

Scottish Elections (Franchise and Representation) Bill

Financial Memorandum

Introduction

1. As required under Rule 9.3.2 of the Parliament's Standing Orders, this Financial Memorandum is published to accompany the Scottish Elections (Franchise and Representation) Bill, introduced in the Scottish Parliament on 20 June 2019.
2. The following other accompanying documents are published separately:
 - Explanatory Notes (SP Bill 51-EN);
 - a Policy Memorandum (SP Bill 51-PM);
 - statements on legislative competence by the Presiding Officer and the Scottish Government (SP Bill 51-LC).
3. This Financial Memorandum has been prepared by the Scottish Government to set out the costs associated with the measures introduced by the Bill. It does not form part of the Bill and has not been endorsed by the Parliament. The Financial Memorandum should be read in conjunction with the Policy Memorandum which explains in detail the background to the Bill and the policy intention behind the Bill.

Background

4. The Scotland Act 2016 devolved responsibility for the franchise at elections to the Scottish Parliament. The franchise for Scottish Parliament elections is derived from the local government franchise. Accordingly, the Scottish Parliament now has the competence to legislate on all matters relating to the Scottish Parliament and local government franchise.

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5. The Bill sets out a range of changes to the franchise and to candidacy rights for, and the right to hold office following, Scottish Parliament and local government elections in Scotland. The Bill includes proposed changes to:

- extend the electoral franchise to those legally resident in Scotland (and so expanding the rights of non-EU, non-Commonwealth citizens who are currently not able to vote in any elections in Scotland);
- allow some prisoners the right to vote; and
- extend candidacy rights and the right to hold office to those with an indefinite right to remain in the UK.

6. The purpose of this Financial Memorandum is to set out the best estimates of the administrative and other costs to which provisions of the Bill will give rise, and an indication of the margins of uncertainty in these estimates. It has been developed using the best available evidence, recognising that some of the expense will be incurred through contractual arrangements between external parties and is therefore subject to commercial and contractual considerations.

7. It is estimated that there are no costs arising from extending candidacy rights and the right to hold office at devolved elections. The costs associated with the provisions of the Bill can be separated into the following broad categories:

- registration of some prisoners and the costs of administration of voting;
- registration of foreign nationals newly able to vote due to extension in franchise and the costs of administration of voting; and
- production and provision of information setting out new rights.

8. Allowing persons of all nationalities legally resident in Scotland to vote at Scottish Parliament and local government elections has been

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estimated to extend the franchise to include around 55,000¹ non-EU, non-Commonwealth citizens who are currently not able to vote in any elections in Scotland.

9. The Scottish Government's 2017-18 public consultation on Electoral Reform² revealed that there was general support amongst organisations and individuals for extending the electoral franchise for devolved elections to everyone who is legally resident in Scotland, with 78% of those who responded agreeing to this proposition.

10. The Government's public consultation on Prisoner Voting³ was held between 14 December 2018 and 8 March 2019 with over 260 responses received from organisations and individuals. It proposed that prisoners' right to vote in Scottish Parliament and local government elections should be linked to the length of their sentence, and sought views on extending the franchise to prisoners serving sentence terms of up to six months or 12 months.

11. The Electoral Commission's independent review⁴ of the Scottish Parliamentary and local government elections of 3 May 2007 recommended that electoral legislation not be applied to any election held within six months of any new provision coming into force. Observing this recommendation should afford sufficient time for Electoral Registration Officers ("EROs") and others to implement changes to the franchise.

12. Prisoners will not normally be registered as residing at a prison. In most instances, they will be registered by reference to their previous home address or, failing that, a declaration of local connection, which is a legal mechanism used to allow an individual with untypical residence to be allocated to an electoral community. A prisoner will not be able to register

¹ National Records of Scotland publish information on the breakdown of numbers of citizens of non-EU non-Commonwealth countries by local authority area, available at the following link:

http://www.scotlandscensus.gov.uk/documents/cde/CT_0202_2011.xlsx

² <https://www.gov.scot/publications/consultation-electoral-reform/pages/1/>

³ <https://consult.gov.scot/elections/prisoner-voting/>

⁴

https://www.electoralcommission.org.uk/_data/assets/electoral_commission_pdf_file/0011/13223/Scottish-Election-Report-A-Final-For-Web.pdf

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with reference to their previous home address or by a declaration of local connection which specifies a particular address where there is a legal prohibition preventing them from returning to that address. All registration decisions will be made by the Electoral Registration Officer on the basis of information provided by the Scottish Prison Service (“SPS”), the prisoner and any other relevant sources. Only where the previous address cannot be used and no local connection can be established will a prisoner be registered to the ward in which the prison is situated.

Costs on the Scottish Administration

The Scottish Prison Service

13. The SPS expects to process additional mail relating to elections and to assist those prisoners who are now able to vote to register and vote (via postal or proxy vote). It will also provide EROs with information about all prisoners sentenced to 12 months or less who are in custody. The SPS already provides guidance to prisoners on remand or detained on civil matters (who are currently eligible to vote) on the practicalities of voting in the run up to an election, and this procedure is expected to apply to newly-enfranchised prisoners. The SPS has been consulted on proposed extension of the franchise to prisoners, including the options set out in the Scottish Government’s 2018 consultation paper on prisoner voting of extending the franchise to: (a) those prisoners sentenced to a term of six months or less and (b) those prisoners sentenced to a term of 12 months or less. SPS had provided illustrative figures for one day - 10 August 2018 - on which there were 1,017 prisoners serving sentences of up to 12 months and 480 prisoners serving sentences under six months.

14. It is not intended that prison officers will provide detailed advice to prisoners or assist with the filling out of forms. Prisoners will have access to contact numbers for local EROs for voter assistance. SPS has indicated that the extra volume of mail associated with postal votes can be dealt with using existing resources available. On the basis of an extension of the franchise to prisoners sentenced to a term of 12 months or less, the SPS is satisfied that any additional expense arising can be met from existing resources and there will be no additional cost.

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The Scottish Government

15. EROs use electoral management software to create and maintain their registers. Adaptations to the software will be required to ensure that the systems are able to implement the provisions of the Bill, in relation to the enfranchisement of foreign nationals, while simultaneously retaining the functionality necessary for other elections.

16. The creation and maintenance of the electoral register (including any required software) is the responsibility of each local ERO and they hold the contracts for the software. Three software systems are in use across Scotland, and each will need to be developed separately (in addition, Dumfries and Galloway operates its own bespoke system). The systems are all different, and support a varying number of EROs so the costs are different for each system.

17. EROs estimate the total costs involved in adapting the systems to be in the range of £150,000 to £250,000. This estimate is lower than that incurred for the registration of 16 and 17 year-olds following the extension of the franchise in the Scottish Elections (Reduction of Voting Age) Act 2015, as that involved more complex system alterations. The Scottish Government will keep track of those cost of software changes through regular discussions with EROs and their suppliers and monitoring of the implementation schedule of work and associated costs.

18. The cost of changes to the electoral management software will be met by the Scottish Government and no additional costs will fall on local authorities.

19. The Scottish Government will also be required to reimburse the Cabinet Office for costs associated with minor changes to the UK Government's Individual Electoral Registration Digital Service (IERDS) to allow EROs to enter registration details online. The cost has yet to be quantified and discussions are taking place with the Cabinet Office. The cost estimate in relation to the reduction of the voting age to 16 in 2015⁵

⁵ The Financial Memorandum for the Bill that became the Scottish Elections (Reduction of Voting Age) Act 2015 is available at: [https://www.parliament.scot/S4_Bills/Scottish%20Elections%20\(Reduction%20of%20Voting%20Age\)%20Bill/b66s4-introd-en.pdf](https://www.parliament.scot/S4_Bills/Scottish%20Elections%20(Reduction%20of%20Voting%20Age)%20Bill/b66s4-introd-en.pdf)

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was assessed at £20,000 based on the number of additional voters added at that time. The Scottish Government expects a similar number of new voters as a result of the provisions in this Bill.

Costs on local authorities

20. The Scottish Government has worked closely with electoral administrators and others in developing the proposals in relation to the enfranchisement of foreign nationals and prisoners contained in the Bill, and the estimates contained in this Financial Memorandum are based on advice and estimates of likely expenditure received from the Scottish Assessors Association (the professional body for EROs in Scotland), the Electoral Commission, and relevant software providers. The Scottish Government will continue this engagement to refine costs and ensure that expenditure remains within the estimates as far as possible.

21. Additional costs which will be incurred directly by local authorities are limited to the estimated £200,000 as a result of the additional voters at local government elections. Since this represents a marginal cost, split across all thirty two local authorities, it is not proposed that additional funding would be required. This is in line with the approach taken when the voting age was lowered to 16. The cost of Scottish Parliament elections is met by the Scottish Government.

Electoral registration officer costs

22. Under the terms of the Representation of the People Act 1983, the costs incurred by EROs in the performance of their statutory functions are paid by the relevant local authority from funds made available through the local government settlement.

23. Additional costs will be incurred by EROs in registering some prisoners and the overall extension of the franchise for foreign nationals. These will principally involve the need to make changes to electoral management systems software to allow these new voters to be registered and some marginal costs as a result of additional voters participating in elections.

24. Figures from the 2011 Census suggest that the number of Scottish residents from other countries who would be newly eligible to vote would be in the region of 55,000. Assuming similar pro-rata costs to those incurred

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for the registration of 16 and 17 year-olds following the extension of the franchise in the Scottish Elections (Reduction of Voting Age) Act 2015, an additional £340,000-£360,000 would be needed to cover initial registration costs in the financial year 2020/21. Thereafter registration costs would form part of the usual costs of the annual canvas.

25. There would be no additional registration costs for the extension in franchise to foreign nationals. EROs currently access a Home Office system to assess for check immigration status, which they will continue to use at no extra cost. EROs currently carry out these checks on occasion for Commonwealth citizens.

26. Additional voters participating in elections would marginally increase the costs of delivering elections, e.g. for postage and printing of electoral materials. These costs are (on average) around £3 per voter, so the additional costs would be around £200,000 per poll. These costs would be met by local government for local government elections and the Scottish Government for Scottish Parliament elections.

Costs on other bodies, individuals and businesses

Electoral Commission

27. As with previous elections, the Electoral Commission bears the primary responsibility for carrying out public awareness campaigns. Although not a direct consequence of the Bill, the Electoral Commission will consider additional public awareness raising for foreign nationals to make them aware of the new right to vote and the requirement to register to vote. The Commission may also prepare additional hard copy materials for prisoners, explaining the change in the law and how to engage in the electoral process. This activity will precede the Scottish Parliament election in May 2021 and the local government elections in May 2022. EROs will also continue to have an important role to play in advertising the arrangements for registration.

28. The Electoral Commission have estimated that in carrying out their public awareness activity ahead of the Scottish Parliament election in 2016 (which had an overall budget of £1.5m), approximately £120,000 was spent on awareness campaigns specifically targeted at newly enfranchised younger voters. Recent discussions with the Commission have suggested

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that, if specific material targeted at new voters is required then, a figure of around £200,000 would be an appropriate estimate for the additional public awareness costs for the Scottish Parliament elections arising from the Bill. This would be a one-off cost for the Scottish Parliament election in 2021, given this will be the first planned election using the new franchise.

29. The Electoral Commission have suggested that a specific registration form should be developed for prisoners, which could incorporate a declaration of local connection and a postal or proxy vote. Other registration forms will also require to be designed and tested in line with usual practice. The cost of developing and testing these forms is estimated as £80,000 in one financial year.

Other bodies, individuals and businesses

30. There are no obligations imposed on other bodies, individuals or businesses by this Bill which would result in costs being incurred.

Summary table of estimated costs arising due to Bill

Projected expenditure directly related to the Bill's increase in the electoral franchise

Category of costs	Estimate (£)
Marginal increase in costs of delivering elections as a result of an increased number of voters (e.g. postage and printing of electoral materials)	£200,000 per poll
Electoral management software changes	£150,000 – £250,000 one off
Electoral registration officer costs - initial registration	£340,000-360,000, one off
UK-wide Digital Registration system	TBC, but c.£20,000 one off
Electoral Commission publicity, guidance and forms	£280,000 one off
Total one off costs	£990,000 - £1110000

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