The Chair reported with pleasure the news of Jenny Watson’s well-deserved CBE in the Queen’s Honours list last weekend.
Anna Carragher added that Graham Shields, the former Chief Electoral Officer for Northern Ireland, had been awarded an OBE, which the Board noted with pleasure.

Finally, the Commission’s Head of ICT, Philip Tucker, would retire in August and the Chair on behalf of the Board thanked him and wished him well for the future.

1 Apologies
   Bridget Prentice.

2 Declaration of Interests

2.1 All the nominated Commissioners had stood for election, and been nominated as Commissioners by political parties that had contested recent elections and also registered as campaigners in the EU Referendum.

2.2 AC was a member of the Board of the Arts Council of Northern Ireland (which received money from the EU Peace 3 Programme, and the Comers programme for individual artists). A Trustee of the Wildfowl and Wetlands Trust, a recipient of EU funding, she had now returned to that role at the conclusion of the Referendum.

2.3 In relation to the March Northern Ireland Assembly election, AC reported that her sister was Head of BBC News in Northern Ireland.

2.4 DH in 2008 drafted and put forward in parliament an amendment to the then European Union (Amendment) Bill, proposing an EU referendum in the terms ‘Should the United Kingdom remain in the European Union?’

2.5 DH had stood for election on a manifesto supporting an in-out referendum on the European Union.

2.6 DH was a council member of Justice, an organisation which had in the past received EU funding.

2.7 DH reported that the European Parliament subsidised a regular annual visit by his Public Policy students to Brussels.

2.8 DH declared that he had been awarded a research grant of over €40,000 from the European Parliament.

2.9 JRH was a member of the pro-Europe Conservative Europe Group, the parliamentary group Conservative European Mainstream, and of the all-party parliamentary group on Reform, Decentralisation and Devolution Group, chaired by Lord Foulkes.
2.10 TH, as a function of his role as CEO of the Occupational Pensions Regulatory Authority (OPRA) and its successor body the Pensions Regulator (TPR), had been a UK representative on the Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS) from 2003-2010. He chaired its Occupational Pensions committee from 2007 – 2009 and was a member of its managing board from 2009-2010.

2.11 (CEIOPS was a “level 3” committee within the Lamfalussy process of the EU. It provided advice to the European Commission, in respect of insurance and occupational pensions, on the drafting of implementation measures for framework directives and regulations and facilitated supervisory standards, guidelines and convergence in the application of regulations as well as promoting cooperation between supervisors.)

2.12 TH, as a Director of PAN Trustees Ltd, declared that clients of PAN Trustees Ltd for Independent Trustee services included the Defined Benefit Pension and Life Assurance Plan for London-based staff of the European Commission (but TH was not involved in the provision of any such services to that scheme).

3a Minutes of 24 May 2017 (EC 42/17)

Agreed: That the minutes of the Commission Board meeting held on 24 May 2017 be approved as an accurate record and the Chair be authorised to sign them.

3b Decision-Action tracker (EC 43/17)

Noted

4 Update from Chief Executive for June (EC 44/17)

4.1 It was noted that the elections had been well-run and the Board again thanked the whole team for their achievement in making sure this happened.

4.2 The results of the 2016 Cabinet Office electoral registration canvas pilots, paras 2.1-2.2, were noted with interest. The first meeting of the Modernising Electoral Registration Programme Board since the UK general election would take place the following week. In response to a question, the Board heard that the focus of our evaluation of the pilots was on the outcome (namely the impact on levels of additions and deletions, which
acted as a proxy for accuracy and completeness of the register) whereas the Cabinet Office was more likely to lead on cost.

4.3 RP drew attention to the Scottish National Party’s manifesto support for our call for increasing our political finance sanctioning powers - para 4.2 - including their mention of possible figures, something which we ourselves had not done so far.

4.4 On the Principles for Political Finance Rules - para 4.3 - RP noted that following the work of the Reference Group and further refinement by staff, these would be used internally for the next year or so, and examples of their use be drawn to the Board’s attention. The principles would be brought back to the Board for review after we had had an opportunity to see how they worked in practice, to consider their possible uses and further changes. It was agreed that in the immediate term, once finalised for internal use, a process that was happening now, they would be circulated to the Board.

4.5 On donations, spending and loans - paras 5.1 – 5.8 - a question was asked about whether we could de-register a party for late submission of their accounts. We could not do that, but RP added that we were looking at taking a more proactive stance in relation to parties’ compliance with their duty to lodge with us a constitution and to adopt a financial scheme.

4.6 AC reported that in Northern Ireland polls had gone smoothly, noting that there had been a significant rise in the number of proxy votes which had given rise to comment and allegations. Virginia McVea, the Chief Electoral Officer Northern Ireland (CEONI), had had fewer than 20 instances referred to her which might in turn be referred to the police. She would conduct a review at the conclusion of any investigations.

4.7 Work continued on consultation by the Northern Ireland Office on a draft Order to introduce transparency in the reporting of donations and loans in Northern Ireland.

4.8 Commission projects - paras 5.15 – 5.18 - were now to be reviewed in the light of the outcome of the general election, the new Government’s priorities, and the medium term political landscape. The Executive Team would aim for a practical, flexible programme of work which could continue with as little loss of impetus as possible, while being focussed and achievable across the five years of the plan.

4.9 At the same time, work continued as usual to review and monitor the directorate-level operational plans, while assessing the inter-dependencies between projects, and the impact of projects on business as usual.

4.10 In terms of any significant decisions, the Board would continue to be the body responsible for strategic decision-making and staff would identify those projects best suited for Reference Group input (with Commissioner
members) so that the Board could have some idea of the topics and timing of opportunities for involvement. The chart of projects would be appended to the Chief Executive’s Update for the Board’s information and oversight.

Agreed: That the Principles for Political Finance Rules be circulated to the Board once finalised.

5 Chair’s and Chief Executive’s meetings (EC 45/17)

5.1 In addition to the meetings noted, CB had the previous week attended a conference in the Hague on cyber-security. She summarised the main points and undertook to circulate to Commissioners the more detailed blog she had posted on Skynet.

5.2 There followed a discussion on the UK’s vulnerabilities (or lack of them) in this regard, and it was agreed this should be a topic for one of the forthcoming Commissioner days.

5.3 JEH mentioned a Four Countries meeting (between the Electoral Commissions of Australia, New Zealand, Canada and ourselves) due to take place in July, and undertook to circulate a report on the risk of cyber-attack just produced by the Canadian Commission.

Agreed: That:
(a) CB’s blog on the Hague conference on cyber-security in mid-June be circulated to Commissioners for information, together with a report of the Canadian Government on cyber-attacks; and
(b) Cyber-security be the subject of one of the forthcoming Commissioner days.

6 Post- polls immediate reflections on UKPGE (oral and slide presentation, EC 46/17)

6.1 Al presented a brief slide presentation, saved with Board papers, which gave the headlines and initial conclusions from the 8 June UK Parliamentary General Election.

6.2 Slide one covered turnout (which at 68.7% was the highest general election turnout since 1997). Early pre-poll survey figures showed that the age profile of voters appeared to have changed, with more 18-24 year olds turning out to vote. However, sound statistical information could only really be gleaned from the British Election Survey, which took time to conduct and would not be available until late this year. Al also noted that the Commission was currently undertaking its own post-poll public opinion research.
6.3 There were few issues of note (slide 4), with the exception of Plymouth and Newcastle-under-Lyme where there were a number of reported issues connected with registration, voting, and counting. Independent reviews would be carried out in each area, and we were working with the local authorities on the terms of reference. There would also be a decision to be made, depending on the outcome of each review, on whether to recommend to the Secretary of State that he should with-hold all or part of the Returning Officer’s fee in each case. This would be the first time we would test the process for using this statutory power.

6.4 The Commission’s registration campaigns had been very successful, but duplicate registrations had once again been at a very high volume and had had an enormous impact on local authorities and their limited resources. We were working with SOLACE and the AEA as a major part of our post-polls work on how best to make the case for change.

6.5 Postal votes and the difficulty of turning them round within the current time constraints was once again an issue, particularly for overseas and service voters.

6.6 Two areas which had attracted media coverage were alleged double voting by students, and the increase in proxy votes in Northern Ireland. Discussion took place on the arrangement of electoral registers in the UK which made detection of whether someone had voted more than once very difficult.

6.7 Considerable preparations had gone into security of the polls, both cyber and physical, with a successful and unprecedented level of co-ordination with the government.

6.8 There had been no major issues in Scotland and the established process between the Electoral Management Board, Returning Officers and input from the Commission where called for, had worked well. In Wales the process had been similarly smooth, and the informal Wales Electoral Coordination Board had proved very helpful to all. (ECS commented on the volume of public enquiries answered in the Cardiff Office, and the impressive quality of call handling. Regional and devolved teams, as well as the regulatory hot-lines and the public information team had all dealt with very high call volumes, at times to the limits of our capacity). In Northern Ireland AC commented that although the CEONI had only taken up post on 1 February, she had been faced with both an unexpected Assembly election, and a snap general election in quick succession. She had risen to the challenge, as shown by the evidence that the polls had been well run.

6.9 On the regulatory side of political finance and regulation (slide 5), RP said by way of overview that our increasingly pro-active, ‘no surprises’ approach of engaging with parties, non-party campaigners and candidates and agents had generally been welcomed and productive, and helped us meet the challenge of the snap election, even though the regulatory work for the 2015 UKPGE had just concluded.
6.10 Some of that 2015 work, together with lessons from these elections, would contribute to post-poll assurance work on use of social media (costs, targeting of campaigning, and the split between PPERA/RPA spending), spending returns (contents, how compiled), tactical voting, digital campaigning (how targeted and monitored, rather than the content), and company donations. CB added that we were in discussion with the Information Commissioner’s Office on work to examine how parties used data.

6.11 JEH suggested that in due course social media in elections be scheduled as the topic for one of the informal Commissioner days, with the proviso that it would need an appropriate focus relevant to our remit.

6.12 LE gave a more detailed flavour of the considerable pre-poll work for regulatory staff, including:

- party registration (a number of applications in the lead up to the close of nominations) and non-party campaigner registration (45 had been registered during the campaign, often as a result of our monitoring work and approaching them about the rules and the need to register)
- weekly pre-poll reporting of parties up to the election, something which attracted media interest
- continuous campaign monitoring to identify and act on regulatory issues and help real-time regulation. Campaign monitoring information would also be used post-poll to examine spending returns submitted in the coming months
- information bulletins issued to parties and non-party campaigners during the campaign to identify issues, offer advice, and remind people of deadlines
- contacting parties and campaigners to discuss potential issues with them, and inviting them to share spending decisions with us for better regulation and transparency
- advice to both non-party campaigners and at constituency level to parties on potential regulatory issues around tactical voting
- the issue of a ‘two-weeks-to-go’ letter to campaigners, with a focus on splitting expenditure and marginal seats

6.13 Looking ahead, there were three sets of spending returns to be processed: candidate returns; campaign returns - those spending under £250,000 (due in by 8 September), and those above £250,000 (due in by 8 December). Publication would take place approximately eight to ten weeks after receipt, following which the returns could be checked for any issues.

6.14 Overall, RP considered that little novel or unusual seemed to have emerged from the campaign so far, and commented on the better understanding and willingness to engage with us on the part of stakeholders,
especially political parties, where he had found levels of co-operation encouraging.

6.15 Meanwhile, RP had attended a briefing for new MPs at the House of Commons to explain how our rules worked and the regime which applied to them, inviting them to contact us for advice.

6.16 Lastly, TH1 outlined the next steps (slide 6) for our post poll reporting. Rather than the previous style of long general reporting, we would move towards a number of smaller, more streamlined, thematic reports. The first of these, to be published before the summer recess, would focus on registration and on making sure EROs had the tools they needed to improve electoral registration levels and deliver a more cost effective registration process. The report would make recommendations on:

- Reducing the administrative burden of processing duplicate registration applications
- Integrating electoral registration applications with other public service transactions
- Sharing national data on changes of address to enable EROs to target their activity more effectively
- Investigating the feasibility of direct or automatic registration, particularly for young electors
- Implementing online electoral registration for electors in Northern Ireland

6.17 Commissioner readers for these would be sought in the next two to three weeks.

6.18 Further work on electoral fraud and polling station ID would be considered in the light of findings from this general election, manifesto commitments and the new Government’s programme. Any proposed change to our policy or direction would be brought back for the Board’s consideration.

Agreed: That:-
(a) The immediate post-poll reflections be welcomed, and noted, together with the work that would flow from it;
(b) It be noted that Commissioner readers for the first of the election reports would be sought for input now and over the summer; and
(c) The subject of campaigning and social media be scheduled for a Commissioner day, in due course, in the wake of the post-poll assurance work being carried out (referred to at 6.9 above).
7 Accountability to Scottish Parliament and National Assembly for Wales - proposals (EC 47/17)

7.1 AON and RT introduced the paper. While it dealt primarily with the funding issues it was acknowledged that discussions with the Parliament and Assembly would also touch on approaches for relevant policy scrutiny. The process would require careful and sensitive communication between the various stakeholders. Discussion was brief, with a consensus that the proposed approaches to the next steps were the appropriate ones.

Agreed: That:-

(a) The principles to underpin our discussions with the Scottish Parliament and the National Assembly of Wales in relation to the establishment of accounting structures to the legislatures be agreed, namely that they should:
   • Be independent of any government department;
   • Report directly to the legislature
   • Be chaired by a non-party representative (a Presiding Officer or Deputy Presiding Officer);

(b) The development of resource allocation models to inform the submission of Estimates to the SP and NAW be noted; and

(c) The Further Devolution Reference Group meet to assist in the development of this work.

8 Audit Committee Annual Report (EC 48/17)

8.1 DP, Independent Advisor and Chair of the Audit Committee, introduced the Committee’s report to the Board which accompanied the Annual Report and Accounts. The Report also provided positive assurance to the Board of the governance arrangements and systems in place in the organisation. He reported that at the previous day’s Audit Committee the auditors had praised the Commission (Mazars the internal auditors giving their highest category, and the NAO for their part recommending an unqualified audit opinion).

8.2 He mentioned the recent telephony fraud, and the Committee’s satisfaction at the speed and appropriateness of response, measures taken for future protection, and the fact that there was no financial loss. CB explained the background to the incident, which had been reported fully to the Audit Committee the previous day.

8.3 SB commented as a relatively new member of the Committee on her impression of the soundness of the control environment at the Commission.

Official
8.4 In response to a question, it was explained that it was difficult to assert definitively the absence of whistleblowing incidents during the year, because organisations that investigated them were often reluctant to disclose information, but management were confident there had been none.

8.5 The Audit Committee considered the organisation’s strategic risk at every meeting, and would consider all tiers of risk (ie operational/directorate risk and horizon scanning) in at least two out of three meetings each year. Katy Thomas, Acting Head of Strategic Planning and Resourcing, would take over risk from Phil Tucker, the outgoing Head of ICT.

Agreed: That the report be noted and the committee and Dean Parker be thanked for their work.

9 Remuneration and Human Resources Committee Annual Report (EC 49/17)

9.1 AC introduced the report and said that after an unstable year there was now a Head of HR in post and she looked forward to the Committee being able to make progress in 2017-18.

Noted.

10 2016-17 Resource Accounts and Annual Report (EC 50/17)

10.1 CH introduced the Annual Report and Accounts, outlining current matters outstanding, namely, one remaining Policy Development Grant (PDG) audit on 23 June to be completed which would then be written up and considered by the NAO. That would allow the NAO to finalise their Completion Report. It had also emerged that two other recipients of PDGs had under- claimed their grants, necessitating an adjustment to various figures, including the under-spend. Finally, there were a number of small amendments to be made to the Governance Statement.

10.2 While every effort would be made to complete these final points, and complete the Welsh translation to lay the accounts before the Parliamentary summer recess, it would be a very tight timetable. However, delay to the autumn would mean yet a further revision of the figures to reflect shifts caused by EU Referendum payments, so every effort would be made to meet the summer date.
10.3 The NAO was to do an additional piece of work in the autumn on the EU Referendum fees and charges, and costs.

10.4 On the text of the Annual Report it was suggested that the importance of the Law Commissions’ review work should be drawn out further.

10.5 There was brief discussion of various other points, including tone and the possible inclusion of forthcoming or recent developments. It was agreed that overall the tone of the draft was appropriate for the publication, and that every effort should be made to confine the contents to the period to 31 March, resisting as far as possible ideas of stretching it beyond that.

**Agreed:** That the Annual Report and Accounts 2016-17 be approved, subject to final NAO approval, ready to be signed by the Accounting Officer and submitted to the Comptroller and Auditor General for certification, after which the audited Report and Accounts 2016-17 would be laid before the House of Commons and the House of Lords.

11 Commissioner wash-up (Commissioners only)

The meeting ended at 12.30 pm.

__________________________________Chair