

POLITICAL PARTIES, ELECTIONS AND
REFERENDUMS ACT 2000



THE SPEAKER'S COMMITTEE

FIRST REPORT 2011

Reports by the Comptroller and Auditor General

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REFERENDUMS ACT 2000



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The Speaker's Committee

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Speaker's Committee First Report 2011

1. We have received under statute¹ the reports of the Comptroller and Auditor General on his examinations into the economy, efficiency and effectiveness with which the Electoral Commission and the Local Government Boundary Commission for England have used their resources. The Committee has a statutory obligation² to have regard to the most recent such reports when considering the proposed Estimates and Corporate Plans of the two organisations. The reports, which we have considered during the meeting of the sub-committee on 7 March 2011 and our meeting on 16 March 2011 in the context of our examination of the draft Estimates for 2011–12 and draft Corporate Plans for 2011–12 to 2015–16, are reproduced in the Appendices.

2. The report on the Electoral Commission reviews the Commission's spending to support the running of elections. The report on the Local Government Boundary Commission for England, which was established in April 2010, examines the organisation's draft Corporate Plan for 2011–12 to 2015–16. We are grateful to the Comptroller and Auditor General and his staff for producing these reports. We welcome the recognition given to key achievements of both organisations. We have noted those areas in which the Comptroller and Auditor General recommends further development, and will keep the recommendations under review.

¹ Paragraph 16(1) of Schedule 1 of the Political Parties, Elections and Referendums Act 2000 (PPERA) and paragraph 13(1) of Schedule 1 of the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA)

² Paragraph 15(3) and (5) of Schedule 1 of the PERA and paragraph 12(3)(a) of Schedule 1 of the LDEDCA.

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Appendix 1 The Electoral Commission's spending to support the running of elections

Summary

1. The Electoral Commission has a key role in setting standards for electoral administration and ensuring that voters, candidates and other participants receive a consistently high quality service. In carrying out this role, the Commission has the power to report on elections, set standards, report on performance and ensure that voters know how to register and to cast their vote.

2. This report considers the work of the Commission in supporting the running of elections; how its effectiveness could improve within existing powers and how the wider system could change to improve efficiency and effectiveness. Part 1 sets out the administrative and legislative context. Part 2 examines the guidance provided by the Commission. Part 3 looks at the performance management regime. Part 4 reports on the Commission's work in raising public awareness of registration and elections for the 2010 General Election.

3. Figure 1 summarises the main sources of evidence for this report.

Figure 1

Sources of evidence

Method	Purpose
Review of corporate documents, research, reports and legislation.	To identify key lines of inquiry and cross-refer statements made in interviews/ survey
Interviews with Electoral Commission staff and stakeholders	To identify lines of inquiry, understand the Commission's risk assessments and its limitations
Survey of electoral administrators	To obtain data on the views of administrators
Consultation with academics	To understand what legislation allows and what the Commission has achieved
International comparisons	To identify how powers differ for comparator organisations, how they manage risks and drive improvements

Key Findings

On the administrative and legislative context

1. The Electoral Commission operates within a complex legislative framework. It estimates that electoral administration is governed by around 36 pieces of legislation, although owing to the fragmented nature of the legislation neither they nor any other body has an exact figure.

2. Powers over elections are fragmented. The Commission sets standards and reports on the conduct of elections but has no responsibility for running electoral events, except for referendums. Electoral Registration Officers and Returning Officers are responsible for running registration and elections but are not accountable to Parliament, the Commission or the local authority—only to the courts. This leads to a potential expectation gap whereby the Commission might be held responsible for events or activities which it does not control.

3. The Electoral Commission is responsible for running referendums in 2011 which, together with the Electoral Management Board in Scotland and the Electoral Office for Northern Ireland, provide opportunities to evaluate alternative approaches to the structures and practices of electoral administration.

On the Commission's Guidance

4. The Commission's guidance on administering elections and tackling electoral fraud is a key achievement because it covers a previously existing gap and electoral administrators find it helpful. However, the Commission does not have the statutory power to enforce its guidance.

On performance management

5. The introduction of performance standards in 2008 is a positive step and there is now greater consistency in electoral administration processes across the UK which again is a key achievement by the Commission.

6. Ideally, there should be a cycle of performance monitoring involving guidance, self-assessment, verification, risk-based interventions which is costed and leads to demonstrable performance improvements. At present, the Commission does not maintain cost data for its interventions and does not systematically evaluate the impacts of these interventions, including evaluation of effects on local authority electoral administration. This is critical as local authorities carry most of the responsibilities and costs of electoral administration. The performance monitoring cycle is therefore not yet complete.

7. There are some weaknesses in the performance assessment methodology. In particular the verification of self-assessments is not clearly distinguished from performance improvement interventions and is not done on a consistent basis across the regions.

On improving public awareness of registration and elections

8. The Commission has evaluated its campaign for the 2010 General Election to improve public awareness of the electoral system and, whilst there are methodological limitations, the results are positive compared to other public sector bodies. The Commission has identified awareness work by local authorities as an area of weakness which needs development.

Conclusion on Value for Money

9. The Electoral Commission spends some £12 million per year on supporting the running of elections, referendums and electoral registration. In 2009–10, including a share of corporate costs, some £4.3 million was spent on electoral administration and some £7.3 million was spent on campaigns to improve public awareness of how to register and vote.

10. The Electoral Commission has made considerable progress since 2005 in improving electoral administration. The Commission has a programme of research, it has set out clear and comprehensive guidance, put performance standards in place to assess the extent to which electoral administrators apply consistent processes and intervenes where they do not. It has also published guidance and is working with stakeholders to tackle electoral fraud. The Commission plans to develop performance standards to encompass outcomes. These achievements represent a positive direction of travel in relation to the majority of the Commission's spending on electoral administration. However, the Commission needs to do more to demonstrate that its work is achieving value for money. There is not yet a clear link between the money spent and the outcomes achieved in terms of improved administration delivering improved service to voters and candidates.

11. We previously reported in 2006 and 2009 on the Electoral Commission's public awareness strategy and have therefore not evaluated the £7.3 million expenditure on campaigns. However, the Commission achieved value for money on its spending to improve public awareness of how to register and vote at the 2010 General Election. Spending on campaigns for the 2010 general election of £2.6m was over £1 million less than that spent in 2005, was effective, and in line with legislative requirements, the Commission's corporate objectives and responses to our previous reports.

Public value of total spending to support the running of elections, referendums and electoral registration

12. The focus of this report is on the Electoral Commission and they have made good progress. The Electoral Commission aspires to improve the value for money of the total expenditure on electoral administration, but does not have the authority and responsibility to do so within a complex legislative and structural framework. Although the Electoral Commission spends some £12 million to support the running of elections, referendums and electoral registration, the Commission has calculated that local authorities spent some £170 million on electoral administration in 2007–08 and £140 million in 2008–09. The legal requirements for electoral administration carried out at local authority level, which are outside the scope of this report, are largely the same across the country. These functions should, therefore, be susceptible to best practice and benchmarking, with scope for rationalisation to improve levels of service. Overall value for money in electoral administration in such circumstances is unlikely without significant structural change.

Recommendations

We recommend the following:

1. The Electoral Commission is not currently able to demonstrate fully the value for money of its performance management process. The Commission should record

centrally the data required to demonstrate that the cycle of guidance, self-assessment, verification, interventions and performance improvements is operating correctly and achieving beneficial outcomes which justify the costs. This should be linked to spending by both the Commission and local authorities to evaluate its performance management process, demonstrate its effect and enable corrective action to be taken.

2. The current performance standards regime is a good start and has delivered valuable results but currently focuses on process and is undermined by methodological weaknesses. The Commission should reform the performance standards for electoral administrators. In doing so it should:

- continue to develop performance standards to focus on outcomes for both the voting public and those seeking election;
- research the costs and benefits of producing a single set of performance standards;
- design its verification methodology to cover all standards and regions consistently, based on a known sample size; and
- distinguish clearly between the sample-based verification process and risk-based programme of interventions.

3. The current structure of electoral administration does not allow optimum use of public resources as the administrative context is complex, and authority, accountability and delivery are fragmented. The Cabinet Office should consider, with other departments and devolved administrations, reviewing the structure of authority, accountability and delivery of electoral administration with the aim of ensuring consistency across the UK and that voters get the same opportunity to participate in elections. In examining the options, a review should:

- consider giving the Electoral Commission a more formal role in electoral administration; and
- draw on the evidence from the Electoral Commission experience and, in particular, learn from the running of referendums by the Commission in 2011, the operation of the Electoral Management Board in Scotland and the work of the Electoral Office for Northern Ireland.

Part One

The Commission, the legislative framework and the administrative structure

1.1 The Electoral Commission is an independent body, established by Parliament under the Political Parties, Elections and Referendums Act 2000. The Commission's statutory obligations regarding electoral administration are to report on elections and to run referendums. The legislation permits, but does not require, the Commission to recommend the use of the Secretary of State's power of direction to electoral registration officers, provide guidance and advice on electoral administration, issue performance standards for 'relevant officers' and make assessments of performance, and direct 'relevant officers' to provide cost data.

1.2 The Electoral Commission's aim is "integrity and public confidence in the UK's democratic process".¹ This study focuses on the Commission's objective for well-run elections, referendums and electoral registration. In recent years the Commission has spent some £22.6 million per year. Some 60 per cent of this expenditure (£11.7 million in 2009-10) is on objectives directly relating to well-run elections, referendums and electoral registration; a breakdown of this expenditure in 2009-10 is at Figure 2. Of the £11.7 million spent in 2009-10, £2.9 million (£4.3 million including a share of corporate costs) was spent on electoral administration. £4.9 million (£7.3 million including a share of corporate costs) was spent on election campaigns, primarily on the European Parliamentary elections in 2009. With respect to campaigns, we have reported previously on the Electoral Commission's public awareness strategy² and have therefore focused on expenditure on the 2010 general election in Part Four of this report. £1.1 million on grants are outside the scope of this report.³ The Commission's ability to disaggregate its costs has improved over recent years and should improve further which will enable comparison over time. In 2010-11 projected total spend is £19.3 million,⁴ following the transfer of boundary responsibilities to the Local Government Boundary Commission for England.

¹ Electoral Commission, Corporate Plan 2010-11 to 2014-15, p.5

² Speaker's Committee first report 2006 Appendix 1, *Report of the Comptroller and Auditor General to the Speaker's Committee on the work of the Electoral Commission*. Speaker's Committee second report 2009 Appendix , *Follow Up of C&AG's Reports: Electoral Commission 2005-2009*.

³ Electoral Commission, Annual Report 2009-10, p. 39

⁴ Electoral Commission, Corporate Plan 2010-11 to 2014-15, p. 38

Figure 2

Commission expenditure on well-run elections, referendums and electoral registration, 2009–10

Direct costs		
	£ '000	£ '000
Performance monitoring	276	
Director Electoral Administration and support staff	172	
Regional and devolved offices ¹	921	
Research ¹	451	
Legal ¹	388	
Other ²	672	
Total direct costs excluding campaigns		2,880
Campaigns ³	4,878	
Total direct costs		7,758
Corporate costs attributed to well-run elections, referendums and electoral registration¹		
Chief Executive, Deputy Chief Executive & support staff ⁴	719	
Finance	636	
IT	632	
HR	349	
Facilities	884	
Corporate communications ⁵	675	
Total corporate costs attributed to well-run elections, referendums and electoral registration		3,895
Total direct and corporate costs⁶		11,653

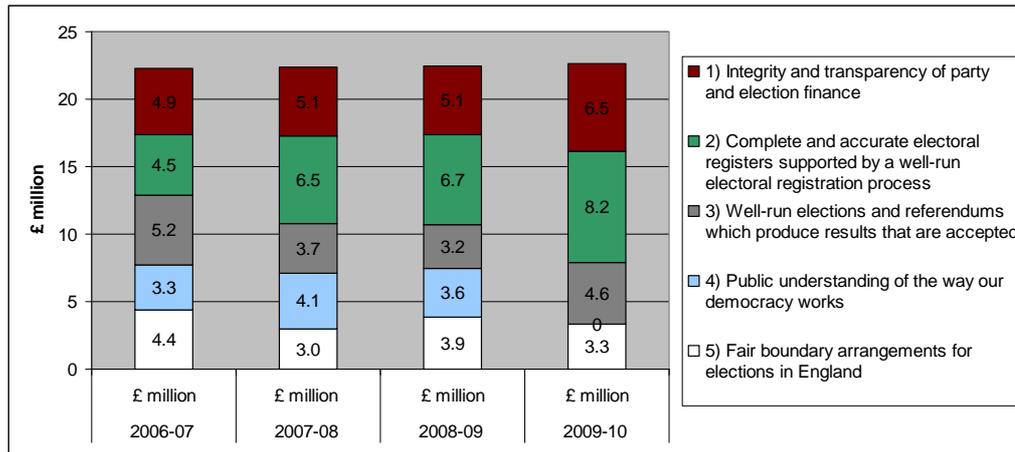
Note

1. These costs represent a share of total costs attributed to electoral administration.
2. 'Other' covers a range of electoral administration costs including guidance preparation, statutory reporting, and referendum planning. The Commission cannot fully disaggregate these costs for 2009–10.
3. Mostly advertising for the 2009 European Parliamentary Elections: includes some publicity spending for the 2010 General Election.
4. Represents senior management and support staff salaries, including strategy and Corporate Plan development.
5. Includes some costs of disseminating guidance to Returning Officers and Electoral Registration Officers.
6. Excluding Partnership grants (£1.1 million) as outside study scope.

Source: NAO Analysis of Electoral Commission management information.

1.3 The Commission's Corporate Plans divide its activities into several objectives which have changed in recent years. Therefore, it is not possible to give a comparison of spend against objectives for the full period since the 2005 General Election. The last four years are sufficiently similar for meaningful comparison (figure 3).

Figure 3
Historic breakdown of Commission expenditure



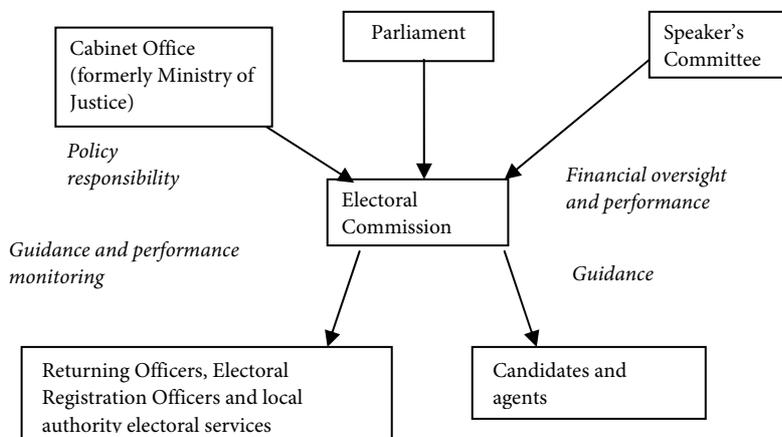
Note:
 1) 2009–10 Objectives 2 and 3 included expenditure on Objective 4.
 2) From 2010–11 boundary arrangements are no longer within the Commission's objectives
 Source: Electoral Commission

The Commission's position in the structure of electoral administration

1.4 Figure 4 sets out the key accountability and policy relationships with respect to the administration of elections. The Cabinet Office is responsible for law and policy with respect to Westminster, European, and London elections, national referendums, for most aspects of law and policy relating to local elections in England and Wales, and for electoral registration across Great Britain.

1.5 The Speaker's Committee for the Electoral Commission determines, and oversees, the procedures for nominating Electoral Commissioners. It also examines the five-year plans and the estimates of resources needed for the Electoral Commission.

Figure 4
Electoral Commission's key relationships



Source: NAO analysis

Responsibilities for the running of Elections and Referendums

1.6 The Electoral Commission is not responsible for the running of electoral registration or elections. Electoral Registration Officers are responsible for registration and Returning Officers⁵ are responsible for elections. These are statutory posts, typically filled by local authority employees, supported by an Electoral Services team. In this report we refer to Returning Officers, Electoral Registration Officers and their staff as electoral administrators. In these roles they are not accountable to anyone except the courts. The systems are different in the comparator countries we examined for benchmarking purposes. These included, primarily, Canada and Australia, where the national elections body employs administrators directly.

1.7 In England and Wales, local authority Chief Executives usually hold both posts of Returning Officer and Electoral Registration Officer; in Scotland the posts are separate, with local authority chief executives as Returning Officers. Northern Ireland has its own system of individual registration, with the Chief Electoral Officer being the Returning Officer for each constituency.

1.8 Although the Commission has no power of direction, the responsible Minister can make directions to Electoral Registration Officers about the register on the basis of a Commission recommendation.⁶ This power has been used once, in April 2008, to set standards for the formatting of names, dates of birth and addresses in electoral registers.⁷

1.9 The Electoral Commission is responsible for running referendums (not including mayoral and local referendums) under the Political Parties, Elections and Referendums Act

⁵ Technically (Acting) Returning Officers; strictly speaking, Returning Officer is an honorary position held by the county High Sheriff, the borough Mayor or council Chairman.

⁶ Under the Political Parties, Elections and Referendums Act 2000

⁷ See Guidance on Electoral Registration Data Standards Directive, Ministry of Justice, April 2008

2000 and for these events has the power to direct those running the referendum⁸ including the statutory officers, known as Counting Officers. The Chief Counting Officer (the Chair of the Commission or their appointee) may appoint a Regional Counting Officer for any area in Great Britain. Returning Officers, by virtue of their role in elections are automatically appointed to the role of Counting Officers for their local authority area, and are at the disposal of the Chief Counting Officer in the discharge of her duties.

1.10 The Commission has a statutory duty to report on the conduct of elections and referendums. It published reports on the 2010 General Election in May and July 2010.⁹ When referendums and elections occur simultaneously, as is likely in 2011, the Commission will ensure that its statutory roles are kept separate within its organisation.

Responsibilities for Legislation

1.11 The Government has a statutory requirement to consult the Commission on proposed secondary legislation affecting electoral administration.¹⁰ The Commission also comments regularly on proposed primary legislation and monitors and evaluates the impact of existing legislation in areas where it has operational expertise. Typically, the Commission comments on the practical effects of policies and developing methods to implement them.

1.12 The Cabinet Office has primary responsibility in Whitehall for legislation affecting England and Wales, but there is contact and consultation with other government departments, including:

- the Foreign and Commonwealth Office regarding implementation of legislation about the number of MEPs
- the Home Office regarding plans to introduce elected Police and Crime Commissioners
- the Department for Communities and Local Government regarding the localism agenda
- the Welsh Assembly Government on its administrative responsibilities for Welsh Assembly and local government elections in Wales.
- the Northern Ireland Office on its responsibilities for local government elections in Northern Ireland.

1.13 The Scotland Office shares responsibility for the Scottish system with the Scottish Parliament and Government, who are responsible for local government elections in Scotland, including electoral systems and the timing and administration of elections. For all other elections in the UK policy responsibilities remain with UK Government departments.

⁸ Under the Political Parties, Elections and Referendums Act 2000, which established the Commission.

⁹ Electoral Commission, Interim Report on 2010 General Election May 2010 and Final Report, July 2010

¹⁰ Under the Political Parties, Elections and Referendums Act 2000

Complexity of legislation

1.14 The legislation around elections is complex. The Electoral Commission estimates that there are 36 pieces of legislation governing UK electoral administration.¹¹ This heightens the risk to the administration of elections. Comparator countries such as Australia and Canada have single Acts governing electoral administration.¹² The Electoral Commission has consistently recommended legislative consolidation since 2001.¹³ In this it is supported by stakeholders such as the Association of Electoral Administrators.¹⁴ The Government is yet to respond to this recommendation.

1.15 Legislative changes have increased the complexity of elections in terms of the number of systems employed. There are currently six systems in operation across the UK:

- **first-past-the-post** for elections to the UK Parliament;
- **multi member plurality** system for local council elections in England and Wales;
- **closed party list** system for elections to the European Parliament (except in Northern Ireland);
- **additional member** system for elections to the Scottish Parliament, Welsh National Assembly and London Assembly;
- **the single transferable vote** system for local council elections in Scotland and Northern Ireland, the Northern Ireland Assembly and elections to the European Parliament in Northern Ireland; and
- **the supplementary vote** system for the election of the Mayor of London and directly elected local authority mayors in England.

1.16 The most recent Act affecting electoral administration was the Constitutional Reform and Governance Act 2010. This passed on 8 April 2010, contravening an accepted principle, the 'Gould principle', that major electoral changes should not be made less than six months before an election. Some electoral administrators found this Act problematic due to the requirement for counting to begin within four hours of the close of poll. In our survey, 48 respondents (out of 88) said this Act made no difference and 23 said it had been fairly or very unhelpful; only 16 rated it as very or fairly helpful. Electoral administrators view earlier legislation, such as the Electoral Administration Act 2006 and the Political Parties and Elections Act 2009, more positively than the Constitutional Reform and Governance Act (figure 5).

¹¹ p. 28, para 3.9. Electoral Commission, 'Voting for Change: an electoral law modernisation programme'. 2003.

¹² The Commonwealth Electoral Act 1918 governs Australian elections; the Canada Elections Act 2000 governs Canadian elections.

¹³ Electoral Commission's internal documentation

¹⁴ Association of Electoral Administrators, 'Beyond 2010' report, July 2010, p.4

Figure 5

'How helpful has each of the recent legislative measures been to your ability to administer the 2010 General Election?'

Legislation	Very helpful	Fairly helpful	No impact	Fairly unhelpful	Very unhelpful	Total
Electoral Administration Act 2006	10	45	9	17	7	88
Political Parties and Election Act 2009	7	27	38	11	5	88
Constitutional Reform and Governance Act 2010	4	12	48	12	11	87

Base: 88 respondents

Source: NAO survey

Impact of complex legislation: Party Emblems

1.17 In 2006, a provision of the Electoral Administration Act, 2006 had the effect of preventing dual-party candidates (standing as the Labour/Co-op or Conservative and Ulster Unionist candidates) from using party emblems due to a drafting oversight. Parliament, the Commission, the Ministry of Justice, the political parties and electoral administrators all failed to spot the oversight owing to the complexity of the issue.

1.18 In April 2010 the Commission identified the problem and informed electoral administrators. This did not occur until many ballot papers had been printed and therefore had to be reprinted.

1.19 Candidates who intended to stand with a joint description at the General Election had to either:

- withdraw their nominations and resubmit to stand as a candidate for only one party in order to retain an emblem, or
- retain a joint description without emblem.

This affected 42 Labour/ Co-operative candidates and 17 joint Conservative and Ulster Unionist Party candidates.

Electoral Commission influence over legislation and policy development

1.20 The Commission aims to influence legislation and policy changes on the basis of its expertise and has had some notable successes. For example, the Commission supported the introduction of individual electoral registration, passed in the Political Parties and Elections Act, 2009. This is a fundamental change in voter registration. The Commission

consistently pushed for this measure from 2003 onwards in order to improve the quality of the register and control fraud, based on its research, although it cannot take sole credit.

1.21 After the introduction of postal voting on demand in 2000, problems developed with postal voting fraud. The Commission supported a measure requiring voters to provide personal identifiers with their postal vote applications and subsequent ballots and for a minimum sample of 20 per cent of postal ballot packs to be checked in Great Britain. This measure was passed as part of the Electoral Administration Act, 2006. The Commission subsequently also achieved a move to 100 per cent checking at the operational level.

1.22 Following the problems with rejected ballot papers affecting the 2007 Scottish Parliamentary elections, the Commission appointed Ron Gould to investigate the problems experienced and propose solutions. He found that some of the problems arose due to late passage of legislation and recommended that major changes to legislation affecting elections should not be made less than six months before the election (or should not come into force until afterwards). The Commission endorsed this 'Gould principle'. The Gould Report also set out the principle that the interests of voters should be paramount, emphasised the need for legislative consolidation, and made recommendations about the structure of electoral administration in Scotland.

Scope for structural change

1.23 There are two key opportunities where the Cabinet Office and Electoral Commission should learn from experience to inform structural changes.

1.24 Referendums in 2011 in Wales and for the voting system for UK parliamentary elections will be a key test for the Electoral Commission to show they can deliver a major electoral event with a responsibility for the whole process including a power of direction, or equivalent management role, over the Counting Officers delivering the referendum locally.

1.25 The new Electoral Management Board for Scotland has been an important achievement for the Commission, which was able to provide leadership that the electoral administrators by themselves could not. Although untested, it is also a possible model for a regional structure combined with the post of Elections Convener and power of direction over Electoral Registration Officers and Returning Officers. This would be in line with recommendations made by the Committee on Standards in Public Life in 2007.¹⁵

Part Two

The provision of support to electoral administrators

Guidance on electoral administration

2.1 The Electoral Commission's statutory power is to give guidance or advice to Returning Officers and Electoral Registration Officers.¹⁶ Returning Officers and Electoral Registration Officers have legal responsibilities and cannot rely only on the guidance. The Electoral

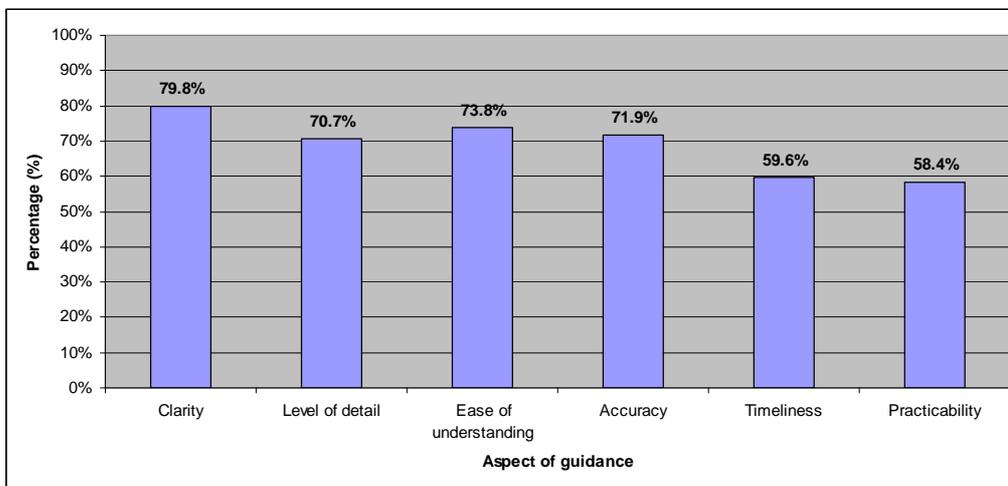
¹⁵ Committee on Standards in Public Life, 11th Report 2007, recommendations 9&10, p.10

¹⁶ Under the Political Parties, Elections and Referendums Act 2000

Commission aims to make sure that these officers have access to comprehensive and helpful guidance so that voters receive a consistently high-quality service. Its guidance is readily accessible online.

2.2 The Commission's guidance is a key achievement in improving electoral administration. Prior to the Electoral Commission's guidance there was little consistency of approach. In our survey of electoral administrators, 74 of 89 respondents found Electoral Commission advice and assistance to be 'very' or 'fairly' helpful. Some 60-80 per cent were 'very' or 'fairly' satisfied with the clarity, level of detail, ease of understanding, accuracy, timeliness and practicability of the guidance for the 2010 General Election (figure 6).

Figure 6
Respondents 'very' or 'fairly' satisfied with particular aspects of guidance



Base: 88 respondents

Source: NAO survey

2.3 The Commission has no powers to direct electoral administrators except at a referendum. To encourage use of the guidance, therefore, a key part of the Commission's work is to maintain good relations with stakeholders. The Commission maintains and updates its guidance based on liaison with electoral administrators through working groups, research reports, and on the results of performance monitoring.

2.4 In countries such as Australia and Canada, there are different arrangements. The national body employs electoral administrators directly, provides training, and enforces codes of conduct. There is therefore a clear link between the national body's actions and the quality of electoral administration.¹⁷ In Denmark, by contrast, the election administration is only partly centralised. The Danish Ministry of the Interior and Health is responsible for election legislation and the planning and conduct of general elections. However, elections are carried out and paid for locally.¹⁸

¹⁷ Correspondence with Australian Electoral Commission and Elections Canada.

¹⁸ Correspondence with Danish Ministry of the Interior and Health

Failure to follow guidance: queues at polling stations

2.5 There were well-publicised problems with queues at the 2010 General Election. As a result, over 1,200 voters at 30 polling stations in 11 constituencies could not vote. Although this represented a very small proportion of the electorate numerically (figure 7), there is an issue of principle involved, especially as presently there is no practical means of individual redress for these voters. The Commission reported that “the main contributory factors were poor planning, the use of unsuitable buildings, inadequate staffing arrangements and the failure of contingency plans”.¹⁹

Figure 7

Proportional effect on General Election of queues

	Total	Unable to vote/ affected by queues	Percentage
<i>Voters</i>	29.6 million	1,200 approx.	0.004%
<i>Constituencies</i>	649	11	1.695%
<i>Polling stations</i>	42,200	30	0.071%

Source: NAO analysis of Electoral Commission data

2.6 The 2010 guidance to Returning Officers stressed the likelihood of increased turnout on the 2005 election and the consequences for elections, such as on the number of polling stations.²⁰ For example, the Commission recommended a ratio of 2,500 voters per polling station (excluding postal voters).²¹ The Commission’s guidance also advised Returning Officers of the need for a full consideration of risks as part of the planning process and of actions potentially required to mitigate risks. The Chief Executive of the Commission also wrote to Returning Officers to highlight the risk and the need to prepare for it. In the event, turnout increased from 61 to 65 per cent (representing over 2 million additional voters).²²

2.7 It is not possible to conclude straightforwardly that queues occurred wherever administrators did not implement the recommended ratio. The Commission has no data on the number of polling stations where the suggested ratio was exceeded without problems. However, the most serious cases (i.e. those that affected relatively large numbers of voters) were mostly where the recommended ratio was exceeded (figure 8).

2.8 Half of the polling stations affected had complied with the Commission’s guidance to limit polling stations to no more than 2,500 registered voters. However, of the voters affected, over two-thirds were at polling stations serving more than the suggested number. At some stations affected by queues, the Commission found that public order considerations led to officers allowing voting to go on beyond 10pm (hence the nil

¹⁹ Pg.3. Electoral Commission, *Report on the Administration of the 2010 General Election*. (July) 2010.

²⁰ Electoral Commission, *UK Parliamentary General Elections—Essentials for Planning*, September 2009, p.3

²¹ *Ibid*, p.64

²² Electoral Commission, *Report on 2010 General Election*, p.46

estimates for Lewisham, Milton Keynes and Newcastle-under-Lyme). This was contrary to the law.

Figure 8

Polling stations with queue problems in 2010 General Election

Location	No. polling stations affected	No. compliant with EC suggested ratio	No. non-compliant	Total voters unable to vote (estimated)	Total voters affected: non-compliant stations	Total voters affected: compliant stations
Birmingham	1	0	1	100	100	0
Hackney	6	6	0	267	0	267
Islington	1	1	0	36	0	36
Lewisham	1	1	0	0	0	0
Liverpool	5	3	2	not known	not known	0
Manchester	4	1	3	300	300	0
Milton Keynes	1	1	0	0	0	0
Newcastle-under-Lyme	0	0	0	0	0	0
Newcastle-upon-Tyne	3	0	3	7	7	0
Runnymede	3	3	0	34	0	34
Sheffield	5	0	5	480	480	0
Total	30	16	14	1224	887	337

Source: NAO analysis of Electoral Commission data

2.9 Where administrators did implement the Commission's recommended polling station ratio, other elements of guidance were not followed: for example, guidance on the need for contingency plans.²³ The Commission found that such plans were not always adequately designed or implemented. In Hackney, for instance, contingency arrangements were triggered, but the additional resource available proved inadequate. In Lewisham the contingency arrangements were not activated until 15 minutes before close of poll.²⁴

Integrity of Elections

2.10 A key Commission objective is to ensure voters have confidence in the integrity of elections. In the UK, 78 per cent of respondents to the Ipsos MORI post-election survey

²³ Electoral Commission, UK Parliamentary General Elections—Essentials for Planning, September 2009, pp. 9,11; also Returning Officers' Guidance, December 2009, Part D, p.4

²⁴ Electoral Commission, Interim report May 2010, pp. 20-1

perceived voting as 'very' or 'fairly' safe from electoral fraud.²⁵ However, the actual level of electoral fraud is hard to measure as by its nature, cases can go undetected at least for some time.

2.11 Confidence levels decreased after December 2009, when 87 per cent perceived voting as 'very' or 'fairly' safe, although these data were not collected immediately after the local elections in that year. This represented a high for recent years. The percentage of people who believed voting in a polling station was safe from fraud or abuse varied between 78 per cent and 87 per cent between January 2006 and May 2010²⁶ with the 78 per cent figure also being recorded for November 2006. No research has been carried out by the Commission to explore why perceptions have changed over time.

2.12 High profile cases of organised postal voting fraud in recent years utilised the vulnerability of the register. In the 2009 European elections some one-fifth of fraud cases related to registration offences.²⁷ Therefore it is necessary to assess the level of accuracy in the electoral register. The completeness and accuracy²⁸ of electoral registers is an issue previously reported on by Committee on Standards in Public Life²⁹ and the NAO in 2007.³⁰ Both recommended that the Commission take action to improve the quality of the register, defining the goals as:³¹

"...ensuring that everyone who is entitled to vote is included on the electoral register before an election and that everyone registered can exercise their vote...", and that "...everyone not entitled to vote is excluded from the register and from voting."

2.13 It is difficult to estimate reliably the accuracy of registers because of the lack of data on the total population that should be registered. The Commission has produced a report on the completeness and accuracy of electoral registers in Great Britain,³² looking at eight case studies in order to identify the key issues around the completeness and accuracy of registration.

2.14 The research found significant geographic variations in registration rates, with more densely populated urban areas having lower registration rates. The results imply that simple and cheap methods for determining the accuracy of the register would not be sufficiently robust.

2.15 Additional risks around electoral integrity are generated from different elections (under different systems) having different franchises, which introduces additional complexities for electoral administrators. European Union citizens can vote in European and local elections but not the General Election, therefore in 2010 in constituencies where

²⁵ Ipsos MORI 2010, Electoral Commission Post-Election Research, p.15

²⁶ Ipsos MORI 2009, 'Electoral Commission Winter Research 2009', p. 5, Q9

²⁷ Association of Chief Police Officers and Electoral Commission, 'Analysis of allegations of electoral malpractice at the June 2009 elections', 2010, p.2

²⁸ The Electoral Commission defines **Completeness** as meaning that every person entitled to register is registered, and **Accuracy** as meaning that there are no false or redundant entries on the register.

²⁹ Committee on Standards in Public Life, 11th Report 2007

³⁰ NAO, 'Electoral Registration: The lynchpin of democracy', 2007

³¹ Committee on Standards in Public Life, 11th Report 2007, 'Review of the Electoral Commission' p.2

³² Electoral Commission, 'Completeness and Accuracy of Electoral Registers in Great Britain', March 2010

local elections were occurring alongside the General Election, some voters could only vote in the former.

2.16 International observers from the Organisation for Security and Cooperation in Europe and the Commonwealth observed the 2010 General Election. Their views were generally favourable, finding that the election administration was transparent and professional.³³ Their main concerns were about the vulnerability of the system to fraud owing to its fragmented, decentralised nature. They did not however say that this was more than a potential risk.

Specific anti-fraud initiatives

2.17 Following a series of cases of postal voting fraud, the Commission supported measures requiring personal identifiers and checking of postal ballot packs. This measure was passed as part of the Electoral Administration Act 2006. In 2007 the Committee on Standards in Public Life noted the fraud risks, stating:

“The Commission should have shown greater focus and courage in alerting the risk to the integrity of the system from legislative changes, principally postal voting on demand”.³⁴

2.18 The Committee believed that the Commission should refocus on the risks to electoral integrity and required the Commission to report on them as part of its performance standards work.³⁵ It also recommended that the Commission should report on its actions to tackle underperformance in this area.

2.19 Following the Committee's recommendation, the Commission has made progress in dealing with electoral fraud by working with the Association of Chief Police Officers to produce a guidance manual for administrators.³⁶ Electoral administrators view this guidance favourably—with 76 per cent in our survey viewing it as ‘very’ or ‘fairly’ helpful (figure 9). The Association of Chief Police Officers regards the current system as effective.

³³ OSCE/ODIHR Election Report, July 2010; Commonwealth Observer Team Final Report 2010

³⁴ Committee for Standards in Public Life, 11th Report, ‘Review of the Electoral Commission’, 2007, p.15

³⁵ Committee for Standards in Public Life, 11th Report, ‘Review of the Electoral Commission’, 2007, pp.10–12 and p.95

³⁶ Electoral Commission & Association of Chief Police Officers. ‘Guidance on preventing and detecting electoral malpractice’, May 2009

Figure 9

'The Electoral Commission has issued a variety of materials to promote the integrity of elections through the prevention or detection of malpractice. How helpful have these materials been?'

Perception	%
Very helpful	15
Fairly helpful	62
Not very helpful	18
Not at all helpful	6
Not used	0
Total	100

Base: 90. Figures do not sum to 100 due to rounding.

Source: NAO survey

2.20 The Commission has worked with the Association of Chief Police Officers to introduce single points of contact in each of the 43 police forces. These officers report to the Police National Information Coordination Centre the level of malpractice in their force area.³⁷ The Commission and the Association of Chief Police Officers have also produced a pocket guide on examples of electoral fraud that need reporting.³⁸ Police single point of contact officers and electoral administrators exchange information formally through an annual conference and circulars to Chief Officers, via the Association of Chief Police Officers' intranet, and are encouraged to keep in regular contact.

2.21 The Association of Chief Police Officers, together with the Commission, produces an annual report into allegations of electoral malpractice. In 2008, their report found a total of 472 allegations relating to 103 cases recorded by the police.³⁹ In 2009, they found 107 allegations relating to 48 cases. This is a positive direction of travel.⁴⁰ The report found that allegations are widespread.

2.22 Under the UK system of handling electoral fraud complaints are made firstly to the relevant Returning Officer. The police then deal with any criminal allegations arising and there is no involvement of the Electoral Commission. By comparison the electoral bodies of other countries have a greater degree of control as they have a formal role in the process:

- In Canada, Elections Canada deals with allegations of electoral malpractice if they cannot be resolved by the returning officer.⁴¹ Criminal offences are then reported to the police.

³⁷ Correspondence with the Association of Chief Police Officers

³⁸ The Electoral Commission and the Association of Chief Police Officers, 'Guidance on Policing Elections', December 2009.

³⁹ Electoral Commission and Association of Chief Police Officers, 'Allegations of electoral malpractice at the May 2008 elections in England and Wales', April 2009, Para. 5.4, p.9

⁴⁰ Electoral Commission and Association of Chief Police Officers, 'Analysis of allegations of electoral malpractice at the June 2009 elections', January 2010, Para. 2.3, p.13

⁴¹ Correspondence with Elections Canada

- In Australia allegations are referred in the first instance to the State Manager and then to the Deputy Electoral Commissioner and the Chief Legal Officer in National Office. Criminal offences are then reported to the police.
- In New Zealand, the Chief Electoral Office responds to complaints. Criminal offences are then reported to the police.

Part Three

Performance monitoring of electoral administration

The process

3.1 Under the Electoral Administration Act 2006, the Commission may determine and publish standards of performance for Returning Officers and Electoral Registration Officers. The Commission may then issue directions to relevant officers to provide the Commission with reports regarding their performance against the standards.

3.2 The Electoral Commission introduced performance standards (figure 10) for Returning Officers and Electoral Registration Officers in Great Britain in 2008 and is extending these to Northern Ireland. In the 2010-11 Corporate Plan the Commission measures its own performance against the establishment of “a series of benchmarks and performance indicators for local authorities to use to compare the cost and performance of their electoral registration services”.⁴² Additionally for 2010-11 the Commission is measuring its success by reference to a target of having 90 per cent of electors whose Returning Officers and Electoral Registration Officers meet or exceed their key performance targets.⁴³ These success measures, however, are problematic owing to data quality concerns outlined below.

Figure 10

Performance Areas

Electoral Registration Officers' performance standards	
1	They are using information to verify entries on the electoral register
2	They are maintaining the property database
3	They are carrying out house-to-house enquiries
4	They are maintaining integrity of registration and absent vote applications
5	They are ensuring the supply and security of the register and absent voter lists
6	They have a public awareness strategy
7	They are working with partners

⁴² Electoral Commission Corporate Plan 2010-11, p.25

⁴³ Ibid, p.33

8	They are ensuring accessibility and communication of information
9	They have plans for rolling registration and the annual canvass
10	They have a plan to train staff

Returning Officers' performance standards	
1	They have the necessary skills and knowledge to carry out their duties
2	They have a formal written plan for elections
3	They have a plan for the training of their staff
4	They have taken documented steps to ensure the integrity of elections
5	They have a public awareness strategy
6	They are ensuring the public have accessibility to information
7	They are providing information for candidates and agents

Source: Electoral Commission

3.3 The Electoral Commission has collected performance data for two years using a self assessment methodology (Figure 11). Participation is not mandatory and so the Commission has worked with the Association of Electoral Administrators and administrators in local authorities to ensure annual completion of reports against the standards. The Electoral Commission reports that the response rate has been at or near to 100 per cent each year.⁴⁴

3.4 Electoral Registration Officers and Returning Officers submit evidence to the relevant English and devolved office of the Commission, to support their self-assessment as 'below', 'meeting' or 'above' each standard. The English and devolved offices are responsible for verifying submitted evidence, a process which the Commission moderates centrally. The Commission uses the self-assessment results to trigger targeted interventions on poor performers⁴⁵ which include face-to-face visits and developing improvement action plans.

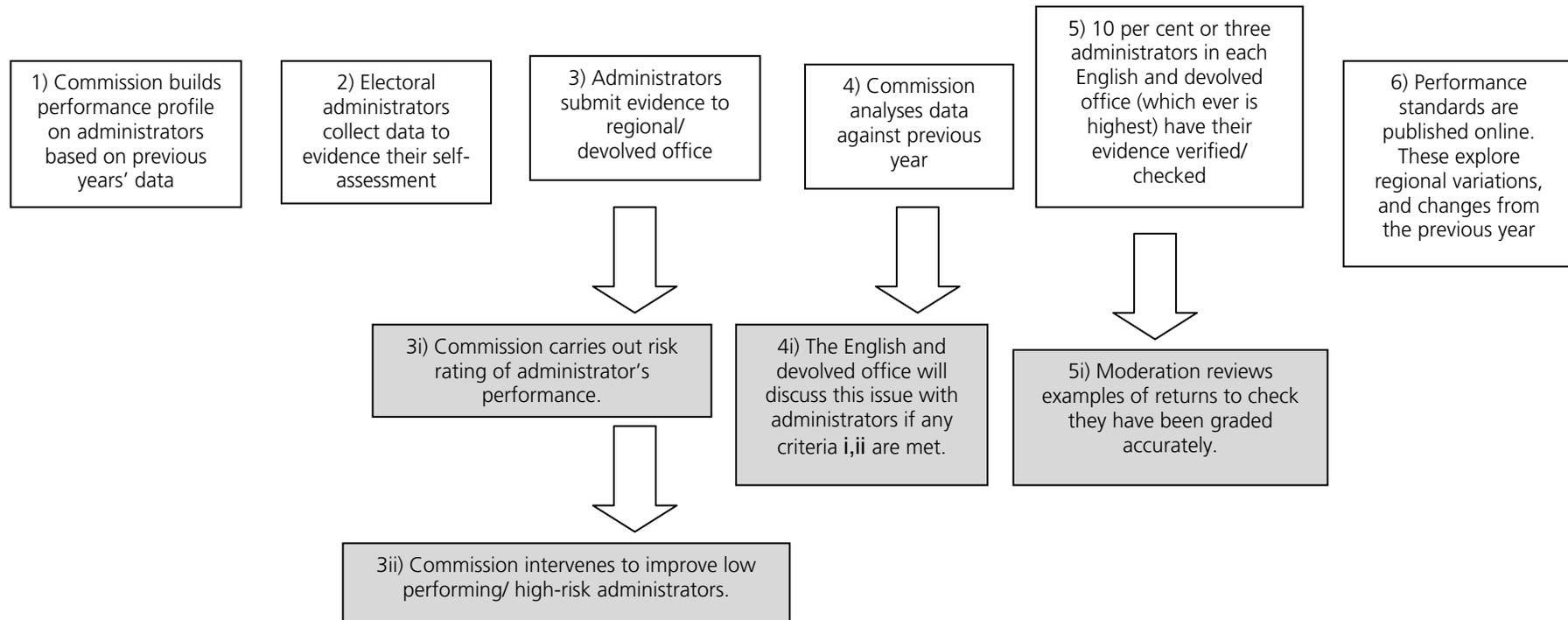
3.5 Whilst there are two separate sets of performance standards, the majority of Returning Officers in England and Wales are local authority chief executives who also perform the role of Electoral Registration Officer. This can lead to duplication of effort as some of the 17 standards they have to complete within both roles overlap.

⁴⁴ Correspondence with Commission and NAO analysis of performance data

⁴⁵ Correspondence with the Electoral Commission and NAO analysis of their internal verification document

Figure 11

Performance Standards and Verification Process



Note:

(i) **Electoral registration officers:** 1) has assessed themselves below one or more of the three standards in the 'Completeness and Accuracy' subject area; 2) fails three or more of the planning standards (any three of standards three, four, six, nine and ten); 3) has failed 5 or more standards; 4) has failed a particular standard again; 5) an overall decrease in performance across all four subject areas; 6) has gone up/down two levels from one year's assessment to the next in any particular standard.

(ii) **Returning officers:** 1) has an assessment lower than last year for standard one; 2) has failed 4 or more standards; 3) has failed either the integrity or public awareness standard again; 4) an overall decrease in performance across all three subject areas; and 5) has gone up/down two levels from one year's assessment to the next in any particular standard.

Source: NAO analysis

Performance standards results

3.6 Performance against the Commission's standards shows a positive direction of travel with improvements in all standards for both Electoral Registration Officers and Returning Officers.

3.7 For Electoral Registration Officers the percentage 'meeting' or 'above' the performance standard increased in all ten areas between 2008 and 2009 (figure 12).

Figure 12

Electoral Registration Officers' performance 2008 to 2009

Standard	Percentage 'meeting' or 'above' standard (2009)	Change from 2008 (+/-)
PS1	99	+3.5
PS2	100.0	+0.5
PS3	95.0	+9.1
PS4	84.0	+20.6
PS5	100.0	+0.7
PS6	59.0	+24.6
PS7	87.0	+19.4
PS8	94.0	+7.9
PS9	91.0	+13.5
PS10	98.0	+5.2

Note: Data for 2010 not yet available.

Source: NAO analysis

3.8 Similarly, for Returning Officers the percentage 'meeting' or 'above' the standard increased in all seven areas between 2009 and 2010 (figure 13).¹

Figure 13

Returning Officers' performance 2009 to 2010

Standard	Percentage 'meeting' or 'above' standard (2010)	Change from 2009 (+/-)
PS1	98.1%	+1.3
PS2	95.7%	+0.5
PS3	98.1%	+0.3
PS4	94.4%	+13.2
PS5	96.8%	+8.7
PS6	92.2%	+10.7
PS7	99.5%	+1.0

Source: NAO analysis

¹ Owing to the timetable of performance standards data collection we have 2010 data for Returning Officers but not for Electoral Registration Officers. We therefore base analysis of the latter on 2008/09 data from the Commission's published reports.

3.9 The strongest performance was in Scotland:

- In 2009 for Electoral Registration Officers, Scotland (compared to England and Wales), had the highest number of administrators achieving 'above the standard' - in six of the standards.²
- In 2009 for Returning Officers, Scotland (compared to England and Wales), had the lowest number of administrators 'not currently meeting' the standard in all seven of the standards.³

Scottish spend per elector on registration was significantly higher in 2007 to 2009, £2.58 versus a UK average of £1.80.⁴

Development of Performance standards methodology

3.10 The standards have initially been focused on process to ensure that all electoral administrators are following a consistent approach across the country. The evidence required to achieve each of the standards is based on the existence of a plan that meets specific criteria related to the role of Returning Officer or Electoral Registration Officer—not on its impact, for example on voters' experience. The Commission recognises the need to move towards outcome-focused measures and is planning to do so.⁵

Risks around self-assessment performance monitoring

3.11 There are methodological issues around the self-assessment process.⁶ For example, there is the risk that administrators rate themselves higher or lower than the performance level they are achieving. The verification process addresses this risk by quality checking results for each region based on a sample.

3.12 Examples of administrators rating themselves too highly in their self-assessments, and consequently having their rating reduced, can be seen in those areas who had problems with queues during the night of the 2010 General Election that are identified in figure 7. In these 11 constituencies, four marked themselves too highly for Standard One on skills and knowledge, five marked themselves too highly to Standard Two on planning, and two marked themselves too highly on Standard Three on training (one authority was upgraded after verification) (figure 14).

² Electoral Commission, 'Report on performance standards for Electoral Registration Officers in Great Britain: Second analysis of performance', March 2010

³ Electoral Commission, 'Report on performance standards for Returning Officers in Great Britain European Parliamentary elections 2009', March 2010. For standards one, two and three both Scotland and Wales had no administrators failing to meet the standard.

⁴ Electoral Commission, 'The cost of electoral administration in Great Britain', June 2010, p.17

⁵ Correspondence with the Commission.

⁶ NAO analysis of Commission documents and data; RSM Tenon internal audit report, December 2010.

Figure 14**Self-assessment scores including post-verification changes**

	Standard 1: Skills & knowledge	Standard 2: Planning	Standard 3: Training
Birmingham	Meet	From Above to Meet	Above
Hackney	Meet	Meet	Meet
Islington	Meet	From Above to Meet	Meet
Lewisham	Above	Above	Above
Liverpool	From Meet to Below	From Above to Meet	From Above to Below
Manchester	Meet	From Above to Meet	Meet
Milton Keynes	From Meet to Below	From Above to Meet	Meet
Newcastle-under-Lyme	From Meet to Below	Meet	Meet
Newcastle-upon-Tyne	From Meet to Below	Meet	From Meet to Below
Runnymede	Meet	Above	From Meet to Above
Sheffield	Meet	Meet	Meet

Source: Electoral Commission, 'Report on performance standards for (Acting) Returning Officers in Great Britain: UK general election 2010', December 2010, p. 25

3.13 Of the 11 constituencies with problems with queues, Liverpool and Newcastle-upon-Tyne were the lowest achieving on standards one, two and three. In Liverpool, for standard three the (Acting) Returning Officers' self assessment had to be downgraded two grades—from 'above' to 'below' the standard. This is important as the figures for Liverpool on the number of voters unable to vote (figure 8) are not available.

Verification of performance against the standards

3.14 Verification of performance is based on examination of the evidence submitted by a sample of administrators. The sample is set at 10 per cent or three administrators, whichever is higher.⁷ The Commission requires a minimum of 10 per cent of Electoral Registration Officers and 10 per cent of Returning Officers to have their assessments verified each year. If the 10 per cent was different for each performance assessment cycle, all authorities would be covered for one of the sets of standards every five years, but not both.⁸ The Electoral Commission states that they consider which Electoral Registration Officers and Returning Officers they have previously seen when deciding their verification sample, and that they should have seen all local authorities at least once in a three year period.

⁷ Commission verification document

⁸ Electoral Commission's performance standard verification document, p.5

3.15 In 2010, for Returning Officers, there were 106 verifications carried out on a population of 371. For Electoral Registration Officers there were 39 verifications on a population of 379.⁹ There was inconsistent sampling between English and devolved offices for both Returning Officers and Electoral Registration Officers. For Electoral Registration Officers minimum samples were not always achieved.¹⁰

- **Electoral Registration Officers:** three out of the seven regions (London, Midlands and North) did not achieve the required sample size. The percentage of total returns verified varied between 8.6 per cent in the Midlands and 13.6 per cent in Wales.
- **Returning Officers:** all regions achieved the required sample size but the percentage of total returns verified varied between 10.5 per cent in the Eastern/South East region and 100 per cent in London and the South West.¹¹
- Not all standards are verified as part of the process, which is based on local knowledge and the discretion of the regional offices.

3.16 This means administrators in certain regions are less likely to have their self-assessment scores verified so there is a risk that they could be incorrectly scoring themselves, which would go uncorrected.

Management information supporting the performance improvement process

3.17 The Commission's documented processes for triggering verification and performance improvement interventions are unclear and unsupported by management information. There is therefore a risk that performance improvement interventions could occur before verification. For Returning Officers, in 2010, of those returns verified, 30 per cent led to the self-assessment being changed, mostly downwards, against one or more of the ten standards. For Electoral Registration Officers 47 per cent had their self-assessments changed, mostly upwards. Accordingly subsequent interventions based on unverified performance standards data could be poorly targeted, especially for Returning Officers, where poor performance might have been missed. The Electoral Commission does not have the data to judge whether this risk has materialised.

3.18 Currently the Commission do not hold data centrally on the interventions they carry out, in which regions; their nature and cost or the impact on quality of administration. The Commission therefore cannot yet evaluate its programme of interventions and demonstrate they have been prioritised and targeted appropriately based on good evidence of performance, cost and benefits in line with published NAO guidance (Figure 15).^{12,13}

⁹ NAO analysis of Commission data. 371 population is based on a 98 per cent response rate of Returning Officers.

¹⁰ Data based on 2010 performance standards verification process and RSM Tenon internal audit report, December 2010.

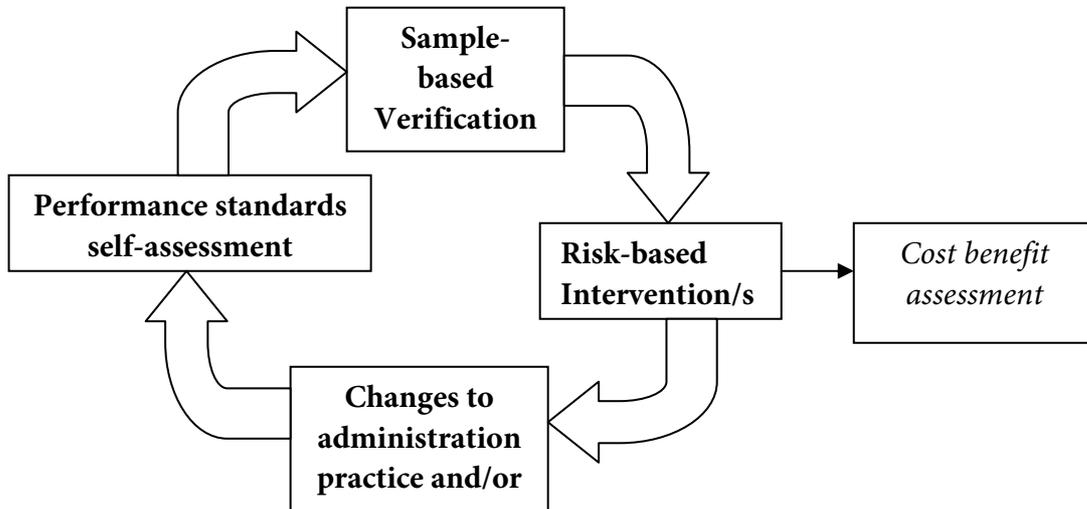
¹¹ Data based on 2010 performance standards verification process

¹² NAO analysis of Commission's performance standards' verification documents and RSM Tenon internal audit report, December 2010

¹³ NAO, Choosing the right FABRIC: a guide for performance information, p. 23

Figure 15

Required stages for an effective performance self-assessment process



Source: NAO

The cost of electoral administration

3.19 The estimated cost of the 2010 General Election was some £82 million (similar to 2005).¹⁴ This is spent by local authorities and funded by central Government.¹⁵

3.20 The Commission collects (since 2007) routine electoral administrative costs in local authorities (figure 16).

Figure 16

Great Britain: elections cost data

Financial Year	Total funding (£ million)	Total spending (£ million)	Discrepancy (£ million)
2007–08	145.3	168.9	23.6
2008–09	133.9	138.2	4.3

Source: Electoral Commission, 'The cost of electoral administration in Great Britain', June 2010

3.21 However, there are methodological issues with the data. In order to demonstrate the value for money of the Commission's work to improve electoral administration these need addressing, including:¹⁶

- A discrepancy exists between the amount provided by local authorities and central grants and that spent by electoral services teams. The Commission is investigating this.

¹⁴ Commons Hansard Written Answers, 26th July 2010, part 14

¹⁵ The Representation of the People Act 1983 provides for Parliamentary election expenses to be met from the Consolidated Fund.

¹⁶ NAO analysis of Commission report, 'The cost of electoral administration in Great Britain', June 2010

- The Commission does not collect data on the cost and effects of its performance interventions.
- Data quality is affected by missing returns from local authorities (the response rate was 80 per cent in 2008-09 and 85 per cent in 2007-08).
- The Commission's costs report sometimes speculates on the reasons for variations in costs per elector (e.g., the use of electronic counting may have raised Scotland's costs, but by an unknown degree), owing to a lack of data, illustrating the Commission's limited powers.
- The Commission's financial information survey of local authorities did not include expenditure on the objective of promoting public understanding of electoral systems. Therefore, the Commission is not able to assess the relationship between funding for public awareness activities and performance by Electoral Registration Officers and Returning Officers, discussed at paragraph 4.7.

Part Four

Public awareness

Campaigns work

4.1 The Commission's statutory role is to promote public awareness of UK electoral and governmental systems. Campaigns work is driven by electoral events. This imposes a challenge for the Commission as the timing of electoral events is not certain. The NAO reported on this area of activity in 2006.

4.2 The Commission spent £2.6 million on the campaigns for the 2010 General Election to inform people how to register to vote, to encourage them to do so, and to make sure people know how to cast their vote. Most (some £2.1 million) of this £2.6 million was spent in financial year 2010–11 and is therefore not part of the total spend for electoral administration in 2009–10 set out in part 1. For the 2005 General Election, spend on campaigns was some £4 million. These figures are not strictly comparable as the Commission made a strategic choice, based on research and the conclusions of the Committee on Standards in Public Life, to focus on encouraging registration, rather than both registration and turnout.¹⁷ As turnout increased between 2005 and 2010, this does not seem to have had deleterious results. In the Commission's Corporate Plan for 2010-11 planned campaigns spend is £1.45 million, excluding the cost for publicity associated with referendums.

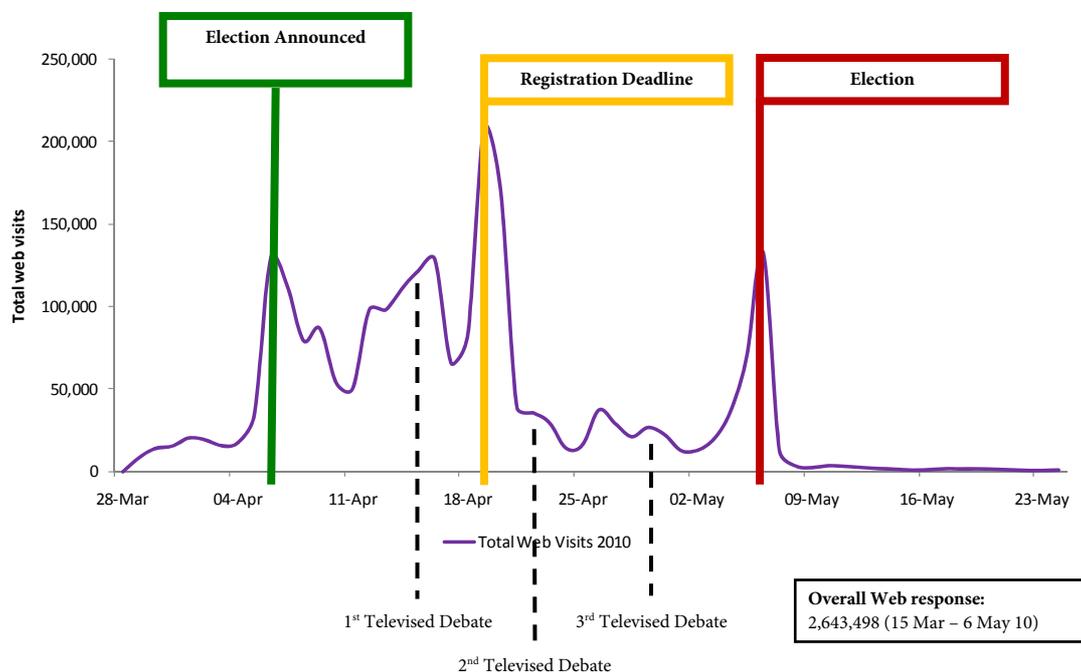
4.3 Since 2007, the Commission have used Central Office of Information Artemis evaluation methodology to evaluate its public awareness campaigns and obtain assurance that they are effective in supporting corporate objectives. The Commission's 2010 campaign generated 2.7 million responses, including 2.6 million website hits of over one

¹⁷ Data from Electoral Commission records & Committee on Standards in Public Life, 11th Report 2007

minute in length. This is the minimum length considered as being likely to lead to people accessing services online.¹⁸

4.4 The Artemis report found that 57 per cent of web visits resulted from respondents typing in the Electoral Commission web address “aboutmyvote.co.uk”. This awareness of the Commission’s existence suggests good message penetration. The Artemis report observed that it is quite rare to see such high volumes of direct contacts. The Artemis report also found that, following targeted television advertising around the first leaders’ debate, there was a peak in web visits (figure 17), although there was a dip between the debate and the registration deadline.

Figure 17
Electoral Commission website visits during election campaign



Source: COI Artemis, ‘Electoral Commission: 2010 General Election and Local Elections: Campaign Evaluation’

4.5 The Artemis report also found that the Electoral Commission campaign was the top performer in their dataset of public sector campaigns in terms of cost. It found that the cost per active response¹⁹ was £5 for the 2010 General Election compared with £15 for the 2009 European & Local Elections and the Artemis average is £44. Some caution is necessary with such comparisons as the Electoral Commission’s campaign was aided by a large amount of free publicity and had a naturally receptive audience.

4.6 Active response refers only to ordering or downloading a registration form, not completing it. Data on subsequent completion of registration forms are not available. Despite these limitations, the Commission is doing well in fulfilling its legislative responsibilities and evaluating its performance.

¹⁸ Central Office of Information Artemis Report, ‘Electoral Commission: 2010 General Election and Local Elections: Campaign Evaluation’

¹⁹ Active response refers to ordering or downloading a registration form

Local campaigns work

4.7 Local campaigns work is the weakest area for both Electoral Registration Officers and Returning Officers, reflected in low performance standards self-assessment scores. For example, in 2009, 41 per cent of Electoral Registration Officers did not have a public awareness strategy. This illustrates the value of having performance standards to reveal these areas of weakness and enable action to be taken.

4.8 However, this figure is improving with 25 per cent fewer Electoral Registration Offices being 'below' standard six on having a public awareness strategy between 2008 and 2009.²⁰ Similarly, for Returning Officers, 9 per cent fewer were below standard five on planning and delivering public awareness activity between 2009 and 2010.²¹

4.9 In our survey of electoral administrators, 67 per cent found the assistance which the Commission provides to support their work in improving public awareness to be very helpful or fairly helpful. Fifty seven per cent thought that, in their particular areas, the Commission's national campaigns to increase registration are not very effective or not at all effective.

Public confidence

4.10 The Electoral Commission wants people across the UK to be confident that electoral registration and elections are well run.²² Public confidence data are therefore an important progress indicator. Confidence in the overall running of elections has fallen²³ from 92 per cent for the 2009 European and Local Elections to 70 per cent for the 2010 General Election (figure 18).²⁴ The same question was not asked in 2005, but the historic picture is of broad public confidence in the electoral system in the region of 80 per cent.²⁵ Although exactly equivalent data are not available, this fell after 1997 as a result of well-publicised problems with postal voting fraud,²⁶ especially around 2005–06, but recovered by 2009.

²⁰ NAO analysis of Electoral Registration Officers' performance reports, 2008 and 2009

²¹ NAO analysis of Returning Officers' performance reports, 2009 and 2010

²² Electoral Commission Corporate Plan 2010–11 to 2014–15

²³ This aggregates respondents who were 'very' or 'fairly' confident in the running of elections

²⁴ Ipsos MORI, 'Electoral Commission Post-Election Research', 2010

²⁵ Birch, S, 'A Cross-National Analysis of Confidence in the Conduct of Elections' 2005, p.34

²⁶ Stuart Wilks-Heeg, 'Purity of Elections in the UK' 2008, pp.49-51

Figure 18**Confidence in election(s)**

Confidence	2009 ¹	2010 ²
Base: All voters	(n=1,241)	(n=1,790)
	%	%
Very confident	54	25
Fairly confident	38	45
Not very confident	2	21
Not at all confident	1	9
Don't know	4	1

Source: 1) Electoral Commission. 'European and Local Elections 2009: Summary Report', 2009, Q13, p. 10.

2) Ipsos MORI, 'Electoral Commission Post-Election Research', 2010, p.7

4.11 Voter confidence varied across the UK with voters in Northern Ireland were more confident (86 per cent) than those in England (68 per cent), Scotland (71 per cent) and Wales (73 per cent).²⁷ However, confidence is affected by many issues outside the control of the Electoral Commission.

4.12 It is difficult to compare public confidence in the running of elections in the UK to countries such as Australia and Canada, as this question is addressed differently by surveys in each country. In the UK respondents were asked whether the elections were well run (without specifying who runs them), whilst in Canada the public were asked specifically about the way Elections Canada runs elections. However, overall confidence was 70 per cent in both the UK²⁸ and Canada.²⁹ The Australian Electoral Commission has carried out limited recent research into public confidence.³⁰

²⁷ Electoral Commission, 'Report on the administration of the 2010 UK general election', July 2010

²⁸ Ipsos MORI, 'Electoral Commission Post-Election Research, United Kingdom'. 2010

²⁹ Elections Canada, Office of the Chief Electoral Officer, Performance Report 2008–09, p.10

³⁰ Australian Electoral Commission Annual Reports, 2008–09 and 2009–10

Appendix 2 The Local Government Boundary Commission for England: 2011–12 to 2015–16 corporate plan

Summary

1. The Local Government Boundary Commission for England (the Commission) was established on 1 April 2010 in a reorganisation of arrangements for overseeing local government boundaries. It aims to fulfil its mission, “to create the foundations for effective and convenient local government in England”, through electoral reviews, addressing local authorities’ internal boundaries, and boundary reviews, which focus on authorities’ boundaries with each other. Electoral reviews have been the core work of the Commission and its predecessors for many years, while boundary reviews have not been conducted since 1992.

2. The Commission has achieved much through 2010–11:

- establishing itself as a free-standing organisation, with services previously delivered by its predecessor’s parent organisation now provided through its own corporate staff and support contract;
- running working groups and public consultations to challenge past practice and seek efficiencies in processes; and
- committing to a plan for 2011–12 to 2015–16 that combines cost reductions of the type proposed widely across the public sector with large increases in output compared to recent years.

3. We report annually on value for money to the Speaker’s Committee on the Electoral Commission, which oversees the Commission on Parliament’s behalf. This first report provides an overview of how well placed the Commission is to deliver its corporate plan for 2011–12 to 2015–16. We will return in more depth in future reports to issues raised here, informed by our discussions with the Speaker’s Committee.

4. This report is based on our analysis of the Commission’s published and unpublished documents, interviews with senior staff, and requests for further data. Our financial analyses are all expressed in 2010–11 prices to aid comparison.

Key findings

On managing demand and quality

5. The level of demand for electoral and boundary reviews is inherently uncertain. Nevertheless, over the period 2011–12 to 2015–16, the Commission aims to reduce an accumulated backlog of requirements of reviews, and to respond to predicted new requests

for boundary and electoral reviews, while improving quality. The need for electoral reviews is driven by the Commission's assessment of imbalances in ratios of electors to councillors within local authorities, arising from changes in populations eligible and registered to vote, and by local authorities' own requests for reviews to change the number of their wards or councillors. Demand for boundary reviews is driven by local authorities requesting reviews in order to move their boundaries with other authorities.

6. The Commission expects potential demand to exceed its delivery capacity, so it has developed mechanisms to select, prioritise and streamline its work. The mechanisms carry potential quality risks, including to stakeholder satisfaction, which are not addressed fully by current assurance arrangements.

a. The Commission proposed, in a consultation in November and December 2010, not to alter its existing criteria to assess electoral imbalance, which it regarded as working reasonably well. It plans to complete electoral reviews at a rate sufficient to halve, over five years, the number of local authorities in electoral imbalance.

b. The Commission, in the same consultation, proposed criteria for assessing preliminary requests for boundary reviews from 2011–12. It expects discussions with those local authorities that make requests to result in only a quarter proceeding. The Commission plans to allow the backlog of requests to grow slightly before reducing, implying over four years from request to completion in some cases. It recognises that its planned approach to processing requests implies a need for careful handling to avoid stakeholder dissatisfaction.

c. The Commission has developed the flexibility to switch effort between its two review types if relative patterns of demand vary from expectations. Strong demand from local authorities could create pressure to switch effort from electoral reviews, so numbers of authorities in electoral imbalance would not fall as planned, implying a lower quality service than planned in tackling imbalance.

d. The Commission is proposing to streamline processes, shortening electoral reviews by between a third and two-thirds, in order to improve quality by removing unnecessary delay and potentially completing more reviews. However, reduced consultation times and higher staff workloads might also create risks to quality, which the Commission is seeking to manage through consultation with staff and stakeholders in developing its proposals.

e. The Commission has not developed quality assurance arrangements to meet all new risks and challenges presented by its corporate plan. To assess stakeholder satisfaction, it uses submissions from people who have taken part in reviews, mainly members of the public and staff at local authorities. It does not currently have plans to seek feedback from local authorities about its consideration of their requests for reviews. There is no internal or external peer assessment.

On understanding and reducing costs

7. The Commission plans to reduce its annual funding requirements by 20 per cent in 2010–11 prices over five years from a self-defined baseline. This is a reduction of 15 per cent from estimated outturn in 2010–11. Over the same period, it plans to increase its output of reviews by around a half. This implies a reduction of 42 per cent in the average cost of each electoral and boundary review, from £200,000 to £116,000.

8. The Commission has made progress in understanding its costs, and has a broad strategy to reduce many of them, but its plans are not yet sufficiently detailed to provide confidence that it can achieve planned cost reductions while maintaining projected outputs.

a. The Commission has adjusted its expected outturn significantly during 2010–11 as its understanding of its costs has developed. To set realistic and challenging forward budgets, the Commission needs a robust baseline for 2010–11 informed by a reliable outturn, allocated across cost categories. Its projected outturn of £2.46 million is provisional until final accounts are audited, and its self-assessed baseline of £2.61 million and ongoing budget must be regarded in the same way at present.

b. The Commission does not have a detailed analysis of historic cost data on which to build its understanding of current costs and future budget needs. It is now establishing systems which should, in time, provide the necessary information, including staff costs for each review. In the absence of more detailed management information, we have undertaken our own broad analysis of the Commission's requirements to reduce costs.

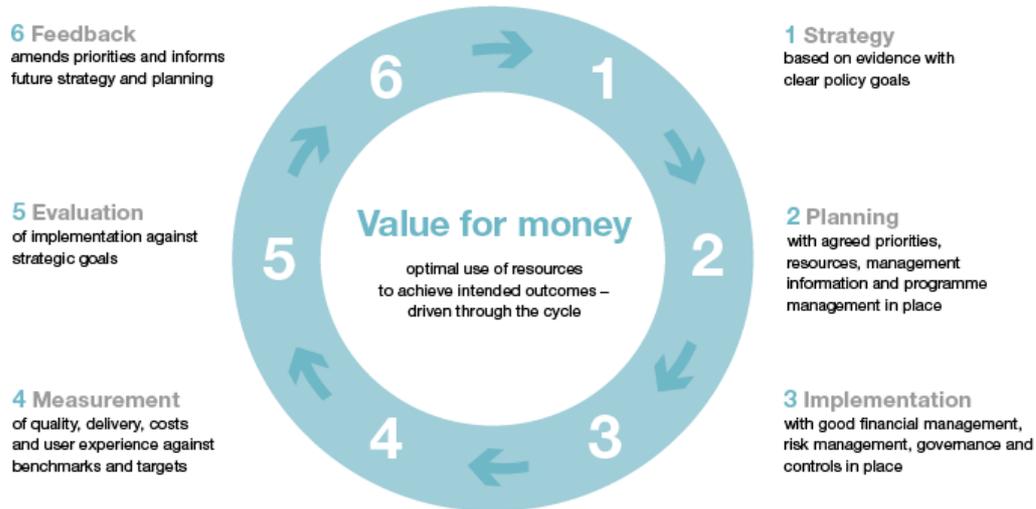
c. The Commission has specific plans to achieve some reductions in direct review costs, but they are incomplete. It intends staff to increase the extent to which they work on reviews concurrently, reducing the average salary cost for each. It plans to reduce review or corporate staff numbers by one in 2014–15 and a further one in 2015–16 if it cannot find alternative additional savings elsewhere. It aims to reduce average mapping and printing costs for each review, to £15,000 in 2015–16 from £24,000 in 2010–11, by using fewer and smaller maps.

d. The Commission has plans to achieve reductions in indirect corporate costs, but again with incomplete coverage. It intends to reduce the cost of accommodation and shared services, to £529,000 in 2015–16 from £632,000 in the 2010–11 baseline, by reviewing the scope of its contract. It intends to reduce other corporate costs to £122,000 in 2015–16 from £224,000 in 2010–11 but has no specific plan to achieve this.

9. Our findings on demand, quality and cost can be linked to our core management cycle (Figure 1). The Commission has made significant progress but is well aware that challenges remain.

Figure 1

The Commission has made progress in establishing a core management cycle



Stage	Progress	Challenges and opportunities
1 Strategy	The mission and objectives link directly to the two types of reviews planned for the future.	Insight into stakeholders' wishes will become increasingly important as future demand is driven more directly by them.
2 Planning	The plan for future review throughput is designed to reduce the backlog of demand progressively.	The balance of work between the two types of review will become a significant issue for the Commission to manage.
3 Implementation	New processes and governance arrangements have been established.	A changing environment may require further process refinements.
4 Measurement	Systems to measure delivery, quality and costs are being improved.	New systems will provide data for analysis. Wider stakeholder satisfaction measures may be required to address new quality risks.
5 Evaluation	The Commission has little historic information for evaluating past practice.	Information collected since the Commission's creation will give new opportunities for evaluation.
6 Feedback	The Commission is using the results of consultation with all local authorities to develop new guidance on the conduct of all electoral and boundary reviews.	Evaluation of progress in implementing the current plan, and the views of local authorities, will help to inform future planning.

Source: National Audit Office analysis based on our guide: *A short guide to structured cost reduction*, June 2010

Conclusion on value for money

10. The Commission has started to put in place the right types of systems to enable it to achieve value for money and has made encouraging progress in its first eleven months. It recognises that it needs to overcome major challenges but its plans, particularly on stakeholder engagement and cost management, are not yet sufficiently developed to demonstrate how it will deliver change of the magnitude implied by its ambitions, particularly in the later years of its corporate plan.

Recommendations

11. In the light of our findings, we make the following recommendations.

a. The Commission's stakeholders are critical in shaping the demand for its reviews.

The Commission should develop its engagement further to deepen its understanding of stakeholders' needs and views about the relative priorities of the different reviews and the thresholds that determine the need for reviews.

b. The Commission's quality assurance arrangements do not involve peer review or feedback from authorities about the new process for discussing boundary review requests.

The Commission should undertake an assessment of potential additional arrangements, including the scope for internal and external peer review. It should put in place arrangements to obtain feedback from local authorities following discussions about requests for review, whether or not these requests are then taken forward.

c. The Commission risks not securing the full financial and quality benefits from its streamlining proposals because its understanding of its existing and future review processes is not yet sufficiently detailed, particularly in terms of cost allocation.

The Commission should continue to link its work on costing and processes to increase its understanding of both, making this a key priority.

d. The Commission does not have clearly defined plans for securing the required significant savings from mapping and printing, accommodation and shared services, and other corporate costs.

The Commission should develop plans for savings in these areas in order to ensure that it achieves them.

Part One

The new Commission

1.1 This part of the report sets out:

- the role, stakeholders, aims and activities of the Local Government Boundary Commission for England (the Commission);
- what the Commission has done to establish itself during 2010-11, its first year in operation; and

- the Commission's plans for the period 2011-12 to 2015-16.

The Commission's role, stakeholders, and activities

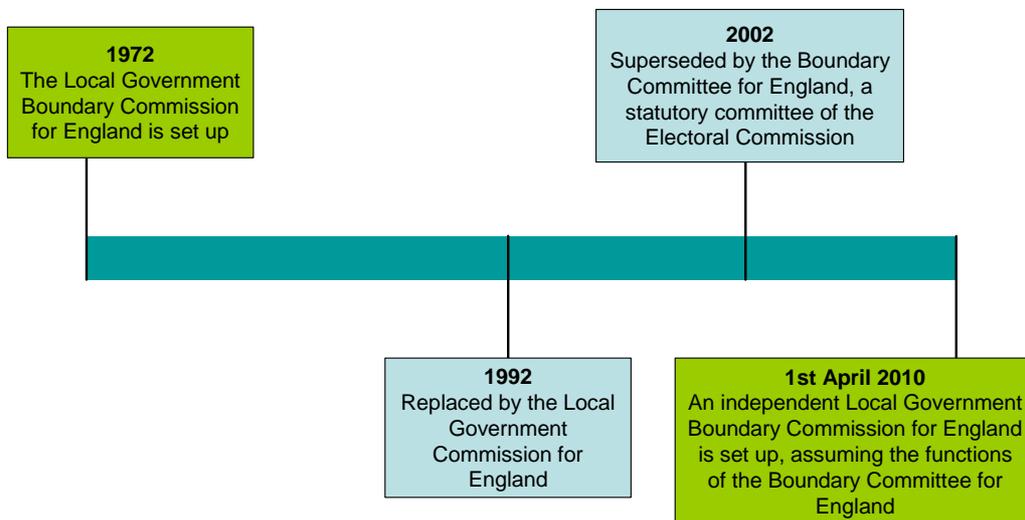
1.2 The Commission was established under the Local Democracy, Economic Development and Construction Act 2009. Its mission is to create the foundations for effective and convenient local government in England. Its objectives are:

- to provide equity and fairness in local electoral arrangements; and
- to ensure that local government structures, and the map of English local government, reflect communities and support efficient and effective service delivery.

1.3 The Commission began operations on 1 April 2010, taking on the functions of the Boundary Committee for England, which had been a statutory committee of the Electoral Commission (Figure 2). Its restructuring as an independent, stand-alone body was a result of recommendations made by the Committee on Standards in Public Life.³¹ It is independent from central and local government and political parties, and is accountable to, and funded by, the Speaker's Committee on the Electoral Commission in Parliament.

Figure 2

There have been three reorganisations in overseeing English local government boundaries since 1972



Source: National Audit Office

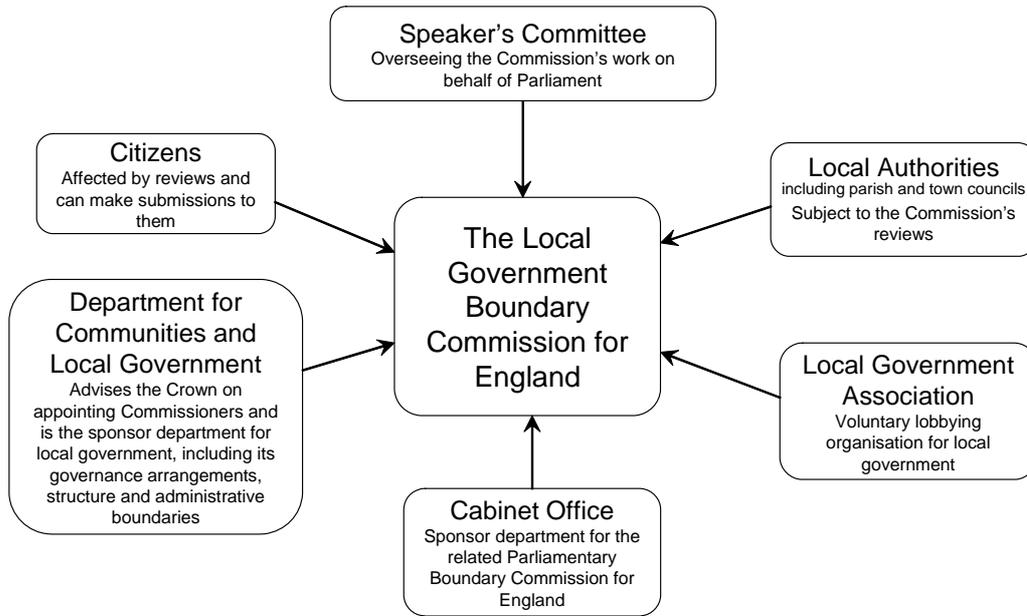
1.4 The Commission seeks to satisfy the different demands of a range of stakeholders in carrying out its review work (Figure 3). Its principal interactions are with local authorities, including through their lobbying organisation the Local Government

³¹ The Committee concluded, in January 2007, that the Electoral Commission would benefit from refocusing on its principal duties of regulating party finance and campaign expenditure and electoral administration: Committee on Standards in Public Life, Eleventh Report - Review of the Electoral Commission, January 2007.

Association. It also engages frequently with the Department for Communities and Local Government (the Department) as well as the Speaker's Committee.

Figure 3

The Commission aims to satisfy a range of stakeholders



Source: National Audit Office

1.5 The Commission plans to carry out its mission by conducting two main types of review in future (Figure 4). It expects electoral reviews, which address local authorities' internal boundaries, to continue to be the staple element of its work. It does not expect to carry out further structural reviews, which had formed an unusually large part of the workload between 2006 and 2009, disrupting other work. It is reintroducing boundary reviews, which focus on authorities' boundaries with each other.³²

³² Between 1992 and 2007, legislation specified that only the Secretary of State could initiate boundary reviews. The Local Government and Public Involvement in Health Act 2007 returned the power to initiate to the Boundary Committee for England.

Figure 4**The Commission plans to conduct two types of review in the future**

	Electoral Reviews	Boundary Reviews	Structural Reviews
Purpose	To consider whether boundaries within a local authority need to be altered to take account of changes in electorate numbers and to consider the appropriate number of councillors.	To review boundaries between local authorities, ranging from a full merger of neighbouring authorities to correction of minor boundary anomalies.	To consider whether one or more single, all-purpose councils, known as unitary authorities, should be established in an area instead of the existing two-tier system.
Conducted over last ten years?	✓	X	✓
To be conducted over next five years?	✓	✓	X ¹
Instigated by	Instigated by the Commission in the past but expected also to be requested by local authorities in the future.	Expected to be requested by local authorities, although can also be instigated by the Commission or the Department.	Instigated by the Department.
Characteristics	Have formed the staple workload of the Commission and its predecessors over the past decade.	Have not been completed since 1992, so demand is uncertain.	Have proved costly, contentious and disruptive of other review work.

NOTES

1. The Commission expects no demand for structural reviews over the next five years.

Source: National Audit Office

Establishing the Commission during 2010-11

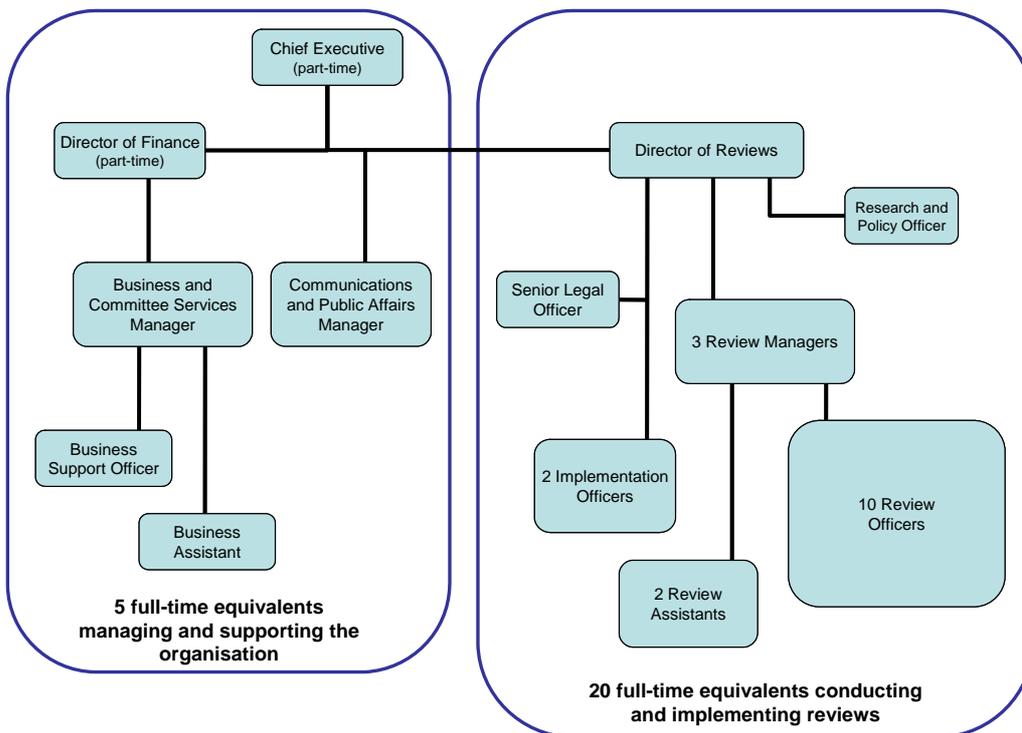
1.6 The Commission has accomplished much during 2010–11, its first year as an independent, stand-alone body. It has:

- recruited a chief executive and finance director, two new Commissioners and 13 further staff members so it now has six Commissioners, including a chair and deputy chair, supported by 26 staff of whom 12 occupy new posts (Figure 5);
- moved to a new office in London and entered into a shared services outsourced contract with its landlord, the Local Government Association;
- established a new corporate centre and developed new financial controls, management information and corporate governance arrangements;
- negotiated improved terms with some key suppliers;

- completed 12 electoral reviews and started work on a further 14;
- set up working groups to challenge how reviews can be improved and made more streamlined and efficient; and
- launched and completed public consultations on proposed new arrangements.

Figure 5

The Commission has 26 staff equating to 25 full time equivalents



NOTES

1. The Commission pays to use a support services contract that its landlord, the Local Government Association, has with Liberata. This includes finance, facilities, information technology and human resources.

Source: National Audit Office analysis of figures provided by the Commission

Planning for 2011-12 to 2015-16

1.7 In February 2011, the Commission submitted to the Speaker's Committee its first five-year corporate plan as an independent body, for the period 2011–12 to 2015–16.³³ The plan is supported by a budget proposal that the Commission submitted to the Committee in October 2010. The plan involves:

- increasing the number of reviews completed each year by around a half;

³³ The Commission's five-year corporate plan for 2010-11 to 2014-15 had been developed in autumn 2009 by the Electoral Commission.

- reducing the Commission's annual non-capital funding, from its self assessed baseline of £2.61 million for 2010–11 to £2.10 million in 2015–16 at 2010–11 prices,³⁴ representing a real terms decrease of 20 per cent; and
- improving the quality of reviews, as measured by stakeholder satisfaction.

1.8 We have assessed how well placed the Commission is to deliver its corporate plan. We analysed the Commission's published and unpublished documents, interviewed its senior staff and requested further data. We undertook a range of financial analyses, all expressed in 2010–11 prices to aid comparison. Our findings cover the challenges the Commission faces in:

- managing demand and quality (Part 2); and
- understanding and reducing costs (Part 3).

Part Two

Managing demand and quality

2.1 The Commission's five-year plan for 2011–12 to 2015–16 sets out its proposed programme of review work. The plan includes an objective to make substantial inroads into the backlog of demand for electoral and boundary reviews while improving quality and increasing stakeholder confidence.

2.2 The future level of demand for reviews is inherently uncertain, but the Commission expects it to be greater than its planned capacity. The mechanisms the Commission uses to select, prioritise and streamline its work carry inevitable quality risks, including to stakeholder satisfaction. This part of the report assesses the Commission's arrangements for:

- setting review selection criteria;
- deciding review completion rates;
- building in flexibility;
- streamlining processes; and
- assuring quality.

Setting review selection criteria

2.3 Under the terms of the Local Democracy, Economic Development and Construction Act 2009, the Commission has a statutory duty to carry out a programme of reviews that delivers electoral equality in English local authorities. In discharging this duty, the Commission sets criteria to determine which authorities have high levels of electoral

³⁴ These and other figures in the report are presented in 2010-11 prices, converted in accordance with the Treasury GDP deflator. In current year prices, non-capital expenditure in 2015-16 would be £2.38 million.

imbalances and which therefore require electoral reviews. It also has to manage demand from local authorities for electoral and boundary reviews, as well as the expectations of those local authorities that meet the criteria for electoral reviews but do not see them as priorities and are resistant to them. The Commission is improving its consultation with stakeholders, in particular local authorities, to obtain a better understanding of their wishes, but has had to develop its 2011–12 to 2015–16 programme without this new insight.

Electoral reviews

2.4 The Commission can be called upon to carry out different types of electoral review. The main type it expects to carry out during the corporate plan period is to correct significant electoral imbalances where there are large variations in the number of electors represented by each councillor within an authority. It also expects to respond to requests from local authorities that want to change ward or councillor numbers.³⁵

2.5 The Commission uses its own analyses, of data collated annually by the University of Plymouth, to identify imbalances that have arisen since completion of the last round of reviews of all authorities between 1996 and 2004. Imbalances can be caused by population movements as well as changes in the proportions of populations registering to vote. The Commission has to decide whether an imbalance is large enough to warrant an electoral review. It uses two thresholds, set in 2005 by the Boundary Committee for England, to assess imbalance. One measures general imbalance across the whole of an authority, while the other looks for localised instances of particularly high imbalance. Local authorities with imbalances breaching either threshold are considered for review. The Commission proposed, in a consultation in November and December 2010, not to alter its existing criteria to assess electoral imbalance, which it regarded as working reasonably well.

2.6 The Commission considers that it has set the thresholds of electoral imbalance at levels where, in its own judgement, it must intervene to meet its statutory duties. It also aims to manage electoral imbalances in a way that minimises the need to review all local authorities periodically in a single programme of work, as it considers this would hinder it from accepting requests for reviews and would require it to conduct reviews where imbalances are small. Its chosen thresholds are: more than 30 per cent of wards with electorate numbers that vary by over 10 per cent from the average for the authority; and any one ward with numbers varying by over 30 per cent from the average (Figure 6). After regenerating the information it used for its corporate plan, the Commission concluded that 64 local authorities were in imbalance on 1 April 2010. This calculation allowed for 20 authorities that breached both thresholds, two that had already had reviews completed and two that raised doubts about data quality.

³⁵ Other types of electoral review include a review of a new unitary authority and, in the past, periodic reviews of all authorities.

2.7 The Commission has carried out sensitivity analysis on the effect of altering the thresholds. It found that changes to the thresholds, in either direction, would have a significant impact on the number of potential reviews. For example, if it relaxed the variance from average under the general imbalance threshold, from 10 per cent to 12.5 per cent, then the number of authorities in imbalance would reduce from 39 to 15. Conversely, if it tightened the threshold to 7.5 per cent then the number of authorities in imbalance would increase to 185. Changes to the localised imbalance threshold would have a similarly large impact.

Figure 6

The number of authorities defined to be in imbalance varies depending on thresholds

Number of authorities in imbalance under the general threshold

The threshold is set at 30 per cent of wards in a local authority having an imbalance of more than 10 per cent from the average for the local authority: 39 authorities breached this threshold in December 2009.

Percentage of wards with specified variance from average

		40%	35%	30%	25%	20%
Variance from average	15%	1	1	1	6	12
	12.5%	1	6	15	26	58
	10%	11	23	39	87	127
	7.5%	93	140	185	217	263
	5%	223	269	292	316	329

Number of authorities in imbalance under the localised threshold

The threshold is set at one ward in an authority having an imbalance of more than 30 per cent from the average for the local authority: 49 authorities breached this threshold in December 2009.

Number of wards with specified variance from average

		3	2	1
Variance from average	40%	1	3	18
	35%	1	5	31
	30%	1	10	49
	25%	7	25	84
	20%	29	70	150

NOTES

1. The Commission's analysis found that 19 local authorities breached the general imbalance threshold alone, 29 the localised imbalance threshold alone and 20 both thresholds. This meant that 68 local authorities had electoral imbalance, of which two were in the process of being corrected by reviews completed before 1 April 2010 and two raised concerns about data quality, leaving 64 still requiring attention.

Source: The Commission's December 2010 analysis of December 2009 data

2.8 Although not explicit in its corporate plan, the Commission has applied its thresholds after rounding, to the nearest whole percentage, data that are expressed as percentages. For example, a 10.4 per cent variance in one ward from average electorate numbers would be rounded to 10 per cent, and the ward would therefore not count in assessing the proportion of wards exceeding the 10 per cent variance. The same process applies in relation to the 30 per cent threshold for proportion of wards exceeding the 10 per cent variance, and for the 30 per cent threshold for variance from average electorate numbers in any single ward. Applying the thresholds without rounding the data would alter overall results substantially, increasing the number of local authorities in imbalance at 1 April 2010 by 23.

2.9 There is a risk that basing thresholds on proportions of wards in imbalance, rather than on absolute numbers of wards, may have an impact on the types of authorities classified as being in imbalance. For example, it may potentially lead the Commission to identify more imbalances in small authorities than in large. There is also uncertainty about the extent to which stakeholders agree with current arrangements for assessing imbalance, with the Commission taking an absence of complaints to indicate broad acceptance.

Boundary reviews

2.10 The Commission expects local authorities to request boundary reviews for various reasons, including efficiency savings through potential mergers. The unpredictability of demand makes the Commission's forward projections less certain for boundary reviews than for electoral reviews. The Commission intends to manage demand in the first instance by setting criteria for agreeing to conduct reviews. Proposed criteria include the level of public support for a review and the strength of the business case. The Commission expects discussions with local authorities requesting reviews to result in only a quarter proceeding, so it recognises the need for careful handling to avoid stakeholder dissatisfaction. It has taken early steps to manage the risk of dissatisfaction by consulting authorities on the proposed criteria.

2.11 The Commission expects additional demand for large numbers of much smaller reviews of minor anomalies in boundaries, for example cases affecting few properties. These minor reviews do not yet feature in the Commission's future work programme but it intends to carry them out when capacity allows.

Deciding review completion rates

2.12 The Commission has a backlog of electoral and boundary reviews, which it plans to reduce over five years by increasing the number of reviews it completes each year (Figure 7). Although the planned output each year is high compared with recent years, there was higher output in the past before disruption caused by structural reviews.³⁶

³⁶ The Commission's records indicate its predecessors completed 386 periodic electoral reviews between March 1996 and October 2004: 35 at county council and 351 at district council level. There were also 15 reviews similar to current electoral reviews completed in 2006-07.

Figure 7

The Commission plans to tackle the backlog of demand for both types of review

	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16
Electoral Reviews						
New cases of electoral imbalance ¹ (a)	8	10	10	10	10	10
Authorities with electoral imbalance at start of year (b)	64	64	61	51	46	41
Electoral reviews planned for completion to address imbalance (c)	8	13	20	15	15	15
Authorities with electoral imbalance at end of year (backlog) (a + b - c)	64	61	51	46	41	36
Proportion of local authorities with electoral imbalance at end of year	18%	17%	14%	13%	12%	10%
Electoral reviews planned for completion for other reasons	4	2	-	-	-	-
Boundary Reviews						
Preliminary requests (estimated)	322	7	8	8	9	10
Requests likely to proceed to review (a)	5	2	2	2	2	2
Requests outstanding at start of year (b)	0	5	7	8	7	6
Boundary reviews planned for completion (c)	0	0	1	3	3	3
Requests likely to proceed to review but uncompleted at end of year (backlog) (a + b - c)	5	7	8	7	6	5

NOTES

1. The Commission's projections are based on trends over the past 5 years, but the Commission believes new cases of inequality may increase significantly more than projections as a result of changes to the electoral system, particularly the introduction of individual electoral registration in 2014.

2. This figure is based on expressions of interest to a 2009 consultation. The Commission expects most not to translate into review requests as authorities made their expressions of interest before receiving further information on the criteria and likely resource requirement for boundary reviews.

Source: National Audit Office analysis of figures provided by the Commission

2.13 The Commission intends to focus its initial efforts on electoral reviews, with its plans implying a reduction in the proportion of local authorities meeting the imbalance criteria from 18 per cent at the end of 2010–11 to 10 per cent at the end of 2015–16. It intends to prioritise local authorities with the highest imbalances, after considering the

likelihood of self-correction through expected housing development or migration. The implied reduction in imbalance is slightly slower than in the corporate plan because we have excluded any impact from six electoral reviews undertaken for reasons other than electoral imbalance. The Commission's plans to conduct some future electoral reviews at the request of local authorities, rather than primarily to correct electoral imbalance, could potentially further reduce the speed at which to the Commission can tackle the backlog of electoral imbalance.

2.14 The Commission will not commence any boundary reviews until May 2011, once authorities requesting reviews have been able to test local opinion and satisfy other criteria for undertaking reviews. The Commission anticipates the backlog growing until the first reviews are completed by 2012–13 at the earliest. Its planning assumptions imply that some local authorities will have to wait four or more years, including the time taken to plan and conduct reviews, before the Commission is able to satisfy their requests. The Commission recognises that it will need to engage with local authorities to manage expectations and provide clarity over timescales.

Building in flexibility

2.15 The Commission's projections of future review demand cannot be precise, so it may face the challenge of adjusting its workload between review types to meet unexpected trends in demand. It believes that electoral and boundary reviews will have similar resource requirements, and can therefore be substituted for one another in the work programme in order to manage demand. Strong demand from local authorities could create pressure to switch effort from electoral reviews, so numbers of authorities in electoral imbalance would not fall as planned, implying a lower quality service than planned. The Commission must manage the impact of any change in the balance of its work on quality and stakeholder satisfaction, and it has told us it would consult the Speaker's Committee before any substantial rebalancing of its programme. If the Commission decides that it cannot meet demand after rebalancing its programme, it would have the option of seeking guidance and direction from the Speaker's Committee.

Streamlining processes

2.16 The Commission completed public consultation in January 2011 on proposals to streamline the stages and processes involved in electoral reviews. The primary reason was to improve quality for local authorities by removing unnecessary delay, although the Commission believes that streamlining will also bring cost reductions additional to those implicit in the five-year plan, potentially increasing its capacity to complete more reviews. The Commission has not yet established processes for boundary reviews but considers there will be substantial similarities to electoral review processes.

2.17 The proposals involve reducing the duration of electoral reviews by between one-third and two-thirds: from an average of 61 weeks to between 22 and 51 weeks depending on the complexity of the review (Figure 8). The Commission plans to achieve this through an initial assessment in which, following research and discussions with

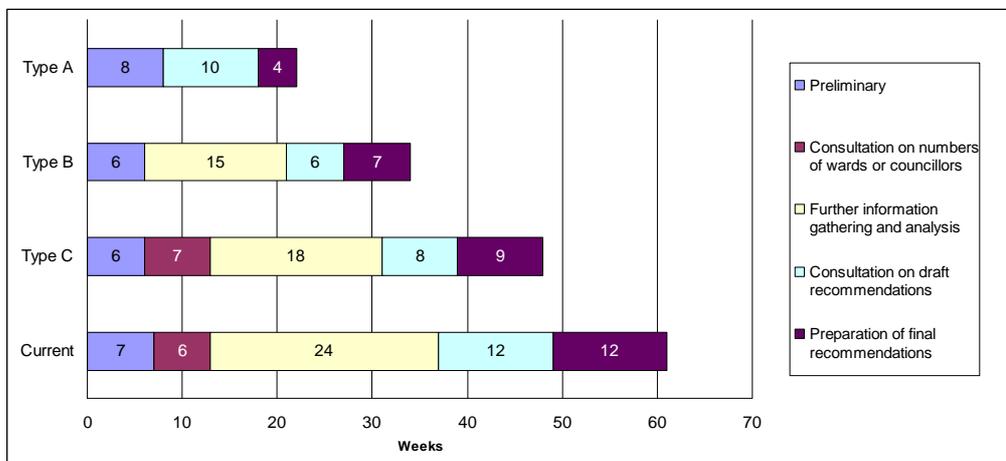
stakeholders, it would establish the scale of change likely to take place and tailor the review process.

- Type A reviews would apply where there is no clear need or desire for significant change to the number of councillors. They would dispense with the consultation phase on councillor numbers that is currently a feature of all electoral reviews.
- Type B reviews would apply where a small change to the number of councillors may be desirable but opinions on the proposal could be sought during the consultation on draft recommendations rather than separately.
- Type C reviews would apply following a council request for a substantial change to the number of councillors, establishment of a new authority following structural change, a boundary review involving a large change or merger of whole councils, or where, following initial assessment, it appears that a proposed change in the number of wards or councillors may be contentious.

2.18 Changes to processes carry two particular risks: stakeholders could find them unacceptable; and staff might find them unworkable. The Commission has taken action to manage these risks by consulting local authorities and by including review staff in the development of proposals. It accepts that the new procedures will require it to develop its skills in managing programmes.

Figure 8

The Commission is consulting on proposals to shorten the duration of electoral reviews



NOTES

1. The Commission has expressed the timescales for many of the stages as ranges. This graph uses the midpoints of those ranges, for example giving a total duration of 48 weeks for type C reviews to represent a range from 45 to 51 weeks.

2. Type C reviews have the same stages as current reviews, but with generally shorter durations. Type B reviews omit the consultation on numbers of wards or councillors and the stages are further shortened. Type A reviews omit the stage of further information gathering and data analysis but could have an additional, more targeted, stage of 6 weeks consultation and 4 weeks analysis before the preparation of final recommendations: the graph does not show this potential additional stage.

Source: National Audit Office analysis of the Commission's proposals

Assuring quality

2.19 The Commission's quality assurance arrangements have not developed to meet new risks and challenges presented by its five-year plan:

- some authorities' requests for boundary reviews may not proceed, while others may have to wait;
- stakeholder consultation times may be reduced; and
- review staff could have higher workloads.

2.20 Review quality is currently tested through feedback from participants. The Commission's predecessor achieved in 2009–10 a rate of 56 per cent of respondents describing quality as 'good' or 'very good', which suggests that a substantial minority of those involved in a review thought it could have been done better. The Commission considers that the response rate to feedback is too low, hampered by a long questionnaire. From January 2011, it has introduced an opinion survey on its website to allow online feedback submission.

2.21 The Commission does not currently have plans to collect feedback from local authorities about how it considered their review requests but it recognises that it needs to understand its stakeholders' demands and requirements better.

2.22 The Commission does not have formal internal or external peer review procedures, during or after review completion, to help assure itself of the quality of work done.

Part Three

Understanding and reducing costs

3.1 The Commission is planning to reduce its funding requirements over the course of its 2011–12 to 2015–16 corporate plan while at the same time increasing substantially its output of reviews. This part of the report examines the four challenges the Commission needs to address to achieve its ambitions:

- understanding overall costs;
- understanding detailed costs;
- reducing direct review costs; and
- reducing indirect corporate costs.

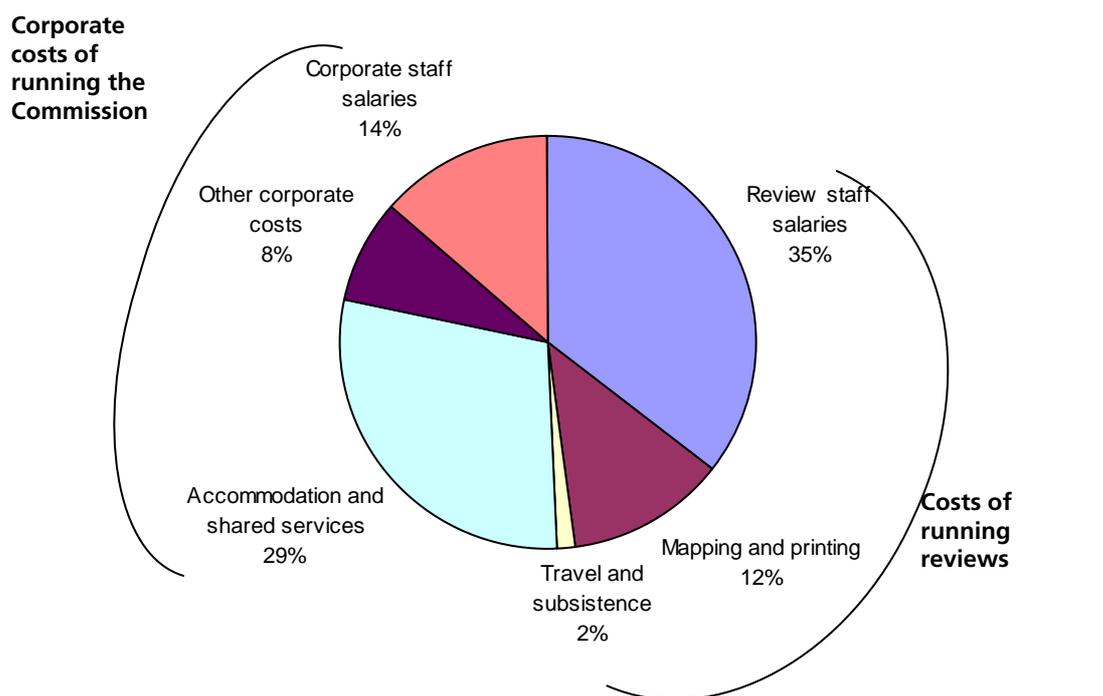
Understanding overall costs

3.2 As a new organisation, the Commission has had to develop its understanding of its overall costs. It has revised its budget and expected outturn figures substantially throughout its first year of operation in the light of its monthly tracking of actual expenditure. In order to set budgets for 2011–12 and future years which are realistic and challenging, the Commission needs to have a good understanding of what its actual costs would have been in 2010–11 had that been a year of normal operation rather than an opening year. This baseline has to provide detail across the main cost categories. The Commission has faced difficulties in setting it because of fluctuations in its expected

outturn for 2010–11 in the early part of the year. As a consequence, the outturn and budget figures discussed in this report must be regarded as provisional, and it is not possible to assess whether the baseline is reasonable.

3.3 The Commission expects to spend £2.46 million in 2010–11, with staff salaries accounting for half of total costs (Figure 9). This is less than the £3.33 million spent in 2009–10 by the Boundary Committee for England within the Electoral Commission, although that was on a rather different workload which included structural reviews. The Commission regards some savings from its £2.85 million initial budget as permanent and other differences as temporary first year anomalies. Temporary differences include savings in salary costs before all staff were recruited. Based on its assessment of permanent and temporary differences, the Commission has defined a baseline budget of £2.61 million for 2010–11. The Commission intends to reduce its costs, expressed in 2010–11 prices, by 20 per cent from this baseline over five years, equivalent to 15 per cent from expected 2010–11 outturn (Figure 10).

Figure 9



NOTES

This chart is based on the Commission's projected outturn of £2.46 million, excluding £0.10 million that the Commission considers are one-off costs incurred in establishing itself and £0.16 million transferred from the Electoral Commission that the Commission intends to write off. The first year distribution of costs may not represent the ongoing position. The 2011-12 budget shows corporate costs reduced to 45 per cent of the total, with all categories of review costs taking a greater share of the total.

Source: The Commission

Understanding detailed costs

3.4 The Commission does not yet have a thorough understanding of review costs, so it has needed, during 2010–11, to put in place systems that will provide this understanding over time. It has historical data on overall costs and the numbers of reviews completed each year, but not on the costs of individual reviews. In response, the Commission has established cost codes for each review and requires staff to record time spent on each review. Over time, this has the potential to provide valuable information to inform the Commission's budget-setting and cost planning.

Figure 10

The Commission plans to reduce its resource costs in 2010-11 prices over its five-year plan

£000	2010-11 original budget	2010- 11 expected outturn ³	2010-11 baseline ⁴	2011-12	2012-13	2013-14	2014-15	2015-16
Salaries (including Commissioners)	1,350	1,085	1,300	1,327	1,236	1,204	1,140	1,080
Accommodation and shared services	519	640	632	605	592	558	543	529
Mapping and printing	423	266	350	341	334	302	285	264
Travel and subsistence	553	34	108	105	108	111	104	101
Other corporate costs		282 ⁵	224	195	189	164	150	122
Planned write off		156 ⁶						
Total	2,845	2,463	2,614	2,569	2,450	2,327	2,208	2,097

NOTES

1. Resource costs exclude capital expenditure.

2. The Commission's figures for 2011-12 to 2015-16 have been adjusted to 2010-11 prices in line with the Treasury's GDP deflator using inflation rates of 2.5%, 2.2%, 2.7%, 2.7% and 2.7% for 2011-12 to 2015-16 respectively.

3. The Commission's projected outturn, as at December 2010.

4. The Commission has defined the baseline budget by adjusting its original budget for what it regards as permanent savings.

5. Includes £102,000 of costs linked to the establishment of the Commission.

6. £156,000 of costs transferred from the Electoral Commission that the Commission intends to write off.

Source: National Audit Office analysis of figures provided by the Commission

3.5 In the absence of more detailed information from the Commission, we have established our own estimates of the average cost of reviews, overall and for key elements of expenditure, through two calculations.

- We have converted the number of reviews the Commission expects to carry out each year into estimated annual workloads (Figure 11). In forming our estimates, we have

recognised that reviews typically take fifteen months at present, so work on most straddles two or more years. Workload across years would be smoother than output, with large fluctuations unlikely under conditions of steady staff numbers. The Commission expects its new processes to shorten review durations, so fewer might span multiple years.

- We have calculated average review costs taking projected resource outturn, excluding one-off first year costs, for 2010–11 and budgeted resource costs for 2011–12 onwards, dividing these costs by projected workload.

3.6 Our calculations indicate that the Commission plans to increase its work on reviews by around a half in 2010–12 compared to 2010–11 levels, and that the combined effect of budget reductions and increased output implies the average cost of each review falling by 42 per cent over the corporate plan period at constant prices, from £200, 000 to £116, 000 (Figure 12). These estimates depend critically on what, at this stage, is necessarily an approximate conversion from numbers of reviews completed each year to implied annual workloads.

Figure 11

The Commission's projected review workload will increase by over 50 per cent in one year

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Reviews completed	12	15	21	18	18	18
Implied workload	11	18	18	18	18	18

NOTES

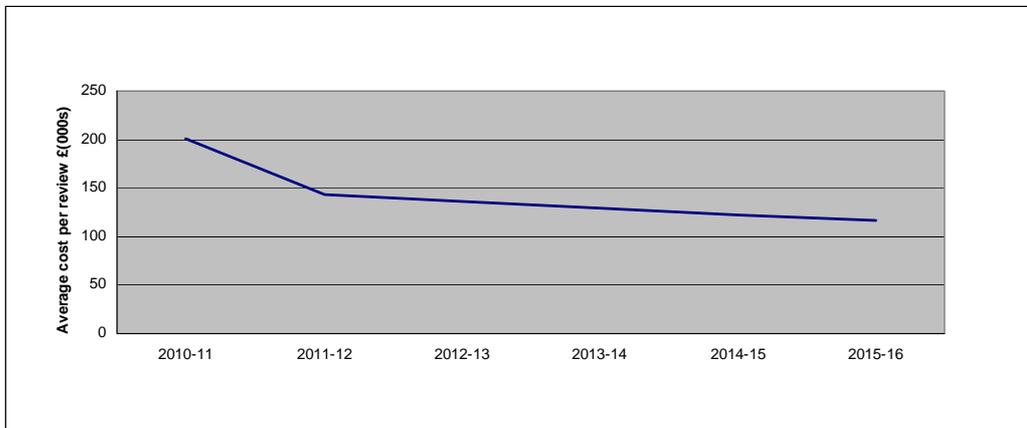
1. The 12 reviews completed by the Commission in 2010–11 include two reviews in which the final recommendations were made in 2009-10 but the changes to legislation were made in early 2010–11. These are not included in Table One of the Commission's corporate plan 2011–12 to 2015–16.

2. The estimation of implied workload recognises that work on most reviews straddles two or more years, so workload is not the same as the number of reviews completed, and that steady staff numbers make fluctuations in workload unlikely.

Source: National Audit Office analysis of figures provided by the Commission

Figure 12

The Commission's plans imply a 42 per cent reduction over five years in the average cost of reviews



NOTES

1. Adjusted to 2010–11 prices.

2. The average cost for 2010–11 is based on the Commission's projected outturn excluding £102,000 that the Commission regards as a temporary opening year cost and £156,000 of costs transferred from the Electoral Commission that the Commission intends to write off.

Source: National Audit Office analysis of figures provided by the Commission

Reducing direct review costs

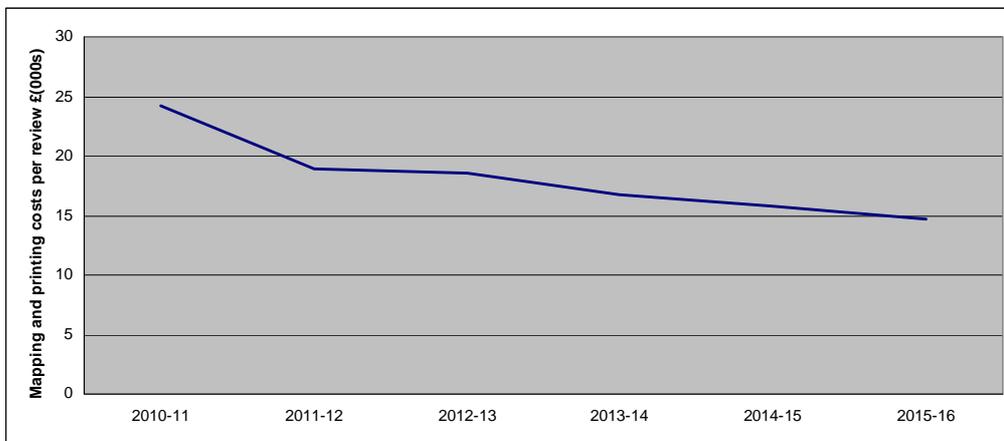
3.7 The three main elements of review costs are: the salaries of review staff; mapping and printing costs; and travel and subsistence.

3.8 The Commission is expecting to reduce review costs associated with staff salaries by having staff continue to increase the extent to which they undertake reviews concurrently. It plans to reduce review or corporate staff numbers by one in 2014–15 and a further one in 2015–16, if it cannot find alternative additional savings elsewhere, and it has assumed there will be no salary increases over the five-year plan period. The proposed increase in staff workload has been developed in conjunction with review staff, and the Commission has told us that staff welcome the change and believe it is achievable. Current proposals to streamline processes (discussed in Part 2) may lead to further reductions in staff costs for each review, but this will not be clear until the Commission has developed further its understanding of processes and their associated costs.

3.9 In 2010–11 the Commission negotiated an improved deal with suppliers of mapping and printing services. The increased number of reviews planned over the next five years implies a reduction of 39 per cent in its mapping and printing costs for each review (Figure 13). The Commission believes there is potential to use fewer and smaller maps on each review but does not yet have a clear plan by which to make these changes. It intends to review the arrangements for mapping and printing in 2011–12 and tender competitively, using procurement support from the Local Government Association.

Figure 13

The Commission plans to reduce mapping and printing costs for each review by 39 per cent over five years



NOTES

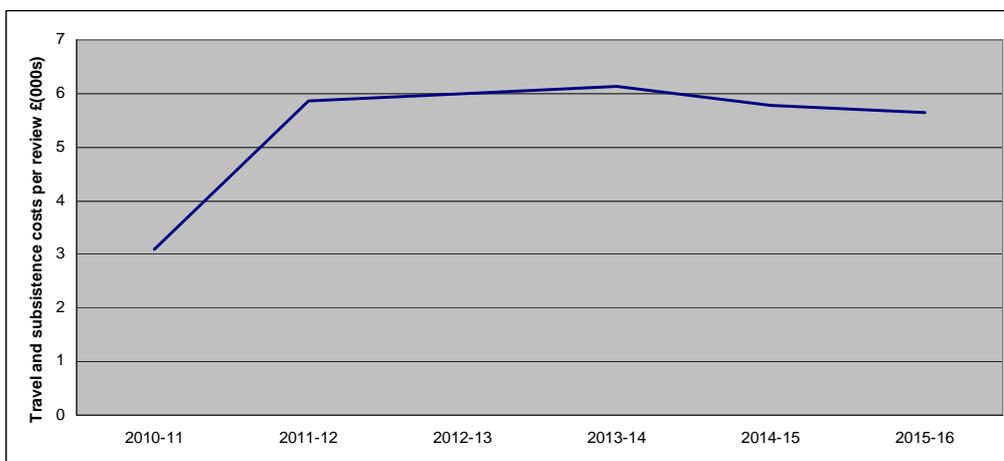
1. Adjusted to 2010–11 prices.

Source: National Audit Office analysis of figures provided by the Commission

3.10 The Commission expects travel and subsistence costs for 2010–11 to be much lower than it previously projected in September. As a result, its budget for 2011–12 represents an increase of 90 per cent in average costs for each review, followed by a decline of 4 per cent over the next four years (Figure 14). The Commission considers the low 2010–11 costs to be the result of postponing review work, although this is not obvious from achieved output levels. The lack of a model for travel and subsistence expenditure for each review means the Commission cannot yet plan precisely this aspect of cost, which is projected to grow from 2 per cent of total spend in 2010–11 to 4 per cent in 2011–12 .

Figure 14

The Commission is planning a significant increase in travel and subsistence costs for each review from 2010–11



NOTES

1. Adjusted to 2010–11 prices.

Source: National Audit Office analysis of figures provided by the Commission

Reducing corporate costs

3.11 The three main elements of corporate costs are: the salaries of support and managerial staff; accommodation and shared services; and other corporate costs.

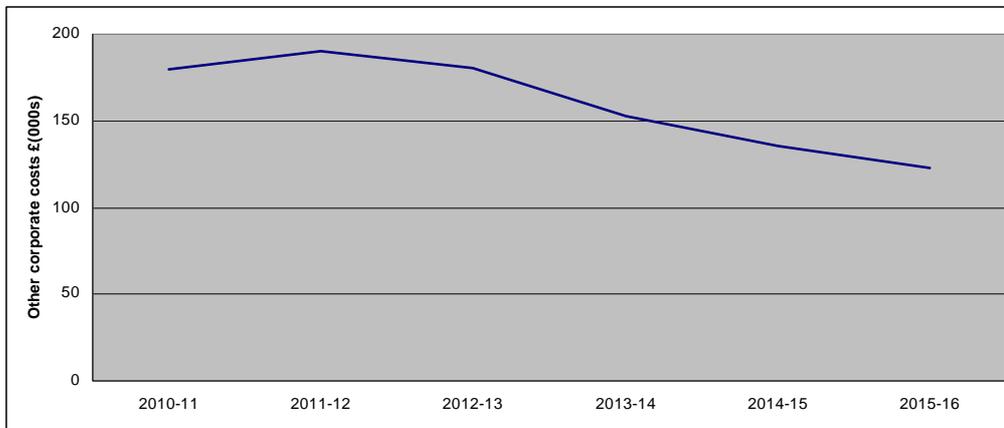
3.12 As set out under review costs, the Commission plans to reduce review or corporate staff numbers by one in 2014–15 and a further one in 2015–16, if it cannot find alternative additional savings elsewhere. For all staff, it assumes that there will be no salary increases over the five-year plan period.

3.13 The Commission intends to review its accommodation and shared services contract in summer 2011 in order to meet a planned real-terms reduction of 17 per cent by 2015–16. It plans to reassess possible relocation to achieve further savings.

3.14 The Commission considers that its other corporate costs have been significantly lower in 2010–11 than would be expected in a normal operating year because of low spending on training and stakeholder engagement. As it expects 2011–12 and future years to be more typical, its plans imply that savings of 36 per cent will be required over the last four years of the corporate plan period (Figure 15). The Commission has not identified specific actions to make these savings, or to manage the potential impact on stakeholders and review quality.

Figure 15

The Commission intends to reduce other corporate costs by 36 per cent from 2011–12 to 2015–16



NOTES

1. Adjusted to 2010–11 prices.
 2. 'Other corporate costs' are combined with travel and subsistence costs to give 'other costs' in the Commission's budgets.
 3. The 2010–11 figure excludes £102,000 of costs linked to the establishment of the Commission and £156,000 of costs transferred from the Electoral Commission that the Commission intends to write off.
- Source: National Audit Office analysis of figures provided by the Commission