

Highlights



Delivery

Successfully implementing the new continuous Māori Electoral Option



Preparation

Our General Election temporary worker recruitment campaign is ready to launch on 3 July



Organisation

Our organisation-wide induction programme, Democracy Matters, was refreshed

Performance measures

Our delivery against performance measures for the period of 1 April to 30 June 2023 is detailed in Appendix A.

We have met most of our measures for the quarter. The four measures under Impact Measure 2, 'People take part in the electoral system', are focused on General Election goals. The selection of a mid-October General Election date, around a month later than our planning assumptions, has meant the enrolment update campaign is also later this year. Enrolment statistics have yet to reflect the uptick in participation the campaign always brings, but we are confident that the campaign will be successful. Notably, the Māori Electoral Option update campaign has meant our Māori enrolment performance is stronger than other measures.

Key upcoming milestones

13 July 2023	Final day for Māori Electoral Option roll changes
14 July 2023	Regulated period for election advertising expenses begins
10 September 2023	Writ Day
14 October 2023	General Election

Strategic priorities

This quarter we completed or made significant progress on a range of election preparation work, and ran the Māori Electoral Option successfully. The Commission also laid the groundwork for its General Election temporary workforce hiring programme.

Building our capability

The Commission's organisation-wide induction programme, Democracy Matters, was refreshed and re-launched in April. The programme includes an in-person induction and mihi whakatau, and is required for all permanent employees and fixed-term employees with contracts of over three months.

Work on updating and refining the Commission's policy and processes suite has been progressing well, including recent updates to time off in lieu (TOIL) guidance, the preparation of a draft travel policy update, and working groups to improve our remuneration and rewards system and our processes to address any bullying and harassment, discrimination and victimisation.

The Commission has appointed a Property and Procurement Manager who is prioritising building staff understanding of procurement practice across all Commission teams, and developing stronger oversight of procurement and contract management.

Our newly-appointed Manager, Strategy, Risk and Assurance, has begun analysing enterprise risk across the Commission and coordinating risk discussions across the Board and Executive Leadership Team.

Preparing for an election

One of the Commission's main focuses in this quarter has been implementing the continuous Māori Electoral Option (MEO), which was launched on 31 March with a public information campaign. Electors can switch between the general and Māori rolls until 13 July, which is three months out from the General Election. Our MEO advertising switched to its final phase on 25 June, letting electors know 'time is running out' if they wish to change rolls. As at 30 June, there had been a net increase of 2516 electors added to the Māori Roll and a net decrease of 187 electors to the General Roll. Over 19,000 electors took the opportunity to update their details without changing rolls, which will help us to lift the accuracy of the rolls for the upcoming General Election.

Recruiting large numbers of temporary staff for the election is a significant focus for the Enterprise Services and Operations teams. Recruitment advertising are scheduled to start on 3 July, seeking to fill around 25,000 roles.

In June around 3.4 million enrolment details were sent to NZ Post to print for the enrolment update mailout campaign. All enrolled voters will receive the update packs.

On 12 May the Commission released its decision on the allocation of funding to political parties for election broadcasting programmes on radio, television and online for the 2023 General Election. The amount of money available for this year's allocation is \$4,145,750 incl GST (\$3,605,000 excl GST). The Commission also prepared factual information to inform the later High Court case taken by some parties affected by the broadcasting allocation decision, including

a detailed submission and three affidavits. (The High Court ruled in favour of the Commission on 17 July).

The Board have been seeking assurance on planning to deliver the General Election by meeting with electorate managers to review their arrangements for voting. This has included visiting and observing assessment of potential voting places and Commission electorate headquarters and how they will support voting places. The visits have provided valuable insights into election preparedness and the challenges and opportunities within each region.

The Commission has established a General Election Delivery Taskforce (GEDT), which will be activated in September to provide overall management of delivery of the General Election.

In June the Commission launched its new Candidate Hub on the elections.nz website. It provides candidates and prospective candidates with the information they require to contest the 2023 General Election, with information on becoming a candidate, key information and dates, candidate rules, and resources. In addition to the text, four informative videos have been produced to explain the details. The Commission also launched a General Election information hub for its own staff on Echo, the Commission intranet.

The second phase of advertising for our Election Access Fund (EAF) supporting candidates with disabilities commenced on 25 June on digital platforms and commercial and community radio. We have also written to political parties and 45 other stakeholders to raise awareness of the fund.

Meetings are continuing with partner agencies to agree how they will support delivery of the General Election if required. The Department of Prime Minister and Cabinet has also initiated a GE23-specific work programme through the National Security System (Major Events Security Committee and Security and Intelligence Board). This includes coordinating threat assessments, scenario planning and testing at a strategic level, and coordinating work on mis- and disinformation. The Commission and DPMC will meet weekly from now until the election to coordinate work programmes.

The Commission has reviewed arrangements for delivery a safe and trusted election, covering use of properties, security of ballot papers, recruitment and responding to disruption. As part of these arrangement the Commission has established five Regional Security and Resilience Advisor positions to support Electorate Managers.

Building relationships and understanding

Aotearoa New Zealand

Following the Commission's all-staff wānanga in March, the results of the post-event survey revealed that participants valued being able to come together as an organisation and to focus on our values. There was constructive feedback received about ways to make wānanga equally as effective for online attendees as for those attending in person.

Our Strategic Engagement and Partnerships team has developed a partnership agreement with the Ministry for Pacific Peoples, and the agreement is now being considered by each agency's executive leadership team. We have also developed informal partnership agreements with the Ministry for Ethnic Communities, the Ministry of Youth Development and the Ministry of Disabled People.

Te reo Māori speakers in our regional community engagement team have received media training to support opportunities for local iwi radio interviews discussing the electoral system, MEO and the election. Interviews have taken place in Rotorua, Napier and Ruatoria to date.

The Commission, through its Māori advisory team, is developing an enduring relationship with the Iwi Chairs Forum to discuss non-partisan cooperation opportunities improve Māori understanding of, confidence in and participation in elections.

Our social media tool reports that the Commission's Facebook content was seen by 30 percent more people in June compared with May. Our Instagram reach was up 27.7 percent over the same period. The Communications team has developed an 'Electoral Connection' fortnightly all-staff newsletter as an informative sibling to the fortnightly all-staff Teams meeting.

International

The MFAT-funded International Business Unit has provided in-person support and electoral matters expertise in deployments to Papua New Guinea, Samoa, Fiji and the Solomon Islands. Invitations have also been issued to Pacific countries for the General Election visitor programme, in which members of international election management bodies visit New Zealand during the election period to observe operational processes.

Commission staff attended the Pacific Islands, Australia and New Zealand Electoral Administrators (PIANZEA) network in Fiji from 1-5 May. This was the first in-person PIANZEA meeting since COVID-19, and marked the 25th anniversary of the PIANZEA forum, which currently consists of 18 members from the Pacific and Oceania.

In April the Commission welcomed a delegation from the Australian Electoral Commission, led by Deputy Commissioner Jeff Pope. This was a valuable opportunity to share experiences with Australian colleagues, learning from their experiences running the May 2022 federal election, and preparations for the Indigenous Voice referendum, the first such referendum in Australia since 1999. The delegation met with a wide range of representatives from across the Commission to hear about our electoral system, the Commission's structure, and our General Election planning.

Preparing for the future

The Board has commissioned the development of a 10-year strategy for the Commission. This work will be a priority for the post-election period and into 2024.

The Board engaged closely with the Independent Electoral Review, contributing a detailed submission to inform its initial report and findings released in June. The Board met with the review panel to discuss potential implications for various changes to the electoral system. The Legal & Policy team will provide supplementary information in July.

As a part of strengthening its procurement practices the Commission created central oversight of all major contracts, including those ending over the next electoral term.

Legal & Policy also worked closely with the Ministry of Justice in this quarter to support its policy development work on proposals for legislation lowering the voting age.

Key activities

- Running the updated Māori Electoral Option campaign
- Sending 3.4 million enrolment details to NZ Post for the enrolment update mailout campaign
- Developing a partnership agreement with the Ministry for Pacific Peoples
- Te reo Māori speakers in our regional community engagement team have received media training to support opportunities for local iwi radio interviews.

Risks

The most recent risk assessment showed some risks that were previously considered to be trending upward were considered to have stabilised in the last quarter. The changes to these risks are outlined below:

- *Inability to deliver successfully or meet expectations due to insufficient funding:* our budgeting process indicates we will be able to manage the current and coming year within our funding available.
- *Critical supplier leaves the market or is operationally compromised:* we are bolstering our permanent procurement capacity. The risk has not continued to trend upward.
- *Failing to deliver on strategic objectives:* The Commission has implemented a thorough programme management approach to delivering the 2023 General Election, and after the election will be preparing a 10-year strategy to plan over the longer term to deliver our strategic objectives beyond a three-year operational cycle based on the timing of elections. We also continue to build our capacity in the strategy area, but delivery pressures will limit the ability of the wider Commission to focus on this in the coming six months.

One risk, *Over-reliance on core staff results in critical points of failure*, moved into red in the last quarter. A combination of key management roles now being filled and able to focus on supporting key staff; some hard to recruit roles being filled; and election planning being well advanced, has resulted in the risk returning to amber.

Risk 10: *Failing to successfully implement critical and/or legislative change*, has decreased. This risk is currently focused mostly on the implementation of the MEO changes, which has been implemented. While some future changes are signalled, this status is now green.

Financial performance

Net Surplus/(Deficit) – The year finished with a surplus of \$11.608m which, due predominately to lower expenditure, was \$13.175m better than the budgeted deficit of \$1.567m and \$2.883m better than the forecasted surplus of \$8.725m.

Expenditure – At June 2023, the Commission had expenditure of \$75.356m against planned spend of \$87.920m, a positive variance of \$12.564m.

Continuing the trend of previous months, the Commission continued to underspend against budget. This is due in part to some real savings, but also there is some significant delayed spending. The FY2023 budget was calculated using the assumption of a September election date. With the confirmation of an October election date, the last two quarters has seen some

Electoral Commission Performance Report



1 April – 30 June 2023

areas of expenditure deferred into later months, than had been budgeted for. Although the forecast made some adjustment for known expenditures slides into FY2024, lower than expected spending continued in both the personnel category (due to slower recruitment and related training) and non-personnel categories (e.g. delayed advertising and the General Election Enrolment Update Campaigns roll out, slightly later than planned). Partially offsetting this under-expenditure was \$1.730m overspend in property and occupancy costs due to higher lease costs for the 65 electorate headquarters.

Revenue – The 12 months ending June saw revenues slightly higher than budget by \$0.611m (less than 1%). This is mostly attributable to unplanned funding received for the Hamilton West by-election of \$1.5m, along with interest revenue (significant underspending allowed the Commission to take advantage of term deposits offering steadily increasing interest rates) offset by lower revenue from the International Assistance Programme, funded through the Ministry of Foreign Affairs & Trade.

Financial sustainability

The Commission's current financial sustainability status (using the measures established by the Ministry of Justice's Monitoring Unit) is summarised below.

Measure	Test	Forecast	Actual	Notes
Cash	Cashflow for the three-month period is positive	Fail	Pass	Positive by \$17.4m as at 30 June 2023. The full year budget expected a negative cash flow due to large expenditure flowing out in the fourth quarter. The forecast expected significantly less levels of expenditure than what was set when completing the budget. Greater levels of cash was held as at June than what was even forecasted due to further expenditure now sliding into FY2024.
Working Capital	Current assets exceed current liabilities	Fail	Pass	Positive by \$14.7m as at 30 June 2023 predominately due to the higher than budgeted and forecasted cash balances
Going concern	Total assets exceed total liabilities	Pass	Pass	Positive by \$16.4m as at 30 June 2023, better than both budget (\$4.4m) and forecast (\$13.5m).
Break even	The net operating result for the period is a surplus	Fail	Pass	The result for the full year is a \$1.608m surplus against a budgeted deficit of \$1.567m. This is a favourable variance for the period of \$13.175m.

Appendix A – Performance measures as at 30 June 2023

Results in **green font** are at or above target levels, results in **brown font** are below.

The tables below report on the measures from the Commission’s Statements of Intent and Performance Expectations.

Impact Measure 1 – People have trust and confidence in the electoral system

Measures	Current Status	Target 2022/23
Key general election milestones achieved (refer Output Measure 2)	On track	Achieved
Transition to new operating model phase 1 complete: <ul style="list-style-type: none"> • General Election implementation programme established • Reconfigured Senior Management Team structure • Implementation of new delegations policy • Proposal for reconfigured field operations finalised 	Achieved	Achieved (by 31 December 2022)
Integrity of by-election results: Official by-election Result Certificates for the electorate are signed by both the electorate Returning Officer, and the attending Justice of the Peace	Completed (Hamilton West by-election)	Completed if applicable

Impact Measure 2 – People take part in the electoral system¹

Measures	Current Status ²	Target 2022/23
Number of people enrolled (average for the period)	3.43m	3.64m
Number of 18–24-year-olds enrolled (average for the period)	0.25m	0.34m
Number of people of Māori descent enrolled (average for the period)	0.510m	0.525m
Number of people enrolled on the Provisional Roll (17-year-olds)	0.0031m	0.0065m

¹ Results in Impact Measure 2 and the first row of Output Measure 4 reflect the average over the quarter. The result reflected in the Commission’s 2022/23 Annual Report will differ slightly due to being the mean result over the full year period.

² See ‘Performance measures’ note p.1 for an explanation of this performance.

Electoral Commission Performance Report



1 April – 30 June 2023

Output Measure 1 – Maintain and protect the integrity of the electoral system

Measures	Current Status	Target 2022/23
Adherence to the Commission's quality assurance practices around the integrity of the roll	100%	100%
Staff receive mandatory integrity and compliance training	98.3% ³	100%
The Commission will follow up failures by a party, candidate or third party to file any relevant return of election expenses, donations or loans within 5 working days	100%	>95%
Allegations of electoral finance or advertising breaches of the Electoral Act are acknowledged, and follow-up is initiated if required, within 10 working days of receipt	100%	90%

Output Measure 2 – Prepare for and conduct well-run, risk-mitigated electoral events

Measures	Current Status	Target 2022/23
Key general election preparation milestones achieved: <ul style="list-style-type: none"> a) IT procurement complete (Q2) b) Core elections systems ready (Q2) c) Electorate headquarters secured (Q2) d) Returning officers trained (Q3&4) e) Electorate headquarters managers appointed and trained (Q4) f) Electorate headquarters operational (Q3) g) Overseas vote processing operational (Q3) h) Readiness testing and dress rehearsal programme begins (Q4) 	<ul style="list-style-type: none"> a) achieved b) substantially achieved c) achieved d) achieved e) achieved f) substantially achieved g) substantially achieved h) achieved 	Achieved
Enrolment data update for Local Body Elections complete (Q1)	Achieved	Achieved
Simulation of key activities to be undertaken by headquarters during the general election complete (Q2)	Achieved	Achieved
By-election conduct measures (if applicable): <ul style="list-style-type: none"> • Release of preliminary results from 7.30pm on the day of the by-election • Declaration of official results to schedule 	Achieved for Hamilton West by-election	Achieved

³ 347 people out of 353 (98.3%) had completed all three modules by 30 June.

Electoral Commission Performance Report

1 April – 30 June 2023



Output Measure 3 – Help people to understand the electoral system

Measures	Current Status	Target 2022/23
Strategic Communications Plan developed	Achieved	By December 2022
Respondents agree or strongly agree that the advisory opinion was timely and adequately answered their request	81.8%	>80%

Output Measure 4 – Make it easy and simple for people to take part

Measures	Current Status	Target 2022/23
Percentage of enrolment transactions that are conducted digitally	45.2%	>40%
Participation strategies for priority groups developed	Achieved	By 31 January 2023
Election Access Fund established	Achieved	By 31 October 2022
Guidance on electoral matters: Percentage of advisory opinions issued within 5 working days	99.3%	>95%

Electoral Commission Performance Report

1 April – 30 June 2023



Appendix B – Financial information as at 30 June 2023

Statement of revenue and expenses For the year ending 30 June 2023

	YTD			Full Year 2022/23			30-Jun-22
	Actual	Budget	Variance	Forecast	Budget	Variance	Actual
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
REVENUE							
Funding from Crown	84,441	82,758	1,683	82,365	82,758	(393)	25,618
Interest Received	454	2	452	407	2	405	3
Other Income	108	170	(62)	1,782	170	1,612	458
International Assistance Programme	1,961	3,423	(1,462)	2,244	3,423	(1,179)	1,870
Total Revenue	86,964	86,353	611	86,798	86,353	445	27,949
EXPENDITURE							
Personnel and Board Fees	34,109	36,317	2,208	31,893	36,317	4,424	18,796
Computer & Telecommunications	4,488	5,508	1,020	5,225	5,508	283	2,464
Property & Occupancy	9,269	7,539	(1,730)	9,298	7,539	(1,759)	2,456
Specialist Services	14,260	17,782	3,522	15,157	17,782	2,625	11,598
Printing, Stationery & Postage	8,029	12,546	4,517	9,998	12,546	2,548	760
Depreciation and Amortisation Expense	582	1,158	576	594	1,158	564	643
Audit Fees	280	91	(189)	174	91	(83)	95
Other Costs	4,339	6,979	2,640	5,734	6,979	1,245	652
Total Operating Expenditure	75,356	87,920	12,564	78,073	87,920	9,847	37,464
Surplus / (Deficit)	11,608	(1,567)	13,175	8,725	(1,567)	10,292	(9,515)

Electoral Commission Performance Report

1 April – 30 June 2023



**ELECTORAL
COMMISSION**
TE KAITIAKI TAKE KŌWHIRI

Statement of financial position As at 30 June 2023

	As at 30 June 2023			2022/23 Forecast			2022
	Actual	Budget	Variance	Forecast	Budget	Variance	Actual
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
CURRENT ASSETS							
Cash and cash equivalents	25,928	6,112	19,816	21,552	6,112	15,440	8,524
Debtors and other receivables	1,390	1,025	365	5	1,025	(1,020)	2,247
Inventory	25	185	(160)	50	185	(135)	44
Prepayment	109	180	(71)	71	180	(109)	107
Total current assets	27,452	7,502	19,950	21,678	7,502	14,176	10,922
NON-CURRENT ASSETS							
Property, plant and equipment	530	576	(46)	530	576	(46)	712
Intangible assets	1,226	2,306	(1,080)	1,214	2,306	(1,092)	1,598
Total non-current assets	1,756	2,882	(1,126)	1,744	2,882	(1,138)	2,310
TOTAL ASSETS	29,208	10,384	18,824	23,422	10,384	13,038	13,232
CURRENT LIABILITIES							
Revenue in Advance	4,774	2,296	(2,478)	3,244	2,296	(948)	4,283
Creditors and other payables	5,272	2,100	(3,172)	4,495	2,100	(2,395)	2,225
Employee entitlements	2,674	1,516	(1,158)	2,094	1,516	(578)	1,864
Total current liabilities	12,720	5,912	(6,808)	9,833	5,912	(3,921)	8,372
NON-CURRENT LIABILITIES							
Employee entitlements	76	95	19	60	95	35	56
Total Non-current Liabilities	76	95	19	60	95	35	56
TOTAL LIABILITIES	12,796	6,007	(6,789)	9,893	6,007	(3,886)	8,428
NET ASSETS	16,412	4,377	12,035	13,529	4,377	9,152	4,804
Equity							
Opening Equity	4,804	5,944	(1,140)	4,804	5,944	(1,140)	14,320
Accumulated Surplus / Deficit	11,608	(1,567)	13,175	8,725	(1,567)	10,292	(9,515)
Total taxpayers' funds	16,412	4,377	12,035	13,529	4,377	9,152	4,804

Electoral Commission Performance Report

1 April – 30 June 2023



**ELECTORAL
COMMISSION**
TE KAITIAKI TAKE KŌWHIRI

Statement of cash flows For the year ending 30 June 2023

	YTD			Full Year 2022/23			2021/22
	Actual	Budget	Variance	Forecast	Budget	Variance	Actual
	\$ (000)	\$ (000)	\$ (000)	\$ (000)	\$ (000)	\$ (000)	\$ (000)
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from Crown	83,961	84,643	(682)	86,281	84,643	1,638	24,052
Interest received	454	2	452	407	2	405	3
Receipts from other revenue	4,787	170	4,617	110	170	(60)	132
Payments to Employees	(31,722)	(36,007)	4,285	(30,997)	(36,007)	5,010	(17,038)
Payments to Suppliers	(40,047)	(48,748)	8,701	(42,745)	(48,748)	6,003	(21,891)
Net cash flow from operating activities	17,433	60	17,373	13,056	60	12,996	(14,742)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of property, plant and equipment	(29)	(135)	106	(28)	(135)	107	-
Purchase of intangible assets	-	(1,019)	1,019	-	(1,019)	1,019	-
Maturity of short term investments	30,000	-	30,000	-	-	-	-
Placement of short term investments	(30,000)	-	(30,000)	-	-	-	-
Net cash flows from investing activities	(29)	(1,154)	1,125	(28)	(1,154)	1,126	-
Net increase/(decrease) in cash and cash equivalents	17,404	(1,094)	18,498	13,028	(1,094)	14,122	(14,741)
Cash and cash equivalents at beginning of year	8,524	7,206	1,318	8,524	7,206	1,318	23,265
CASH AND CASH EQUIVALENTS HELD AT YEAR END							
END	25,928	6,112	19,816	21,552	6,112	15,440	8,524

Appendix C – Electoral Commission risk dashboard

