

Audit and Corporate Governance Committee Report



Report of the Chief Executive and Returning Officer

AGENDA ITEM NO 4

Author: David Buckle

Tel: 01491 823101

E-mail: david.buckle@southoxon.gov.uk

To: Audit and Corporate Governance Committee

DATE: 26 September 2007

May 2007 district and parish council elections

Recommendations

That the committee

1. notes the information provided in the report on the costs of and accounting arrangements for the May 2007 elections.
2. supports the improvements for future elections suggested in paragraph 13 of the report.

Purpose of Report

1. This report provides information to the committee on the cost of and accounting arrangements for the district and parish council elections in May 2007 and makes recommendations on how we can improve procedures and accountability for the future.

Strategic Objectives

2. This report principally relates to the discharge of statutory responsibilities but also contributes to the strategic objective to serve

and listen to the people of South Oxfordshire as their community leader.

Background

3. The Council appointed me as electoral registration officer and returning officer in September 2006. The legislation requires me as returning officer to act in an independent capacity in carrying out my duties. This includes asking the Council to agree a scale of payments from which my deputy returning officers and I receive a direct financial benefit. When I reported to Council on fees in April 2007, I indicated that I was keen that councillors have an opportunity to scrutinise the election accounts so that they can satisfy themselves that all payments were reasonable. I therefore undertook to submit a report to this committee within six months of the date of the elections setting out income and expenditure, including fees paid to myself and my deputies.
4. In May 2007 there were elections for all 48 district council seats and for all parish council seats within the district. All the district council seats and 22 parish councils or town council wards were contested and polls were held on 3 May. We counted the votes and declared the results on Friday 4 May at the council offices. 57 parish councils or town wards were uncontested but these also involved a considerable amount of work including preparing notices of election, receiving nominations and declaring and giving notice of the outcome. Several parishes failed to meet the timetable for May and we had to rerun their elections in June.
5. The May elections were the first major elections after my appointment. They also took place soon after staff changes in Legal and Democratic Services which meant that my three deputy returning officers all had new or expanded roles in relation to them.
6. The elections were delivered successfully and within budget. After they took place we reviewed what we could improve for future elections and have drawn up an action plan. This report focuses on the budgeting and accounting arrangements and how we can improve these.

Budget provision and expenditure

7. All-out district and parish council elections require a significant budget to be made available. These additional sums have always been part of the overall electoral services budgets rather than a separate account. Some costs of running the elections are met from day to day budgets (for example permanent and temporary staff in the electoral services team and some printing and equipment) and other costs (for example polling station staff, hire of halls, printing of poll cards and ballot papers and count staff) are met from the additional budget provision. This makes the calculation of the total costs of running the elections difficult but this report focuses on the additional budgets and how they were spent. The overall electoral services budgets are subject to budget monitoring in the same way as all other Council budgets. The budget

for elections held in May often has to span two financial years depending on the election timetable.

8. For these elections there was very little expenditure in 2006/07 and the unspent budget provision made in that year was carried forward into 2007/08. A total additional sum of £214,500 was included in 2006/07 and 2007/08 budgets to meet the cost of running the elections. This includes the costs of running parish and town council elections on their behalf. Council agreed at its meeting in April 2007 to continue charging parish and town councils for this and the budget includes estimated income from recharges to them of £25,000. The government made a contribution of £6,597.36 to the costs of checking dates of birth and signatures of postal voters.
9. The table below sets out the key elements of the additional budget provision and the actual expenditure incurred. Although most costs have now been met there are some outstanding payments. However these are not significant and do not detract from demonstrating the scale of the total costs and that the elections were delivered well within the available budgets.

Budget heading	Provision in 2006/07	Provision in 2007/08	Total provision	Actual expenditure/income
Staffing (see also paragraph 10 of the report)	-	£100,000	£100,000	£72,869.02 (plus payroll set up costs)
Polling station hire and delivery and collection of polling booths	-	£23,000	£23,000	£13,113.80 (some invoices still awaited and some payments being processed)
Printing, including poll cards, ballot papers, postal vote packs	£10,000 carried forward into 2007/08	£32,000	£42,000	£20,892.10
Postage, including poll cards, postal votes, ward sorting of postal votes and Royal Mail office sweeps for postal votes on polling day	£16,000 carried forward into 2007/08	£12,000	£28,000	£35,759.39
Postal vote checking software	£14,000 carried forward into 2007/08	£14,000 carried forward from	£14,000	£13,720 less £6,597.36 contribution from the government

		2006/07		
Equipment, stationery and postal vote and count communication	£7,500 carried forward into 2007/08	£7,500 carried forward from 2006/07	£7,500	£7,141.60
Income from parish and town councils	-	(£25,000)	(£25,000)	Estimated recharges (subject to final calculation) (£23,000)

11. The table in paragraph 9 demonstrates that the most significant item of expenditure is staffing. The following table breaks down how the staffing budget was built up and shows actual expenditure.

Budget head	Budget provision	Expenditure
Polling station staff including mileage and polling station inspectors	£58,000	£50,942.82
Returning officer's fee	£7,000	£6,000
Postal votes including checking of personal identifiers	£15,000	£906.20 (plus significant permanent and temporary staff time)
Count staff and security	£20,000	£8,990
Payments to deputy returning officers and clerical assistance (as provided in the fee scales agreed by Council)	-	£6,030
Total	£100,000	£72,869.02

13. There are various factors which explain the variations shown above between the budget provision and the actual expenditure incurred. These include the following:-

- The polling station staff budget has to be set before we know how many parish council elections will be contested.

- The budget was set before the new legislation on postal vote checking was finalised. We were unsure how long it would take to check dates of birth and signatures when we opened postal votes.
 - The budget for the count was set before the count venue and date were agreed. Holding the count at the council offices avoided having to hire other venues and holding it during office hours on the day after the election meant that staff were only paid a nominal fee if they assisted with the count instead of undertaking their normal duties.
 - The build up of the £100,000 staffing budget made adequate provision for all payments required but did not match some elements of the fee scales approved by Council for example the total fees payable to the returning officer and the employment of clerical assistance.
14. Based on the fee scales the total sum payable to the returning officer in fees for conducting the elections, issuing and receiving postal votes, conducting the count, sending out poll cards and employing clerical assistance amounted to just over £13,000. Of this the returning officer claimed £6,000 and agreed to pay a total of £5,130 shared between his three deputy returning officers. A further £900 for clerical assistance is being shared between six other staff.

Suggested improvements

15. Conducting these elections has given rise to the following suggestions for improvements for future all-out district and parish council elections:-
- Including the additional budget provision for the elections within the day to day elections budget has made budget monitoring and accountability difficult. In future a separate account will be set up for the all-out elections.
 - The costs of running the elections included in this report do not include the officer time spent during normal working hours. Time was spent by the returning officer, deputy returning officers, permanent and temporary staff within the electoral services and other Legal and Democratic Services teams and staff from other services (particularly the Facilities team and Business and Information Systems staff) in the run up to the elections and at the count. The costs do not include the loss of officer time where Council staff undertook election duties on polling day and the day of the count. In future we will seek to capture the total time spent and calculate the total cost.
 - Detailed work has been done to calculate the recharges to parish and town councils. This has led to little variation between the charges made in 2003 and those in 2007. It seems sensible to move towards set charges to parish and town councils, based on their size and what they have paid for recent elections. We will then be able to give parish and town councils information as to the charges we will make for uncontested and contested elections before they set their budgets and agree their precepts.

- We recommend that before the elections in 2011 we move from complex scales of payments towards calculating the estimated total cost of running the elections and seeking Council approval of a total budget to the returning officer from which he will deliver the elections and then account for all expenditure and income.

Financial Implications

16. The financial issues arising from the conduct of the elections and the setting and monitoring of budgets for them are covered in the body of the report.

Legal Implications

17. There are no direct legal implications arising from this report.

Conclusion

18. The committee is invited to note the information provided in this report on the cost of and accounting arrangements for the elections and to support the improvements for future elections suggested in paragraph 13 of the report.

Background papers: None