

Cities and Local Government Devolution Bill

Committee of the Whole House briefing – Day 3, Monday 29 June 2015

Schedule 3, amendment 47 – Single Transferable Vote (STV)

The Electoral Reform Society welcomes the Cities and Local Government Devolution Bill. Bringing politics closer to people, to where they feel connected and engaged in the issues that matter to them, can help tackle political disillusionment and disengagement.

However, a crucial part of devolving power is ensuring accountability to match. Reforming the electoral system at the local level would strengthen devolution, ensuring better democratic outcomes, improved accountability and better governance.

Over the last twenty years, whenever power has been devolved it has been accompanied by a change to a more proportional voting system. Further devolution of powers is put at risk if it is not matched by improved scrutiny and governance arrangements.

We strongly support amendment 47 introducing the Single Transferable Vote for local government elections for three reasons:

- One-party states
- Uncontested seats
- Corruption risk

Multi-party politics is now firmly established in the UK, as illustrated by the increasing strength of support for a wider range of parties in the national and local elections. Locally, as we see four or five parties winning increasingly significant vote shares, the gap between council seats and voters' wishes as expressed at the ballot box will widen. It is hard to see how trust can be sustained and good scrutiny guaranteed without moving to greater proportionality.

In local government people are voting for an individual to represent their community's interests, as much as for a party. The Single Transferable Vote (STV), a form of proportional voting and a candidate-based system, can deliver that choice to the electorate.

STV was adopted in Scotland and used for all council elections in 2007 and 2012. Since then, there is strong evidence to demonstrate the positive contribution the system has made towards the quality of local democracy. There are no longer any uncontested seats in Scotland and no councils controlled by single parties with massive majorities that are not reflected in the vote share. As the UK government introduces ambitious proposals for devolution, with potential to take root across England, it is vital that scrutiny and governance are given greater consideration than the bill currently makes provision for.

One Party States

Under First Past the Post many cities have become politically 'one party states' where a single party controls all, or a substantial majority of, the council seats despite other parties commanding significant support from the electorate. One party states can, of course, provide an effective service but they lack democratic scrutiny and accountability and do nothing to inspire confidence in the outcomes of local democracy.

One party dominant councils are a feature of local government in England and Wales. There are over 100 such 'one party states' in England and Wales, where one party commands over two-thirds of the seats. **Since STV was introduced, Scotland has no single party dominated councils.**

Uncontested Seats

Uncontested seats are a demonstration of democratic failure. They occur where there is so little incentive for rival parties to campaign that they fail even to put up candidates to contest elections, and the dominant party wins the seat by default. Devolution will bring significant powers to neighbourhoods, yet the current voting system will deny voters in some areas the opportunity to select local representatives charged with exercising these powers.

In England in 2011 there were 24 local authorities which saw at least 10% of their seats go uncontested. Between 2011 and 2014 there were nearly 400 uncontested elections in England. In Wales in 2012 there were 96.

In the last Scottish election conducted under First Past the Post (in 2003) there were 61 uncontested seats. But **since 2007, when STV was introduced, there has not been a single uncontested seat.**

Corruption risk

The elimination of uncontested seats and one party states may also have wider benefits. Research¹ looking at the impact of weak electoral accountability on public procurement at the local level in England suggests that weak accountability through uncontested seats or single party dominance may lead to **substantially higher corruption risk and lower procurement cost savings.**

Comparing councils with uncontested seats to competitive councils (where all seats are contested)² reveals a relationship between those with uncontested seats and higher corruption risk. These uncompetitive councils are found to score higher on a corruption risk index (CRI) - which measures a range of public procurement 'red flags' using councils own procurement data. They are also found to make lower price savings on tendered contracts compared to competitive councils (a higher price saving suggesting healthier competition amongst bidders). Likewise comparing those councils with long term (at least three electoral cycles) single party dominance to councils with stronger electoral accountability finds the same relationship. These 'one party states' score higher on the corruption risk index and make lower price savings on procurement contracts on average.

Whilst there is great variation between councils, on average those with weak electoral accountability have roughly 50% higher corruption risk than their competitive counterparts and they are also making smaller savings on procurement contracts – 1 to 4 percent of contract value – which, given the total value of local authority procurement, is significant.

Rationalising elections

There are also potential cost savings and other benefits to be derived from rationalising electoral cycles in England. Whilst all London boroughs, county councils and some unitaries elect all-up every four years (as well as most rural shire district councils), all metropolitan borough councils and most urban unitaries elect by thirds. There are also 70-80 shire district councils elected by thirds and seven elected by halves.

Introducing STV for local elections would mean councils currently electing by thirds or halves moving to all-up elections every four years reducing election costs. Reducing the frequency of elections counterbalances initial increases in costs from changing the system and offers the possibility of future ongoing savings on electoral costs.

¹ Fazekas, M., (forthcoming) Lack of Electoral Accountability and Public Procurement Corruption, report for ERS

² In England, excluding London.