



## DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	26 NOVEMBER 2018	8
PARISH COUNCIL ELECTION RECHARGES			

### PUBLIC ITEM

This item is for consideration in the public part of the meeting.

#### SUMMARY

The council currently recharges the cost of parish council elections to the parish council concerned using a methodology that takes into account the cost of providing polling stations for each election and divides most other costs equally between the parishes that are holding an election. The charges are only applied in this way when an election is contested within a Town and Parish council area.

The District Parish Liaison (DPL) recently considered an alternative methodology for recharging the costs of parish council elections. The alternative methodology decreases the overall costs charged to parish councils and correspondingly increases the element of those costs to be borne by the borough council. The District Parish Liaison (DPL) group have asked the committee to consider changes in the way that the costs are allocated amongst the parish councils, so as to lessen the burden on smaller parishes.

#### RECOMMENDATIONS

1. Replace the present methodology for calculating recharges for parish council elections with the methodology as set out in paragraph 9 based on electorate numbers;
2. Charge a fee of £100 to a parish where an election is uncontested to cover the known cost of the administration of the election;
3. Agree that the recharge methodology and the amended fee arrangements are piloted for the May 2019 elections and thereafter reviewed by the Democratic Services team with a report to committee on the effectiveness of the pilot being presented to a subsequent meeting of this Committee.

#### SUMMARY OF PREVIOUS DECISIONS

Finance and Democracy Committee, 26 September 2016: Considered two alternative methodologies for apportioning parish council election costs. One alternative shared all costs equally across the number of contested parishes or parish wards, and the other apportioned costs according to the size of the electorate. Neither alternative changed the global amount of costs to be borne collectively by the parish councils. Resolved to continue to recharge the cost using the present methodology.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	√
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	
Working with all partners ( <b>Vibrant Economy</b> )	√
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	

## REPORT

1. The costs of holding an election for a parish councillor are met by the borough council as the administrative body, but they can be recharged to the parish council concerned<sup>1</sup>. Fylde Council recharges the whole cost of parish elections or, where parish elections are combined with other polls, the whole of the element of the combined polls that is deemed to be attributable to the parish council elections. For example, where the parish elections are combined with borough council elections, the element of the combined costs that is deemed to be attributable to the parish elections is one half. Where the parish poll is combined with borough council and parliamentary elections, the element of the combined costs that is deemed to be attributable to the parish elections is one third.
2. The methodology used in calculating how the recharge is divided between parish councils is set out below. Members should note that the costs are only divided between the parishes and parish wards where there is a contested election.

Element of recharge	Method of calculation
Polling station	Actual costs incurred in the parish or parish ward in question (these include hire costs for portable polling stations, as well as staff costs)
Poll cards	Divided equally between each contested parish or parish ward
Absent voting	Divided equally between each contested parish or parish ward
Count	Divided equally between each contested parish or parish ward
Clerical	£16.55 per 500 electors or part thereof in each contested parish or parish ward
Returning officer	£75 per contested parish or parish ward

*Clerical and Returning Officer's fee agreed in 2007, increases over time due to pay award.*

3. Where an election is uncontested, a fee of £35 is currently charged to cover administrative expenses, this fee has not been reviewed since Fylde was established in 1974, officers have taken the opportunity to review this fee taking into account the resources required even if there is ultimately no election.

## PARISH COUNCIL CONCERNS

4. Parish councils, through the DPL, have expressed concern about the impact of election recharges on their budgets. The last parish council elections (excluding any by-elections) were held in May 2015. The polls were combined elections, in that parliamentary, borough council and parish council elections were held on the same day. There were ten contested elections for parish councils or parish council wards in Fylde. This level of competition was the highest for many years. Consequently, a number of parish councils who had not in recent times had to meet the cost of elections were faced with recharges.

<sup>1</sup> Representation of the People Act 1983, section 36(5)

5. Parish councils do not have any control about whether or not their seats will be contested and, in any event, local democratic engagement is to be encouraged<sup>2</sup>.
6. A particular concern raised by the DPL has been the cost elements (poll cards<sup>3</sup>, absent voting and count) where charges are divided equally between contested parishes and parish wards. The concern is that the smaller the number of parish councils or parish wards in which there is a contested election, the greater the proportion of those costs which are allocated to each contested parish council or parish ward. This is seen as being particularly inequitable where there are combined polls, because in those cases the global amount of those cost elements is influenced by the costs of the other polls and not just by the parish council election costs.<sup>4</sup> As a consequence parish councils do not have a known cost for an election, if indeed they have an election, which makes budget setting difficult.
7. The issue has been discussed on a number of occasions at the DPL where matters between parishes and the Borough are addressed, the Leader of the Council and the Chief Executive represent the Borough at the DPL and have contributed to the discussion providing advice and comparison data. The protocol is to consult with town and parish councils whenever decisions are made at either level of local government that impact on each other i.e. grant allocations, asset transfers etc. The current method of recharging for parish elections has been in place for many years, whilst the methodology was confirmed by this committee in 2016, there is no record that the methodology had been subject to consultation through the DPL. As a consequence of several parish councils having elections in 2015, and subsequently receiving recharges, which had previously not had contested positions, a request was made to discuss the matter at the DPL.

#### **PROPOSED ALTERNATIVE METHODOLOGY**

8. After discussing the matter of election recharges on a number of occasions an alternative method for recharging was proposed and supported by the DPL at the meeting on October 24<sup>th</sup> 2018. The alternative methodology would, if applied to the most recent parish elections in 2015, have resulted in the global recharge to the parish councils (and therefore the income to the borough council) being reduced by £11,817 (49%) compared with the present methodology. The DPL discussed and compared charges and methodology in other parish areas, there is no nationally prescribed method and no legal requirement to have a recharge in place. Almost all other areas compared do have recharges in place with many having set fees so that the parish know in advance what the cost of the election would be and can budget for it. There is no legal requirement to set a recharge but the District is entitled to set one and the parish is required to pay the recharge.
9. The alternative methodology proposed through the DPL simplifies the basis for the recharges by using the size of the eligible electorate, divided into bands. For the first 1,000 electors on the electoral roll for the parish or parish ward, the recharge proposed would be £500. For each subsequent 500 electors the proposal is for an additional £250. So a parish or parish ward with 1,700 electors would be recharged £1,000 (500 plus two times 250) under the proposal made by the DPL.
10. The table below compares the charges made to parish councils under the present methodology in 2015 to the charges that would have been made using the alternative methodology proposed by the DPL.

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<sup>2</sup> See, for example, [beacouncillor.co.uk](http://beacouncillor.co.uk), a campaign run by the Local Government Association.

<sup>3</sup> Where polls are combined, poll cards were mandatory. Where a parish council election is held as a standalone poll, the parish council can decide whether or not to have poll cards issued.

<sup>4</sup> A hypothetical illustration may assist. If the parish elections are not combined with other polls, and only two parish councils have contested elections, and the costs of the count are £500, the charge to each of the two contested parish councils would be £250. But if the parish elections had been combined with another election, and the overall cost of the count was £10,000, the charge to the two parish councils would, on the face of it, be £2,500 (half of the cost of the count, divided between the two parish councils).

Parish or parish ward		Existing methodology	New methodology Based on DPL proposed fees
	Electorate		
Bryning with Warton	2859	£2,343.67	£1,500.00
Elswick	883	£2,089.71	£500.00
Freckleton West	2280	£2,296.02	£1,250.00
Little Eccleston with Larbreck	351	£2,695.34	£500.00
St Annes: Ashton	3641	£2,514.67	£2,000.00
St Annes: Central	3168	£2,446.68	£1,750.00
St Annes: Kilnhouse	3249	£2,366.79	£1,750.00
St Annes: St Leonards	3405	£3,224.64	£1,750.00
Weeton with Preese	460	£2,021.49	£500.00
Westby with Plumpton	1122	£2,067.92	£750.00
Grand total		£24,066.83	£12,250.00
Additional Cost to be absorbed by Borough Council			£11,816.83

11. The DPL consulted parish councils on the alternative methodology and all twelve of the parish councils who have responded to date support the alternative methodology.

## CONSIDERATION

12. Neighbouring authorities across Lancashire have a range of methodologies for recharges. For example Preston and Wyre use a similar formula to the current method at Fylde; where a Parish election takes place as part of a combined election the recharge be reduced by either 50% (two elections) or 67% (three elections). For a full election in the absence of any other election the recharge is 100%.

West Lancashire have a set fee of £120 per ward, irrespective of whether the election is contested or otherwise. This doesn't cover costs and the Borough subsidises a significant amount of the costs.

Lancaster recharges are restricted to the costs of printing ballot papers and postal ballot packs based on electorate size. Lancaster charge no fee for staffing polling stations or for building or room hire, which the City Council covers.

Most authorities have a fee in place for dealing with uncontested elections ranging from £100 - £120 to cover the cost of notices and dealing with nominations. There is no set methodology and there is no requirement to recharge the cost of parish elections.

13. Calculating the recharges on the basis of the size of the electorate, in bands, is a simpler and more transparent method of passing on the charges associated with running parish council elections. This method would also require significantly less time and resources in the Elections Team compared to the current

recharging method, a known cost in advance of the elections removes the need for detailed allocations based on ballot papers, postal votes, stationery and poll station differences.

14. Members are asked to consider the proposed methodology put forward by the DPL (included in paragraph 9 of this report) and if adopted to introduce the new methodology for the May 2019 elections.
15. The committee is also asked to confirm an increase in the nominal recharge to £100 to cover administrative expenses in the event of an uncontested election on the grounds that this charge has not changed for many years and is a more accurate reflection of the administrative costs incurred.
16. The precise financial effect of the change in recharges in any election year will depend on the number of parish councils and parish wards with contested elections. These would be appropriately addressed through the annual budget rightsizing process.

IMPLICATIONS	
Finance	This report presents a revised methodology for the recharging of election costs to parish councils such that Fylde Council would recover a lower reimbursement of costs from the parish councils. Approval of the proposal produce financial effects which would be most appropriately addressed through the annual budget rightsizing process.
Legal	The parish councils are obliged to pay the recharge decided by the council though there is no legal requirement to set a charge.
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	None arising from this report

LEAD AUTHOR	CONTACT DETAILS	DATE
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BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Spreadsheet containing the figures in paragraph 8	19 April 2018	Town Hall, Lytham St Annes