



ELECTORAL COMMISSION
Te Kaitiaki Take Kōwhiri

Statement of Intent

Electoral Commission
Te Kaitiaki Take Kōwhiri

2010 – 2013

Prepared in accordance with section 140 of the Crown Entities Act 2004 for presentation to the House of Representatives by the Minister of Justice

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Hon Simon Power
Ministry of Justice
Parliament Buildings
Wellington

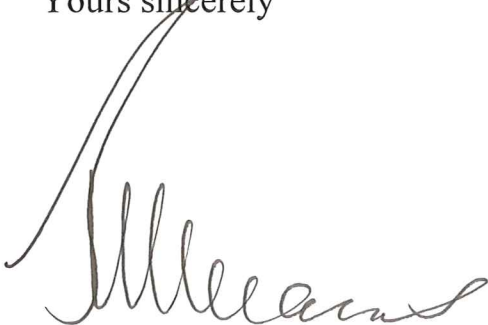
Dear Minister

Statement of Intent 2010-2013

The Commission assumed the statutory functions of the Chief Electoral Office and the previous Electoral Commission on 1 October 2010.

We have the honour to provide to you our Statement of Intent for the period 1 October 2010 to 30 June 2013.

Yours sincerely



Hon Sir Hugh Williams QC
Chair



Robert Peden
Chief Electoral Officer

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Foreword

This is the Electoral Commission's first Statement of Intent. It describes how we intend to contribute over the next three years to New Zealand's democracy by impartially, efficiently and effectively administering the electoral laws.

We are an independent Crown entity under the Crown Entities Act 2004 and are not subject to Ministerial direction in carrying out our electoral functions.

On 1 October 2010 we assumed the functions of the Chief Electoral Office and the previous Electoral Commission. The Commission is now responsible for all parliamentary elections and associated functions, except for the electoral rolls.

We are also responsible for running referenda initiated by the government or by citizens.


There are a number of challenges we need to manage over the next 3 years:

1. A by-election in November 2010 and a general election sometime in 2011.
2. A referendum on MMP with the 2011 general election and an extensive public information programme on the choices available to voters in the referendum.
3. A review of MMP by the Commission in 2012, if the majority of voters in the referendum opt to keep it. Public consultation will be required.
4. A new law on electoral finance, including a requirement to provide advisory opinions on proposed electoral advertising by political parties, candidates and third parties.
5. Responsibility for the electoral rolls from 2012.
6. New electoral boundaries for the 2014 general election.
7. The need to provide independent, high quality advice on proposed or desirable changes to the electoral laws.

We are looking forward to tackling these challenges whilst maintaining public confidence in the administration of the electoral laws.



Hon Sir Hugh Williams QC
Chair



Robert Peden
Chief Electoral Officer

Our Vision

Maintain public confidence in the administration of the electoral laws.

Part 1 – the next three years

BACKGROUND AND CONTEXT

Amalgamation

The Electoral Commission has been created by the Electoral (Administration) Act 2010. From 1 October 2010 the Act brought together the functions of the Chief Electoral Office, which was responsible for conducting elections, and the former Electoral Commission, which was responsible for public education and some aspects of the laws relating to political parties. The previous structures caused confusion and extra compliance costs for users and did not enable a comprehensive strategic view to be taken of electoral issues.

The second stage of administrative reform is expected to take place in 2012 when responsibility for the electoral rolls is to be transferred to the Commission from the Electoral Enrolment Centre (EEC) of NZ Post Ltd. This change will require legislation. After the transfer we expect that the EEC will continue to provide the enrolment services under contract to the Commission.

The Board

The Chair of the Board, the Hon Sir Hugh Williams QC, and the Chief Electoral Officer, Robert Peden, were appointed to the Board on 25 August 2010 by the Governor-General, following a Motion of the House of Representatives. Mr Peden is also the Chief Executive. An appointment to the third position of Deputy Chair has yet to be made.

The Board assumed its statutory functions under the electoral laws on 1 October 2010. As an independent Crown entity under the Crown Entities Act 2004 we are subject to the normal accountability requirements in relation to the Minister of Justice. However we are not subject to ministerial direction in discharging our electoral functions and must act independently.

The Board has appropriately delegated many of its electoral functions to the Chief Electoral Officer who will make most of the day to day decisions subject to Board oversight. The Board has reserved certain electoral functions to itself including the registration of political parties and the allocation of broadcasting monies to registered political parties. The Board intends to focus on its governance functions, including strategic direction, measuring progress, and compliance with accountability requirements.

Our Statutory Objective

The Electoral Act defines the objective of the Electoral Commission as
“... to administer the electoral system impartially, efficiently, effectively,
and in a way that-

- (a) facilitates participation in parliamentary democracy; and
- (b) promotes understanding of the electoral system; and
- (c) maintains confidence in the administration of the electoral system.”

We have drawn on this objective in formulating our short Vision statement and in defining the impacts that we wish to make. This is discussed further under *Outcomes, Impacts and Linkages* starting at page 11.

Our Functions

The statutory functions of the Electoral Commission are defined by law and in summary comprise-

- the preparation for, and conduct of, general elections, by-elections and referenda
- services to candidates, political parties and third parties
- services to electors and voters
- allocating government monies to registered political parties for radio and television broadcasting
- promoting compliance with the electoral laws
- promoting public awareness of electoral matters through education and information programmes
- advice to the Minister and the House on electoral matters referred to the Commission.

Our Stakeholders

We have a wide range of people who are affected by our activities or who affect our discharge of our functions. Electors, political parties and candidates are obvious stakeholders. Less obvious are people such as the Secretary of Cabinet whom we advise on the practicalities of the election timetables and the Clerk of the House of Representatives with whom we liaise on the formal processes for the commencement and end of the election processes. An analysis of stakeholders is shown in Appendix 1 on page 24.

THE OPERATING ENVIRONMENT

Planning General Elections

General Elections are normally held in the third year of the parliamentary cycle. The precise date is unknown until announced by the Prime Minister, usually 7-8 weeks before polling day. This uncertainty is one of the major challenges in organising such a large-scale event. A number of important steps, for example employment of field staff and the procurement of polling places, cannot be completed until the election date is known.

Organising for a general election of a quality which will maintain public confidence requires detailed planning to commence as soon as the previous general election has been completed and analysed. It is not a one-year effort as is often assumed.

Planning is based on assumptions. Some of the assumptions for the 2011 general election and referendum give a flavour of what is involved. These are -

- the general election/referendum will be held in the second half of the 2011 calendar year
- all processes will be designed, built, extensively tested and frozen by 31 December 2010
- all field equipment and supplies (including the 65 tonnes of paper for ballot papers) will be procured by 30 November 2010
- any legislative change affecting the election/referendum will be enacted by 30 November 2010
- the headquarters for the 70 returning officers will be set up with computer systems and links tested by 31 May 2011, ready for electoral simulations
- Returning Officers and their headquarters managers will be fully trained by 30 June 2011.

The exact timing of the 2011 general election and referendum is more complex than usual because New Zealand is hosting the 2011 Rugby World Cup from 9 September through to 23 October.

By-elections and List Seats

A by- election to fill a vacancy in an electorate seat can occur at any time and is a major operation in its own right. A by-election in the Mana electorate is scheduled for 20 November 2010. Most of the steps necessary to manage a general election are required although the scale is much smaller.

By contrast filling a vacancy in a list seat is a simple process.

The Electoral Rolls

The foundation for a successful election is an up-to-date and accurate electoral roll. The rolls are prepared continuously by the Electoral Enrolment Centre (EEC) of NZ Post Ltd and are measured for completeness and accuracy. At the 2008 general election 95.3% of the eligible population were enrolled and 95.9% of those were enrolled at the correct address.

The Government intends to introduce legislation providing for the Commission to take over responsibilities for the electoral rolls in 2012. This will enable one strategy to be designed for all electoral functions. We expect that the EEC will continue to manage the electoral rolls under contract to the Commission.

Election Results

Accurate, progressive and timely preliminary results on election night enable discussions to start at the political level on the shape of the future government. This is important to the credibility of the election itself. At the 2008 general election 86% of the results were in by 10pm, that is, within 3 hours of the close of voting, and the balance by 11.30pm. The results are produced progressively by the Election Management System and are fed to the website www.electionresults.govt.nz and to the media within 2 minutes of being entered into the system by returning officers in the electorates.

The legal processes required to produce the official results over the two weeks following election day receive little public attention, compared to the drama of election night results. The post election processes not only bring special votes into the count but recount the votes counted on election night. A number of painstaking checks are also made, for example in relation to the electoral rolls, to ensure that the official results are completely accurate and form a proper basis for government formation.

Public Expectations

Public expectations are high. Over the last three general elections New Zealand voters and other participants such as political parties have become accustomed to an effective and credible electoral process which imposes relatively low compliance costs and thus encourages participation. Difficulties with the 1999 general election showed the importance of credibility and led to legislative and administrative changes.

There is also a high level of trust in the electoral administration. In 2008 about 85% of New Zealanders were totally confident in the management and accuracy of elections.

Also in 2008, 88% of voters used their personal EasyVote card sent to them as part of a comprehensive information pack shortly before polling day. 92% were satisfied with the information provided in the pack. 98% thought that the time spent in the polling place was reasonable, and the same percentage found the location of the polling place convenient.

We aim to meet these levels of public expectations in 2011 despite the added pressure of running a referendum at the same time as the general election.

Barriers to Participation

Administrative barriers to participation in New Zealand elections are low by international standards. Voters can vote at any of the 2600 polling places across New Zealand regardless of their electorate. They can register to vote up to midnight before polling day (although much effort goes into encouraging people to register before writ day to avoid time-consuming special votes).

Participation rates measured by turnout are still high internationally. In 2008 79.46% of those on the rolls (75.73% of those eligible) voted but turnout was much lower for those on the Maori roll at 62.41%. Turnout of those eligible has improved since the mid-winter election of 2002.

Turnout appears to be influenced by a range of factors beyond administrative barriers, such as the expected closeness of the election, the degree of competition in the electorate, attitudes to public duties, the major political issues of the day and even the weather. Unlike enrolment, voting is not compulsory. So the aim of the Commission has to be to encourage voting by ensuring that voters are informed about voting and by making voting as easy as possible for them. Because of the factors mentioned we cannot measure the direct impact of the Commission's work on turnout and so do not use turnout as a measure. Instead we measure the levels of knowledge of voters and their satisfaction with the voting experience.

Maori

Maori have a choice of registering on the Maori electoral roll and voting in the Maori electorates or registering on the general roll and voting in the general electorates. To reduce barriers for Maori we will:

- provide information in te reo Maori in our key communications, including the EasyVote pack
- work closely with Registrars of Electors in the face to face outreach programmes that encourage Maori to enrol and vote
- ensure that those voting on the Maori roll get the same services as those voting on the general roll

- integrate counting of votes for Maori electorates with the counting of votes for general electorates, so that there are no undue delays with reporting results for Maori electorates.

Voter opinion surveys after the 2008 general election suggest these initiatives are effective for those who participate. Maori voters have similar voting experiences as others. For example their satisfaction levels with the polling place, queuing times and service are very similar. Their usage of the EasyVote card is at 84% compared to 88% generally. In relation to the timeliness of results 85% are satisfied compared to 90 % generally.

In relation to turnout though there are significant differences. In 2008 turnout in total was 79.46% of those enrolled but turnout of those on the Maori roll was only 62.41%. This lower rate of participation has been evident for many elections.

Electoral Boundaries

The number of electorates and their boundaries are set after each 5 yearly census by the independent Representation Commission. There are currently 63 general electorates and 7 Maori electorates. The Representation Commission is headed by an independent Chair appointed by the Governor-General. The Chief Electoral Officer is a member and the funding of the Representation Commission is provided by the Government through our budget. We also provide administrative services to the Representation Commission.

Maori enrolled in either general electorates or Maori electorates have the option to switch rolls every 5 years after the census and before the Representation Commission starts work. The next Maori Option is scheduled for 4 months in the first half of calendar year 2012 and the Representation Commission is expected to start work later that year. Any changes will apply to the 2014 general election.

The Electoral Legislation

The electoral legislation has not had a major overhaul since 1956. The MMP amendments in 1993 were substantial but rested on the 1956 base. Amendments in 2002 improved some of the administrative aspects of voting following the problems experienced with the 1999 election. Amendments were also made in 2007 in relation to election finance (electoral advertising, election expenses limits, rules for third party promoters and disclosure of donations). Much of this was repealed after the 2008 election. There is a government bill on electoral finance currently before a Select Committee. Also before the same Select Committee is a bill on the proposed referendum.

The Commission aims to provide advice on proposed legislation or desirable legislation changes, working as necessary with policy advisors in the Ministry of Justice. As administrators we should be able to bring a unique practical insight into the workings of the electoral laws. Our statutory functions allow us to provide advice as requested. Our statutory powers enable us to give proactive advice if we consider it necessary to discharge our functions.

One of the most important of the Commission's planning assumptions is that any legislative change affecting the 2011 general election is enacted no later than 30 November 2010. This is to give time for the final provisions of the legislation to be taken into account and guidance to be prepared for those affected. Hopefully the redesign of processes in election year can be avoided. Others also need time to understand and apply the changes, notably the administrators of political parties.

THE 2011 GENERAL ELECTION AND REFERENDUM

Introduction

The 2011 general election presents more than the usual challenges for the Commission, for voters and for other participants, especially in the large volume of communications to which voters are likely to be subjected.

As noted earlier there is also the complication of the Rugby World Cup which is likely to command much public and media attention during most of September and October 2011 and make communications on electoral and referendum issues more difficult.

The MMP referendum

The referendum is to be held at the same time as the general election. The advantage of this is that it ensures a high turnout for the referendum. The disadvantage is that it complicates the electoral process for voters and for the administration. Maintaining the levels of service provided to voters in 2008 will be difficult.

The Commission intends to make it easier for voters by integrating the referendum procedures as much as possible with the election procedures. But a separate referendum paper and ballot box will be required.

To avoid delaying the release of election results on election night the referendum votes will be counted after election day. However, about 10% of the referendum results will be available on the night from advance votes cast before election day.

Producing the Results

We have inherited from the Chief Electoral Office a sophisticated Election Management System (“EMS”). The system produces the election night results, the official results and the official statistics of the election. On election night polling place managers telephone results to their Returning Officer’s headquarters who check and enter the results into EMS. EMS then compiles those results at various levels of detail and feeds them to our website www.electionresults.govt.nz and to the media. Staff at the national office monitor the results entered for reasonableness and have the returning officer review and correct them as necessary. EMS also indicates the percentage of the party vote received nationally by each party and the composition of parliament on the basis of the results received thus far. EMS is the unacknowledged source of the information used by television and other media in the election night drama.

During the official count all results, including special votes, are entered or re-entered into EMS and the official results are then released *en bloc* once the last returning officer has reported. EMS then produces the detailed official statistics which are laid before parliament (the E9).

EMS has been expanded over recent elections to help manage crucial parts of election planning including the calculation and placement of field staff and the management of supplies sent to the field.

Our Public Information Programmes

The Commission will conduct a major public information programme explaining the choices available in the MMP referendum. This will require the Commission to explain in simple terms the features of 4 other voting systems and MMP. This will not be easy. The Commission is engaging an expert panel to help.

Operationally, the information programme will be integrated and aligned with the standard public information programme preceding a general election. Our website www.elections.org.nz provides a central information base for all electoral information and will be expanded to include the referendum.

Advertising and Promotion by Others

The referendum may attract a great deal of advertising by groups and individuals recommending one option or another. This will be in addition to the normal election campaign advertising by parties, candidates and others. Getting the Commission’s messages across will need careful planning. As noted the impact of the Rugby World Cup may need to be taken into account.

New Electoral Finance Law

New electoral finance law will apply covering election advertising expenses and donations. The Commission will provide advice and assistance to those affected by the new law - including political parties, candidates and third parties - and will supervise their compliance.

The new requirement to issue, on request, advisory opinions to those affected is likely to increase the volume of advice given compared to past elections, both specifically and in general.

OUTCOMES, IMPACTS AND LINKAGES

Introduction

“Outcomes” are (a) the state or condition of society, the economy or the environment, and (b) include a change to that state or condition.

“Impacts” are the contributions made to an outcome by a specified set of outputs, or actions or both. (Public Finance Act 1989)

The Justice Sector’s Outcomes

The Electoral Commission is part of the justice sector and there are agreed outcomes at the government and sector levels to which the Commission contributes. The Commission itself has also identified intermediate outcomes, or impacts, which contribute to achieving the agreed outcomes. In common with other agencies there may be difficulties in measuring that contribution. For example data may be insufficient or there may be other factors affecting that outcome beyond the control of the Commission.

The Electoral Commission’s Impacts

The impacts selected by the Commission are -

Impact 1 - Reduced Barriers to Participation

Impact 2 - Better Understanding of Elections

Impact 3 - Public Confidence Maintained

Linkage to Sector and Government Outcomes

These 3 impacts made by the Commission contribute to some of the justice sector shared outcomes. The relevant sector shared outcomes are:

Accessible justice services

Trusted justice system

Effective constitutional arrangements

The justice sector shared outcomes contribute to the justice sector high level outcome of

Civil and democratic rights and obligations enjoyed.

This in turn contributes to the Government Outcome of

Safe and just society.

IMPACTS – RATIONALE AND MEASURES

Introduction

In this section we discuss in some detail the three impacts selected in the light of our statutory objective set out on page 4 . We also provide measures and targets in relation to each impact. In choosing the measures and targets we are assisted by the experience of the previous electoral agencies and the surveys they conducted. We need however to review the questions that are used in the surveys to ensure that they give us the information we will need. We intend to build comparative data across elections.

A summary of the impacts, their linkages and measures is at Tables 1 and 2 on pages 18 and 19.

Impact 1- Reduced Barriers to Participation

Rationale

The acceptability of results in an election may be reduced if voter turnout is low. The Commission cannot compel people to vote. That is a matter of choice in our democratic system. There are many factors outside our control which affect participation. What we can do is seek to keep administrative barriers to voting as low as possible. In other words, we aim to make it as easy as possible to participate. Similar principles apply in keeping barriers low for participation by political parties, candidates and third parties.

The reduction of barriers includes:

- general education on electoral matters, especially explaining how the MMP system works
- public advertising explaining the use of the personalised EasyVote packs and EasyVote cards, where and when to vote and the advantages of using the card and voting close to home
- provision of convenient and well designed polling places
- reducing anxiety or confusion by providing good service prior to and during voting

- providing targeted services to those who face particular barriers (for example those affected by age or disability)
- providing advance and overseas voting facilities for those who cannot vote on election day
- advice and assistance, generally and individually, to political parties, candidates and third party campaigners, on their rights and obligations
- advice to government on legislative changes affecting institutional barriers.

Measures and Targets

The effect on voter turnout of reducing barriers cannot be measured directly. We therefore intend to use the following measures and targets in relation to Impact 1. The information will be gathered by survey within one month of election day.

Measure 1A - Satisfaction with the voting experience

Target – 90% of voters are satisfied

Measure 1B - Reasons for not voting

Target – Less than 5% of non-voters identify barriers to participation

Measure 1C – Satisfaction of political parties and candidates with Electoral Commission service

Target – 90% of all secretaries of registered political parties and 90 % of candidates surveyed are satisfied.

Impact 2- Better Understanding of Elections

Rationale - The Public

In order to vote in an informed way voters need to have a reasonable understanding of how our MMP electoral system works. One cannot expect all voters to have an expert understanding, but they need to understand how the two votes work and the mechanics of voting. This was one of the priorities of the former Electoral Commission.

Information from 2008 market research conducted by the previous electoral agencies confirms that the public have a good knowledge of how MMP works. For example, prior to the 2008 general election 58% of people said they found MMP easy to understand. 29.6% split their votes in that election, that is they gave their party vote to one party and their candidate vote to a candidate from a different party. 93% were satisfied with the layout of the ballot paper.

It was noticeable also that informal votes attributable to voter mistakes, for example ticking two parties, are very low. In 2008 0.51% of party votes and 1.09% of candidate votes were informal. Sampling those informal votes showed that most informal votes were deliberate.

To maintain and increase understanding we will

- provide information directly on the MMP system and voting, through publications, advertising and the EasyVote pack
- provide general advice through an 0800 free phone service
- provide comprehensive information through the website www.elections.org.nz
- assist teachers to educate children on electoral matters
- provide targeted information to suit the needs of Maori, ethnic minorities, migrants and youth.

Rationale-Parties, Candidates and Third Parties

These people need a good understanding of their obligations and the services that the Commission will provide to them.

The former electoral agencies had good relationships with political parties and candidates and we intend to build on those relationships. The single agency should facilitate this and we will continue to routinely issue guidance to parties, candidates and third parties in the form of guides and updates published in hard copy and on the website www.elections.org.nz.

Whilst it is relatively simple to register a political party (the main requirement being demonstrating that there are at least 500 members who are eligible to enrol) ongoing compliance with the electoral laws is more complex. Parties differ in their resources and some need more guidance than others. The Commission aims to provide the guidance that is needed. Parties will still need to consult their own advisers.

Most registered political parties manage the nominations of electorate candidates nationally at the same time as they nominate list candidates. The Commission will continue to offer the on-line bulk nominations process for this and will train party administrators in its use.

We will provide -

- general advice, written material and group briefings to party secretaries
- an on-line bulk nomination system to party secretaries and train their staff in its use
- advice to third party promoters

- specific advice to parties, candidates and third party campaigners as required
- advisory opinions on proposed electoral advertising.

Measures and Targets

We will use the following measures and targets in relation to Impact 2 and will gather the information within one month of election day-

Measure 2A – Public knowledge of MMP

Target – 60% of voters consider MMP is easy to understand

Measure 2B – Rate of informal voting

Target – Voter error in marking the ballot paper is less than 0.25% of total votes cast.

Impact 3- Public Confidence Maintained

Rationale

Public confidence is the most important impact and emanates in part from the other impacts of encouraging participation and understanding. But public confidence is much wider. Public confidence is influenced by the way that we administer the electoral laws so that we are seen as:

- independent of the government of the day and of all participants in the electoral process, including political parties
- impartial and even handed between the various participants
- acting in accordance with the law
- recommending changes to improve the electoral law
- expert in electoral law and practice
- promoting compliance with the law
- effective in running electoral events to a high standard, including accurate and timely results
- efficient in our use of taxpayer money
- working to reduce compliance costs on voters, parties and others
- willing to listen to the views of others and to respond where appropriate
- welcoming public, judicial and parliamentary scrutiny.

Measures and Targets

The measure and target we will use for Impact 3 will be -

Measure 3A – Level of public confidence in the administration of parliamentary elections and referenda

Target – 85% of the public are confident or very confident in that administration

The information will be gathered within one month of election day.

OUTPUTS, LINKAGES AND MEASURES OF SERVICE PERFORMANCE

Introduction

“Outputs” are the goods and services we supply externally. “Class of Outputs” is a grouping of similar outputs. Money is appropriated by Parliament to the Output Class.

Output Class

Output Class: Provision of Services from the Electoral Commission

Description: *Services relating to the administration of parliamentary elections and referenda, servicing the work of the Representation Commission, and the provision of advice, reports and public education on electoral matters.*

Outputs and Primary Linkages

The outputs chosen and their primary linkages follow:

<i>Outputs</i>		<i>Primary Linkage</i>
Output 1	Preparation for and conduct of general elections	Impact 3
Output 2	Preparation for and conduct of referenda	Impact 3
Output 3	Preparation for and conduct of by-elections and filling list vacancies	Impact 3
Output 4	Services to political parties, candidates and third parties	Impacts 1, 3
Output 5	Services to electors and voters	Impacts 1, 2, 3
Output 6	Allocation of broadcasting monies and supervision	Impact 1
Output 7	Policy Advice on electoral laws	Impact 3
Output 8	Services to the Representation Commission	Impact 3

Measures of Service Performance

The Forecast Statement of Service Performance (FSSP) in Part 2 sets out the detailed measures for the year ending 30 June 2011 in relation to each output. A general election/referendum is expected in the following year so the measures in the FSSP relate generally to preparatory work. Preparatory work continues into the following year although the planning assumption is that enough work will have been completed by 30 June 2011 that a general election can be conducted in the second half of the 2011 calendar year given adequate notice of the date. One cannot state a percentage of readiness so the measures in relation to Output 1 relate to certain key events which are crucial to the Commission being as ready as possible prior to announcement of the date. The measures relating to final preparations for the election, especially post-announcement, and the conduct of the general election/referendum will be set out in the FSSP for the year ending 30 June 2012.

Table 1

Framework Chart: Outcomes, Impacts, Outputs and Linkages 2010 – 2013

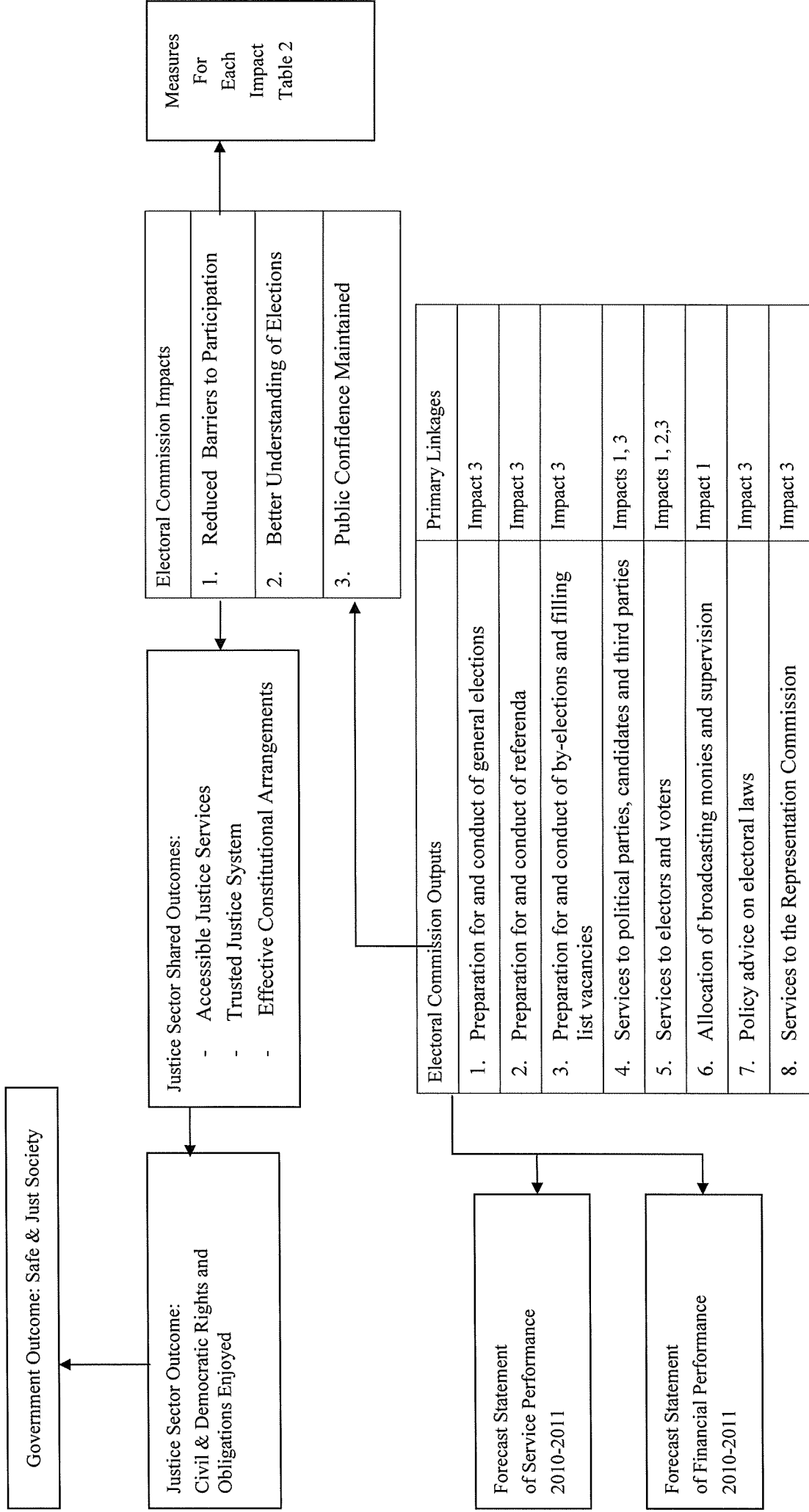


Table 2

Measuring Impacts 2010-2013

Impact	Measures and Targets for the General Election
<p>1. Reduced Barriers to Participation</p>	<p>1A Satisfaction with the voting experience (target - 90% of voters are satisfied)</p> <p>1B Reasons for not voting (target - less than 5% of non-voters identify barriers to participation)</p> <p>1C Satisfaction of political parties and candidates with Electoral Commission Service (target - 95% of all secretaries of registered political parties and 90% of candidates are satisfied)</p>
<p>2. Better Understanding of Elections</p>	<p>2A Public knowledge of MMP (target - 60% of votes consider MMP is easy to understand)</p> <p>2B Rate of Informal Voting (target - voter errors in marking the ballot paper is less than 0.25% of total votes cast)</p>
<p>3 Public Confidence Maintained</p>	<p>3A Levels of public confidence in the administration of parliamentary elections and referenda (target - 85% of the public are confident or very confident in that administration)</p>

ORGANISATIONAL HEALTH AND CAPABILITY

Introduction

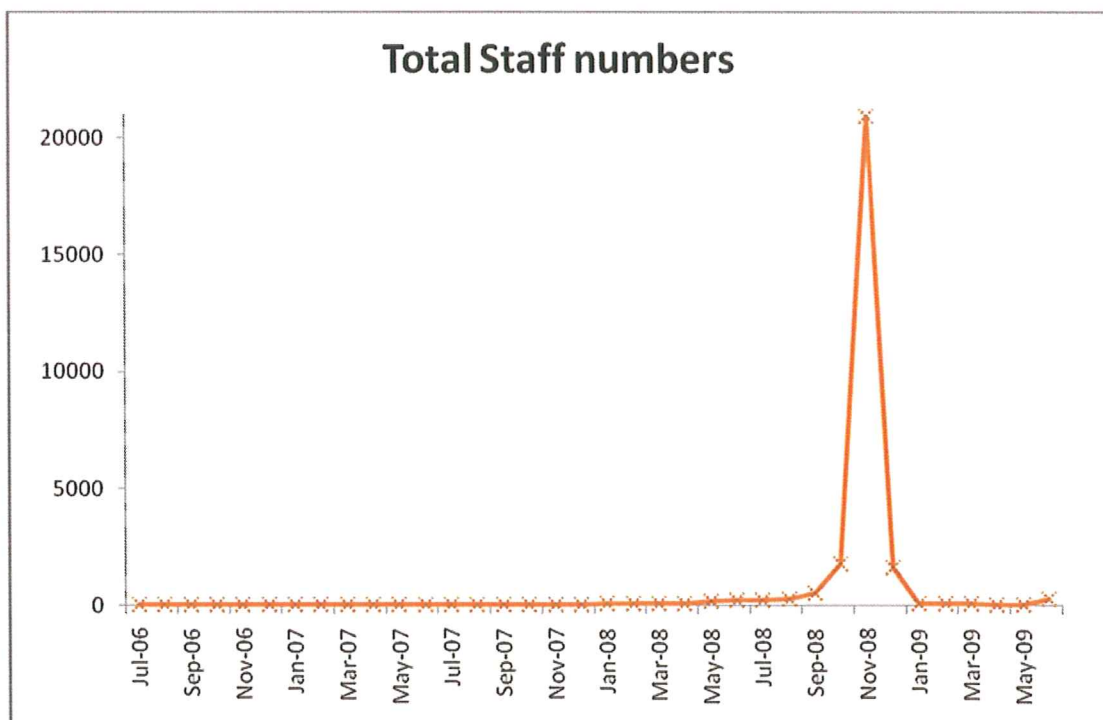
As a new Commission we are in the early stages of assessing our organisational health and capability.

At the operational level we have hit the ground running in that we have taken over the resources of the previous electoral agencies, including their people, specialist suppliers, processes, and technologies. We are also entering into a Memorandum of Understanding with the Ministry of Justice to provide certain services including property advice and Information Communications and Technology. We have a mandate under the Electoral Act to seek assistance from the state sector and have every reason to think that help given in the past will continue.

Staff

One of the most remarkable features of the Commission is the small number of permanent staff. At its core the Commission comprises the three board members, including the Chief Electoral Officer, 17 permanent managers and staff in the national office, supplemented by a small number of specialist suppliers of goods and services.

There is no permanent field structure so it has to be built for each election or by-election. Over the course of the electoral cycle the Commission adds fixed term managers and casual staff in its national office and in the field until there are over 20,000 employees on election day.



There are proven processes for the large-scale recruitment, training and payment of employees. The electoral procedures for training in the field need to be detailed, prescriptive and fool proof. Much effort has gone into improving those procedures over successive elections and that work will continue.

Following the 2011 election we will be in a better position to judge the effectiveness of our new national office structure and our longer-term capability needs.

Good Employer Policies

The Commission has inherited a good employer policy from the previous electoral agencies. This includes

- an Employee Assistance Programme confidential to the employee
- a Code of Conduct
- recruitment processes
- job descriptions
- performance agreements with employees and formal and informal appraisal of progress
- providing appropriate staff development opportunities
- open communication with all staff.

The employees transferred to the Commission from the previous electoral agencies have done so on their previous terms and conditions.

Following the 2011 general election we intend to review our personnel policies. Over time we will standardise terms and conditions subject to the rights of current employees transferred from the previous electoral agencies.

Equal Employment Opportunities

The Commission operates an EEO policy including in its recruitment of casual staff for elections.

Administrative, Financial and Human Resource Policies

Our policies right now are based mainly on those of the Ministry of Justice. We intend to progressively review them over the period.

Financial Sustainability

Budgets have been set initially by bringing together the budgets of the previous Electoral Commission and the Chief Electoral Office. The baseline budget for the previous Electoral Commission did not include funds for voter education which was allocated only in election year, nor broadcasting monies which are provided every three years.

Funding for by-elections is not in the budget and is sought if a by-election is called. At the time of writing one by-election has been called.

The budgets will be given early attention to ensure they will enable us to perform our functions. In reviewing the budgets we are conscious of government expectations in the current economic climate and will be searching for efficiencies. Discussions will be held with the Ministry of Justice as sector leader for Budget 2011.

Risk Management

We are using the simple risk management framework inherited from the Chief Electoral Office. The framework identifies risks, their causes, available mitigations, probabilities of occurrence and potential consequences.

Business Management Controls

The Commission has also inherited a range of business management controls from the Chief Electoral Office to ensure the integrity of our processes. We intend during the period to assess those controls and their application across a range of our activities, taking into account the risks identified by the risk management framework.

Technology

Websites

The website www.elections.org.nz is a one stop-shop for all parliamentary electoral information.

The website www.electionresults.govt.nz provides real-time results on election night.

Internal technology

The Election Management System is described at page 10.

The Commission has an on-line recruitment system which is essential for the many thousands who are employed in the field and an intranet for staff communications.

Voting technology

Voting is currently a paper-based process. It is inevitable that voting technology will be introduced over time. The question is when and how this is managed in a way that maintains public confidence in the administration of elections.

E-voting has the potential to improve access to voting – especially for those sections of the community for whom paper-based ballots or physical attendance at polling places results in accessibility difficulties or an unsatisfactory voting experience.

However, e-voting also raises complex technical, privacy and public policy questions. Any move to introduce e-voting would need to be preceded by widespread public debate and support. Enabling legislation would be required. A phased approach to implementation over a number of electoral cycles in a way that builds public confidence would be prudent. It would also need to be accepted that e-voting, at least in the medium term, would be unlikely to deliver cost savings. Benefits would likely be non-financial.

Our focus in the period up until the end of 2011 will necessarily be on delivering the next general election and referendum in accordance with the manual processes mandated by current legislation. However, in 2012 we will revisit the question of the priority to be given to work on voting technologies which will, of course, be subject to overall funding priorities.

Overseas voters

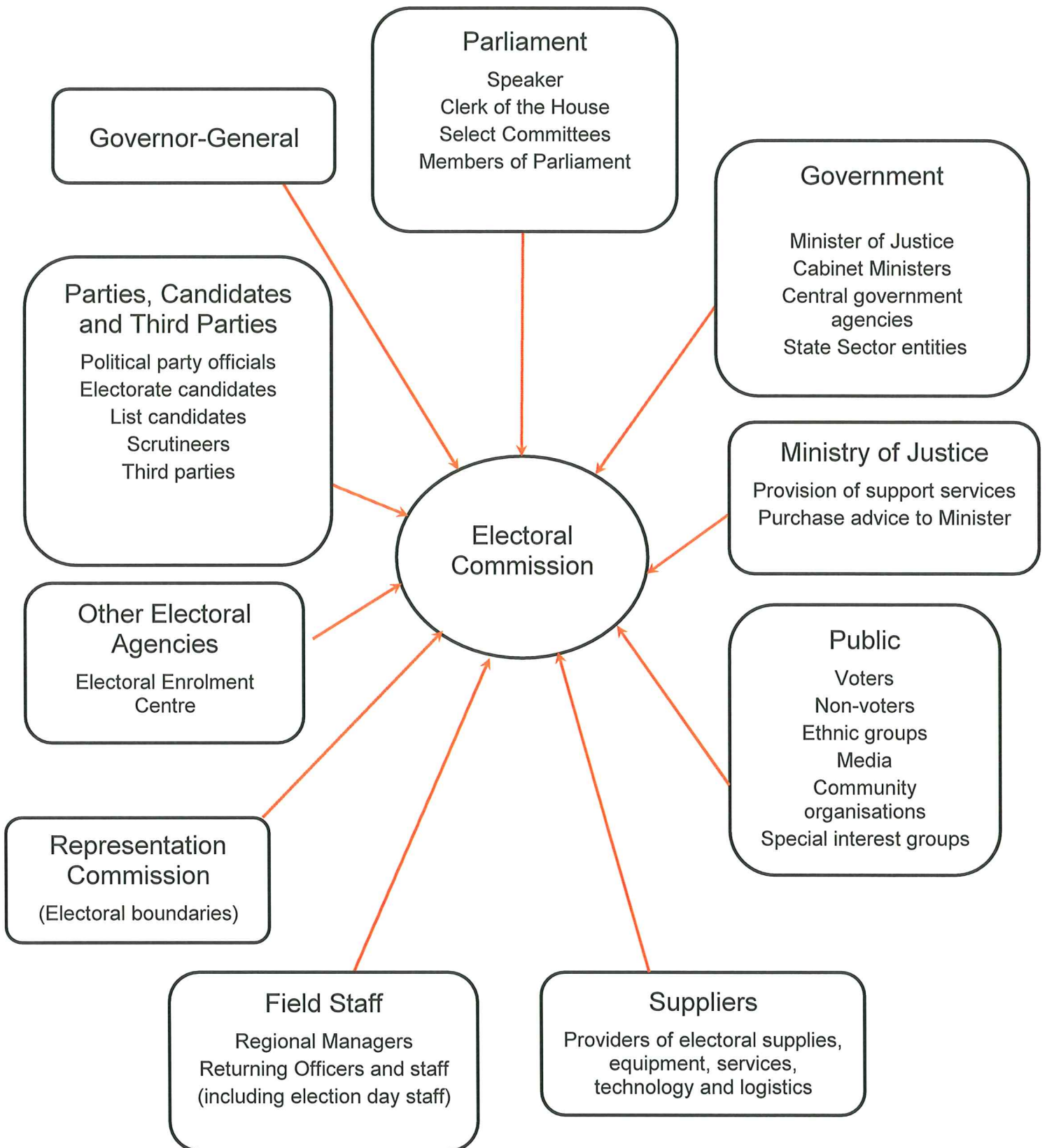
The one area where voters are at the moment directly assisted by technology is the enrolment system where they may check their enrolment status after some self-identification. This system enabled the introduction in 2002 of internet access to voting papers for those overseas voters who could satisfy the enrolment checks. Currently voting papers may be downloaded through the Internet but must be signed and faxed back. The facility is now widely used by New Zealanders living or travelling overseas.

EXTERNAL REPORTING

In addition to the normal reports to the Minister of Justice and the Annual Report showing progress in terms of this Statement of Intent, the Commission is required by the 2010 legislation to make a special report on each general election.

The special report is to be made to the Minister within six months of the return of the writ and is to be tabled in Parliament. Amongst other things, we will be required to identify any legislative or administrative changes that are necessary or desirable. We expect the report to be used by the Select Committee in carrying out its 3-yearly Inquiry into each general election.

Stakeholder analysis



PART 2- THE YEAR ENDING 30 JUNE 2011

Introduction

The information in this part – the Forecast Statement of Service Performance and the Forecast Statement of Comprehensive Income - assumes that there will be no general election during the year ending 30 June 2011. The performance measures for Output 1 in relation to that year therefore relate to the key stages of preparations necessary to be able to conduct a general election in the year ending 30 June 2012.

Forecast Statement of Service Performance

Output 1: Preparations for and conduct of the general election and referendum

PERFORMANCE MEASURES AND STANDARDS			
Description	Quality	Quantity	Timeliness
Processes to support the conduct of the 2011 general election and referendum are developed.	Processes have been reviewed for legislative compliance and are successfully tested.	All vote issuing and counting processes are tested.	Processes frozen by 31 December 2010.
Key field managers are appointed and receive intensive training on the administration of the 2011 general election and referendum.	Returning Officers and their immediate management team receive training to the satisfaction of the recipients.	All Returning Officers will receive at least two formal training sessions. All Managers will receive at least one formal training session.	Returning Officers appointed by 30 November 2010. Managers appointed by 31 May 2011. All Returning Officers and Managers trained by 30 June 2011.
Polling places and advance voting facilities to be used for the election and referendum are identified.	Polling places and advance voting facilities descriptions are accurately captured. Polling places and advance voting facilities are correctly rated for access by voters with disabilities in accordance with standards set by the Barrier Free New Zealand Trust.	Approximately 2,600 polling places are identified for use in New Zealand. Approximately 260 advance voting facilities are identified for use in New Zealand.	Possible polling places and advance voting facilities are identified and assessed by June 2011.
Facilities to support the work of the Returning Officer are established.	Properties for temporary electorate headquarters of approximate 600sqm per electorate are leased. Where practical, headquarters will be co-located with one or more other electorates and/or use suitable space available from within the state sector. Information, Communication and Technology services are installed ready for use.	Headquarters for 70 electorates to be established.	All headquarters secured and set up by 31 May 2011.
Facilities to provide voting to overseas voters are identified.	Agreement is reached with agencies who will provide overseas voting facilities.		Systems to support the issuing of votes to overseas voters are frozen by 31 December 2010. Overseas Returning Officers are appointed by 30 June 2011.

Output 2: Preparations for and conduct of referenda

PERFORMANCE MEASURES AND STANDARDS			
Description	Quality	Quantity	Timeliness
<p>The 2011 referendum will be held with the 2011 general election. Preparations for and conduct of the referendum are fully integrated into the processes for the general election. Consequently, the performance measures and standards in Output 1 apply to Output 2 also.</p> <p>In the event a standalone referendum is to be held in an electoral cycle, appropriate performance measures and standards will be developed.</p>			

Output 3: Conduct of by-elections and filling of list vacancies

PERFORMANCE MEASURES AND STANDARDS			
Description	Quality	Quantity	Timeliness
By-elections are conducted where required.	By- election is conducted in accordance with the provisions of the Electoral Act 1993.		<p>Statutory deadlines are met.</p> <p>100% of advance votes results are released by 7.30pm on by-election day.</p> <p>50% of polling place results released by 9.00pm on election night.</p> <p>100% of polling place results released by 10.00pm on election night.</p> <p>Official results of by-election are declared 12 days after the day of by-election.</p>
Declare election of list members to vacancies.	Declaration of list members to vacancies is in accordance with the provisions of the Electoral Act 1993.		Declaration published within three working days of notification of vacancy.

Output 4: Services to political parties, candidates and third parties

PERFORMANCE MEASURES AND STANDARDS			
Description	Quality	Quantity	Timeliness
Services for the registration and cancellation of political parties and logos.	<p>Political parties and logos are registered or cancelled in compliance with legislation.</p> <p>Information about the registration and cancellation process is readily available to the public.</p>		<p>A completeness review will be undertaken within 10 days of receipt of application for registration or cancellation.</p> <p>Political parties and logos will be registered or cancelled at the next most practicable Board meeting, or by Board resolution, following the public notification period.</p>

PERFORMANCE MEASURES AND STANDARDS			
Description	Quality	Quantity	Timeliness
	No justified complaints from parties regarding the quality of response.		
Candidate, party and third party guidance is made available to assist with their compliance with electoral and campaigning rules.	<p>Guidance material has been assessed as legally accurate and is readily available to the public.</p> <p>Other guidance to be provided to individual parties, candidates or third parties on request to internal standards and in a timely manner.</p> <p>No justified complaints regarding the quality of response.</p>		Guidance material will be available within two months of new legislation being enacted.
Promote party compliance with legislation.	<p>Review returns of donations for the year ended 31 December 2010 due for filing 30 April 2011.</p> <p>Review any returns of donations exceeding \$20,000 in the aggregate.</p> <p>Review annual party declarations of membership due 30 April 2011.</p>		<p>All complete returns published within three working days of receipt.</p> <p>Follow up action as required within 15 working days of receipt or failure to furnish.</p> <p>All returns published within 3 working days of receipt.</p> <p>Follow up action as required with 15 working days of receipt.</p> <p>All declarations are reviewed for completeness within 15 working days of receipt.</p> <p>Declarations not furnished by the due date and incomplete returns are subject to follow-up action within 15 working days.</p> <p>Inquiries into eligibility for continued registration are initiated by 31 May 2011.</p> <p>Amendments to the published register are made within 10 working days of any relevant Board decisions.</p>
Donations protected from disclosure are processed	Processing complies with the Electoral Act 1993.		Table of statutory information published every 3 months

Output 5: Services to electors and voters

PERFORMANCE MEASURES AND STANDARDS			
Description	Quality	Quantity	Timeliness
Plans and resources for a comprehensive EasyVote public education campaign are developed.	Information is clear, accurate and readily available to the public.		Campaign will be ready to implement by May 2011.
Strategy, plans and resources for a comprehensive referendum public education campaign are developed.	Information is clear, accurate and readily available to the public.		Campaign will be ready to implement by May 2011.
A disability action plan is developed.	The action plan takes account of feedback from consultation and clearly describes any proposed initiatives to improve access to election services at the 2011 election and referendum.		The completed disability action plan will be published in February 2011.

Output 6: Allocation of broadcasting monies and supervision

PERFORMANCE MEASURES AND STANDARDS			
Description	Quality	Quantity	Timeliness
Broadcasting monies are allocated to registered political parties only in election year. Performance measures and standards will be contained in the Forecast Statement of Service Performance for the year ended 30 June 2012.			

Output 7: Policy Advice on electoral laws

PERFORMANCE MEASURES AND STANDARDS			
Description	Quality	Quantity	Timeliness
Accurate advice is provided as required on electoral matters.	Independent and accurate information and advice is provided to the Minister and the Ministry of Justice to support consideration of Electoral (Finance and Advance Voting) Amendment Bill, Electoral Referendum Bill, and the second stage of electoral agency reform to internal standards and in a timely manner.		

PERFORMANCE MEASURES AND STANDARDS			
Description	Quality	Quantity	Timeliness
	Independent and accurate information and advice is provided on other legislative or policy proposals to internal standards and in a timely manner.		

Output 8: Services to the Representation Commission

PERFORMANCE MEASURES AND STANDARDS			
Description	Quality	Quantity	Timeliness
The work of the Representation Commission begins in the 2012 financial year with the provision of information from Statistics New Zealand and Land Information New Zealand. Appropriate performance measures and standards will be contained in the Forecast Statement of Service Performance for the year ended 30 June 2012.			

Forecast measures of future performance

Statement of underlying assumptions for the nine months ending 30 June 2011

Significant assumption

The forecast financial statements are based on the underlying assumption that no general election or by-election will be held during the period. In the event that the general election is called early or a by-election is required to be conducted, additional funding will be sought.

Other assumptions

Under the Crown entities Act 2004, the Commission must include prospective financial statements in its statement of intent as part of promoting public accountability.

The purpose for which these financial statements have been prepared is to indicate the likely financial impact of the implementation of the Commission's longer term strategic direction. The information disclosed is indicative only and may not be appropriate for any other purpose.

The forecast financial statements have been prepared in accordance with NZ IFRS.

These financial statements are not audited.

The statements contain the best estimates and assumptions as to future events that are expected to occur. These forecast financial statements are likely to vary from the actual financial results achieved for the period covered and from the information presented. The variations may be material.

We have based the opening position for the 2010/11 forecasts on management's best judgements, estimates and assumptions prior to any review of balances that were to be transferred to the Commission at 1 October 2010.

We have based our occupancy and administration costs on our historical experience. We have included all known or reasonably estimated increases or decreases in any expense category. We have not made any allowance for revaluation of fixed assets in these statements.

Depreciation and amortisation costs are based on the assumption that the Commission will replace assets including software as required.

We assume that there will be no changes to the accounting policies that would materially affect the figures represented at this time.

Statement of accounting policies for the nine months ending 30 June 2011

Reporting Entity

The Electoral Commission is an Independent Crown Entity defined by the Crown Entities Act 2004, and is domiciled in New Zealand. As such the Electoral Commission's ultimate parent is the New Zealand Crown.

The Commission's functions and responsibilities are set out in the Electoral Act 1993 and subsequent amendments.

The Commission's statutory purpose is:

"... to administer the electoral system impartially, efficiently, effectively, and in a way that-

- (a) facilitates participation in parliamentary democracy; and*
- (b) promotes understanding of the electoral system; and*
- (c) maintains confidence in the administration of the electoral system."*

Basis of preparation

The prospective financial statements have been adapted to comply with New Zealand International Financial Reporting Standards. The preparation of prospective financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure.

The prospective financial statements have been prepared on the historical cost basis.

Accounting policies

The following accounting policies, which materially affect the measurement of financial performance and financial position, have been applied.

Revenue

The Commission derives revenue from the provision of outputs to the Crown and income from investments. Revenue from the Crown is recognised as revenue in the year in which it is appropriated and is reported in the financial period to which it relates. Other revenue is recognised in the period in which it is earned.

Goods and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables which are stated with GST included.

Taxation

The Commission is a public authority in terms of the Income Tax Act 2004 and consequently is exempt from income tax.

Fixed assets

Property, plant and equipment asset classes consist of office equipment, furniture and fittings, computer equipment and leasehold improvements.

Property, plant and equipment are shown at cost or valuation, less any accumulated depreciation.

Depreciation

Depreciation is provided on a straight line basis on all fixed assets at a rate that will write off the cost or valuation of the assets over their useful lives.

The useful lives and associated depreciation rates of major classes have been estimated as follows:

Office Equipment	20%
Computer Equipment	33%
Furniture & Fittings	20%
Leasehold Improvements	11%
Software	33%

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease expenses are recognised on a systematic basis over the period of the lease.

Financial instruments

The Commission is a party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors and creditors. All financial instruments are recognised in the prospective statement of financial position and all revenue and expenses in relation to financial instruments are recognised in the prospective statement of comprehensive income. All financial instruments are shown at their estimated fair value.

Accounts receivable

Accounts receivable are stated at their estimated realisable value after providing for doubtful and un-collectable debts.

Employee entitlements

Provision is made in respect of employee benefits expected to be settled within 12 months of reporting date and are measured at the best estimate of the consideration required to settle the obligation using current remuneration rates. These amounts are included in Employee Entitlements.

Forecast Statement of Comprehensive Income

	<i>Forecast 9 months ending 30 June 2011</i>
	\$000's
<i>Income</i>	
Revenue from the Crown	11,750
Interest	15
Other revenue	7
	<hr/>
<i>Total income</i>	<i>11,772</i>
<i>Expenditure</i>	
Personnel	3,173
Operating Costs	8,421
Depreciation	106
Audit Fee	50
	<hr/>
<i>Total expenditure</i>	<i>11,750</i>
<i>Total comprehensive income</i>	<i>22</i>

Comparative actual income and expenditure for the 2009/10 financial year is not available as this is the first period of operation.

Forecast Statement of Movements in Equity

Forecast
9 months
ending
30 June 2011

\$000's

<i>Public equity at start of the year</i>	1,663
Total comprehensive income for the year	<u>22</u>
	22
<i>Public equity at end of the year</i>	1,685

Comparative information for the 2009/10 financial year is not available as this is the first period of operation.

Forecast Statement of Financial Position

Forecast
9 months
ending
30 June 2011

\$000's

Current Assets

Cash and cash equivalents	1,475
Investments	305
Accounts receivable	4
Interest receivable	6

Total current assets 1,789

Current Liabilities

Creditors and other payables	420
Employee entitlements	41

Total current Liabilities 461

Working capital 1,328

Non-current Assets

Property, plant & equipment	567
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Total non-current assets 567

Non-current Liabilities

Employee entitlements	211
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Total non-current liabilities 211

Net Assets 1,685

Public Equity

Accumulated surplus	1,685
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Total public equity 1,685

Comparative forecast and estimated actual information for the 2009/10 financial year is not available as this is the first period of operation.

Forecast Statement of Cash Flows

Forecast
9 months
ending
30 June 2011

\$000's

Cashflows from operating activities

Cash was provided from:

Crown revenue	11,750
Other revenue	4
Interest	9
	<hr/>
	11,763

Cash was applied to:

Employees	3,153
Payments to suppliers	8,071
	<hr/>
	11,224

Net cashflows from operating activities **539**

Cashflows from investing activities

Cash was provided from:

Sale of property, plant & equipment	0
	<hr/>
	0

Cash was applied to:

Purchase of property, plant & equipment	25
	<hr/>
	25

Net cashflows from investing activities **(25)**

Net increase/(decrease) in cash held **514**

Cash at the start of the year 1,266

Cash held at the end of the year **1,780**

Represented by:

Cash and cash equivalents 1,780

Comparative information for the 2009/10 financial year is not available as this is the first period of operation.

Contact details

Electoral Commission

Street address: Level 3, Vogel Centre, 19 Aitken Street,
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Phone: +64 4 495 0030
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Email: enquiries@elections.govt.nz

Websites

Information on elections:

www.elections.org.nz

Information on election results (including election night results in real time):

www.electionresults.govt.nz