



THE LEADER OF THE HOUSE OF LORDS

The Lord Lipsey
House of Lords
London
SW1A 0PW

6 December 2010

As promised during the second day of the Committee stage of the Parliamentary Voting System and Constituencies (PVSC) Bill, I am writing to provide you with an explanation of the savings which will be made by combining the referendum on the voting system with the elections which are scheduled to take place in England, Wales, Scotland and Northern Ireland on 5 May 2011.

The assumptions which have been used to calculate the cost of the referendum are largely based upon the size of the electorate and the number of individuals who might apply to vote by post. These factors determine many of the costs, such as the number of ballot papers, polling stations, poll cards, postal ballot packs and estimates of labour costs.

Through applying the assumptions, we have estimated that the cost of the poll which will be formally “combined” with the elections to the Scottish Parliament, Wales and Northern Ireland Assemblies and local elections in England and Northern Ireland will be £81M. In contrast, Cabinet Office Officials have estimated that the cost of a standalone referendum would have been £96.6M.

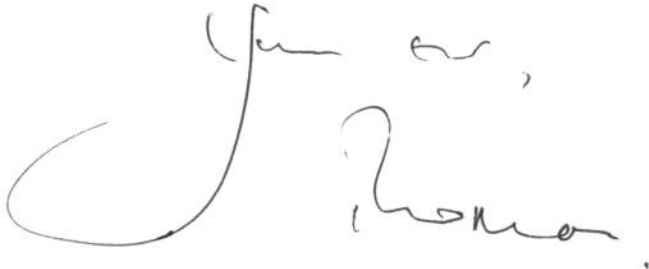
That means that £15.6M can be saved **to the cost of the referendum** by combining it with the other polls which are scheduled to take place on 5 May. We estimate that a similar amount of money can be saved from the cost of the **local and devolved elections**, taking place on this date. The exact figure will be dependent upon the assumptions which are used to calculate the costs of these individual polls.

This means that, as I said in the House, the **overall saving which will be made by combining all of the polls on 5 May is likely to be approximately £30M** (£31.2M taking the estimates above).

This figure represents the savings that flow from the combination of the mandatory elements that have to be combined where more than one poll is taking place at the same time. This most notably includes the cost of polling stations, Presiding Officers, Poll Clerks and Supervising Officers. Finally, it is also worth noting that combining

other elements (for example joint issue of postal ballot packs and poll cards – to be decided by counting officers and returning officers) could result in further savings.

I hope this response helps to clarify the position on the funding arrangements for the referendum and the savings which can be made through combination. As promised a copy of this letter has been placed in the Library of the House.

A handwritten signature in black ink, appearing to read "John Strathclyde". The signature is written in a cursive style with a large initial "J" and a distinct "S".

STRATHCYLDE