Y Comisiwn Etholiadol
The Electoral Commission

David Rees MS
Chair, Llywydd's Committee
Senedd Cymru
Cardiff
CF99 1NA

29 September 2025

Dear Chair,

Electoral Commission Annual Estimate for 2026-27

We are pleased to enclose the Electoral Commission's Annual Estimate for the 2026-27 financial year for consideration by your Committee. This includes apportioned core business, direct event costs and our Corporate Plan project work, totalling £3.609m. This is slightly below the projected figure of £3.9m which we included in the UK Corporate Plan 2025-30 discussed with you and your Committee last year.

This letter describes how we have calculated our Estimate, and we look forward to discussing it with you on the 6 November. We have considered the Committee's previous feedback on presentation and trust that this format provides additional clarity on allocation of core business versus direct event costs, and variance.

Please contact Rhydian Thomas, Head of the Electoral Commission, Wales if we can help before that meeting.

Yours sincerely,

Professor Dame Elan Closs Stephens CBE

Electoral Commissioner, Wales

Vijay Rangarajan

Chief Executive and Accounting Officer

Y Comisiwn Etholiadol
Llawr 3
James William House
9 Museum Place
Caerdydd CF10 3BD

The Electoral Commission
Floor 3
James William House
9 Museum Place
Cardiff CF10 3BD

Ffôn/Tel: 0333 103 1929
infowales@electoralcommission.org.uk
gwybodaeth@comisiwnetholiadol.org.uk
electoralcommission.org.uk

1 Contents

1. **Financial overview** 3
2. **Key investment drivers** 6
3. **Corporate Planning** 10
4. **Measuring performance** 11
5. **Value for money** 12

1. Financial overview

Fig. 1 – Budget comparison 2025-26 – 2026-27

Wales	2025-2026 £k	2026-2027 £k	Variance
Core	£1,315	£1,443	£127k
Event	£1,216	£1,860	£644k
Corporate Plan	£211	£306	£95k
Total	**£2,742**	**£3,609**	**£867k**

Core costs

The 2026-27 estimate for core costs attributable to the Senedd (calculated using the 4.6% population share) is £1,443k.

This is a 9.7% increase compared to 2025-26, driven by the increased number of staff working on UK-wide issues as set out in our UK Corporate Plan, such as mis and disinformation, voter information, and candidate abuse and intimidation. Much of this work will benefit the May 26 elections and work thereafter. Despite a post UKPGE boost in electoral confidence, our Annual Public Attitudes survey revealed that just 30% of the public in Wales are satisfied with the way democracy works in the UK and concerns about the integrity of elections remain.

Event costs

The 2026-27 estimate for event costs attributable to the Senedd is **£1,860k (53.0% increase)**.

The focus of the Commission's work in Wales is to effectively support the delivery of the Senedd election in 2026 and the Local Government elections in 2027. Further detail about those budget lines where there is an increase are below (figures included combine event and core costs in each work area).

Corporate Plan costs

The 2026-27 estimate for costs attributable to the Senedd for relevant activity in the second year of the Corporate Plan is **£306k**. A report on progress on the Corporate Plan is included in section 3.

Automatic Voter Registration

As the implementation of automatic voter registration (AVR) in Wales for the May 2027 local elections is not yet confirmed, nor the form it will take, we have not included figures in this estimate to cover any potential associated costs. When this policy has been clarified by Welsh Government, and in particular how it will interact with any UK-wide AVR system later, we should be able to assess the impact and will return to the Committee with a supplementary bid if required.

Strategic frameworks

This Estimate is underpinned by our five-year Wales Corporate Plan on devolved Welsh functions. The current plan runs from 2022-23 to 2026-27. A new Welsh Corporate Plan will be drafted, consulted on and laid following the 2026 Senedd election.

Our aim remains to play our part to ensure the resilience of the electoral system and build a stronger Electoral Commission to achieve that. Our strategic framework reflects the differing requirements of the Parliaments who fund us, but many of the overarching themes in each plan are consistent.

Our work programme in the financial year 2026-27 covers two electoral events in Wales - the Senedd election in May 2026 and the Local Government elections in 2027. These events mean that the budget estimate for 2026-27 represents a peak, but the figures will reduce again in the following years when there are no elections.

The main driver for an increase in our core costs in 2026-27 (£60k) is costs associated with growing the Commission. There is also an increase in the Senedd's contribution towards the second year of the UK Corporate Plan where we will see an expansion of the work, a larger proportion of roles in place and projects in full operation.

The figure for 2026-27 is 7% lower than the figure in the UK Corporate Plan we published last year. This is due in part to reductions we have made to the expected event costs for both sets of elections as specific requirements have become clearer, some projects changing funding stream and some smaller projects being superseded. Our estimate follows the Statement of Funding Principles noted in 2021 by each of the three funding bodies which requires that the directly attributable costs of elections, and of other separately identifiable activities under the powers of each legislature, should be funded by that body, while expenditure that is not directly attributable is to be shared on a population basis in each nation.

The funding formula for the estimate has been adjusted year-on-year to more accurately reflect the population sizes of each of the three parliaments using ONS data. The Commission's core costs for shared activity – such as the ongoing support to voters, administrators and the regulated community, as well as the corporate costs necessary for the operation of the Commission – are allocated on a formula based on population

estimates using ONS population statistics. The allocation to Wales is 4.6%, with 8.1% allocated to Scotland and 87.3% allocated to Westminster. Where there is a specific demand for additional work solely impacting Welsh stakeholders, i.e. the May 2026 and 2027 elections, these costs are 100% allocated to the devolved parliament under event costs.

2. Key investment drivers

Below is an explanation of the key investment drivers for our activity to support the delivery of a well-run Senedd election in 2026 and Local Government elections in Wales in May 2027. This is analysed according to the budget lines in the Estimate table. All figures below include the Committee's contribution to both the core and event costs in each area of activity.

Devolution Governance and law [£133k – 8k increase]

Wales [£48k – 9k increase]

- The Commission's Wales Team will manage programmes of work to engage with stakeholders from across the electoral community. In 2026-27 this will include providing advice, guidance and support to Returning Officers /Electoral Registration Officers (ROs/EROs), the Electoral Management Board, parties, candidates and agents and police force Single Points of Contact.
- The team will also support the implementation of further legislative changes from the Welsh Government's programme of electoral reform in Wales, including the introduction of a Bill to strengthen member accountability in the Senedd and updates to the local election rules ahead of the May 2027 elections.
- We will support the integrated bilingual voter registration and information campaign ahead of the May 2027 elections and continue to run a bilingual programme of voter engagement and education work with young people, under-registered and disengaged groups.
- We continue to manage the Commission's Welsh Translation Unit, ensuring all relevant material is translated into Welsh and continuing to comply with Welsh Language Standards set by the Welsh Language Commissioner.
- Increased investment in the Wales office for 2026-27 will enable us to recruit two new staff members to support development of the Wales Corporate Plan and associated schemes of work.

Legal [£59k - £5k increase]

- The Commission's legal team will continue to advise on proposals for electoral reform in Wales in 2026-27, as well as providing general and on-going legal advice on Welsh legislation and support of the Commission's functions as they relate to Wales (including registration, regulation, policy, electoral administration, governance and compliance with Welsh Language Standards).
- In 2026/27 the external legal advice and support budget has been increased slightly in line with inflation.

Communications policy and research [£2080k - £655k increase]

Campaigns and Corporate Identity [£1708k – £596k increase]

- Our campaigns budget peaks in 2026-27 as it covers the costs of the second year of the registration campaign for the 2026 Senedd election and year one campaign costs for the Local Government Elections in 2027.
- Senedd election campaign costs include advertising from 1 April 2026 to the registration deadline on 20 April and post-campaign tracking research to help us evaluate our campaign performance
- Part one of the May 2027 local election cost includes producing/updating the campaign creative, advertising costs up to 31 March 2027, pre-campaign tracking research to establish baseline data, and voter information resources such as posters and social media graphics.
- The budget also covers the costs of any necessary changes to voter-facing forms throughout the financial year due to legislative change.

Digital communication and voter engagement [£184k - £13k increase on 2025-26]

- We will continue to deliver a detailed programme of education work in 2026-27. This will include our Youth Voice programme delivered by Children in Wales, digitising our teacher and youth practitioner training and developing education resources.
- We will continue to deliver projects supporting under-registered groups ahead of the 2027 Local Government elections, including foreign nationals. We will make further improvements to our resources for voters with accessibility needs and provide support to voters who register anonymously. We will adapt this work to account for automatic registration if required.
- The Digital Communications team will develop and maintain our bilingual website, digital tools, and social media channels. There will be a greater focus on producing content for Wales and in Welsh language ahead of May 2026 elections and support for teams across the Commission to publish information in English and Welsh for our stakeholders, including voters, electoral administrators and campaigners.

External communication [£74k- £8k increase on 2025-26]

- The External Communications team will provide media relations and public affairs support to the Wales team ahead of the 2026 and 2027 elections and respond to legislation arising from the Government’s electoral reform programme.
- The increase in cost is driven by hiring temporary bilingual public information staff based in the Cardiff office to provide support and guidance to voters via phone and email ahead of the 2026 and 2027 elections.

Research [£74k - £34k increase on 2025-26]

- This budget covers the cost of gathering evidence and data from voters, candidates and campaigners and electoral administrators to inform the report we will make on the Senedd elections. The report will consider the impact of changes to the electoral voting system as well as making specific recommendations for wider improvements to elections.

- We will also undertake regular research activities including our annual public opinion tracker survey, and our survey of children and young people's attitudes to democracy and politics.

Policy [£39k - £4k increase on 2025-26]

- This represents the Committee's share of policy activities, including work to support the Welsh Government and Senedd to consider new policy proposals and legislation arising from the UK Government's electoral reform programme including planned pilot schemes of electoral registration without application for reserved elections.

Electoral Administration and Regulation [£222k - £17k increase]

Registration Compliance [£59k - £11k increase on 2025-26]

- This covers our work relating to the statutory financial reporting required by registered political parties in Wales. This includes our quarterly donation and loans reports, and annual Statement of Accounts submission. It also represents that share of the costs relating to the annual renewal of registered party details and any changes to registration details made throughout the year.

Regulatory Action & Enforcement [£61k - £5k increase on 2025-26]

- This covers the costs that are associated with compliance and enforcement work arising from parties and campaigners in Wales. This includes monitoring the campaign activity of parties and campaigners in Wales. Our monitoring work helps us to identify campaigners who may need our support to come into compliance. It also supports our intervention and enforcement work, if it is required.
- We will use the Senedd Parties Panel to engage with the larger political parties represented in the Senedd to support them and their candidates in the best way possible to deal with the growing challenges they face. We will also continue to engage with smaller parties in Wales and independent candidates providing advice and guidance tailored to Welsh needs, publication of details of donations, loans and annual party accounts and monitoring and enforcement of compliance with political finance law.

Regulatory support [£46k - £4k increase on 2025-26]

- This represents the costs associated with developing guidance for parties, candidates and agents for Welsh Local Government polls in 2027. It also includes supporting the programme of electoral reform in Wales and updating our core guidance resources in light of legislative changes or feedback. We also provide a year-round advice service to parties and campaigners which answers their queries and provides tailored and targeted support through webinars and advice surgeries. We will also deliver bespoke training packages tailored to each party. This ensures the regulated community understands the laws, their obligations and aims to support high levels of compliance.

Strengthening the Electoral Commission through investment in core functions [£868k - £91k increase]

- We continue to strengthen the Commission through investment in our staff and in resilient IT, finance and other support functions. With the Commission growing by over 50% over the course of 25-26 and 26-27, as set out in the 25-30 Corporate Plan, costs to support the Commission have grown in line with this substantive growth.
- Our additional core costs in 2026-27 cover pay increases and higher National Insurance costs; improved accommodation provision to support the growth of the organisation (in the form of higher depreciation, interest and VAT costs under IFRS16); and increased IT costs due to continued threats, inflationary pressure and growing the Commission size. Strengthening the Electoral Commission in this way will enable us to continue to deliver our regulatory, guidance, evaluation, research, campaigns and communications work to support the delivery of the May 2026 Senedd and May 2027 Local Government elections in Wales.
- We will invest in IT equipment for our staff and focus on modernising technology. We will continue to improve our IT security and ensure we maintain our cyber essentials plus certification as well as recruiting additional IT support staff.
- In Finance, we will address any gaps in capacity and capability to help the Commission meet its reporting requirements. We will also invest in procurement specialists to help drive best practices and search for efficiencies. In HR we are strengthening our team to ensure we employ the best possible candidates from across the UK, including from Wales and allow for development within the Commission.
- In addition to the figures above to support Core activities, we have £306k allocated for the UK Corporate Plan, which is £95k higher than in 2025-26. This figure is lower than previously provided, as seen in section 5, and further details on corporate plan spend are provided in section 3 below.

3. Corporate Planning

Progress on the UK Corporate Plan

Earlier this year we shared our UK Corporate Plan 2025-2030 with you setting out five strategic objectives that have an impact on elections delivered in Wales:

- Supporting voters and increasing participation
- Modernising the electoral system
- Safeguarding and protecting the system
- Leading an informed debate about the future of elections
- Strengthening the Electoral Commission

The first year of the new UK plan is well under way. We have set up a portfolio of four programmes which together represent an ambitious programme of change designed to help us deliver on these five strategic objectives:

- Legal modernisation: consideration of how electoral law might further be modernised
- Digital modernisation: we are exploring the uses of AI and machine learning to drive efficiencies as part of a wider strategy of continuous improvement. Cybersecurity sits at the heart of this work
- Thought leadership: we are investing significantly in our capacity to act as a trusted independent authority
- Systems transformation: we are investing in new financial, procurement and performance tracking systems to improve efficiency and effectiveness

This represents a significant piece of change management for the organisation. We have put in place project arrangements to help us manage that growth proactively and ensure it provides a firm basis for the further changes likely to be forthcoming in the UK Government's Electoral Reform Bill.

Next steps for Wales Corporate Plan

As mentioned previously, a new Welsh Corporate Plan will be drafted, consulted on and laid following the 2026 Senedd elections. This will very much reflect the strategic objectives of the Commission as a whole but take account of the priorities and plans of the new Welsh Government that is formed after the 2026 election. We have already begun scoping work on the Wales Corporate Plan for 2027/28 – 2031/32, which we will submit to the Llywydd's Committee with our Estimate in September 2026.

4. Measuring performance

As set out in Section 3, we have undertaken an ambitious programme of change through our UK Corporate Plan. Demonstrating the benefits of these changes and the improvements we expect to see in our efficiency and effectiveness is crucial. We have invested in our benefits tracking capacity so that these benefits are built into all our programmes and can be clearly identified.

We assess the success of our delivery in two ways. The first is through a set of Key System Indicators, both for the UK and for its constituent parts. These are annual indicators which measure the overall health of the electoral system. This is of course a system in which there are many players, both at organisational and individual level. These indicators do not measure our success as an organisation. But they provide crucial information to assess the health of the electoral system and guide future decision making.

We assess our own delivery through a range of Key Performance Indicators which are assessed at UK and national level and largely measured quarterly. We met 22 out of 25 targets in the last year. Where we did not meet our target, at least some of the variance was due to a very small number of cases where delays had a large impact on the figures. Where we have identified delivery issues in our processes, we have taken mitigating action, for example by recruiting more staff.

5. Value for money

The Commission's ability to demonstrate value for money hinges on our ability to optimise procurement practices, manage contracts efficiently, manage risks, monitor and improve performance, and make informed decisions about resource allocation through effective prioritisation, while ensuring financial and IT controls are in place and working effectively. We will seek to ensure that we are not only fulfilling our objectives but are doing so in a cost-effective and efficient manner, ultimately driving gains in public value.

Wales	26/27 New £k	26/27 5YP £k	Var £k	Var %
Core	1,443	1,391	£ 51	3.7%
Event	1,860	2,091	-£ 231	-11.1%
CP	306	395	-£ 89	-22.5%
Total	3,609	3,878	-£ 269	-6.9%

The table above highlights any movements between this Estimate and figures published recently in our five-year Corporate Plan. Following submission of the 5-year plan alongside the 25/26 budget, the Electoral Commission strives to maintain Estimates in line with the 5-year view as far as possible. As such we have delivered a budget that is 7% below previous estimates, highlighting our drive to deliver value for money. Core costs have increased, though this is in line with inflation (which was not included in the 5-year plan figures), while Event costs and Corporate Plan costs have decreased following continued review of planned items and alignment to delivering value for money.

Following lessons learnt from previous finance cycles, the rebuilt budget models have allowed for additional time for further scrutiny of the figures and numerous rounds of internal challenge to ensure costs are robust and delivering value for money, allowing us to identify savings where we can within the Commission.

Despite continued high inflationary pressure, particularly on IT spend, impacting Commission pay and non-pay costs for the past three years, we will continue to seek to mitigate inflation wherever possible. Cost as an average per member of population in Wales, within Core, has increased from **42p to 46p**, equivalent to 24-25 spending levels.