Agenda Item no. 3(a)

Minutes of the meeting of the Electoral Commission held on Wednesday 6 December 2017 at 9.30 am

Present: Sir John Holmes (JEH) Chair
Sue Bruce (SB)
Anna Carragher (AC)
Elan Closs Stephens (ECS) (by v/c)
Tony Hobman (TH)
John Horam (JRH)
David Howarth (DH)
Alasdair Morgan (AM)
Bridget Prentice (BP)
Rob Vincent (RV)

In attendance: Claire Bassett (CB)
Carolyn Hughes (CH)
Ailsa Irvine (AI)
Robert Posner (RP)
Craig Westwood (CW)
Kairen Zonena (KZ)
Louise Footner (LF)
Tom Hawthorn (TH1) – items 4-6, and 8
Phil Thompson (PT) – items 4, 6 and 8
Louise Edwards (LE) – items 4, and 8
Kate Engles (KE) – items 4 and 8
Carol Sweetenham (CS) – items 4 -6
Melanie Davidson (MD) – item 6
Katie Hamilton (KH) – item 6
Rupert Grist (RG) – item 6
David Hampson (DH1) – item 6
Sheilja Shah (SS) – item 4
Katy Thomas (KT) – items 7 - 10
Josh Dunne (JD) – item 8
Polly Wicks (PW) – items 7 - 9
Anthony Kawesha (AK) – item 9
1    Apologies

None.

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 Corners
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    DH declared that he had been at university with Jon Lansman, but had
no current contact with him.

2.10   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.

2.11   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.
2.12 (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.)

2.13 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 13 September 2017 (EC 62/17)

Agreed: That the minutes of the Commission Board meeting held on 13 September 2017 be approved as an accurate record and the Chair be authorised to sign them.

3b Notes of the informal Commissioners’ day on 18 October 2017 (EC 63/17)

Agreed: That the notes of the informal Commissioners’ day on 18 October 2017 be approved as an accurate record.

4 Social media and campaigning update (oral)

4.1 RP and LE introduced the item. RP focussed on the external context; the internal context; and our role. LE’s focus set out in more detail the issues we were addressing, and how. Both also addressed our plans. In general, the intention was to be open and transparent about what we were doing wherever we could be.

4.2 It was noted that a number of investigations were under way, together with a legal challenge against us, on which the Board were briefly updated. The Board was reminded of the need to treat the information in strict confidence and to continue to maintain high levels of information security and awareness.

4.3 The Board would be kept updated on progress.
Noted.

5 Planning for Brexit (EC 64/17)

5.1 AI and RP outlined the work being done with Cabinet Office, the complex intersection of dates for Brexit and the timetable for the European elections in 2019, and the possibility of legal challenge from various directions.

5.2 Discussion touched on our handling of this, which was to plan sufficiently to manage the risk, combined with identifying potential costs and ring-fencing them, as an act of prudence, making this approach very clear in submissions and foreshadowing a potential requirement for a supplementary estimate at some point.

Noted.

6 Findings and recommendations from electoral fraud project (EC 65/17)

6.1 CW introduced the paper, which he said had been a good collaborative exercise, and an illustration of the new project structure at work. In broad terms, the recommendations on the next phase of the project had been approached by considering available resources, the needs of stakeholders, and how best to prioritise work in the light of the first two.

6.2 PT said the headline findings were that stakeholders viewed us positively, there was good work being done with and by local authority staff, and better engagement between them and the police than when we last looked closely at this area in 2009.

6.3 Recommendations included maximising what we were already doing and proposing some new activities. The recommendations did not include any reference to research past and future, which had been discussed at the October Commissioners’ day. This was in part because pilots on postal and proxy voting (one covering a whole local authority, and the other covering four wards), as well as the planned voter ID pilots, would provide material to be evaluated. That, together with the current work managing risk and promoting good practice, would help inform the direction of future work. Implementation of the package of recommendations would be monitored through the existing project – IP2.

6.4 AI noted that work to prevent and tackle fraud would be undertaken at the May elections, looking at all the 150 local authorities having polls and not just those previously identified as being high risk.

6.5 During discussion it was suggested that we should also:
- Develop a medium term research strategy which could include eg the very specific local circumstances and risk factors which may lead to fraud, get a better understanding of what they are (by talking to local community leaders as well as electoral administrators) and what 'insider risk' looked like

- Use that research strategy to develop a broader risk context (ie collating other studies and sources of information about higher risk factors and areas for committing crime, including any demographic profiling or indicators adopted by other regulators or government departments managing the risk of fraud) - our role might be to convene and facilitate rather than to conduct

- Continue to target our public awareness at the under-represented groups, and those groups at greater risk of becoming victims of fraud (women without English as a first language) with a stronger anti-fraud message rather than simply a concentration on how to cast your vote

- Be alert to the possibility that the wording of recommendation (j) could be misinterpreted, and be careful about how we went about any criticism of the police.

6.6 We were alert to the need to support new or inexperienced Returning Officers through various means, as part of our continuing operational work. We were also considering what structures would replace those of the Regional RO structure based on the European electoral regions. It was noted that the Electoral Management Board in Scotland and Electoral Coordination Board in Wales were of great value, but the more diverse conditions made it challenging to create a similar structure across the whole of England. There were regional arrangements that could work, though, and development of those would be supported, with alternative solutions explored for other parts of England as appropriate.

6.7 CB suggested that any research strategy should be developed following evaluation of the May 2018 pilots.

**Agreed:** That in accordance with the fraud review findings and recommendations, we:-

(a) improve the risk monitoring of Returning Officers (ROs) and Electoral Registration Officers (EROs);
(b) facilitate the sharing of good practice in the prevention and detection of fraud;
(c) review our guidance for ROs and EROs to ensure it is as comprehensive and robust as it can be;
(d) identify vehicle(s) for additional regional/national coordination within England;
(e) put in place specific plans for engagement with new ROs and EROs
(f) engage more regularly and proactively with the political parties on fraud issues;
(g) proactively position ourselves as a direct conduit between ROs and national political parties;
(h) ensure there is a clear programme of engagement with the parties
(i) produce shareable public awareness resources for ROs/EROs
(j) be prepared to be more critical of police forces where we believe a particular investigation or their overall approach is not up to standard;
(k) develop our guidance for the police to include additional elements, such as the impact of cyber threats;
(l) Be more systematic in reporting and communicating our views on fraud; and
(m) Additional to the Board paper, a research strategy be developed after the evaluation of the May 2018 voter ID pilots had been completed, and brought back to the Board later in 2018. Such a strategy could also cover areas other than fraud.

7 Steering Group proposals for Commissioner engagement (EC 66/17)

7.1 CB explained that steering groups were designed to give a better overview of projects and areas of our work now we no longer had programme boards. Changes would mean less bureaucracy, and provided a space for discursive exchange between staff and Commissioners. The Executive Team would continue to be the overall management board and decision-maker for project governance. The Board would receive performance reports with a breakdown of the projects and their progress, with any exceptions such as significant changes in project, or gateway reviews, or slippage, being reported as well.

7.2 In relation to which steering group Commissioners might opt to join if they had a specific interest in a particular project or theme of work, it was acknowledged that cross-cutting projects with interdependencies across the project portfolio, like ID5: Cyber Security, may be referred to more than one Steering Group during their lifecycle. Directors would ensure continuity between the steering groups in oversight of those cross-cutting projects.

7.3 It was suggested that attendance might be flexible over time, to enable different people to benefit from the experience.

Agreed: That:-

(a) Commissioner involvement in the new steering groups be agreed as set out in the paper (namely, one Commissioner for each of Modernising Elections Steering Group, Modernising Registration Steering Group,
Regulatory Steering Group – not a nominated Commissioner, and Digital and Infrastructure Steering Group); and,

(b) Commissioners be invited to nominate themselves to Katy Thomas for those that interest them, after which places could be allocated in consultation with the Chief Executive and Chair and Commissioners advised accordingly.

8 Chief Executive’s Update for December (EC 67/17)

8.1 CB introduced the Update which was moving towards a new format and would eventually be more closely aligned with the quarterly performance report. It would also have a greater focus on the broad themes, and the key concerns and issues on Directors’ horizons.

8.2 In addition to her own introductory section in the paper, CB added that continued contingency planning for possible elections and referendums or a combination of the two, combined with project work, and the investigations from past electoral events, all contributed to considerable pressure on the organisation. However it was currently managing this well. This would limit the capacity to take on additional work.

8.3 On election reporting, the shorter, punchier themed reports this year had been broadly successful but we would continue to review the way we produced our election reports. In relation to the Standing for Office report it was noted inter alia that further information about all the Commission’s recommendations was being assembled and would be presented to the Board during 2018.

8.4 On processing of EU Referendum fees and charges (para 1.18), the main blockage was with the process for approving overspends (ie by Treasury and Cabinet Office) and we were involved in actively helping to manage this. It was hoped to complete the claims by January.

8.5 RP touched on a registration matter, some investigations and ongoing legal challenges.

8.6 RP drew the Board’s attention to Policy Development Grants (paragraphs 3.1-3.5). The UKPGE in June 2017 meant that changes to the number of seats held by some parties (the Ulster Unionist Party and Social Democratic and Labour Party) led to them being no longer eligible to receive a PDG next year and the Commission was under a duty to write to the Secretary of State to recommend their removal from the Scheme. The Board was content with the proposed approach.

8.7 AC said the laying of the Northern Ireland Donations and Loans Transparency Order 2018 in Parliament had been extremely well received and
she thanked all the staff who had worked so hard towards this. The political position in Northern Ireland continued to be very uncertain, and much of the usual business of government was to some extent stalled.

8.8 SB reported that the Scottish Advisory Group had met and discussed the report on the Scottish elections, and how to increase participation. There had also been discussion with the Scottish Government, and it was hoped that their consultation on the future of elections in Scotland would be published shortly.

8.9 ECS had had a series of meetings with Parliamentarians during November, in which the question of Welsh translation costs being counted as a necessary element of candidate expenditure was raised.

8.10 TH queried whether a notional cost for people and infrastructure would be added to projects and CB said that we would move towards it, although realistically not before late 2018.

Agreed: That a letter be sent to the Secretary of State in accordance with our duty to recommend a change to the Policy Development Grant Scheme, as set out at paragraphs 3.1 to 3.5 of the paper, and that it be noted that the Scheme was due to come back to the Board for review later in 2018.

9 Quarter 2 Performance and Finance Report (EC 68/17)

9.1 Staff turnover (pp 15-17) and the reasons for it were discussed.

Noted.

10 Forward Plan of Board business 2017-19 (EC 69/17)

10.1 RV hoped that the Commissioner Days would start to pick up topics from the projects, and some of the higher level or slightly longer term work that was being considered (for example research strategy). He commented on the value of research being able to inform opinion, and not always having to lead it.

10.2 CB suggested that this should be reviewed in the light of the review of policy positions and recommendations referred to at 8.3 above.

Noted.
11 Draft minutes of the Audit Committee meeting on 17 October 2017 (EC 70/17)

11.1 TH gave a brief commentary on the issues under the minutes, which led to a further brief discussion on risk appetite, and the versatility of risk appetite (appropriately varied according to the particular circumstances and settings). It was noted that while the Board was continually part of a risk appetite conversation in relation to our approach to certain aspects of our work, there was a desire for the Board to discuss its approach to risk appetite in a more focussed way. It was included in the Forward Plan.

Noted.

12 Decision-tracker for December (EC 71/17)

12.1 The Devolution Reference Group would now meet on 23 January, using the spot vacated by the now cancelled Audit Committee.

Noted.

13 Chair and Chief Executive’s meetings, and meetings in Devolved Legislatures (EC 72/17))

13.1 AC had wrongly been given as present at some meetings, when she was not.

13.2 The issue of Voter ID pilots was touched on.

Noted.

Tony Hobman

Tony Hobman’s term of office ended on 31 December. The Chair on behalf of the Board thanked him for his work on the Board during his eight years as an Electoral Commissioner, and for bringing his particular set of skills for the benefit of both the Board and the Audit Committee. The Chair wished Tony well for the future.

Tony thanked the Chair and the Board, said he would leave the organisation with a great regard for it, and looked forward to following further developments.
14 Commissioner wash-up (Commissioners only)
The meeting ended at 12.40 pm.

____________________________________Chair