now coming up to collecting the data for the performance standards for next year, and that will be published before the next general election. Again, it is possible to do all kinds of things in terms of people making comparisons with their own local authority.

**Peter Wardle:** There is also some fairly detailed analysis in the Library.

**Lady Hermon:** Excellent. Thank you so much. That’s very helpful.

**Q55 Sir Peter Viggers:** Are you geared up to run a public awareness campaign if the election were to be before May 2010?

**Jenny Watson:** I should avoid looking at the Secretary of State’s face. The plans are all there. The plans, in a way, are the easier part. We have already started to tell returning officers what we expect from them in the run-up to an election, so we are already working towards laying the ground rules for a good election. We are working, for example, with police officers in terms of fraud and putting them in touch with local authorities, and we have the plans for the public awareness work. What we would need to do is to think about the funding for that, and I’ll turn to Peter for that.

**Q56 Sir Peter Viggers:** I was going to ask if there would be a cost premium if the election were to be before May 2010.
Peter Wardle: The funding we have set out at the moment assumes a May election—it’s got to assume something. If there is an election before that, it would cost more or less the same. You will remember from previous discussions in the Committee about the timing of the general election that sometimes significant time shifts can make quite a big difference. We are now in the stage of moving the spending to the left or to the right even if it went to the beginning of June. If there were an election in, say, March, we are perfectly able to run that. Coming back to the point I mentioned earlier, we would need to draw down those funds, and it would be a higher figure in this year with a commensurately lower figure next year, because at the moment there is quite a large slug of spending in April-May, which falls into 2010–11. If it was earlier, we would have to increase our supplementary estimate from 2009–10 and there would be a corresponding decrease in the main estimate for 2010–11.

Q57 Sir Peter Viggers: But if the general election were to be called before the spring supplementary estimates next February, in the absence of the winter supplementary you wanted, would you have enough money to launch and carry through a public awareness campaign?

Peter Wardle: We would not have enough money, but I shall turn to Carolyn, who has had some discussions with colleagues in the Treasury and here in the House about emergency arrangements.

Carolyn Hughes: Yes, we have talked about that and about access to the contingency fund, if necessary, and the arrangements that would be in place to raise a supplementary after that. We have discussed it with both the scrutiny unit and the Treasury in terms of the protocol for doing so.

Peter Wardle: There’s an emergency procedure, basically, for getting at the money if we need it.

Q58 Sir Peter Viggers: Finally, not everyone here will remember 1974 as well as I do, but what would the cost implications be if there should be two elections within quite a short period?

Mr Straw: I remember it.

Sir Alan Beith: I remember it too. I had three elections in 11 months.

Peter Wardle: The position remains broadly as we discussed in the Committee last year or the year before when we talked about this scenario. Strangely enough, the fact that we would have just had an election means that there would probably be less work to do to raise people’s awareness if there was going to be another one, so we would have to look whether it was necessary to run a full-blown registration campaign all over again. There would be a high level of public awareness. We would then go back to the question of whether some people walk away from the process, but they would be on the register from
the first time around. We would have to look at it. Every year we plan some expenditure around the registration process, so the first thing that we would do is to look at whether that was adequate. If it was not, if there were serious problems, we would have to come back to the Committee, but as always, our first priority would be to look at redirecting resources from within existing work.

**Q59 Chairman:** Thank you. I confess that I remember the February '74 election from my primary school days and the October '74 election from the start of my undistinguished secondary school career.

Building on Peter Viggers’ question, I wonder if I could approach slightly further. You talked about the emergency arrangements—there have been discussions; funds would be accessed—but the one thing that I did not hear and which I would like to be clear about, is whether in accessing those emergency arrangements you would be able to access as much as you would have been able to access for May.

**Peter Wardle:** My understanding is yes.

**Chairman:** Thank you. Question five—Rosie Winterton. May I gently suggest—I am sure that other colleagues have commitments, and I know that I am due elsewhere at 6 o’clock—that if it is possible to make timely progress, that would be good? But you will do what you think is right.

**Q60 Ms Winterton:** Given what you said, do you still anticipate the Boundary Commission being ready to start operating on 1 April 2010? Also, in your letter, I think you said that you would be able to give us a bit of an update on accommodation and back-office functions. Perhaps we could put those together.

**Jenny Watson:** We are all absolutely committed to 1 April 2010 and you will not hear anything from any of us to suggest otherwise, but I shall let Peter and Max talk a little about what else we might need to get there.

**Peter Wardle:** I think that we are probably more confident than we were when we appeared before the Sub-Committee. I wrote to the secretary on 23 November with an update, as promised in my first letter—but I don’t think that that will have got into the pack for this meeting—reporting that we have conducted an options appraisal, as we discussed at the Sub-Committee meeting. That options appraisal looked at five different options—

**Ms Winterton:** We have that.

**Peter Wardle:** You have the letter?

**Ms Winterton:** Yes.

[...]
Q61 Ms Winterton: Okay, that probably covers one of the later questions that I was going to ask. Suppose that something did go wrong: can you give us an assurance that you would include the transitional provision within the commission’s transfer scheme? We do not want to be left in a situation where a deal falls through and suddenly there is no assurance.

Jenny Watson: What we have is a scheme of transfer and a memorandum of understanding. The scheme of transfer obviously sets out that process, and the memorandum of understanding deals with the contingency arrangements. From our perspective, we are both very happy with it proceeding on that basis.

Max Caller: At this morning’s meeting, the boundary committee agreed the principles of the scheme of transfer and the memorandum of understanding. We see the two documents as being read together. It is clearly impossible to document every potential thing that could go wrong and every delay that might arise, but we have agreed a very clear statement of principles as to how we will do business. I am satisfied, and the committee is satisfied, that we will be able to operate effectively from 1 April, no matter where we are located. We are absolutely committed to being out of Treveylan house and in the new location, if we can finalise the deal you have in the letter by 1 April. That is our intention and everyone is fully on board.

Q62 Ms Winterton: Back-up if necessary?

Jenny Watson: That presents us both with difficulties. We would rather not be there, because we will both have to rein in a little bit on some new projects that we would like to do, but we think we can make it work, so we’re happy.

Q63 Sir Peter Viggers: The budget for Local Government Boundary Commission for England is currently £3 million. How confident are you that you will not need to come back with the spring supplementary estimates and vary that figure; and how confident are you that the figures beyond 2011 will be at the level of £2.9 million, as suggested?

Max Caller: I’m reasonably confident about the first year, because we have working practice and pretty good detail of the programme that we are going to operate. We’ve currently got 13 live reviews running, and we intend to start 16 electoral reviews and one single member ward review during the next year. That programme fits with the activity level and it improves the efficiencies over what we are currently doing.

For the future years, I think it’s more difficult to tell. We have to work with the Department for Communities and Local Government to establish the guidance for administrative boundary reviews, which is one of the targets that we’ve set for ourselves in the next 12 months. At the moment, we have more than 150 boundary anomalies identified, with 20 requests for administrative boundary reviews coming in the past 12 months. Those range from minor things, such as boundaries that run through the middle of people’s houses and cul-de-sacs that have been created as a result of implemented
planning consents, to proposals to merge local authorities because they think that it is more cost-effective to go down that route. I think that that would need some detailed consideration, and there will be some balancing activity. Some of it might be seen as invest to save—we might invest a small amount to undertake the review to allow local authorities to save money somewhere else. I think we will need to look at that during the next 12 months and come back and look at the options with you.

**Q64 Sir Gerald Kaufman:** In March this year, the Speaker’s Committee approved a protocol for dealing with supplementary estimates at the beginning of the year. The idea is that, if the figures remain unchanged, we might be able subsequently to approve the supplementary rather gently, rather than with tough interrogation, for which we are noted. What lessons have you learned from this first experience of planning a protocol in practice?

**Peter Wardle:** In practice, the logic of what the Committee agreed proved to be absolutely right. We said that there was an element of our overall estimated budget that was uncertain. The Committee effectively put a ceiling on it and we undertook to look at some of it during the year and come back when the figures were firmer. By the time we came back, the figures were significantly lower, which I think is a good thing. The disappointment, as I said earlier, was that, for wider reasons of public expenditure policy, a relatively small figure of less than £1 million could not go through in the winter supplementaries, despite the fact that some fairly significant funds did go through in the winter supplementaries and we did not know about that until very late in the process. I suppose the lessons I would learn are, again, to treat with caution that approach and to find a way of encouraging the Treasury to show its hand a little bit earlier in the process, if we are in this position next year. That is probably all I can say—politely.

**Q65 Sir Gerald Kaufman:** I think I can guess your answer, but would you regard this as an appropriate precedent for future years, or do you think we ought to be a bit more tetchy?

**Peter Wardle:** I think it does vary and that this year was a particularly difficult one because there were a number of unknowns, not least to do with the fact that we knew there was legislation on its way to separate the Boundary Commission from the Electoral Commission and that would have quite a significant impact on the budget this year, but the impact was by no means clear back in March, and we also had the question of when the general election would be. Those were two quite significant variables. We are a small organisation and therefore small variances cannot be used up at the end of the year. We have tended to try to look for savings during the year and then, quite rightly, you say to us, “You asked for more than you needed.” This year, we came up with what looked like a way of managing that better. With hindsight perhaps we were too trusting of the process.

**Q66 Sir Gerald Kaufman:** I’m sure you know that we had great concerns a number of years ago with the delay in the commission having the machinery to control its
finances and its use of money. Again, I think I can guess your answer, but do you think we ought to be rather more relaxed about that now?

Jenny Watson: It’s a bit difficult to expect Peter to answer that.

Peter Wardle: I’m not sure it would right for me to tell you to be relaxed. There is quite a useful graph on page 33 of the corporate plan, which you may want to look at. That shows in graphical terms how we’ve got a grip on the commission’s expenditure. The commission’s expenditure is now, if anything, moving down from year to year, or certainly levelling off, rather than going up as it did in the early years. That is something I am very pleased about. I would also say that I think the commission is delivering more results than it was in the early years, despite the fact that we are spending less. So, yes I would like to say that you should be more confident, but I wouldn’t ever say that you should be more relaxed, because this is my money as well as yours that you’re spending.

Jenny Watson: And obviously you can also rely on evidence from the NAO, which I think would reinforce that point. If I may detain us on this point just a moment longer, one of the things that we are doing at the commission is to look forward, not only to what we might be doing in the next three to four years, but to what we need to be like to be fit for purpose over the next 10 years. That is a process that is driven not by the financial climate in the world outside, but by what we need to be in order to be a functioning electoral commission in the future, but it will obviously look at all those kinds of issues about what you need to support a modern organisation, and the level of spending that we might need in the future.

Sir Gerald Kaufman: Thank you.

Chairman: Thank you. Peter Wardle and his colleagues may wish to remain in the room for the next item. Thank you for your answers in respect of item 2.

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Minutes of the Seventh Meeting of the Speaker’s Committee in 2009

Tuesday 15 December 2009 in Speaker’s House

Present:
Rt Hon John Bercow MP, Speaker, in the Chair
Mr Humfrey Malins MP
Sir Peter Viggers MP

Apologies for absence:
Sir Alan Beith MP, Chair of the Justice Committee, Lady Hermon MP, Jack Straw MP, Lord Chancellor and Secretary of State for Justice, Mr Gary Streeter MP, and Ms Rosie Winterton MP, Minister for Local Government

1. Appointment of nominated Commissioners
The Committee noted that most of the Party leaders had put names forward of people they wished to nominate as Electoral Commissioners with recent political experience. The Committee agreed that the nominations received after the deadline should be allowed to go forward to the next stage of the process.

The Committee noted that two of those nominated by the leaders of the Conservative Party and one of those nominated by the leader of the Liberal Democrats were Members of the Commons, although they had indicated their intention not to stand at the next election. The legislation was quite clear that Commissioners may not also be MPs. The Committee therefore noted that it could only proceed with these nominations if it assumed that the formal appointments would be made after the dissolution of Parliament.

The Committee noted that the process set out in the legislation was complex and time-consuming, and would take at least two months to complete, assuming everything proceeded smoothly. Leaving the formal appointments until after dissolution would therefore delay the process.

The Committee discussed the possibility of appointing some Commissioners before dissolution and others after, but rejected this option because it was desirable for all the nominated Commissioners to start at the same time.

The Committee agreed that it would allow the nomination of existing Members and would take the appointment process as far as possible before the dissolution of the House, but that if one of the sitting Members were recommended for appointment the formal appointments would not take place until after dissolution. The Committee noted that if no current Member was successful in the appointment process it might then be possible to make the appointments before dissolution.

The Committee considered how to deal with the appointment of the ‘fourth Commissioner’, who would represent the smaller Parties. The Committee noted that all of the smaller Parties with the exception of the DUP appeared to have lined up behind the SNP’s nominee. However, the DUP had also put forward a name and both nominations would need to be considered fully. The Committee agreed in principle that the fourth Commissioner would be appointed for a term of two years, as this would allow for more varied representation for the smaller parties.

The Committee agreed that Mr Speaker should appoint Dame Denise Platt to chair the meetings of the appointment panel. Mr Speaker noted that Dame Denise would have no powers as Chair; her role would simply be to chair the panel’s meetings and to convey its report to Mr Speaker.

Mr Speaker said that, in accordance with the Committee’s previous decision, he would appoint Jenny Watson to the panel. Mr Speaker also needed to appoint representatives
of the Speaker’s Committee to the panel. The Committee noted that Gary Streeter had already volunteered to be appointed, and agreed that members from other parties should also be appointed to the panel. [Note: Mr Speaker subsequently appointed Sir Alan Beith and Sir Gerald Kaufman to the panel.]

2. Report on the work of the Committee in 2009

Under the Political Parties, Elections and Referendums Act, the Committee was required to publish an annual report on its work. The Committee agreed the draft Report with one amendment.

3. Appointment of an Electoral Commissioner

The Committee noted that the motion to appoint Anthony Hobman as an Electoral Commissioner had been debated in a Delegated Legislation Committee on Monday 14 December. Mr Speaker thanked Humfrey Malins for representing the Speaker’s Committee at that meeting. The Motion was due to be taken forthwith on the floor of the House later that evening. [Note: The Motion was passed.] Assuming it was passed, the Queen would formally appoint Mr Hobman in the new year.

4. Any other business

There was no other business.
Minutes of the First Meeting of the Speaker’s Committee in 2010

Wednesday 3 March 2010

Present:
Rt Hon John Bercow MP, Speaker, in the Chair
Rt Hon Sir Alan Beith MP, Chair of the Justice Committee
Rt Hon Sir Gerald Kaufman MP
Mr Humfrey Malins MP
Mr Gary Streeter MP
Sir Peter Viggers MP
Rt Hon Rosie Winterton MP, Minister for Local Government

Apologies for absence: Rt Hon Jack Straw MP, Lord Chancellor and Secretary of State for Justice, and Lady Hermon MP

Also in attendance for item 2 only: Simon Fiander and Ian Hart, House of Commons Scrutiny Unit

1. Appointment of nominated Commissioners

Sir Gerald Kaufman commented on the nominations process, noting that the recommendations of the interview panel chaired by Dame Denise Platt were unanimous and that all of the candidates were of good quality and some were outstanding. Mr Speaker thanked Sir Gerald and the other members of the panel for their work.

The Committee agreed that Angela Browning (Con), Baroness Gale (Lab), David Howarth (Lib Dem) and George Reid (SNP) would go forward to the next stage of the process: consultation with party leaders. It was also agreed, in keeping with an earlier decision of the Committee and with a recommendation of the panel, that George Reid, if appointed, should initially serve for a two- as opposed to a four-year term. The Committee noted that this would not preclude Mr Reid from being reappointed for a further term.

The Speaker said that in approximately three weeks, after consultation with party leaders, the Committee should be able to make a short Report to the House, thus placing the names of the nominees in the public domain. This would allow the Motion for an Address to be moved in the House early in the new Parliament.


Mr Speaker noted that the LGBCE were not proposing any changes to the Estimate and Corporate Plan agreed in principle by the Committee in November.

Simon Fiander briefly summarised the main substantive changes to the Electoral Commission’s draft Main Estimate and Corporate Plan since the Committee gave contingent approval in November:

- The Electoral Commission had requested an extra £2.1 million for the period 2010/11, comprising £2.7 million in anticipation of a referendum in Wales and
a £0.6 million reduction in other costs. The expected referendum cost was a downgrading of the Commission’s initial assessment, made in November;

- Excluding the cost of a referendum, the Commission anticipated budget savings in each of the next five years, compared with the November figures;

- In the Corporate Plan, the Commission requested removing a performance indicator relating to the electronic registration of documents by political parties. Mr Fiander noted that this was because of delayed implementation of registration systems by the Commission, and suggested that it would be better for the Commission to retain the PI and report any under-performance at the end of the year.

It was agreed to pass the revised Estimates and Electoral Commission Corporate Plan.

3. Designation of posts at the Electoral Commission

The Committee discussed a letter from Peter Wardle, Chief Executive of the Electoral Commission, consulting the Committee on his intention to give notice under paragraph 11B of Schedule 1 to PPERA of the proposed designation of 11 posts for a period longer than the default period of 12 months.

It was agreed that the Clerk should write to Mr Wardle expressing disquiet at these proposals and requesting his attendance at a future meeting of the Committee to discuss this issue further.

4. Designation of the Accounting Officer of the Local Government Boundary Commission for England

It was agreed to designate Mr Alan Cogbill, Chief Executive of the Local Government Boundary Commission for England, as its Accounting Officer and to specify his responsibilities as set out in the Paper SC04 2010.

5. Any other business

Local Government Boundary Commission for England: Order-making process

Ms Rosie Winterton raised a problem regarding the laying of draft Orders by the Local Government Boundary Commission for England which are subject to Parliamentary procedure. Ms Winterton said that the laying of these Orders by Ministers would be contrary to the intention of the Local Democracy etc. Act 2009, but the Commission was unable to lay them itself.

It was agreed to consult the House authorities on whether the Speaker could lay the draft Orders. The Committee noted that a member of the Speaker’s Committee would in future speak on any debate on an Order that might take place on the floor of the House or in a General Committee.
Minutes of the Second Meeting of the Speaker’s Committee in 2010

Tuesday 30 March 2010

Present:
Rt Hon John Bercow MP, Speaker, in the Chair
Sir Alan Beith MP, Chair of the Justice Committee
Sir Gerald Kaufman MP
Jack Straw MP, Lord Chancellor and Secretary of State for Justice
Mr Gary Streeter MP

Apologies for absence:
Lady Hermon MP, Mr Humfrey Malins MP, Sir Peter Viggers MP, and Ms Rosie Winterton MP, Minister for Local Government.

1. Appointment of nominated Commissioners

The Speaker noted that at its meeting on 3 March, the Committee had accepted a recommendation from the panel appointed to consider nominations for the four posts of nominated Commissioner that Angela Browning, Baroness Gale, David Howarth and George Reid should go forward to the next stage of the process: consultation with party leaders. Towards the end of the consultation period, Baroness Gale had withdrawn from the process. The Committee therefore needed to decide whether to put forward in her place the remaining nominee of the Labour Party, Roy Kennedy.

Sir Gerald Kaufman and Mr Streeter had both served on the panel. They confirmed that the panel had considered both Baroness Gale and Mr Kennedy to be ‘appointable’. Mr Streeter commented that, although the legislation required the leader of each major Party to put forward three candidates, the Labour Party had now effectively presented the Committee with only one candidate, even if that was by default.

Mr Straw said that the deciding factor should be that the panel had considered Mr Kennedy to be appointable. Sir Alan Beith asked whether the Committee should be concerned about the Labour Party positions held by Mr Kennedy and, in particular, the fact that he would be making a very rapid transition from his role as Director of Finance and Compliance to the ‘gamekeeper’ role of Commissioner. The Secretary confirmed that Mr Kennedy had informed the panel that, if appointed, he would resign from his party positions. There was no statutory bar to a rapid transition from one role to the other.

The Speaker said that since the panel had considered Mr Kennedy to be appointable, he could see no barrier to his appointment.

The Committee agreed that Mr Kennedy should be put forward for appointment.
The Speaker noted that because the substitution of one name for another was a material change to the proposition on which he had already consulted Party leaders, the law required him to commence a fresh round of consultation. He said he would endeavour to complete the consultation as soon as possible so that no time would be lost in making the appointments early in the new Parliament. Consultation letters would be sent out the following day.

2. Any other business

The Speaker noted that this was likely to be the last meeting of the Committee with its present Secretary (Steve Priestley) and Assistant Secretary (Sara Howe). The Speaker thanked Mr Priestley and Miss Howe for their work in support of the Committee. The Speaker noted that from the first day of the new Parliament, the Secretary would be Mrs Elizabeth Hunt, who had provided him with excellent support in her role as Secretary to the Speaker’s Conference (on Parliamentary Representation).
Minutes of the Third Meeting of the Speaker’s Committee in 2010

Tuesday 7 July 2010

Present:
Rt Hon John Bercow MP, Speaker, in the Chair
Mr Graham Allen MP, Chair of the Political and Constitutional Reform Committee
Mr Gary Streeter MP

Apologies for absence: Rt Hon Kenneth Clarke MP, Secretary of State for Justice and Lord Chancellor, Rt Hon Sir Gerald Kaufman MP.

1. Consideration of draft report, Appointment of nominated commissioners to the Electoral Commission

The Committee considered the draft report on the procedure conducted by the Committee in the last Parliament to identify candidates for the four new posts of nominated Commissioner to the Electoral Commission. The Speaker noted that Sir Alan Beith and Baroness Gale had given their consent to their names being recorded in paragraphs 9 and 12.

Mr Streeter said he was content that the Report was an accurate reflection of the process. Mr Allen asked whether, in the future, the process for appointing nominated Commissioners could be brought under the same arrangements as those proposed by the Liaison Committee for pre-appointment hearings. The Speaker asked the Secretary to discuss with this with the Clerk of the Liaison Committee.

The Committee agreed that the annexes and the responses to the statutory consultation should be included in the Report. The Committee proceeded to agree the Report formally.

Publication was intended for Wednesday 14 July, but the Secretary would be in touch with members of the Committee to confirm the exact date.

The Speaker noted that the next step in the process would be for the Leader of the House to table a motion for an humble address. The Commission wanted the motion to be considered before the summer. The Secretary was in discussion with the Leader’s Office on this point.

2. London Accommodation Project: relocation of the Electoral Commission from Trevelyan House
The Committee questioned Jenny Watson, Chair of the Electoral Commission, Peter Wardle, Chief Executive, Carolyn Hughes, Director of Finance and Stephen Rooney, Director of Communications.

Ms Watson confirmed that, although the London Accommodation Project did not directly engage the statutory responsibilities of the Speaker’s Committee, the Electoral Commission was seeking the views of the Committee prior to taking the case to their Board on 7 July.

Mr Streeter asked about the nature of the savings arising from the proposed move. Ms Hughes confirmed that the move to Bunhill Row would result in savings of approximately £450,000 per year, which could be augmented by a 14 month rent-free period. It was hoped that the capital cost of the move would reduce as the design phase of the project progressed. Ms Hughes confirmed that no extra cost would be incurred from leaving the current property ahead of the end of the lease.

The Bunhill Row office was based near Moorgate tube station, within 30 minutes travel of Westminster. Mr Allen asked how the Electoral Commission would ensure that this extra distance did not affect the quality of service provided to Members of Parliament. This would be particularly important because of Parliament’s consideration of the proposed referendum on voting reform. He noted that one of the problems with IPSA had been the lack of a ‘human face’ around Westminster. Ms Watson noted that there was no intention to move the ‘centre of gravity’ to Bunhill Row. Although Electoral Commission staff would need to spend more time on public transport, the majority of small meetings would continue to be held in Westminster. The Commission was pursuing an active strategy of communication and consultation with MPs. For example, a programme of meetings was underway with MPs to discuss the issues arising from the closing of the polls during the general election. Ms Watson also noted that Electoral Commission staff would be likely to wait in Westminster between meetings, giving plenty of opportunity for informal meetings with Members. Mr Rooney noted that the Commission was holding more meetings with MPs now than at any point in the last five years. The communications strategy was a clear priority for the Commission. Ms Watson confirmed that the only regular meeting to take place in the Electoral Commission’s current headquarters at Trevelyan House was that of the Parliamentary Advisory Group, and that this could easily be moved to Westminster.

Mr Streeter asked whether the Commission had consulted its staff about the move. Ms Hughes said that the Commission had held a number of staff briefings and focus groups, and that although staff had not been consulted on potential locations, they had been made fully aware of the criteria on which the location of the new office would be chosen. Mr Wardle said that he expected that the Victoria location would suit more of the staff in terms of their daily commute, but said he was confident that the staff recognised the importance of making savings on the Commission’s accommodation costs.
3. Public Awareness Spending
The Committee questioned the representatives from the Electoral Commission on the designation of certain public awareness campaigns as ‘essential campaigns’ for the purposes of current spending controls. Ms Watson noted that the Commission had made the proposal in the context of balancing the need to make cost savings with the imperative for spending on the UK referendum.

Mr Streeter asked how the Commission would be able to quantify the benefit from these public awareness campaigns. Mr Rooney said that they anticipated carrying out a campaign similar to a general election public information campaign, but also supported by a booklet drop to all UK households. The booklet would set out the facts of the referendum and what to do to take part. The Commission would measure effectiveness through the number of new registrations, as well as the level of awareness of the date of the referendum and of the fact that only those registered to vote could participate. The NAO was also expected to carry out its usual value for money assessment. Mr Rooney said the Commission was conscious that the money would need to be spent very carefully.

Mr Allen noted that the general election turnout in his constituency had been only 50%. He asked what action the Electoral Commission would be taking, in the context of the proposed referendum, to connect with the disenfranchised. Mr Rooney said that in the autumn the Commission would set targets for increasing the number of registered voters. It was agreed that the Commission would write to the Speaker’s Committee with details of these targets. Mr Rooney said that the general election campaign had resulted in 500,000 new registrations, from an estimated 3.5m unregistered voters. He did not expect the referendum campaign to match this result. Ms Watson said that the success of any registration strategy would depend on the timing of the extra funding and of the referendum. Mr Streeter noted that there would always be a stubborn minority of the population who would not register, despite the best efforts of the Commission.

Mr Allen noted that the proportion of registered voters in constituencies could affect calculations for the review of constituency boundaries. Ms Watson agreed, but said it was important not to confuse the boundary review with the Commission campaigns for 5 May 2011, which were separate matters.

Mr Allen urged the Commission to ensure that the language used in the information booklets was suitable for every level of reader. Mr Wardle noted that, in addition, the Commission would also be putting into practice lessons learned from the general election regarding the language on posters and other materials in polling stations.

4. UK-wide referendum
The Committee questioned the representatives from the Electoral Commission on the other costs of the UK-wide referendum. The Speaker noted that this matter engaged the Committee’s statutory responsibility in respect of the Commission’s funding, and noted that the Commission was seeking agreement in principle prior to a probable Winter
Supplementary Estimate in the autumn. Mr Wardle summarised the proposals set out in his letter of 30 June to the Secretary of the Committee. He noted that the Commission would expect the total sum sought in the Estimate to be lower than the figure given in the annex to the letter, because the Estimate would take account of savings achieved by resources being diverted away from other projects in order to support the referendum campaign.

Mr Streeter asked whether the Commission would be including in its booklet a discussion of the pros and cons of an AV system and, if so, whether this would be cleared with the political parties. Ms Watson stated that it was not the Commission’s role to referee arguments between the different campaigns. The booklet would provide technical information on how the referendum would operate. It would be for the designated ‘yes’ and ‘no’ campaigns to disseminate their own arguments either for or against the change. The Commission would only include such information in their booklet in the unlikely event that no ‘yes’ or ‘no’ campaign was designated.

Mr Allen noted that it would be helpful for the House to debate the work of the Electoral Commission, whether as part of an Estimates day debate or through some other procedure.

At the end of the discussion the representatives of the Electoral Commission were asked to withdraw.

5. Decisions of the Committee

London Accommodation Project. The Committee agreed that it was content with the decision reached by the Electoral Commission.

Public Awareness Campaigns. The Committee agreed that the proposed campaigns should be designated as ‘essential’.

UK-wide referendum. The Committee gave its agreement in principle to the Commission’s proposed spending in preparation for a UK-wide referendum, to be found from existing resources, in advance of a probable Winter Supplementary Estimate.

6. Any other business

The Committee noted correspondence from the Electoral Commission and the Local Government Boundary Commission for England detailing how they planned to respond to the new public spending controls.

7. Date of next meeting

The Committee would meet next in September, when it would return to the question of which posts at the Electoral Commission should be designated politically restricted.
Oral Evidence taken before the Speaker’s Committee Sub-Committee on Monday 11 October 2010

Members present:
Mr Gary Streeter MP, in the Chair
Rt Hon Sir Gerald Kaufman MP
Rt Hon Grant Shapps MP

Examination of Witnesses
Witnesses: Carolyn Hughes, Director of Finance and Corporate Services, Alex Robertson, Director of Communication, and Peter Wardle, Chief Executive, Electoral Commission, gave evidence.

Chair: Greetings, colleagues—Peter, Carolyn and Alex—from the Electoral Commission. Let me start, if I may, with a couple of reminders. The Housing Minister, Grant Shapps, has been delayed and will hopefully be with us by 5.30. I will draw the Committee’s attention to the fact that in keeping with recent practice, a formal transcript is being made of this evidence, so it would be helpful for each witness to identify themselves when they first speak. We have a number of questions that we should like to put to you. Peter, do you want to say anything in advance of that? We are starting with the financial forecast 2010–11.

Peter Wardle: I am Peter Wardle, Chief Executive of the Commission. I don’t think that there is very much to add. For 2010–11, as you will have seen from the paperwork that we sent you, we are really flagging this up as an extension to the conversation that we had with what then existed of the full Committee earlier in the year. We think that the potential supplementary estimate is in the order of £500,000, but, at the moment, that figure is more likely to go down than up. I will say a bit more about that later. Moreover, in the current year, there has been a switch of resource to capital to help us fund the plans that we discussed with the Committee to make our accommodation move earlier than we had originally planned to help with the wider savings. Perhaps I will come on to the issues for 2011–12 and beyond later, but those are the key things for 2010–11.

The other thing that I should have said for 2010–11 is that we are flagging up that we will be committing reasonably significant amounts of money in preparation for the proposed referendum. There are certain risks that are spelled out in the papers if, for any reason, the referendum does not go ahead.

Q1 Chair: That’s where I would like to start with question No. 1. Can you talk us through that? I can see from what you have submitted that there will be significant savings if early bookings are made with the Royal Mail in relation to the AV referendum, but, of course, it has not yet gone through the House of Commons. It will take another few weeks to go through the House of Commons and then it has to go to their lordships’ House. Can you talk us through why there is a need to commit so early, and what would happen if the legislation, for whatever reason, is scuppered en route?
**Peter Wardle:** I will ask Alex to come in with a bit more detail in a moment. There are probably three main things to say.

First, we could leave any commitment, but if we do we will incur greater costs, and the orders of magnitude are quite significant. If we waited until Royal Assent, which is expected to be in January but you never know given the intensity of the debate already and the number of amendments that are going down to the Bill, we are pretty sure that we will probably have to incur costs of up to £1 million more than on the plans we have put forward. In terms of the risk that we are involved with, our judgment is that the only way in which we would get close to risking as much as £1 million would be if the referendum never went ahead and if we were unable to get back any of the costs. On the figures that I have looked at, if the referendum doesn’t go ahead at all then clearly any orders that we have placed would be in jeopardy, but we think that we can do it in such a way that we do not forfeit the whole amount. If the referendum were delayed and were to take place, for example, in October 2011 rather than May 2011, most of what we have committed would still be useful.

That is where we got to in our judgment that the least worst option was to place the orders now in anticipation of a May poll, but there would not be a problem for us if the date was later than May. Even if the referendum was completely cancelled, it would still be cheaper than had we waited until January next year.

**Q2 Chair:** At what level are you discussing this with the Royal Mail? It seems that it should be fairly understanding of how this place works. Why does it need to have you commit so early?

**Peter Wardle:** It is understanding of how this place works. It is also encouraged by numbers of people in this place to be as commercial as possible. We are, I suppose, caught between the two. But we are getting, with the help of the Government, the best deal that we can. I would not want to say much more on the record about the detail of that. Certainly, however, we are pushing very hard to get the best rates that we can. It is a big operation to do a door-drop to every household in the country.

**Q3 Chair:** Indeed it is. My final question before we go to Sir Gerald is, have you made the commitment yet?

**Peter Wardle:** No. We need to wait until the full Committee has considered our plans.

**Q4 Sir Gerald Kaufman:** You have a proposed switch of £720,000 from the Commission’s resource to capital budgets in this financial year. How does that reflect accurately all the additional capital costs that are identified this year?

**Carolyn Hughes:** I am Carolyn Hughes, Director of Finance and Corporate Services. Considering what was in our capital plan at March this year compared with the changes that have taken place since that period, some things have come down and been switched between the years. The main thing that has increased is the fact that we have brought forward our accommodation move, so we need all our funding for the London
accommodation move in this financial year rather than its being split over this financial year and the next one. That is the most significant change.

The other element is that our second most significant capital spend has been on one of our IT systems for the party and election finance system. An amount there has been changed from resource to capital as part of the audit procedure last year. In total it balances out. There are a number of issues and we have given information on them to the Scrutiny Unit, which can track all of them through.

Q5 Sir Gerald Kaufman: Thank you. With particular reference to the PEF online project, what have you been able to do to ensure that, for future projects, all appropriate capital costs have been identified and correctly accounted for?

Carolyn Hughes: We have a process in place now that goes from the very beginning of any thought about what we might need to spend on a capital project and takes us through each stage. It reflects some of the best practice. We have looked at the Treasury guidelines and the OGC guidelines and adapted them to an organisation of our size. PEF online has been an ongoing project for several years and pre-dates our introduction of those processes. A number of lessons have been learned—if we started from the very beginning now we would catch the issues that slipped through.

Q6 Sir Gerald Kaufman: How many posts are currently vacant and what are they? How are you filling the vacant posts that your review identifies as being essential?

Carolyn Hughes: Over the summer we had a number of vacant posts and I cannot say offhand exactly how many there were. In effect, we went through them post by post and have taken them out of the establishment, so the number in the establishment is lower now than it was at the beginning of the year. There are one or two posts which, as they become vacant, need to have a written business case prepared for them, which has to be personally signed off by the Chief Executive before they are recruited to.

Peter Wardle: So, overall, we have a very low number of vacant posts at the moment. Since the election, I do not think that we have recruited anybody into the Commission. We have managed to fill all the vacancies that have arisen by moving existing staff and, if necessary, not filling the vacancy that then creates.

Q7 Sir Gerald Kaufman: When posts do become vacant, I take it that you carefully consider whether they need to be filled.

Peter Wardle: Absolutely, yes. That process is resulting in reductions—it has resulted in reductions this year already—and that will continue as we go forward. If I can quickly talk about the forward projections, one of the assumptions in our forward funding is that a fair number of posts—I mean not just two or three, but 10 or 15—will become vacant as people leave. People are still leaving the Commission, and the assumption is that certainly not all of them will be replaced as we go forward.

Sir Gerald Kaufman: Thank you.

Q8 Chair: On to delivery. As you know, there is a lot of concern in this House about the numbers of people not on the electoral roll. We hear this from time to time.
You have decided, at this very moment, not to carry on your stand-alone campaigns in relation to different groups of people. Could you just talk about why you have made that decision at this time and the sort of levels that that is saving you?

**Peter Wardle:** Yes, certainly. Overall, the savings on the stand-alone campaigns are getting close to £2 million a year. So they are pretty substantial; you are looking at major savings. We have an overall target of about £4 million over the four-year period to achieve the savings that we have brought to the Committee. About half of that will come from changing the way that we do public awareness. The other big items are the savings on accommodation and on staff, which we were just talking to Sir Gerald about.

The judgment we have taken is, partly, we have a general bearing down on any sort of advertising across the public sector, so we are already in the position where we are coming to the Committee and asking you, as we did for the plans for the spring 2011 polls, to agree that such campaigns should be regarded, in Treasury speak, as essential campaigns. The presumption is that there shall be no campaigns in the public sector at all, unless they are specifically isolated as deserving causes. We felt that we would be unlikely to get approval simply to carry on in the way we had done things before. So, with the Board, we reviewed our approach to public awareness. We concluded that the area of our public-awareness campaigns that we could most easily reduce, while at the same time being able to protect ourselves against the possible impact, was the stand-alone campaigns that are aimed at particular groups: students, home movers and, to some extent, overseas voters. It is worth saying that we are not planning to reduce the work we do on service personnel voting, so we will be carrying on our joint work with the Ministry of Defence on that front.

What we are proposing to do is not to run stand-alone, in-year campaigns, which typically take place round about now, quite a long way out from the polling date. Instead, we are trying to design the pre-election campaigns that we run to pick up as many as possible of those groups at that stage when, generally speaking, registration is a bit more front of mind. It would be wrong to say that that will not result in fewer registrations—I think it is possible that it will—but that it is the area of our campaigns work that we could probably most afford to put forward as a reduction.

**Q9 Chair:** Thank you. Still on the question of savings, one of the things that you are not going to do in the future—or this year, I suppose—is to produce hard copies of some of your material and advice to local councils. Are you just really passing on the burden of expenditure to another part of the public purse?

**Peter Wardle:** We hope not. The principle we have adopted is that we will continue to provide hard copy where—

**Q10 Chair:** Is this hard copy of the electoral roll?

**Peter Wardle:** No, this is the guidance that we produce.

**Chair:** Okay.

**Peter Wardle:** We produce a range of materials from guidance for returning officers on how to plan for an election, and on how to run their elections, right through to material that is used in counting stations for the count—we produce a little poster
that tells people whether or not to accept a ballot paper with a particular mark as a valid vote—and a handbook for use in polling stations. The principle we have applied is that where we need hard-copy material in polling stations or in counting centres, we will continue with that. What we are cutting back on is the big ring-binders that used to be provided for guidance for returning officers, on the basis that we think that most returning officers can nowadays manage with that sort of thing on screen. That is not generally stuff they have to use live, at very short notice; it is the sort of thing that they ought to be looking at and preparing beforehand. They may choose to print a hard copy out and, arguably, that is passing on costs, but they do not in many cases need to do that, we think.

Chair: Thank you.

Q11 Sir Gerald Kaufman: What parts of the research programme are affected by spending reductions, and what impact do you think those reductions will have on your ability to measure your performance in accordance with your draft corporate plan? While all spending reductions sound virtuous, spending reductions that would impair your performance would be reductions too far, in my opinion.

Peter Wardle: It is probably worth saying that I heard a similar message from our Board of Commissioners. When the staff brought their proposals to the Board, the Board were quite hard when they encouraged us and challenged us on exactly those lines—they did not want to see spending cuts that were going to impair our ability to do the job. On research specifically, I am confident that we will be able to measure against all the areas that we have indicated in the corporate plan. We will continue, for example, to do surveys of public opinion on people’s perceptions of the electoral process and people’s experiences of the electoral process, which are widely used and quoted, not only by the Electoral Commission, but by many other organisations—that will continue.

The other big area of research that we have done is on electoral registration, which we have already touched upon—that will also continue. We will continue to have two big areas of our research programme. One will be research on each election, each year, on how people found the experience of going to vote or not going to vote, what put them off voting or registering to vote, and whether they find the way that they are dealt with in polling stations good or bad. That research helps to inform our reports, our guidance to returning officers, and our performance standards for returning officers.

The other big area of research will continue to be on the electoral register, the accuracy of that register and the completeness of that register. It is very clear that, with the Government’s proposals to accelerate the previous Government’s plans to introduce individual electoral registration, it will be crucial that we spend sufficient money on research into how accurate and complete electoral registers are pre the change, and how accurate and complete they are post the change. During the change, we can evaluate what is being done so we can keep a hand on the tiller and, if we spot good practice that needs to be picked up around the country, we will be able to do that. Equally, if we think that people are wasting their time and not reaching out to people on the electoral register who ought to be there, we will say that they should stop doing that and redirect their resources.
In the bid that we have put forward, although the core costs of running the Commission will be reduced by 27% over the four years, what we call the event-related costs will fluctuate according to the elections and other things that are going on. In fact, in the final two years of the period those costs are quite high and that is because during that time we have European Parliament elections and the general election, and because it is the period in which we are expecting the individual registration project to go ahead. You will see from the figures that we are actually planning to spend quite a lot of money towards 2013, 2014 and 2015, so that we adequately support research and delivery of those elections and the registration change.

Q12 Sir Gerald Kaufman: When you talk about perceptions of the electoral process, you—like us—will be only too well aware of what happened on 6 May, when large numbers of people were kept out of voting through, I assume, a lack of staffing at polling stations and a failure to apprehend the unusual interest in the election. For example, if there were queues outside polling stations in the middle of the afternoon, as there were in my constituency, and perhaps in yours, Gary, it might well have made sense—indeed I will go further and say that it would certainly have made sense—for staffing to increase so that everybody who was queuing during the day got to vote by 10 pm.

Peter Wardle: Yes. I’ll send you a copy of the report that we wrote on the queues on polling day, which concluded that there was a range of reasons for those queues. In some cases, returning officers had made questionable assumptions about the number of people who would be voting. They had not listened to the message that we had consistently been giving to them, which was to remind them that it was a general election and that people would be much more likely to be voting than at the Europeans or the locals. There were some cases where people had based their estimates of throughput at polling stations on the last set of elections rather than on the last general election, which was clearly bad practice.

In other areas, returning officers put good response procedures in place, so that if a queue was building up, there was a way to get more staff there, but those response procedures were not followed. That left them with a lesson to learn about how they had managed the process.

Chair: I’m just going to bring this back. Thank you for that response, Peter.

Peter Wardle: We’ll send you the report.

Q13 Sir Gerald Kaufman: Could I ask you one other question? Next year, in large parts of the country, we are going to have two votes on the same day again. For example, in our city, and in other great cities, too, we have local elections three years out of four. I have already made it public, and I am not in any way reluctant to put it on record that I believe that the returning officers botched the way in which that was handled in that the parliamentary election ballot papers and the local election ballot papers went into the same box. It took something like six hours simply to separate the two, which was not very good practice, and it also kept people up until all hours, which no doubt increased costs as well.
I may be riding on that question, but since it is going to happen again, and since we are going to have two elections on the same day—assuming the referendum goes through—it will be very useful indeed if you considered how that idiocy can be prevented this time. I know I am taking a ride on the back of the previous question, but in view of your use of certain phrases, I think that I may be justified in doing so.

Peter Wardle: Three points. First, we will certainly learn the lessons about how to manage polling stations better at the referendum. Secondly, if the referendum goes ahead on 5 May next year, the Chair of the Commission will be the chief counting officer for the referendum, and it is likely that the process will be combined. That will give us a bit more control over what people do. Thirdly, we are certainly looking at the pros and cons of whether to use multiple ballot boxes, which is not quite as straightforward as you suggest, but we are certainly looking at it.

Q14 Chair: Thank you. We now have a few questions on the corporate plan to 2015–16. I would like to start by asking about the capital spend that you are predicting over the next five years. I see that it is reduced significantly towards the second half of that five-year period, and as part of that there is a reference to a potential investment of between £100,000 and £150,000. Could you first of all reassure us that—I would rarely say this to a public body—you are not cutting capital spending too drastically, and that you will have enough to meet some of the challenges that we have just been talking about, including individual voter registration and all that goes with it? What is that £100,000 to £150,000 supposed to be for?

Carolyn Hughes: On the capital spend over the period, in terms of the plans that we have brought to the Committee previously, we have made a number of significant investments over the past four years—some that we have been talking about such as PEF online and other infrastructure projects across the Commission. So I think we're fairly confident that we have made all the significant investments that we can see at the present time.

Looking forward over the rest of the corporate plan, what we have included there is mainly looking at refreshing or upgrading our current systems. That is why there is a significant drop-off in the next four years.

The reference to the £100,000 to £150,000 that I think you're picking up was to the one outstanding significant system that was not approved by the time that we had submitted these figures. That sum is for an infrastructure project around document management within the organisation, which we have now agreed that we’ll go ahead with: it’s part of a suite of our investments in IT to increase efficiency overall.

Chair: Okay, thank you.

Sir Gerald has some questions on targets and things. I ought to welcome to the meeting Grant Shapps, the Minister for Housing, Local Government, and most things. Grant, when Sir Gerald has probed, if there is anything that you would like to ask—we have dealt with the current financial year plan and we’re now on the corporate plan for the next five years—of course, you are most welcome. Gerald, please.

Q15 Sir Gerald Kaufman: We’re coming back home, really, to things that I was asking you about a little while ago. Several of the new key performance indicators you
are proposing, such as priorities 1.1 and 1.4, appear to be less specific and measurable and more subjective than those they replace. How will you ensure that the measurement of your performance in these areas is robust and objective?

Peter Wardle: The story of the Commission’s performance indicators over the year has, as you know, Sir Gerald, been up and down. The National Audit Office, two or three years ago, made some recommendations in connection with a review it did of our work on party finance regulation. It observed that the majority of our key performance indicators were focused on real-world outcomes and cautioned us that perhaps not all of these outcomes were entirely within our gift and encouraged us to look back at some objectives that were more about outputs—in other words, what the Commission does. I think that this year we’ve tried to reassess, partly to reduce the overall number and to try to focus on the ones that are really important. Quite a lot of things in our previous years’ corporate plans were about the speed with which we respond to questions from parties and electoral administrators, for example. We have taken the view that although that is a useful indicator of performance it ought not really to be in our key objectives for the organisation; that is something that I ought to be managing as part of the day-to-day work of the Commission.

The important thing in respect of the two indicators that you mentioned, which are to do with party finance, is that we want, through our approach, to help people to understand the rules in the first instance. We start from the proposition that people want to comply with the rules, not to find ways of breaking them, but that we will detect where people have attempted to break the rules.

With regard to the first of those objectives, we ought to ask ourselves how we know that our attempts to explain the rules clearly are working. There are two ways of measuring that. There is the objective way—asking how many people have broken the rules—but you can’t always assume that rules were broken because of their ignorance: it may have been quite deliberate, but that is in there. The second is admittedly more subjective. We are going to ask, as would be the case in any customer survey, whether the material that we produce actually helps them do what they need to do, which is to get their heads around some fairly complex rules and to feel confident that they know how to comply with them. So, yes, it is a mixture of subjective and objective, but it is a deliberate mixture.

Q16 Sir Gerald Kaufman: Could you say why you’re dropping as a priority your desire to “make sure people know how to register to vote and encourage them to do so”, which was priority 2.3? From my own experience as a Member of Parliament in a great city with a population that changes a great deal, I find the electoral register is extremely unsatisfactory. When I make checks of addresses against registers, I find gaps again and again. There can be nothing more basic than people actually being on the lists so they can vote.

Peter Wardle: Well, I would say that we’ve tried to express the indicator that you mentioned differently. I don’t think it has been completely dropped from the corporate plan. We say now, at priority 2.3, that “We want to ensure that there are no unnecessary barriers to people registering to vote”. That is more widely drawn in a
sense. The barriers may be the accessibility of the process, or it may be that we run quite an old-fashioned registration process—it is very paper-driven, and it is not really joined up with anything else that local councils do. There are a number of transactions that residents have with their local council, where they are quite keen to get a result, and yet not all local councils take the opportunity to say, “While you’re here, can I ask if you know whether you are on the electoral roll or not, and would you like to be?” That, for example, is one of the things that we are trying to encourage, and we would regard failure to do that as one of the things that we would see as a barrier to people registering to vote.

It is also to do with small things, like the way forms are designed, or the timing of the canvass. One of the things we’ve spotted in recent years is that the traditional timing of the canvass means that a lot of people put themselves on the register anything up to six months before the poll and, particularly in inner-cities, a lot of people move. When you move, you tend not to update your registration. One of the big reasons for people not being on the correct electoral register at the time of polling day is that they registered themselves last summer, and they haven’t kept up to date. There may well be a case for moving the canvass closer to the date of polling.

Those are the sorts of barriers that we are trying to break down, but I’d like to assure you that we are not seeking to say that it is no longer a priority for us to look at how to get more people on the register if they are entitled to be there.

**Q17 Sir Gerald Kaufman:** On the morning of 6 May, I went out to vote—I won’t tell you for whom—and I encountered a man just outside my front gate. He greeted me and said he’d like to vote. I asked him where he lived and he told me, so I said, “Come with me. We’ll both vote at the same polling station.” So we went along to the polling station, and while I was getting my ballot paper and voting, this guy had his address checked and he wasn’t on the register, although he had lived where he lived for years. I’d like to think—and not just because I lost a vote through that—that stopping that from happening, as much as you can, is going to be among your highest priorities.

**Chair:** I think that’s a point well made, Gerald, and I am sure that the Electoral Commission will take it into account. Are you happy with your questions? I think that one has already been tackled.

**Sir Gerald Kaufman:** Yes, indeed.

**Chair:** Minister, is there anything you would like to say?

**Q18 Grant Shapps:** I was fascinated, reading through the papers, about the forward budgets. It looked to me like they were modelled on a 25% reduction over the five-year period. Is that right?

**Peter Wardle:** It’s 27%.

**Q19 Grant Shapps:** 27%, is it? I was just reminded of the modelling of budgets in my own Department. I don’t want to give away any confidences for next week—this is on record, is it not?—but if that was all we were modelling and we did not have to consider some of the higher options, we might find members of CLG dancing on the
street. It is not the case that this has been the only option that we have looked at. Can I ask about whether there has been other modelling done and what the conclusions were?

**Peter Wardle:** What we’ve done initially, as other members of the Committee will know, is contain our costs pretty much flat in cash terms for the last four or five years. We have been absorbing a lot of inflation for some time now—I would say that, wouldn’t I? Unlike the profile of some other public sector bodies, we have been controlling costs for some time. That is largely due to the Committee’s concern about the fact that, certainly when I took over as Chief Executive at the beginning of 2005, the Commission had a steadily rising budget. Since then, in response to the Committee’s concern, we have tried to keep our budget pretty flat. The first point that I want to make is that we are starting from a much lower point than we might have been. We have spoken to the Treasury about the assumptions that we should model, and we got the message that we should be looking at at least 25%.

**Grant Shapps:** You must give me your contact.

**Peter Wardle:** They did say, “At least.” It is no secret that elsewhere, as has been reported by the media and other sources, people have allegedly been asked to look at up to 40%, but I do not know about that. We have not specifically been asked by the Treasury to look at figures of that magnitude. We discussed the implications of such a reduction with our Board, and it was very concerned. The Board’s chair will be at the full meeting on Wednesday, and, obviously, she will represent the Board’s views, but my understanding is that the Board is very concerned about whether the Commission, given that it is a very small body, will manage to reduce spending by very much more. We would have to stop doing something very major if we were to make cuts of that magnitude. It would probably mean, for example, that, as we can’t save much more on our core costs, we would have to look at our event-related costs, which would mean a much more serious cutback of our public awareness campaigns in advance of elections.

**Q20 Grant Shapps:** That’s interesting. Although you’ve modelled 25%—in fact, you’ve modelled 27%, which is a little bit more—you haven’t modelled, nor have you been asked to model, a higher figure.

**Peter Wardle:** We’ve looked at different options to go further than we have modelled at the moment, and we have talked those options through with the Board, but those would take us into some quite significant reductions of public awareness spending. Such spending ensures that people know how to register to vote and how to vote. At the moment, the Board has taken the view that reducing such spending is a step too far. I should say that the Board has asked me not to see an end to it this year, and it has asked me to carry on looking for savings.

**Q21 Grant Shapps:** That is really interesting. What is your budget?

**Peter Wardle:** The total budget is some £20 million.

**Q22 Grant Shapps:** How much of that budget is spent on the public awareness element? I didn’t see that figure listed separately in these papers.
Carolyn Hughes: Most of the public awareness spend is now in the event-related element, so the annual figure varies dramatically depending on electoral events in any given year. The figure may be anywhere between £2 million and £6 million.

Peter Wardle: The figure will be £7.5 million in 2011-12.

Chair: Are you happy with that, Minister?

Grant Shapps: There will be more to come in our future sittings.

Chair: At this stage, this is very much a preliminary trawl.

Grant Shapps: It’s certainly opened a few more questions in my mind.

Chair: There will be another chance on Wednesday, but I am conscious that we have another group of people waiting outside. In that case, I thank the witnesses very much indeed for coming. Some of us will no doubt see you on Wednesday.

Examination of Witnesses
Witnesses: Marcus Bowell, Communications and Public Affairs Manager, Alan Cogbill, Chief Executive, Archie Gall, Director of Reviews, and David Hewitt, Finance Director, Local Government Boundary Commission for England, gave evidence.

Chair: Greetings. Welcome, and I am sorry to have kept you waiting outside. I hope that we can be relatively brief. We are here initially to probe your five-year plan, and we have a number of questions for you. It is my pleasure officially to welcome you. A formal transcript is being made of the evidence given at this session, and therefore could you please identify yourselves for the record when you answer a question for the first time. That would be most helpful. The first question will come from Sir Gerald Kaufman.

Q23 Sir Gerald Kaufman: Will each request for a principal area boundary review be considered on its own merits, and will decisions over which requests to take forward be made in accordance with clear criteria? If so, have you formulated such criteria?

Alan Cogbill: I am Alan Cogbill, Chief Executive of the Boundary Commission. They will certainly be looked at on individual merits. We will have to take a view about the whole programme as well. We have made scope in our planning for some capacity to respond to local authorities who make these requests. We have frankly only quite a vague idea of how many are likely to do so.

Q24 Chair: Two, according to your plans.

Alan Cogbill: Well, that is a precise statement of considerable uncertainty, if I can put it in that way. A number of people have expressed interest. Expressing interest is one thing, but pursuing it in a fairly businesslike and determined way is another. Our estimation is that a lot of the expressions of interest will fall away. We cannot really say how many will come forward, but we will need to look at how many serious candidates we are left with, because that will be a smaller part of our business alongside the electoral reviews.

No work of this sort has in effect been done since about the mid 1990s, when the legislation was different anyway, so we are trying to re-establish how best to do it. Our
approach on that—to elaborate, the criteria are not exact—will be that we want to see proposals from councils themselves. We will not seek to initiate anything; we will do it only in response to that. We would expect those proposals to come forward with some fairly developed business cases, which would show the economic benefits and the immediate and recurring costs and benefits, with the potential for payback within four years—or something like that—at the most. We would expect that to be certified as deliverable by the councils concerned, and then it is really their responsibility to deliver it. We do not want to get involved in that, because that would lower accountability.

We would want to see, as always, evidence of popular opinion and popular support. If we were talking about a major merger or something of that kind, that might have to be in the form of a referendum. That would not conclude the matter of public opinion and public consultation on electoral arrangements, because we would then have processes of taking what we were given if we agreed to go ahead with the review establishing what an electoral scheme would look like for a revised council area. That would itself be subject to some consultation. I’m sorry that that was quite a long explanation of the process.

**Q25 Chair:** Following on from that, I think we can assume that the Government are not going to do top-down on this at all—we have a nod from my left—but you have received 32 applications or requests in the current year, built up over a period of time. You are suggesting that you might get seven expressions next year, of which two might be processed, but you mentioned a merger in your response just know. I think that, as more and more small authorities are sharing overheads, you could see some momentum building towards voluntary, grass-roots, bottom-up mergers, which personally I would thoroughly support. What are you going to do if, in 2012-13 or 2013-14, you have 15 or 20 of these wonderful things to process, but you don’t have a budget for it, or it isn’t in your plan? What is plan B?

**Alan Cogbill:** There will come a limit to how many we can do, to put it candidly. Clearly, we have a plan that sets out to reduce, on the electoral review side, the number of authorities with electoral inequalities outside the criteria. Essentially, we aim to halve the number of councils in that position over the five years, assuming that the various forecasts are realised. There will be a decision for the Commission, maybe, to go more slowly on the electoral reviews to tackle electoral inequality and so on.

**Q26 Chair:** If I am right—I might be completely wrong, but so might you—you have all these district councils begging to be allowed to merge. There are people out there saying, “Yes, we want this,” whether through a referendum or whatever, and you are basically saying, “We can’t process it, so you’re going to have to wait,” or, “It’s not going to happen at all.” That’s not a good outcome, is it?

**Alan Cogbill:** No. In terms of our first response, if that kind of demand were realised and people were clamouring at the door for it on the basis that there were financial and economic benefits—so there would be very pressing demand—we are looking at the processes to see how many we can do within available resource. But I could not conceal that setting electoral arrangements for, shall we say, a merger of a
couple of district councils would entail as much activity as doing an electoral review and producing a new scheme. It would, fundamentally, involve the same kind of activity. The extra that we would do in terms of satisfying ourselves for that sort of precondition, as I just mentioned, would be marginal. It is the electoral arrangements piece that is the heavier part of our task. I could not say that, even with all the efforts to improve productivity and the number of reviews that might be concluded with given capacity, we could necessarily look for an heroic increase. Obviously, we would be looking to increase it, but the sort of scenario you are postulating, where we might have 10 or 15 at the door, would, frankly, give us a problem and there would then be a rationing effect of doing some and not others.

**Q27 Chair:** And you might come knocking on our door for more resources or something.

This is my final question before handing over to the Minister. Your budget shows that your costs—your overheads—next year, especially salaries, are going up, whereas everyone else in the public sector world is heading dramatically in the opposite direction. Your salaries are going up, and your rent rates and service charges are going up. Can you please justify that?

**Alan Cogbill:** In part, this is the effect of comparing the year in which we were setting up with the first year in which we are fully in operation. As we have set out in the papers, there is a reduction of about £300,000 in the amount that we expect to spend this year compared with the budget that was set of about £2.85 million. Of that, something like £200,000 is a recurrent economy and will feed through into next year and subsequent years. But some of it was simply that we had unfilled posts. We were increasing from two to three review teams and a number of those posts weren’t filled until July or August this year, so the budget next year is the full 12-month effect of those posts. That is the major factor that accounts for the increase. Obviously, we have had to allow that there will be a VAT increase and such things, but if you look at the overall proposal, you will see that we are setting out to manage pay and price inflation within the declining cash figure, which we have submitted to the Committee.

**Q28 Grant Shapps:** So, up to the end of the spending review period, you cut the budget back by 29%.

**Alan Cogbill:** 27%.

**Q29 Grant Shapps:** And you lose four people from your business plan. Is that right?

**Alan Cogbill:** We have decided not to fill two posts. We have worked through the sums, and if all of the other figures remain constant—if we were not able to make further economies in the various service charges, mapping, printing and so on—yes, we would have to reduce our pay costs.

**Q30 Grant Shapps:** Oh, I see. So that is not confirmed. My next question was: what function will be cut; what do those people do? But that is not confirmed—you will not necessarily lose anybody.
Alan Cogbill: It is possible. If we were to succeed in making more ambitious savings on things such as service charges and rent—that group of costs, which is over £500,000—and if we were to succeed in making more ambitious than planned savings in mapping, which costs about a third of a million a year, and printing of consultation documents and the like, which costs a couple of hundred thousand, I would offset the requirement to cut posts. However, we are facing up to the reality that, if we do not manage to make more ambitious savings, we would have to cut posts.

Q31 Grant Shapps: Is the mapping cost mostly with Ordnance Survey?
Alan Cogbill: Yes.

Q32 Grant Shapps: Are you affected at all by the changes in data release at Ordnance Survey? Would much more free data becoming available drive down your costs?
Alan Cogbill: The maps we have done are specifically for our reviews, so that wouldn’t affect us. There might be other changes—

Q33 Grant Shapps: So you have to buy in bespoke work.
Alan Cogbill: It is bespoke work.

Q34 Grant Shapps: So how are you going to drive down the mapping costs?
Alan Cogbill: We can look very hard at the number of maps we generate. We are trying to do that. This very day, some orders were laid in this House, thanks to Mr Speaker. There is, for instance, further discussion to be had about whether we need quite so many accompanying copies of maps for orders. Marcus brought over quite a big bundle in a van this morning. There is that, and some maps can be smaller—that kind of thing.

Q35 Grant Shapps: And some can be online, presumably.
Alan Cogbill: Yes.
Chair: I believe we have no more questions for you, gentlemen. Thank you very much indeed for coming, and thank you for your evidence.
Minutes of the Fourth Meeting of the Speaker’s Committee in 2010

Wednesday 13 October 2010

Present:
Rt Hon John Bercow MP, the Speaker
Mr Sam Gyimah MP
Rt Hon Sir Gerald Kaufman MP
Bridget Phillipson MP
Rt Hon Grant Shapps MP
Mr Gary Streeter MP

Apologies: Mr Graham Allen MP, Rt Hon Nick Clegg MP, Naomi Long MP

In the absence of the Speaker Mr Gary Streeter took the chair.

1. Informal minutes of the meeting on 6 July
The minutes of the meeting on 6 July were agreed.

2. Report from the sub-committee
Mr Gary Streeter, chair of the sub-committee, reported that it had taken evidence from the Electoral Commission and the LGBCE on their draft plans and financial forecasts on Monday 11 October.

The sub-committee had been mostly satisfied with the answers presented by the organisations. However, it was not entirely satisfied with the arguments as to why a relatively low level of savings forecast over five years (27%) was the most each organisation could achieve.

Mr Speaker took the chair.

3. Oral evidence
Evidence was taken from the Electoral Commission; and the Local Government Boundary Commission for England (see separate transcript).

The witnesses withdrew.

4. Deliberation
Mr Speaker asked the Committee to consider the specific points upon which the Electoral Commission sought approval:

   (i) Proposed spending on the UK referendum.
The Speaker noted that the Commission proposed to spend £9.275 million in total, of which £2.92 million would be required in the year 2010-11. The Commission was seeking to commit £2.0755 million immediately. £875,500 would be from the current year’s budget and £1.2 million would fall to be paid from the Commission’s budget for 2011-12.

The Speaker noted that the Treasury should be consulted on the Electoral Commission’s proposal to commit expenditure on the UK referendum in advance of the Parliamentary Voting System and Constituencies Bill being passed. He indicated, therefore, that if the Committee should be content with the Commission’s proposal in principle, it might give its approval conditional upon the absence of objection from H M Treasury.

The Committee agreed to give approval to the proposal, conditional upon the absence of objection from the Treasury to the money being committed in advance of the legislation being passed.

The Speaker asked the Secretary to write to the Treasury accordingly.

(ii) Spending offset from the Welsh referendum budget.

The Speaker noted that full approval was sought to use savings from the Welsh referendum budget to offset the funding requirements of the UK-wide referendum.

The Committee gave full approval to this proposal.

(iii) Resource to capital switch.

The Speaker noted that full approval was sought for a resource to capital switch of approximately £0.72 million in 2010-11 for the Commission’s London accommodation move and other adjustments to capital budgets.

The Committee gave full approval to the proposal.

(iv) Spring Supplementary Estimate.

The Speaker noted that conditional approval was sought for a potential Spring Supplementary Estimate of approximately £0.5 million, to make up the shortfall between the 2010 Main Estimate and the revised forecast, which took account of the proposed referendum.

The Committee noted that the 27% savings which had been identified by the Electoral Commission over four years were towards the lower end of the savings required by the Government of government departments. While the Electoral Commission was an
independent body, it was desirable for public sector organisations continually to pursue greater efficiency.

The importance of the Commission’s public awareness work was also noted, in the context of proposed constitutional reforms including constituency reviews and individual electoral registration.

The Committee asked the Secretary to write to the Electoral Commission indicating that in the first instance it would look to the Electoral Commission to absorb the £0.5 million shortfall which had been identified in 2010-11; and it would be grateful if the Commission could look again at whether this could be achieved. However, the Committee remained willing to discuss the matter with the Commission again if it proved necessary.

(v) Other points arising.

The Committee did not wish to make other comments on the draft plans and forecasts of either body at this stage.

5. Other business
The Speaker advised the Committee that it would meet next on Tuesday 30 November in order to discuss the designation of posts at the EC as politically restricted.

The Speaker also noted an offer from the NAO to give a presentation to the Committee on its value for money studies on each organisation. The Committee accepted the offer.

The Committee adjourned at 4.17 pm.

Oral Evidence taken before the Speaker’s Committee on Wednesday 13 October 2010

Members present:
Rt Hon John Bercow MP, the Speaker, in the Chair
Mr Sam Gyimah MP
Sir Gerald Kaufman MP
Bridget Phillipson MP
Grant Shapps MP
Mr Gary Streeter MP

Examination of Witnesses
Witnesses: Carolyn Hughes, Director of Finance and Corporate Services, Electoral Commission, Alex Robertson, Director of Communication, Electoral Commission, Peter Wardle, Chief Executive, Electoral Commission, and Jenny Watson, Chair, Electoral Commission, gave evidence.
Chair: Good afternoon. Welcome, Jenny, Peter, Carolyn and Alex. Thank you very much indeed for coming. I apologise for keeping you waiting. We were slightly delayed in getting this meeting fully under way. We will do our best to crack on now. We have a series of questions which we will attempt to cover. I look to Gary Streeter to open the batting.

Q1 Mr Streeter: Thank you, Mr Speaker. I have a question about the proposed use of the £0.4 million saving from the spending on the Wales referendum, which presumably was ring-fenced for the Wales referendum, to offset additional costs elsewhere. How do you justify that and do you think that you are creating a principle, which you would apply in future, of taking savings from ring-fenced money and applying it to general expenditure?

Jenny Watson: Peter can answer that. I am just wondering whether it would be helpful to put a bit of context in front of the Committee first before we get into the detailed questions, but I am in your hands if you would rather that we just moved straight to questions.

Chair: That’s fine.

Jenny Watson: I thought it would be helpful for you to know, particularly given that there are new members of the Committee, the approach that we have taken to all of this. We have obviously had a change of Government and, regardless of the formal relationship with Government, we felt bound to try to follow as far as we can the kind of indication that has been given on spending. You would expect the wider public sector to do that. We made an immediate move to reduce spending. We have reduced spending immediately on consultancy. There is an assumption that staff are no longer replaced unless they are business critical. We have reduced immediately public advertising costs and came to you to ask permission for some limited spending.

It is also worth your knowing, from the perspective of the Board, that we asked Peter and the executive team to look at savings across the board for this corporate planning period of a third, which is 33%. That is our core costs, obviously, because policy development grants are not within our control. The event-related tranche of the spending varies according to events that are in the electoral cycle and Government policy. We will come to you each year, as we have done, for spending on those. Having looked at that, it is clear that we cannot continue to function if we make that much saving, so we have ended up with 27%—I think it is actually 27.4%—which is the maximum that we think we can aim for as a starting point. But we have made it clear to Peter and the team that if more can be achieved over this period, then that is where we want to go. We can perhaps come back and touch on the busy Government policy agenda that we’ve got going forward, which demands a lot of our time. I am conscious of your time so I will perhaps turn to Peter to pick up the specific question.

Chair: Okay.

Peter Wardle: We came to the Committee at the beginning of the year and sought provision for the Wales referendum. We have managed to identify some savings there—yes, it was ring-fenced. I am very happy to discuss with the secretary and the
Scrutiny Unit how best to deal with that. We simply observe that we know now that we’re not going to need everything we asked for for the Wales referendum. We have additional costs emerging for the UK referendum, and somehow or other, the two ought to be netted off, but it certainly wasn’t our intention to create a precedent of moving spend into general Commission expenditure out of the ring-fence.

The principle I want to put forward is that you take it out of one ring-fenced budget and put it into another ring-fenced budget, which would be the one for the UK referendum. In other words, you keep it ring-fenced rather than stashing it away into our general expenditure, but I take the point. Perhaps we can find a way to satisfy your concern, but, at the same time, not create a massive paper chase by moving the money around from different places and then taking it back again with a different hand.

**Q2 Sir Gerald Kaufman:** In the remote days when I was a Minister, and in my discussions with Ministers since, when something sensible was put forward, civil servants, very understandably, would tap you on the arm and say, “But Minister, there is the problem of potential repercussive effects.” That might be the issue here, because I cannot see any realistic reason why if you save £400,000 you shouldn’t use it towards expenditure of £500,000, thus saving the taxpayer quite a lot of money. Therefore, although I respect ring-fencing, if it leads to wasted money, ring-fencing is a fool. May I put that to you as a question?

**Peter Wardle:** I am not sure I’d add anything to what I’ve said. I think we’re clear on the point that we’re trying to get across, which is that we are suggesting to the Committee that we would like to find a way of not asking for that £400,000 again, because we’ve already found a way not to spend it on the first thing we asked for. Quite how we achieve that I am sure we can work out with the support of the Committee and the Scrutiny Unit.

**Carolyn Hughes:** We will account for each of those areas separately. In terms of ring-fencing, the point is that we would come back to the Committee if we spent it against any of the other headings, so if we move things from one ring-fenced area, we would always come back here first of all, which is the reason to put it before you now.

**Chair:** Does anyone else want to come in on that question? No? We shall move on to questions about public awareness spending on elections.

**Q3 Bridget Phillipson:** What impact will reductions in spending on public awareness have on the effectiveness of the Commission?

**Jenny Watson:** It is a question that we discussed at the Board actually, in terms of thinking about whether we could go further in reducing our costs. We concluded that we could not, because to go further would have a detrimental impact, particularly given the introduction of individual registration, which we are fully in support of. Clearly, we have a change coming and we want to be able to spend in the run-up to that change to be sure that it’s happening from as strong a base as we can have. We have elections and referendums coming next year. Alex or Peter will want to pick up a little more about the detail of the spend. I am confident with what we’ve got; it’s not going to affect our impact.
Peter Wardle: Perhaps it is worth repeating a point because—I can’t remember if it was Mr Streeter or Sir Gerald who asked me this question in the Sub-Committee—we have cut back on one area of our normal, or traditional, public awareness, which is that we’re not going to run stand-alone campaigns at around this time of year, specifically targeted at certain people—students, home-movers and overseas voters were the main target groups. We are going to try to pick those groups up in our pre-election registration drive. As I said to the Sub-Committee, I cannot guarantee that there won’t be some drop-off in registration at the canvass period—that is, around now—from those groups, because we won’t be sending out a specific reminder to them. However, there is still the opportunity to pick them up in the spring in the run-up to the elections. We get quite a good response. With an election looming, quite a lot of people in those groups turn their minds to whether they are on the electoral register. It is not totally without risk, but we have a reasonable approach to picking up those we don’t catch.

Q4 Mr Gyimah: Certainly, you are trying to achieve large reductions. Is there any slack in the budget if, for example, you feel that you need to do more public awareness work with the UK-wide referendum coming up? Do you have any flexibility to do that and have you planned for that in these budgets?

Peter Wardle: There’s nothing in the budget that was voted for us on 1 April to cover the UK-wide referendum. On 1 April we received funding that was based on the assumption that there would be a referendum in Wales at some stage in this financial year, plus the scheduled elections in Scotland, Wales and Northern Ireland in May 2011. Two things have happened since then, and they are closely related. First, as Jenny has said, following the general reductions in public spending across the public sector we have been looking to make similar reductions, and we have identified a large chunk of savings. Secondly, the proposal to have a UK-wide referendum next May has been announced. We’ve given the Committee our estimate of the cost of running that referendum, and we think that we can cover all but £500,000 of the cost in this financial year; part of the cost falls into the next financial year. We think that we can cover the costs for this year almost entirely through the savings we’ve made elsewhere in the budget. Effectively, we are saying that we can recycle and reprioritise money and put it towards the referendum, which has emerged as a new priority.

Jenny Watson: But it’s a good question, because there will be other activity over the course of this corporate plan cycle. Our forecast includes activity in relation to individual registration, for example, and possibly in relation to police and crime commissioners. There may be a need to come back and say that those are new Government priorities and that there will need to be a different kind of election, so we might need to ask you for more money to spend on that. We will do that depending on the circumstances at the time.

Peter Wardle: And that’s broadly why we’ve split the budget into three areas. There are policy development grants, which are entirely out of our control; they just come through our books. There are our core costs, which we can control and where we are making major savings. We then have a line that we have labelled “event-related”. Each year we will come back to the Committee and state our plans for event-related
expenditure. No doubt you will want to look at how effective the previous year has been before you agree or disagree to our proposals for the following year.

Chair: Thank you for those replies. If there is nothing further on that subject, we will move on to a matter that I know is of close interest to Grant Shapps.

Q5 Grant Shapps: On Monday, I started to probe the matter of the kind of cuts that Ministers are having to make across government, which are typically of a greater nature than the 27.4% that you have described here. Some of the choices that we are making in that process are difficult.

I received answers on Monday from Carolyn and Peter. Carolyn, in your response you mentioned when I queried the amount of money being spent on public awareness that it would typically be between £2 million and £6 million in a usual year. Peter, you actually responded, although we didn’t get a chance to pick it up at the time, that next year, 2011-12, that figure will be £7.5 million. That figure is not just at the high end, but above the high end of the usual ratio, perhaps at a time when the public would expect more constraint rather than an enlarged budget. Will you explain why you decided that this requires a budget next year that is larger than the smaller budgets the year before when people would expect things to be going in the opposite direction?

Peter Wardle: Essentially, because more people are voting next year. Our public awareness campaign covers two things. First of all, it covers the reminder and the call on people across the UK to be on the electoral register. Broadly speaking, that is repeated every year. The other thing, though, is that we provide public information to make people understand what they need to do to cast their votes successfully. In a year like 2013, the spend will be considerably lower because in 2013 the only elections in town are a third of English local authorities. In 2011, there is the Scottish Parliament, Welsh Assembly, Northern Ireland Assembly, local government elections across England and also now a UK-wide referendum. We are on a nationwide campaign next year, as we were this year with the general election and as we will be when we come round to the Europeans. For example, in 2012, when we have London and maybe police commissioners—so it is pretty much confined to England—or in 2013, when there will be a fairly low level of voting in England, it is considerably lower. That was the point I mentioned in the Sub-Committee, where the event-related expenditure varies according to the number of elections and the number of people taking part in those elections, and the different elections that are on schedule.

Q6 Grant Shapps: I see. So you are saying that despite 2009–10 being a general election year, the costs were lower than they will be next year, even when there is not a general election.

Peter Wardle: There’s another aspect. Inevitably, it is difficult to compare the two years. In the general election year we had different functions. In the general election it was about public awareness only. The reason it is higher for 2011 is that the public awareness will be more or less the same figure as we spent in 2010…

Alex Robertson: What we usually focus on ahead of each election event is getting people to register to vote—essentially running an advertising campaign encouraging them to do that by a certain deadline. For the referendum, what we will also be doing is putting booklets through every household in the UK’s front door, which
has specific costs associated with it and which is not required at other electoral events. There is something quite specific, when we approach public awareness next year, which puts up the costs in a way that it would not in other years.

**Peter Wardle:** In addition, we pay grants to the designated yes and no campaigns. They are also included in the event-related costs. That is something that we never do at elections, but we do that at referendums.

**Q7 Grant Shapps:** Is the booklet mandated by Parliament? What is the origin of that booklet going through everyone’s door? Is that your idea, or is that Parliament’s idea?

**Jenny Watson:** We have a responsibility to provide information to the public to make sure that they are aware of how they can vote, and the issues behind the referendum.

**Peter Wardle:** And that’s a statutory responsibility.

**Q8 Grant Shapps:** I’m not quite clear if that goes as far as, “That must be discharged by putting a leaflet through everyone’s door”. Is that the decision of the Commission?

**Jenny Watson:** No. Parliament doesn’t mandate us to do the booklet. That’s our judgment call.

**Q9 Grant Shapps:** You’re making that decision?

**Jenny Watson:** Yes. I don’t want to rehearse issues that might be best kept for other Committees elsewhere, but there is clearly an issue about having important elections and a referendum on the same day, which means that we have a particular responsibility to ensure that everybody understands that there are distinct events and how they can cast their vote. Having said that, we are thinking about how we do that as cheaply as possible. Clearly, combining both parts of that into one booklet has a cost saving associated to it.

**Q10 Grant Shapps:** Yes, I was alarmed at the original estimation. Any normal year costs from £2 million to £6 million, but suddenly you have got £7.5 million when you are trying to cut back.

If I may ask just one other question, Ministers have taken pay cuts and pay freezes for five years. Lots of people in public service are losing their jobs. There is a recruitment freeze. You have already mentioned that you have an outside consultancy freeze. Have you gone further than the outside consultancy freeze? Have you done some of those other rather difficult measures?

**Jenny Watson:** We are not replacing staff when they leave unless they are business critical. I do not have a figure for how many that means in the past three months, but I would say that it is a reasonable proportion.

**Q11 Grant Shapps:** And the salaries?
Peter Wardle: A pay freeze. We’ve got a pay freeze across the board, just the same as in the civil service.

Jenny Watson: I should reassure you. I don’t want to seem in any way as if we are not taking this seriously. We are. When we looked at the modelling and we looked at the options, it was clear to us that we simply could not sustain what Government are looking to us to do, particularly given the Government’s forward agenda, which is very heavy on political reform and which is coming to us for input on a range of areas. For example, fixed-term Parliaments have a consequent impact on the election rules and the party finance rules. I and my Board cannot risk not being able to deliver that. If Peter and the executive team can go further we will be pushing them to go further.

Q12 Grant Shapps: I imagine that fixed-term Parliaments have some advantages as well, in terms of scheduling expenditure that would have been uncertainties before.

Jenny Watson: I don’t doubt that, but there is an issue about the input that we give in relation to changes in the rules. There is just more work for us to do, frankly. I want us to do more with the resources we have, just as I am sure that all of you would like us to do more with the resources we have—and less. We have reached what we think, in our judgment, is the right balance between cutting into the bone and not being able to deliver, and being able to deliver with less.

Peter Wardle: Just to fill in the gap, we’re cutting about 20% of our posts in the next two years, in addition to the pay freeze.

Q13 Sir Gerald Kaufman: To what extent have you been able to conduct any research on the effectiveness or otherwise of your electoral awareness activities? I have always thought that they should be subordinated to getting the electoral process right by getting people registered, which I would have thought was a primary duty. However, do you, from whatever information you have, believe that your electoral awareness activities, as distinct from the fact that lots of people were excited about the election because it was regarded as potentially a close contest, were in part responsible for the heightened interest in the election and, therefore, that you might have encouraged people to vote who, in the end, could not vote, as shown in your brutal but excellent report and recommendations regarding what happened on the evening of polling day?

Jenny Watson: I’ll let Alex pick that up. Our focus is on the registration rather than the turnout. Alex, do you want to talk about the campaign?

Alex Robertson: We track the effectiveness of our campaigns with the Central Office of Information, comparing them against other public sector campaigns. We are able to calculate how much money you have to spend to get the one action—in our case, we are encouraging people to register to vote. You can calculate how much you need to spend per person to get them registered. On that basis, we compare very favourably across the public sector. We can provide more detail to the Committee on that if you would like to see it. The effectiveness of our campaigns has improved year on year. We had 500,000 forms downloaded at the general election this year, which is two or three times higher than at the European election and very much more than at the general election in 2005. We are doing very well compared with others and with previous years.
**Jenny Watson:** Just before somebody says it, because somebody always does, much of the interest was before the leaders’ debates—I was going to call them the presidential debates; what a misquote that would be. We were already, in the run-up to the election, and once it had been called, attracting people to download forms to register to vote who had not otherwise been part of the process.

**Q14 Grant Shapps:** I was going to make the slightly different but, I am sure, obvious point, that many more people had internet access this time around than in 2005 and 2001.

**Jenny Watson:** That’s also fair. It’s also true.

**Chair:** Does anybody else want to come in, or has my colleagues’ questioning appetite been met? It has? Good.

**Mr Streeter:** Satisfied.

**Chair:** Satisfied, I think, is the word, Gary. Thank you to colleagues. Thank you to our witnesses from the Electoral Commission for sparing the time to come here, and for giving the clear answers that you gave. We are grateful to you for that. Without further ado, we will move on to our next set of witnesses. Jenny, colleagues, thank you very much indeed.

Examination of Witnesses

**Q15 Chair:** Hello, Mr Caller and Mr Cogbill. Welcome. Thank you very much for coming in; we’re grateful to you for doing so. I don’t know whether either of you would like to make a very short opening statement. You’re under no obligation to do so, but you may, if you wish. We have a series of questions to put.

**Max Caller:** I’d very much appreciate that, Mr Speaker. When I was last questioned by this Committee, in November, I outlined three key aims as part of our plan. The first was to establish the Boundary Commission as a new stand-alone body as expected by 1 April, and we’ve achieved this. We’re on track to complete the programme of review work started by our predecessors and to expand it, and our agreement to share back-office services with the Local Government Association is improving productivity and saving money.

I think you will know that this week we laid our first four draft orders in both Houses of Parliament. Those orders are to implement new electoral arrangements for local authorities representing over 1.5 million people. I’d like to thank you personally, Mr Speaker, for allowing us to lay those draft orders in your name.

**Chair:** A pleasure.

**Max Caller:** Without your doing that, we would never have been able to break the procedural impasse, which would have stopped us achieving anything.
Secondly, we wanted to keep to our 2010-11 budget during our start-up, and as you’ve seen, we’ve been able to do that. We propose to reduce our budget over the five-year plan by about 27%, while increasing our review output.

Finally, I said that we would review our major policies, procedures and processes, particularly for principal area boundary reviews. In the next few weeks, we will be consulting the local government community and the Department on proposed new working guidance so we can better help local authorities to confront the challenges that they’ll face in the longer term. We’ve made a good start. The plan that we have so far recognises the challenges and is realistic about the operating environment and its risks.

One short-term risk is that several of my commissioners’ terms of office expire very shortly, so far without definite news on either new appointments or reappointments, and that will cause us problems if we go below the statutory minimum.

There is also some uncertainty as to the work load, as I think you discussed on Monday—that is, about how much demand there will be from councils for principal area boundary reviews, and about which will come forward with a suitable political business case and popular support. I think that we will know better how that will work once the consultation is out, because I think the responses will signal it. So far we have two real key players who want mergers, and a number of others who are looking for other reviews. Over the five years, we are very positive about our ability to halve electoral inequality and about our role in helping English local authorities to deliver effective and convenient local government.

Chair: Thank you very much indeed.

Q16 Sir Gerald Kaufman: The work that you do is, on the one hand, essential and, on the other hand, it must be terrible drudgery. Taking that into account, can you say what your timetable is for clearing totally the backlog of reviews?

Max Caller: If you are talking about further electoral reviews, I do not think that we will ever totally clear it, because it is a very dynamic situation. Development takes place differentially across boroughs, but what we think we will be able to do is to halve the number of reviews over a five-year period and keep that in balance for the future.

As I have already said, principal area boundary reviews are very much an unknown. We are starting to see authorities inquire of us how they might go about making some changes. Mid Suffolk and Babergh is the only one that is well advanced; Adur and Worthing is equally interested. Those are the two that are high on our list, and we shall just have to see how local authorities respond. It is not drudgery actually. It is really enjoyable and interesting work.

Q17 Sir Gerald Kaufman: I am delighted to hear that. It sounds to me like painting the Forth bridge.

Max Caller: But it does really help English local authorities to have members who reflect their communities and to have a proper identity. It is really important.

Q18 Chair: Mr Caller, you sound not merely a diplomat, but a thoroughly fulfilled man, to judge by that response to Sir Gerald.
Max Caller: I have always been completely committed to local government, and I just think this is really valuable. We do our absolute best to help local authorities get a good result.

Chair: Thank you. Does anyone else want to come in on this, in light of the fulsome and comprehensive reply from our witness? No? We will move on to our next question.

Q19 Mr Gyimah: It is good to hear an enthusiastic response on the work that you do, and how terribly important it is. In terms of the current work load, you have hinted that you will never get rid of the backlog, but you also mentioned in your opening remarks some of the risks, including not letting your number of commissioners slip below the statutory minimum. Given that, what are your current planning assumptions with regard to the work load, finances and the resources you need to be able to achieve that?

Max Caller: Well, we are planning on the basis that we will have commissioners, and if the budget is approved we will deliver our programme as set out in the papers.

Q20 Mr Gyimah: So you can accommodate the changes without really altering anything substantially?

Max Caller: It will depend on the demand for principal area boundary reviews. That is a crucial thing. We have provided a balancing figure of about four or five in the current programme. If they don’t all materialise, we will accelerate some other further electoral reviews to take up that slack. If there is a significant demand for PABRs, then, as I said last year, we might come back to you and say, “Here is a business case: on the one hand, English local government wants to make savings, which would require us to do more work, but on the other, that would mean that you have to give us more money.” So we would come back and ask you to think about that and to tell us what you would like to do.

Q21 Bridget Phillipson: How realistic do you think it is for you to maintain your current work load with the current budget reductions that you are looking at?

Max Caller: We have substantially improved our efficiency. One of the process reviews that we have been looking at over the past six months is how we can improve our general processes in undertaking reviews. That will go out as part of the consultation as well. I hope that we will be able to improve further the way in which we do business, so that we can increase throughput.

Q22 Mr Streeter: Gentlemen, I have a question about your KPIs. I am very interested in KPIs. Your first proposed target, “Percentage of local authorities with imbalances where review will commence in the year”, is obviously lower next year than this year. That does not seem very challenging. Also, you are looking to achieve stakeholder satisfaction of just over 50%. If I felt only 50% of my constituents were happy with my work, I would be devastated; I should be up near the 90s, I’m sure. That
is not very challenging either. Is the bar set too low? Is this really going to help you to improve your performance?

**Alan Cogbill:** Personally, I don’t think we’ve got the KPIs in the right place, leaving out the thresholds. I’m not sure they go to the guts of the work, candidly. We started from where we were. We demerged from the Electoral Commission with this as the set of targets. It is on our list as a matter to look at, because only a couple of those actually hit the guts of managing the delivery of the programme. And you get into whether we should do them to time. Some of the others are, in some ways, slightly odd. Whether you achieve 85% of wards within the parameters is, finally, a matter of judgment, so that is not quite right either. The orders are 100%—of course, they have to be 100%. We want our orders to be absolutely right, and that says no more than that we will be looking afterwards and seeing how many we need to correct, and trying to learn lessons if ever we do have to correct. I think there is quite a lot of work to be done here. In terms of satisfaction, we presently administer quite a long questionnaire to participating authorities. It is more than 10 pages long.
Q23 Mr Streeter: Does that cost a lot to do?

Alan Cogbill: It doesn’t cost a lot, but you don’t get too many replies to a questionnaire that long, to be honest. That is one of the things that our communications and public affairs person is looking at now to get that better. I can only say that you are right to identify that this needs a good turnover.

Mr Streeter: A very honest answer, if I may say so.

Chair: Indeed. Extremely candid, for which thanks. Do any of my colleagues have any further questions?

Q24 Grant Shapps: Well, you would never make it as a politician.

Alan Cogbill: When you said it was very candid, I thought, “Oh dear, this sounds like bad news.”

Grant Shapps: No, that’s good. I had a query about something that I have noticed from talking to local authorities—councillors, in particular—who say, “I’ve always had these few homes that shouldn’t be in our district at all. Clearly, you enter the estate from someone else’s district to get to them.” It seems to me that they are quite likely to start to approach you en masse. I am writing back to them to say, “Yes, brilliant. I know that there is a process here. You need to make an approach from both authorities to the new Commission.” Will that overwhelm you? Do they have to take their turn in a queue behind these very large principal areas, or do you have thoughts in mind about how you will fast-track those through?

Max Caller: We have looked at that in detail. There are probably over 100 of these minor anomalies, where developments have taken place across borough boundaries. We think that provided it is not going to change electoral imbalances, and it is going to be containable and insignificant to either the losing or the receiving authority’s budget—those things we will want to test—we ought to be able to deal with those administratively. We hope to be able to do 30 or so of those a year, in the gaps between other parts of the programme.

Q25 Grant Shapps: We’re probably talking about half a dozen or a dozen homes that are shifting between authorities.

Max Caller: Yes, so we are going to try to eat those up as next year’s process, but we cannot even start until we have got some responses to the consultation. That’s the crucial part, because it is a new piece of legislation that hasn’t been used. As you know, we had a conversation; we have to consult you, and you have the right to give us guidance, if you choose. If you do not, then we’ll press on.

Q26 Grant Shapps: So it’s with us.

Max Caller: Not yet.

Alan Cogbill: Not yet. It will be well before this year’s out, but it’s not with you yet.

Max Caller: We’re happy to operate on the basis that we don’t get guidance, because you will see what we are going to do and we will, I hope, take account of your wishes.
Chair: Does anybody have any further questions? Thank you for coming to see us today. We are having a formal transcript made of our discussion, which will be released in due course. Thank you for your time, expertise and co-operation, which are much appreciated.
Minutes of the Fifth Meeting of the Speaker’s Committee in 2010

Tuesday 30 November 2010 in Speaker’s House

Present:
Rt Hon John Bercow MP, Speaker, in the Chair
Rt Hon Sir Gerald Kaufman MP
Naomi Long MP
Mr Gary Streeter MP

Apologies for absence:
Mr Graham Allen MP, Chairman of the Political and Constitutional Reform Committee, Rt Hon Nick Clegg MP, Lord President of the Council, Sam Gyimah MP, Bridget Phillipson MP, Rt Hon Grant Shapps MP, Minister for Housing.

1. Informal minutes of the meeting on 13 October 2010

The minutes of the meeting on 13 October were agreed.

2. Online publication of the Committee’s formal minutes.

The Committee agreed to publish its formal minutes online, as is the practice with the Speaker’s Committee for IPSA, with effect from the start of the 2010–11 session. Thus, the formal minutes for 6 July 2010, 13 October 2010 and the sub-committee meeting of 11 October 2010 would be published online.

3. Designation of posts at the Electoral Commission

Peter Wardle, Chief Executive, and Carolyn Hughes, Director of Finance and Corporate Services, were in attendance during this item.

Under the original terms of the PPERA, individuals could not be appointed either as Commissioners or staff of the Electoral Commission if they had engaged in political activity during the preceding 10 years. It had been determined that these provisions were unduly restrictive: therefore the Political Parties and Elections Act 2009 had reformed matters so that the period of restriction was five years for Commissioners (excluding ‘nominated Commissioners’) and the Chief Executive; and twelve months for other staff. The reform had been welcomed by the Electoral Commission although the current recruitment freeze meant that there had as yet been little opportunity to assess the impact of the reform.

The PPE Act 2009 had also created the possibility that the twelve month period of restriction for most staff could be extended by the Chief Executive in specific cases,
where this was necessary in order to maintain public confidence in the effectiveness of the Commission, to a period of two to five years.

The Chief Executive had proposed in a letter to the Speaker of 1 February 2010 that appointments to 11 senior posts at the Electoral Commission should be subject to restrictions on political activity in the 2–5 years preceding appointment. The Committee had first considered this proposal during its meeting of 3 March 2010 and, noting the provision in PPERA requiring the Chief Executive formally to consult the Committee on proposed designations, had then determined that it wished to discuss the matter directly with the Chief Executive before expressing an opinion.

Mr Wardle said that the posts which he proposed might be subject to designation fell into three categories:

I. the Deputy Chief Executive and Directors of Electoral Administration and Party and Election Finance: the Deputy Chief Executive would, if acting for the Chief Executive, make exactly the same decisions and in his view therefore should be subject to the same restrictions as the Chief Executive, while the Directors were key advisers to the Board;

II. the post of Head of the Commission’s offices in Northern Ireland, Scotland and Wales, the Head of Guidance and Policy for Party and Election Finance, and Legal Counsel were posts for which there was a strong expectation of even-handedness; and

III. senior staff working on enforcement in Party and Election Finance, namely the Heads of Enforcement and Audit Services and the Enforcement Team manager, who were required to make decisions on sanctions which might apply.

Mr Wardle told the Committee that the Electoral Commission already conducted rigorous screening and interview processes in recruitment. Nonetheless he believed that a limited formal framework of further restrictions on key posts was appropriate to provide public confidence about the Commission’s even-handedness: a period of ‘clear water’ greater than twelve months would provide some protection to the staff concerned from perceptions of bias; and a clear statement of restrictions would help to manage applicants’ expectations regarding their suitability for those posts.

The Commission had endeavoured to keep such restrictions to a minimum. The statute required that designations should be renewed every three years. As the proposal was a new measure, he thought that it might be appropriate to conduct a review more frequently. He suggested to the Committee that he should write to the Speaker again on the matter in twelve months time, at which point a further review period might be decided.

Mr Wardle and Ms Hughes withdrew.
The Committee considered Mr Wardle’s proposal. The Speaker noted that the power of designation rested with the Chief Executive although the Committee was a statutory consultee.

The Committee agreed that it was content both with the proposed designations and the reasons for those designations. It agreed to review matters in twelve months time.
4. Value for Money studies by the National Audit Office

Aileen Murphie, Director, gave a presentation on the NAO’s proposals for statutory Value for Money studies of the Electoral Commission and LGBCE in 2010-11. The Comptroller and Auditor General had agreed that the main question the NAO would investigate in relation to the Electoral Commission was:

Has the Electoral Commission’s spending on elections achieved value for money and is the administration of elections better as a result?

Within its examination of this main question the NAO would look at a series of sub-questions:

a) Has the Commission been effective in recommending changes to the legislative framework for elections and have these changes improved the running of elections?

b) Is the Commission’s spending on the promotion of the public understanding of electoral systems delivering good value for money?

c) Has the Commission’s provision of guidance to and performance monitoring of electoral administrators improved the quality of voter registration and conduct of elections?

d) Has the Commission improved the transparency of the UK election process and are complaints investigated cost-effectively?

e) Is there other work the Commission could do to improve the running of elections that would be more cost-effective than what it does at present?

Ms Murphie noted with regard to (a) that the strategic context would have to be taken into account in this assessment: however good the Commission’s advice might have been, the Government might have chosen not to act upon it. Item (b) would be easier to assess. The NAO would assess UK elections against comparable overseas institutions; in practice, this was likely to be the Australian and Canadian electoral administrations.

The difficulties which had taken place in some areas at the General Election in 2010 were noted. Committee members commented that in some areas all votes cast for multiple elections were placed in a single ballot box: these had then to be separated, causing significant delays at the count. In other places, including in Northern Ireland where elections run under different systems (first past the post, single transferable vote) could take place on the same day, separate ballot boxes were used for each election being run concurrently. There was a wide degree of variation between different authorities in the length of counts; in certain authorities the achievement of a short count was a matter of civic pride. Members asked what guidance was available to electoral administrators concerning the number of ballot boxes in use at each polling station. Ms Murphie
indicated that the availability of guidance could be looked at; she also noted that it would be interesting to raise with the Commission whether the length of the count could be used as a benchmark of the efficiency of the count.

The Commission had few formal powers to address poor performance by electoral registration and returning officers. Ms Murphie said the NAO would investigate whether the Commission was using its powers effectively. Ms Murphie was asked how the NAO would gather quantitative data when it would be drawing upon qualitative surveys, such as voter experience reports. Ms Murphie said that for some aspects of the work, such as the assessment of partnership working, the NAO had a toolkit and set methodology to enable quantitative data to be gathered. The NAO would use public understanding survey data gathered by the Electoral Commission rather than duplicating the work.

Ms Murphie further noted that the main question the NAO team would investigate in relation to the LGBCE was (subject to discussion with the Comptroller and Auditor General),

Is the Local Government Boundary Commission for England set up properly to deliver its corporate plan, and how will it deal with structured cost reduction as a small organisation?

Ms Murphie withdrew.

5. Informal consideration of the Committee’s Second Report 2010, Work of the Committee in 2010

The Committee informally considered the Chair’s draft Second Report, Work of the Committee in 2010. Members believed that the draft provided an accurate summary of the year’s work.

The Chair indicated that amendments would be prepared to reflect decisions made at the 30 November meeting. It was agreed that these amendments would be considered initially by correspondence: the Committee would meet again to discuss the report if this should prove necessary to deal with any difficulties.

6. Any other business

The Committee noted a memorandum from the LGBCE advising that it had laid a further eight draft electoral change orders on 29 November.

The Committee further noted, following the evidence given by Max Caller on 13 October 2010, that the LGBCE now had its full complement of commissioners.

The Committee adjourned at 11.20 am.