

# LABOUR CAMPAIGN FOR ELECTORAL REFORM



## Report from the Executive to AGM, 26 February 2022



### Chair's Report: Sandy Martin

It has been a transformational year for the Labour Campaign for Electoral Reform since our last AGM in November 2020. I say *year*, though it has in fact been 15 months. So much was happening last autumn that it seemed unhelpful – and would have been very difficult – to hold the AGM and the elections to the Executive Committee at the same time, and we hope you will agree that we should make February the default month for our AGM from now on.

The changes to the Constitution which were presented to the last AGM – including the amendment brought by the South-West group, and the new Financial Standing Orders – have bedded in well and helped the Executive Committee to focus more effectively on our actual campaigning. I want to thank all my fellow Executive Committee members for their commitment, dedication and hard work over the past 15 months, and to all the other members who have contributed to our work; there are too many to mention individually, but special thanks should go to Tony Price for his film-making skills; to Damien Welfare for his work as Auditor; and to Terry Ashton for acting as Returning Officer.

Our relationship with Labour for a New Democracy (L4ND) – which we helped set up alongside Make Votes Matter (MVM) and other organisations – has grown and deepened. Our 2021 Labour Party Conference motion was proposed by a record number of CLPs and supported by 80% of constituency delegates, which is testament to the hard work of the four paid L4ND staff, work which they could not possibly have achieved without being employed by the campaign. Unfortunately, the Conference motion fell as a majority of those Unions who voted, voted against. However, by demonstrating the overwhelming support of CLP delegates we made a political statement which our Party's leadership cannot now ignore.

Since the Conference the campaign has focused on work with the Trade Unions, with our Trade Union Officer, Billy Hayes, and the whole Executive, supporting the work of L4ND and Politics for the Many. Already, Unite has voted against First Past the Post and thus for a better electoral system at their policy conference in October, and work continues with Unison and other unions. Particular thanks must go to Caroline Osborne and Nancy Platt for this successful work.

As the initial stream of external funding for L4ND drew to an end, the hosts – MVM – and the L4ND staff felt that it would be opportune for L4ND to be hosted by LCER for the future. L4ND will remain answerable to the Steering Group, compromising 10 democracy campaigns, for its policy and campaigning actions, but LCER will now become the legal employer. This transition has been implemented with the agreement of all the interested parties, and MVM will remain an important member of the L4ND Steering Group. The L4ND campaign will need to rely largely on external funding to maintain its effectiveness, and we should hear the results of various bids during the next couple of months.

Over the past year, LCER has continued to grow its membership; we have a new better website and a new clearer logo thanks to our Communications Officer Charlotte Cornell; a much-enhanced social media presence, more organised outreach to CLPs, and regular contributions to Chartist, LabourList and other blogs and publications. I feel sure that we can maintain our high profile and significantly influence the Labour Leadership during the run-up to the next General Election and beyond.



**John Doolan, Parliamentary and Political Officer**

It's been a busy year for LCER. In my role as Parliamentary and Political Officer I have worked hard to develop links with supportive parliamentarians and to build relationships with those who are potentially supportive. I have contacted every member of the Parliamentary Labour Party at least once over the last year, and have organised face-to-face meetings with many MPs, either in person or via Zoom. LCER now counts more MPs among its membership than ever before, and I'm confident that we'll successfully recruit more and more MPs to our ranks.

Our figures show that around one third of the PLP are now in favour of PR, with around a quarter who are against. This leaves around 40% who are either undecided or who have elected not to express an opinion. I believe it is important to work with MPs from right across the spectrum – to provide a campaigning platform for our prominent supporters, to persuade MPs who are favourable but who have not lent us public support to do so, and to put across our arguments as persuasively as possible to those who remain undecided.

I have continued to be a regular speaker at CLPs and am seeing continually how support for PR is growing within the Labour Party. Speaking at CLPs around the country is one of my favourite activities when campaigning for LCER. We really have a great campaign and are gaining traction.

This was perhaps most evident at the 2021 Labour Conference, when I worked on the LCER/L4ND stall. We are seeing more and more Labour members who now support the policy of scrapping FPTP, and it was good to see 80% of CLPs support the motion on the Conference floor. The work continues to get union support and Unite changing its policy to support PR has already made a big difference to the campaign.

I have greatly enjoyed collaborating with the L4ND staff over the year. They are a hardworking and effective campaigning team, and I couldn't be more pleased to have the opportunity of working together again in an even closer relationship. Together, we need to focus on the next year, persuading more MPs and Parliamentarians of the benefits of PR and the strength of feeling within the Labour movement. One of the best aspects of our campaign is its non-factional nature. As Parliamentary and Political Officer I work with people from across the Labour movement, who come from and represent every tradition. I am committed to ensuring that we remain representative of the entire Labour Party.

The coming year is another important one for our campaign. We must continue to build on the successes of the past year, and I am committed to working as hard as possible to achieve our aims of electoral reform with Labour at its heart.



**Ken Ritchie, Treasurer**

**Annual accounts and budget (these are also provided as separate papers for consideration by the Annual General Meeting)**

**Annual Accounts for the year 1<sup>st</sup> July 2020 to 30 June 2021**

**INCOME AND EXPENDITURE**

	2020-21	2019-20
<b>Income</b>		
Subs and donations (gross)	14,212.81	6,923.77
Less fundraising fees and charges	<u>-2,122.17</u>	<u>-1,954.09</u> ( <i>Note 2</i> )
	12,090.64	4,969.68
 <b>Expenditure</b> (see note 4)	2,041.05	7,017.20 ( <i>Note 3</i> )
 Surplus income over expenditure	10,049.59	

**BALANCE SHEET**

**At 1<sup>st</sup> July June 2020**

Total bank balances	6,614.49
Less: liability (MVM)	<u>-808.32</u>
Total assets	5,806.17

**At 30th June 2021**

Total bank balances	15,855.76
Total assets	15,855.76

**Notes to the accounts**

1. These accounts have been prepared for the year 1<sup>st</sup> July 2020 to 30 June 2021 in accordance with the Financial Standing Orders adopted during the year.
2. In these accounts, charges that are made on receipts by online membership systems and PayPal have been deducted from gross income to show the net amounts received by LCER. In 2019-20 these charges were classed as expenditure on the website and software systems.
3. The expenditure figures shown for 2019-20 are a total of expenditure by LCER using its own resources and costs that were paid by the then Treasurer personally.
4. The table below provides an analysis of total expenditure

	2020-21	2019-20
Campaign materials	0.00	1884.74
Conferences	1,200.00	2740.32
Advertising	46.05	0.00
Website and software licenses	511.38	270.19
Travel	0.00	1,660.61
Stationery, Admin, Postage	31.92	263.99
Bank service charges	216.94	137.25
Other	35.30	60.10
	<b>2,041.05</b>	<b>7,017.2</b>

5. The Financial Standing Orders require that all single items of expenditure of more than £400 are reported to members. In 2020-21 there was only one such item:

Labour Party      1,200.00      Labour Connects (virtual conference).

During the year a payment of £808.32 was made to Make Votes Matter as a contribution to 2019 Labour Conference costs incurred in 2019-20 (and recorded in the accounts for that year as a liability).

### **Commentary**

The year July 2020 to June 2021 was a very exceptional one for two reasons:

1. LCER's income from members and donations from individuals more than doubled, mainly through more effective use of the website and systems that allow people to join and donate online;
2. Lockdown restricted expenditure almost exclusively to online activities and no costs were incurred during the year on either travel or campaign materials.

Whilst (1) was good and (2) unfortunate, their combined effect was a near tripling of LCER's assets, from £5,806 to £15,856, putting LCER in a stronger financial position than at any time in its history. Moreover, as very high proportion of income comes from standing orders and direct debits, there is every reason to expect income to remain at least at the current level in the foreseeable future.



Ken Ritchie  
Treasurer

18<sup>th</sup> December 2021

## LABOUR CAMPAIGN FOR ELECTORAL REFORM

### BUDGET FOR 2021- 2022

*The Financial Standing Orders require a budget for the current year to be presented at each AGM.*

This budget sets out the income which LCER hopes to receive from its existing sources of funds, and how it plans to use that income.

In 2020-21 our income was £ 12,091 – well above the budget we had set.<sup>1</sup> With the success of our work with L4ND in 2021 and new opportunities for expanding our membership, we believe that, with a programme of fundraising approaches to our members and supporters, a significant increase in income is possible.

**We therefore recommend a budget of £14,000 for income from our existing sources of support.**

As members will be aware, it has been agreed that, from early in 2022, LCER will host the Labour for a New Democracy (L4ND) coalition. The cost of supporting the L4ND programme, including paying the salaries of its staff, will be of the order of £180,000 p.a., which is clearly well beyond what we could raise from LCER's members and individual supporters. L4ND/LCER is therefore in discussion with major donors which we hope will contribute the funds that are required.

Grant income, and expenditure on grant-funded activity, will be accounted for separately in future reports.

**We also recommend a budget of £14,000 for expenditure of funds from our existing sources of support.**

Given the present opportunities for progress towards electoral reform, we plan to use all of our income in supporting our campaign.

We do not, at least at this stage, plan to increase our expenditure by using some of the £15,856 which we held at the start of the financial year. If our fundraising initiatives are successful, LCER will be the employer of four members of staff and we will hold our funds from previous years as a reserve to ensure that we are always in a position to meet our obligations to staff.

The table below shows our expenditure budget in more detail:

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<sup>1</sup> The 2020-21 budget paper showed an income of £10,000. That, however, was a gross figure. This year we are using a figure net of the charges made on online receipts – the equivalent 2020-21 figure would have been around £ 8,250.

<b>Activity</b>	<b>2020-21 actual</b>	<b>2020-21 BUDGET</b>	<b>2021-22 DRAFT BUDGET</b>	<b>Notes</b>
Campaign materials (incl. leaflets and publications)	£ 0	£ 1,250	£2,400	Approx £1,400 was spent on materials for the 2021 Labour Conference in the first half of 2021-22. Leaflets for regional and trade union conferences may be required in the second part of the year before grant support is available.
Conferences	£ 1,200	£ 2,000	£3,350	The actual cost of the 2020 conference was much less than budgeted as only a virtual conference was possible with lockdown. In the current year, the major costs of the 2021 Labour Conference have been covered by L4ND. This budget assumes that the costs of 3 regional conferences will need to be covered before major grant support for L4ND is available.
Advertising	£ 46	£ 2,000	0	Any expenditure in 2021-22 will be part of the L4ND programme and will be dependent on funds received.
Travel	£ 0	£ 1,000	£400	Travel costs will remain much lower than in earlier years because of the use of Zoom. In the first half of 2022 there may be a need for travel to some live meetings.
Website and software	£ 511*	£ 250*	£2,050	Over £1,500 was spent on website design in October 2021. Other costs will include website hosting, Zoom and Opavote costs.
Stationery, admin, post	£ 32	£ 500	£300	£155 has been paid to re-imburse mailing costs from previous years. A further £145 has been budgeted for other mailings etc.
Bank charges	£ 216	£ 150	£200	The 2020-21 budget assumed a merger of two bank accounts might be possible, but these plans have been abandoned to provide an account for the L4ND programme.
Other	£ 35	£ 100	0	
Contingency	£ 0	£ 1,000	0	
Other contributions to L4ND Jan-June 22			£5,300	Funds not required as above will be contributed to the L4ND programme.
<b>TOTAL</b>	<b>£ 2,041</b>	<b>£ 8,250*</b>	<b>£14,000</b>	

\* The original 2020-2021 expenditure budget included £1,750 in charges paid on receipts through web-based systems: these charges have now been included as negative income rather than expenditure.

Approximately £9,000 of the anticipated expenditure of income from LCER sources will be spent on activities related to L4ND.

As noted above, it is hoped that L4ND will attract significant grant income. Although these grants will be received by LCER which will be responsible for their expenditure, LCER will follow the recommendations of the L4ND Steering Committee on how they should be used, unless there are compelling reasons for doing otherwise. At all times, LCER will ensure that financial commitments do not exceed funds that have been received.

Ken Ritchie  
Treasurer  
8 February 2022

## **LABOUR CAMPAIGN FOR ELECTORAL REFORM**

**Annual Accounts for the year 1<sup>st</sup> July 2020 to 30th June 2021**

### **Auditor's report**

I have examined the Annual Accounts for the LCER's financial year 2020-21 (1<sup>st</sup> July 2020 to 30<sup>th</sup> June 2021) and associated invoices and receipts, and been shown the bank statements for the two Co-operative Bank accounts, and the Paypal and Membership accounts. I have been supplied with explanatory notes by the Treasurer, and have discussed a number of points with him, including as to the change to the presentation of website charges.

I am satisfied that the accounts are a true and accurate record.

Damien Welfare  
Auditor

22nd February 2022



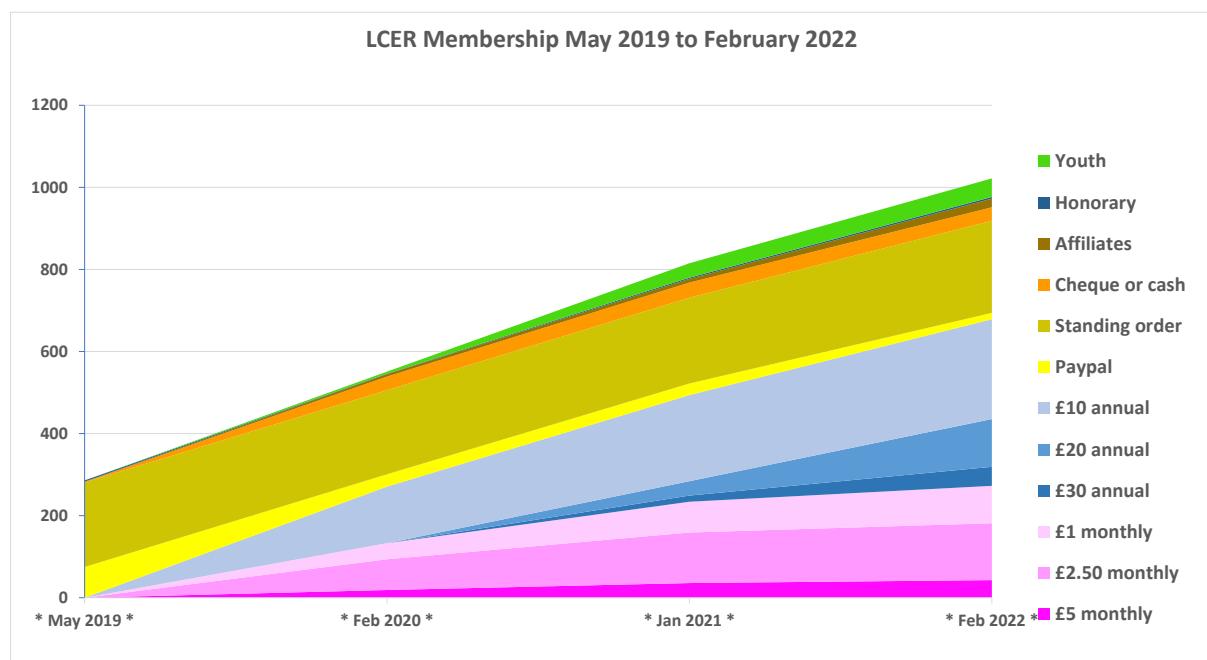
**Maria Iacovou, Membership officer**

I'm happy to report that LCER's membership has continued to grow, from under 300 in May 2019, to over 1000 and rising. We also have a mailing list of several thousand supporters, but it's our paid-up members who provide most of LCER's income, and who demonstrate most clearly the weight of opinion behind our campaigns. The force of numbers will be particularly important in our application to become an affiliated organisation of the Labour Party. We've done well, but I think we could and should aim higher. With 80% of Labour members backing a fair voting system, there's clearly scope for recruiting on a much bigger scale. If every member of LCER were to recruit one friend or family member, we'd double our membership within a week – this is something that every member can help with! Following the stellar result at last year's Party Conference, I'm keen to see more CLPs and trade union branches affiliate formally to LCER – if your CLP supports PR, please ensure that it affiliates.

The Constitution requires that we report to the AGM each year on subscription rates. Our current rates are on a sliding scale, with no means test and no additional benefits associated with paying the supporting rate.

- £5 per annum (youth/retired)
- Annual membership of £10, £20 or £30
- Recurring monthly membership of £1, £2.50 or £5 per month
- Many members who joined before 2019 pay a variety of amounts by standing order.
- Affiliation for CLPs and other groups - £10 per year

The chart below shows the numbers of members joined at each rate. I propose we maintain the current rates for the forthcoming year.





### **Lynne Armstrong, Women's Officer**

At the last Executive election, in November 2020, the LCER membership elected 7 women and 7 men to the Executive Committee, and we seek to ensure gender parity in all aspects of the Campaign, succeeding in having our Annual Conference composite proposed by a woman.

The LCER Women's Officer role focuses primarily on getting our message on proportional representation across at Labour's Annual Women's Conference, but opportunities have been restricted in 2021 and 2022 by the virtual nature of that conference.

A leaflet prepared for last year's conference could not be distributed, but two Fringe Events were organised, involving leading campaigners and supportive MPs. Only one motion on PR was submitted after the Executive decided not to risk a vote before Annual Conference. I was a delegate and spoke on Social Care.

Plans for a fringe meeting at the 2022 Women's Conference, due to take place 19-20 March, had to be abandoned as Conference Services could not obtain a platform for both debates/votes and fringe at short notice, after the change from in-person to virtual arrangements due to Omicron.

However, a model motion was circulated and posted on websites in January, in the hope of enough submissions to keep the conversation about electoral reform going. Our motion focuses on 'a better politics for women' rather than a direct call for PR which has been ruled out of order at some regional conferences as contradicting the 2021 conference vote.

In the future LCER could approach Women's Forums and the new Women's Branches to promote PR as the women's issue it clearly is.

### **Report from the Systems Sub-Committee**

The remit of the Systems Sub-Committee is to consider possible electoral systems to be recommended once the Labour Party makes a commitment to proportional representation. It has been studying in detail the features of systems used to elect the Scottish Parliament, Welsh Senedd and London Assembly (Mixed Member System), Stormont, Irish and Maltese Parliaments (Single Transferable Vote) and the Parliaments of other European countries (mostly Multi-Member Constituency Systems). The sub-committee published an interim report last year, and work is ongoing.



### **Mary Southcott, South West Region**

LCER South West held at least monthly zoom meetings with CLP Champions, Labour councillors, MPs and regional trade unionists, covering CWU, Unite, Unison, GMB and USDAW and encouraged union membership. An LCER member was elected onto Unison Labour List and others joined unions. We encouraged debate and resolutions and have only three grey hexagons where CLP debate has not taken place on maps devised by one of our core team. Two moved resolutions in the Electoral Reform

debate at Annual Conference and others were involved in compositing.

They staffed the joint stall, LCER with L4ND, at the South West Regional Conference and signed up new contacts. We were not able to move a resolution, ruled out of order, despite being carefully constructed to promote debate with the trade unions and to avoid contradicting the Conference Composite which was voted down in September and remains the default Labour policy against reform. Delegates belonging to LCER raised the issue in questions at other stages including why no debate had taken place and had productive conversations with leading trade unionists and politicians. There were lots of LCER badges. When delegates were assembled and awaiting the start of Conference, they were asked to take a badge and wear it if they supported PR. The refusal rate was less than seven per cent.

There is a real feeling that in our region where we have a larger electorate than Scotland and only six Labour MPs, and where the Green Party is eating into the Labour and the LibDem vote where only the latter two can beat the Conservatives in a General Election, and targeting Bristol West, a Labour seat, having split the vote in Stroud which defeated Labour's David Drew, we need as much attention to our calls for electoral reform, in the National Policy Forum and/or the Gordon Brown constitutional commission, as the Scottish Labour Party does for fighting the SNP and "saving the Union", where in Scotland the votes Labour gets would translate into significantly higher numbers of representatives at Westminster with PR, as happened in the Scottish Parliamentary elections.



### **Lynne Armstrong, South East Region**

From early 2021 supporters of proportional representation in the South East have been networking through a Labour for a New Democracy WhatsApp group and LND zoom meetings, encouraging each other to get PR motions to Annual Conference through their CLPs.

Many South East CLP delegates brought the PR motion to conference, helped vote the issue to number 2 in the priorities ballot and formed a significant part of the 80% CLP delegate vote in favour. I was the delegate for Bognor Regis and Littlehampton CLP.

At the South East Regional Conference in November a motion submitted by Isle of Wight CLP on proportional representation for local government elections was debated and strongly supported by CLP delegates. It was unsuccessful because we still need to convince many unions that PR is in their members' interests.

Support for PR in the CLPs of Labour's South Eastern electoral desert has grown steadily over the last 12 years and LCER can rely on this region to keep promoting electoral reform.