

Confirmed on 12 May 2005.

Minutes of the meeting of the Electoral Commission held on 13 April 2005, in London.

Present: Sam Younger (SY) (Chair)
Pamela Gordon (PG)
Glyn Mathias (GM)
Sir Neil McIntosh (NM)
Karamjit Singh (KS)

In attendance: Peter Wardle (PW)
Jacqui Dixon (JD)
Kay Jenkins (KJ)
Angela Salt (AS)
Kate Sullivan (KBS)
Chris Welford (CW)
Rael Zackon (RZ)
Scott Walters (SW)

1. Regulatory issues (EC57/05).

1.1 PW and CW gave a presentation, setting out the background to the issues relating to:

- Legislation
- Political parties
- Candidates
- Statements of accounts
- Third parties
- Organisations and individuals
- Referendums
- Electors and other stakeholders
- Initiatives already taken or being taken
- Principles of better regulation

1.2 The Commissioners reviewed the key objectives for each of these aspects, and identified and highlighted the key issues which they considered should be addressed in developing the strategic vision and direction for the Commission:

1.2.1 Party Registration:

- Increase in the number of parties means potential for confusion with existing names on the register

- Overarching objective should be to regulate what goes onto the ballot paper and remove the burden from Returning Officers
- Review of current list of names
- Powers to deregister

It was agreed that:

- the Commission should examine a move from the current system to a system of registering the names or descriptions which parties would be allowed to use on ballot papers. This would remove the need for a wider test of 'confusion' and would aim to avoid duplication or confusion at one level, the ballot paper
- Commissioners should be informed of all decisions made on applications to register party names; the current practice of escalating only difficult or controversial applications should continue.

1.2.2 Information requirements:

- There could be an intermediate stage in investigations to look at merit of a complaint
- Option of systematic sampling of complaints which would be investigated in detail
- Commission cannot deal with returns until they are received.

It was agreed that:

- Clear guidelines should be developed on the circumstances in which the Commission would investigate complaints, beyond normal checking procedures
- The Commission should consider whether it should consult people with wider experience of party management on its approach to this matter.

1.2.3 Donations:

- Process is neither proportionate or effective
- Resources are required to carry out effective reviews of returns
- Legislative arrangements must not duplicate each other, particularly in relation to Schedule 7 and reports to Parliaments and Assemblies

It was agreed that:

- A critical review of Schedule 7 of PPERA should be undertaken with the aim of avoiding duplication of activity with the bodies responsible for standards in various public bodies.

1.2.4 Campaign expenditure:

- The same breaches occur frequently
- Options for use of automatic penalties

It was agreed that:

- Securing the introduction of new and more appropriate forms of penalty for common breaches of regulatory legislation was a very high priority for the Commission.

1.2.5 Statements of accounts:

- National Treasurers would like to move to regulations, rather than use guidelines
- Volunteer treasurers find some of the requirements difficult to understand and implement
- Objective is transparency of financial transactions
- Comparability requires consistency of approach in reporting, and therefore detailed regulation
- ERA Bill will amend current thresholds levels and will therefore simplify the reporting requirements for most parties and accounting units

It was agreed that:

- The Commission should focus on the purposes for collecting and publishing information in the Statements of Accounts, which was the ability of the public to see the sources of income, use made of resources, and the comparability between parties
- The Commission's future approach should be on the basis of regulations would ensure that key information was provided.

1.2.6 Candidates:

- All instances of non-compliance create a criminal offence; possible option of fixed penalty could be more appropriate for some failures, and therefore need to carefully review the application of RPA
- Resources need to be targeted appropriately to maximum benefit

- Public interest is in whether the candidate has behaved correctly and not breached guidelines

It was agreed that:

- The Commission should develop a new approach to checking candidates' returns on the basis of matching resources to risks, and reducing the burdens on Returning Officers

1.2.7 Referendums:

- Need to develop a structure and approach for a UK-wide referendum, building on experience in North East England
- Powers only relate to regulated period
- What action can the Commission take after the general Election in the run-up to a national referendum?

It was agreed that:

- The Commission should consider, in advance of a referendum, how PPERA would apply to possible cases or scenarios, in order to establish clear policy

1.2.8 PDGs:

- Preference for schemes different sizes related to each legislature/assembly

It was agreed that:

- The Commission would have to consider this if its recommendations on an extended PDG scheme is accepted by the Government.

1.3 The Commissioners considered approaches to engagement with political parties on these issues. This should be chiefly by discussion with the larger parties through the PPP and devolved party panels. It should be possible to engage with some of the smaller parties, via the LGA.

1.4 PW referred to the timescales for addressing the issues identified, many of which would or could be included in the EAR Bill. The preparation for referendums and the allocation of PDGs were matters for Commissioners to determine.

1.5 **The Commissioners noted the background information provided, and agreed the proposed approaches to the issues raised.**

2. Matters for information

2.1 The Commissioners received the following items for information:

- PW advised that the DCA had consulted the Commission on the subject of imprints for the ERA Bill. The Commissioners agreed to delegate the response to PW.