LOCAL (PARISH AND TOWN) COUNCIL ELECTION COSTS

Purpose

This short paper is based on factual information provided by Brian Wilson Associates to the National Association of Local Councils (NALC) and the Commission for Rural Communities (CRC) in response to questions concerning the costs re-charged to local councils by principal local authorities, when the latter manages local council elections. In particular, whether there are ways in which re-charged costs could be reduced so they are less of a burden on local council finances.

This paper is based on a look at the legislation, a web search, discussions with two democratic services officers in principal local authorities and information gathered from some newly established local councils. It was undertaken as an additional short piece of work within a wider research contract for NALC and the CRC; as such it makes no pretence to be a definitive exploration of the subject.

However, it is hoped that the paper can make a useful contribution to the debate concerning the funding of local council elections.

Legislation

The relevant piece of legislation is the Representation of the People Act 1983. Section 35 of the Act places a duty on a returning officer, who will be appointed by the district, borough or unitary council, to oversee the election of parish councillors within that local area.

Section 36 of the Act goes on to say that all expenses reasonably incurred by the returning officer (which can be capped by locally agreed limits) shall be paid to that returning officer by the principal local authority and that they, in turn, can then require local councils to repay such costs.

In short, it is district, borough or unitary councils which manage the local council election process and they can fully re-charge all reasonable costs incurred. Any decisions to reduce or waive the re-charge are ultimately for individual districts/boroughs/unitaries to take.
Election costs

Re-charge costs quoted during this research have been £14k (Stanley Town Council) and £11k (Alwoodley Parish Council in Leeds) for a full local council election, and £3k (Shrewsbury Town Council) for a by-election. Further research would be needed to find out if these are broadly representative figures or how far costs vary. They come from larger local councils, so may be at the upper end of the range.

The component costs of holding a local council election would appear to be:

- Returning officer – the fee they receive;
- Clerical support – clerical and administrative resources needed;
- Premises – hiring of polling stations and a count venue;
- Polling staff – fees paid to duty staff at the polling stations;
- Postage – the outgoing and incoming cost of postal votes;
- Ballot papers – the printing costs;
- Polling cards – the printing costs;
- Labour – incidental costs, such as the delivery of ballot papers;
- Transport – incidental costs, such as the delivery of equipment for polling stations;
- Count – fees payable to staff at the count; and
- Notices and stationery – for statutory forms, other printing, etc.

There are nationally set pay scales (fees) for returning officers, presiding officers and polling clerks involved with principal local authority elections. Locally agreed pay scales (fees) can also be set by districts/boroughs/unitaries for officers involved with local council elections, though this is not obligatory. It should be remembered that full local council elections often take place at the same time as principal authority elections where national scales will apply.

It seems clear from other work we are undertaking with newly established local councils that their clerks often have relatively little to do with the election process. In the words of one, “the [principal local authority] took over the process”.

Local councils have to find these re-charge costs out of their precept or, where they have them, from other sources such as savings or income generated.

Practice

It is common practice to distinguish between:

- Local council elections which take place at the same time as other elections e.g. to the district council; and
Local council elections or by-elections which take place at other times.

The Act allows local council elections to be combined with other elections. The initial election for Shrewsbury Town Council was combined with those in 2009 for the European Parliament. Combined elections appear to be increasingly common, no doubt to keep down costs. Full local council elections are often put onto the same four-yearly cycle as those for the district/borough/unitary. With a combined election some apportionment of costs is expected by the Act.

Teignbridge DC interprets this quite literally, noting that things which can be shared and apportioned include staffing and polling stations, whilst things which cannot be shared and apportioned include ballot papers and election notices. Both Herefordshire Council and South Hams DC charge their local councils 50% of the costs of combined elections. The latter says it may only re-charge 33% for combined elections in 2011 because there will additionally be the referendum on electoral reform. However, other councils have waived any re-charge where there is a combined election e.g. South Somerset DC, Wiltshire Council for Salisbury City Council in 2009. Sometimes principal local authorities see it as part of a package of support offered to local councils in their area.

By contrast, contested local elections held at other times – including by-elections – often appear to be fully re-charged (as is the case in South Hams DC and also Sevenoaks DC when Hextable Parish Council was established). Whilst by-elections may be an unforeseen cost for local councils, some argue (such as Cheshire East Council) that it would be unfair for residents in unparished areas to subsidise them. South Somerset DC has a different policy, re-charging the full cost of ballot papers, but only 25% of polling stations and staff costs.

Uncontested local elections or situations where someone is co-opted onto the council are often not re-charged. There will only have been fairly minor administrative costs, assuming it did not go to ballot, and these are often waived by the district/borough/unitary council. However, some (for example Herefordshire) do make a small administrative re-charge.

This differing treatment of contested and uncontested elections, whilst it has a financial logic, can create an unintended disincentive to contested elections.

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1 Section 36 (3b) reads: “Where the polls at any elections are combined ... the cost of taking the combined polls (excluding any cost solely attributable to one election) and any cost attributable to their combination shall be apportioned equally among the elections.”
**Recent trends**

Local authorities say that the cost of holding elections, whether for local councils or otherwise, is increasing. One reason for this is that more people are choosing to vote by post. Another is measures brought in to deter voter fraud, which includes computer-based checks and cross-checking signatures on postal votes.

It would not be surprising if districts/boroughs/unitaries were more likely to re-charge the costs of holding local elections in future, given the significant reductions they now face in their own budgets as a result of the Spending Review and the local government finance settlement.

**Scope for further reducing costs**

Few examples have been found in this exercise of successful attempts to reduce the cost of holding local elections. The principal local authorities spoken to all thought the scope to reduce costs was very limited by the legislation and the nature of those costs.

However, a few practices or possibilities are worth highlighting:

- For combined elections there could be combined polling cards (rather than separate cards for each of the elections), thereby reducing costs;
- Local councils can distribute polling cards. South Hams DC finds it simpler to use Royal Mail for district-wide elections, but is happy for parishes to handle distribution of polling cards for their own by-elections;
- Indeed, it appears to be within the gift of local councils not to have polling cards distributed at all for their own elections, if they can find other good ways of publicising the election.

Also explored was whether local council staff or volunteers could act as election staff to reduce costs. It is perfectly possible for parish clerks or local residents to become polling clerks, as long as they have had appropriate training. However, this has no effect on re-charges, because they must still be paid at the agreed rates.

Unsurprisingly, the Act is clear (section 18) on one other thing, that each parish has to have a separate polling station. There is not scope to save costs by combining them.

A look at the component costs of an election (listed above) would seem to indicate that there are few other areas where local councils could easily become involved to save costs. One possibility may be offering to provide the transport to deliver the polling station and ballot papers.
South Hams DC recognises that local councils may find it hard to pay re-charges that are sprung on them within a financial year. Where there is an unforeseen by-election they do not re-charge the local council until the following financial year. Where a full election is due they notify the local council of the costs months in advance, so it can be taken into account when setting next year’s precept. This approach is helpful to local councils and should be easily replicable.

**Some conclusions**

The legislation leaves only limited room for manoeuvre in terms of how local council elections are conducted. Moreover, it is essentially within the gift of districts/boroughs/unitaries to determine the costs of running local council elections and whether those costs are re-charged to local councils. It could be argued that re-charging the costs is fair (although a counter argument is that principal local authorities receive a Government grant to meet the costs of managing representative democracy at the local level, which should include elections to parish and town councils). What seems less fair is that: a) local councils have so little scope to determine the level of those costs; and b) the costs may be sprung on them where there is a by-election.

The most obvious way to reduce costs is for full local council elections to be held at the same time as other local elections, so that costs are at least apportioned or shared.

There are some modest things which could be done to reduce costs further, for example using combined polling cards or local councils distributing polling cards for by-elections.

In these difficult economic times many principal local authorities will be looking to local councils to help them cut costs and to play a larger part in public service delivery. This may provide negotiating opportunities, where in return local councils can seek help in-kind, including help with their election costs.

It may also be possible for local councils or their County Associations (CALCs) to influence locally agreed pay scales (fees) for staff managing local council elections.

One piece of good practice which has been identified is to avoid springing local council election costs on to local councils during a financial year. The practice adopted by South Hams DC could be promoted more widely.
Finally, it would seem sensible for local councils to make some allowance for future election costs (including by-elections) within their financial planning, for example by building in some contingency within their annual budgetary planning.

**Recommendations**

- The Government should work with local council practitioners and others, to review the costs of parish and town council elections and the extent to which they are acting as a barrier to the effective practices of representative democracy (which are part of the bedrock of the Big Society in rural areas). This could usefully include the collection of information from a larger number of principal local authorities than has been possible in putting together this paper;

- On the basis of such a review, actions and reforms should be considered that will reduce such barriers;

- The Government should consider – within necessary minimum quality assurance specifications – devolving responsibilities to local parish and town councils for conducting their own elections in a streamlined and more cost-effective way.

*This document was written for the National Association of Local Councils (NALC) and the Commission for Rural Communities (CRC) by Brian Wilson Associates, with David Atkinson Consulting and Ellie Stoneley.*

The authors would like to thank Chris Borg, the project manager at NALC, and Adam Lavis, Senior Policy Adviser at the CRC, for their helpful steers and advice. Sincere thanks also go to project steering group, who were: Louise Ashmore, Bedfordshire Association of Parish and Town Councils, Helen Ball, Town Clerk at Shrewsbury Town Council, Sue Lake, Norfolk Association of Parish and Town Councils, Russell Morgan, Town Clerk at Stanley Town Council, Sam Shippen, Town Clerk at Seaford Town Council, and Reg Williams, City Clerk at Salisbury City Council. Many other people contributed knowledge, examples and views during the course of the research. Specific to this paper were Ian Dewar, Mick Oliver, Rosie Seymour and Steve White. This document does not necessarily represent their views and any errors are the author’s.

*January 2011*