

Paying for the Party

Myths and realities in British political finance

Michael Pinto-Duschinsky
edited by Roger Gough

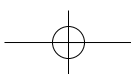


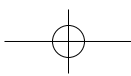
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About the author

Dr Michael Pinto-Duschinsky is senior research fellow at Brunel University and a recognised worldwide authority on political finance. A former fellow of Merton College, Oxford, and Pembroke College, Oxford, he is president of the International Political Science Association's research committee on political finance and political corruption and a board member of the Washington-based International Foundation for Election Systems. He has advised many governments and international bodies, including the United

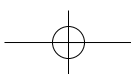
Nations, the European Union, Council of Europe, Commonwealth Secretariat, the British Foreign and Commonwealth Office and the Home Office. He was a founder governor of the Westminster Foundation for Democracy. In 2006-07 he was the lead witness before the Committee on Standards in Public Life in its review of the Electoral Commission. He writes in the press, in particular *The Times* and *Sunday Times*, on topics such as political finance, electoral organisation and electoral fraud.

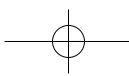
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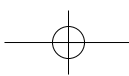
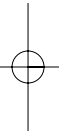
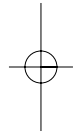
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Even more than usual, I must stress that the responsibility for errors is mine alone. Further information and corrections will be gratefully received.

Foreword

By David Butler

Emeritus Fellow, Nuffield College, Oxford

This is an important work by an acknowledged expert. The subject of party finance is high on the current political agenda and, as Michael Pinto-Duschinsky shows in these pages, much of the argument is based on myth. Since his path-breaking *British Political Finance 1830-1980*, the author has been recognised as the best-informed and most meticulous analyst of political finance in Britain. The subject is a tangled one, but Michael Pinto-Duschinsky has assembled here data which was not fully available for Sir Hayden Phillips in his major effort to resolve current problems or for the extensive studies offered by the Electoral Commission. I write as one who has spent a lifetime trying to intrude hard facts into airy political arguments and I delight in the realism displayed in these pages.

For most of the twentieth century Britain had remarkably cheap and remarkably clean elections. Once party finance was a secret matter. Only the Labour party published accounts and these did not go into detail. It was not until the 1960s that the Conservatives began to reveal their total turnover and it was not until the coming of the Electoral Commission in 2001 that national electoral expenditure was capped and full accounting was imposed on all parties. It is notable that

there has been only limited study about what the parties get for their money; they have done little in the way of cost-benefit analysis.

The current increase in cynicism about politics and politicians has been accompanied by a sharp decline both in party membership and in party activism. The parties now lack the infrastructure to provide, either from membership contributions or from volunteer workers, the vital self-sufficiency of constituency campaigning, let alone a subsidy for the ever-expanding central headquarters efforts. The new technologies of media and advertising and electronic communications have added greatly to the centralisation of campaigning.

The parties have turned increasingly to the state and, as this study shows, in the last thirty years they have in one way and another drawn vastly increased subsidies in money and in kind, centrally and locally. There are those who envisage an even more extensive allocation of public funds to help party activity and electioneering. And they can cite many countries where this has happened. But in the current climate politicians are right to fear the public reaction to any significant increase in the amount of taxpayers' money going directly to parties.

It is to be hoped that the government does not move too hastily in this field. Before anything happens the powers that be should absorb the data provided here by Michael Pinto-Duschinsky and think about its implications.

Executive Summary

The case for urgent reform of Britain's political finance laws, and for increased state funding of political parties, is generally based on the premise that the expenditures of British political parties have rocketed.

Labour and the Conservatives – so the argument goes – have each attempted to outspend each other in a manner reminiscent of an 'arms race'. State funding is needed to prevent parties from falling vulnerable to questionable donors, courted by the parties in their desperation for ever-increasing sums of money. Moreover, there needs to be a legal cap on all party spending, between elections as well as in election campaigns.

The extensive new research and documentation in this study shows that the reformers are proposing to cure a largely imaginary malady. Furthermore, the proposed medication could have a toxic effect on Britain's parties and democracy.

There is no 'arms race'. Certainly, national election campaign costs grew sharply in the 1980s and 1990s as the Labour Party eroded the Conservatives' historic advantage in spending. But these costs have almost halved following legislation enacted in 2000. (See Graph 2) In addition, they represent only part of the picture. In the 2001-05 electoral cycle, national election campaigns accounted for just 15 per cent of the total spending of the two largest political parties.

Long term analysis shows that overall political spending in Britain has remained surprisingly constant when an entire electoral cycle is taken into account. Whether there has been any rise in political spending at all depends on the measure of inflation chosen.

- In the most recent electoral cycle, 2001-05, the highest-spending political party, the Conservatives, spent 4 per cent less than in 1966-70. The calculation made to produce this conclusion includes national and local spending in the gener-

al election and during the entire period since the previous general election; it covers routine and campaign spending; and it measures inflation by the Retail Prices Index (RPI). Compared with average earnings, Conservative Party spending in 2001-05 was half as much as in 1966-70. (See Graph 1 and Table 12)

- Combined spending of the two main parties rose annually by 1.1 per cent during the 35-year period from 1966-70 to 2001-05 if the RPI is used to measure inflation. This was because the rise in Labour spending was greater than the fall in that of the Conservatives. However, if the Average Earnings Index (AEI) is used as the measure, combined Conservative and Labour spending declined at an annual rate of 1 per cent over this period
- Over the same period, the spending gap between the two parties narrowed. In 1966-70, the Conservative party's spending was nearly three times as large as Labour's. By 2001-05 the Conservatives were less than a tenth ahead of Labour. This small gap was attributable completely to Labour's weakness at the constituency level
- With the decline in local activity and membership in both of the leading parties, spending by constituency parties fell while the expenditures of central party organisations increased. Centralisation rather than growth in spending has been the main change in party funding since the 1960s. (See Graphs 4 and 15)
- Decline at the grass roots was most pronounced in the Labour Party. Adjusted for changes in the RPI, spending of constituency Labour parties in 2003 was three-fifths of that in 1973. If average earnings are used as the measure of inflation, local Labour parties spent less than two-fifths as much in 2003 as in 1973. (See Graph 3 and Table 9)

This study also exposes another myth: that financial aid to political parties by the state is still at a low level. It is necessary to take into account not only direct financial payments from the state to the parties but also subsidies-in-kind (such as free party political broadcasts) and indirect subsidies (such as MPs' allowances). Since the late 1960s there has been a huge and ever continuing growth in such indirect state subsidies.

By 2006-07, local government councillors in Britain were receiving over £216 million in salaries and allowances, the allowances of Members of Parliament amounted to £87.6 million and those of members of the House of Lords to £17.7 million. The cost of special advisers to the UK Government was £5.9 million while an estimated £6 million went to political assistants to party groups on local councils in England under the terms of 'Widdicombe Money'. Healthy additional sums were spent on allowances to members of the regional assemblies and of the European Parliament. (See Table 3.)

There is a variety of evidence that a chunk of all this money and of other forms of political subsidy found its way into party coffers or was used for partisan political purposes.

In 1966-70, these massive payments (now amounting to over £1.75 billion over the course of a full parliamentary cycle) were a thing of the future.

Though the basic facts are clear, they are open to different interpretations. The aim of the report is not so much to make recommendations as to lay out the current realities so that policy debates can be better informed.

The message that I draw from the data in this report is that the root problem of British political finance is not high costs but diminishing popular support for parties. If we go further down the road of state funding of political parties, we risk exacerbating the long-run trend that is converting parties from popular, democratic institutions into top-down bureaucracies.

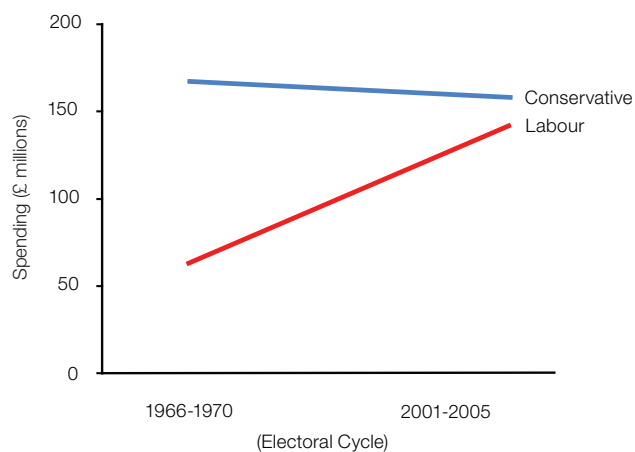
According to this interpretation, there are three main policy implications. First, after two Acts of Parliament in the past eight years concerning political finance and subsidy, there needs to be considerable caution about yet further legislation. It is more important to ensure that existing laws are enforced properly than to pass new ones.

Second, the growth in payments to sitting Members of Parliament has given them a substantial financial advantage over their challengers. Any move to restrict spending between elections by challengers or their constituency organisations would be unfair unless payments to MPs were severely pruned. In any case, the rules about the uses of allowances to MPs need to be tightened so that they are not used for campaigning purposes.

Third, if there is to be a further dose of legislation, the priority should be to consider schemes such as tax relief on small membership subscriptions and donations, or matching grants, not additional aid to central party organisations.

Graph 1: Catch-up, not arms race

Overall spending 1966-70 and 2001-05 (In millions of pounds, at 2007 prices as measured by the Retail Prices Index)



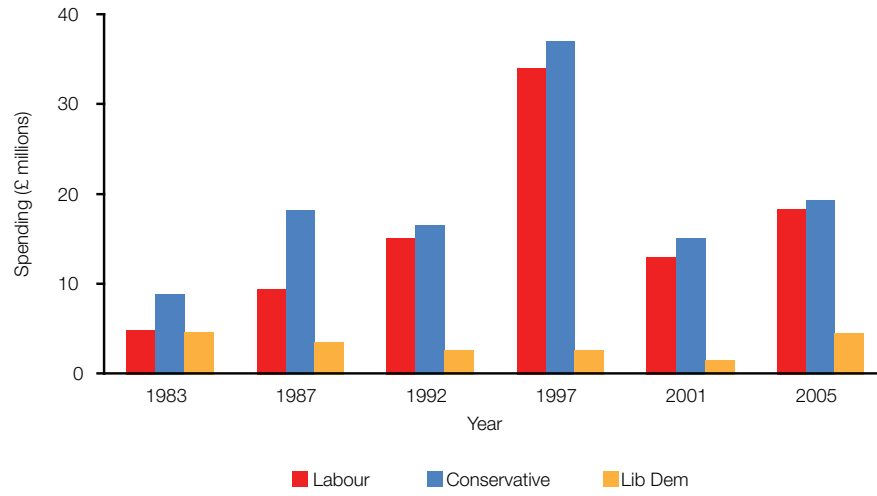
Source: Table 12

Conservatives remain the highest spending-party – just. But Conservative spending declines slightly despite the Labour challenge

Paying for the party

Graph 2: Central spending on general elections, 1983-2005

(In millions of pounds, at 2007 prices as measured by the Retail Prices Index)

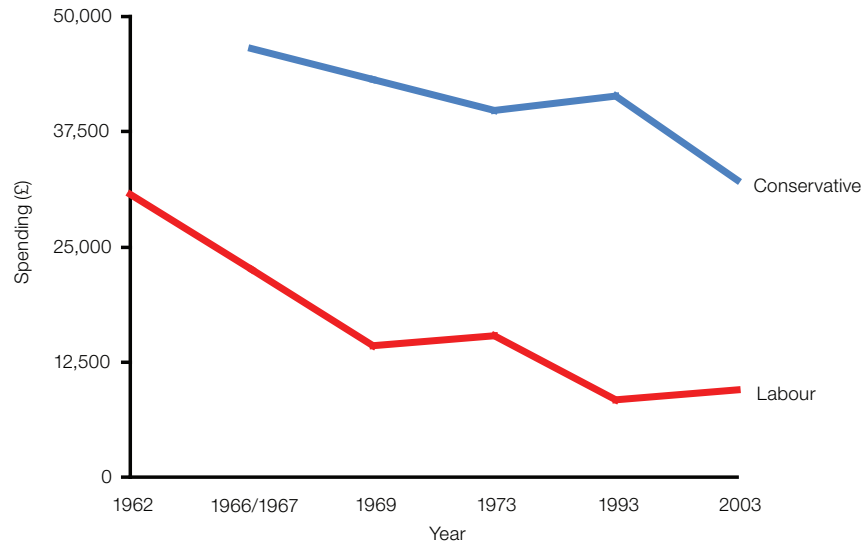


Source: Table 6

The cap on central spending in general election campaigns introduced by the Political Parties, Elections and Referendums Act 2000 ends the 'arms race'. Under the Act, spending cannot rise above its level in 2005

Graph 3: Decline in the constituencies

Average spending of constituency organisations in non-election years, 1962-2003 (In pounds, at 2007 prices as measured by the Retail Prices Index)

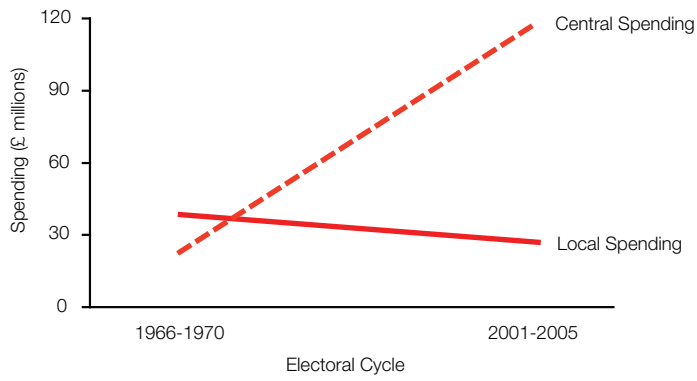


Source: Table 9

There has been a local decline in both of the main parties, but the drop has been most severe for Labour

Graph 4: Contrasting trends, 1966-70 to 2001-05

Labour's central spending versus local spending (In millions of pounds, at 2007 prices as measured by the Retail Prices Index)



Source: Table 15

There have been two contrasting trends in Labour spending: substantial growth in central spending and decline in constituency spending. This has resulted in a notable degree of centralisation

1

Introduction

The funding of parties and election campaigns in the United Kingdom is a topic on which there is a glut of debate based on a dearth of facts.

Current arguments for reforms of party funding are based on two ungrounded presumptions: first, that spending by political parties and candidates has been escalating to such an extent that there is an ‘arms race’; second, that political funding comes mainly from private sources and that public funding is modest.

“ These empirical findings have important policy implications since they show that the main arguments for further major legislation are flawed ”

The main objective of this publication is to examine whether there is any basis for these two assumptions. It will show that both are myths.

These empirical findings have important policy implications since they show that the main arguments for further major legislation are flawed. However, the policy debate will be covered relatively briefly. My aim is to present a set of data which can be accepted by scholars and by supporters of all the main political parties.

The interests and values of the rival parties are bound to conflict. The same facts are open to contrasting interpretations. However, there is no good reason why the policy debate should be damaged by shaky assumptions.

Jack Straw, the minister who had steered the Political Parties, Elections and

Referendums Act 2000 (PPERA) through the House of Commons as Home Secretary and who remained responsible for government policy on political funding as Minister of Justice, summarised what has become the standard thinking when he stated to the House of Commons on 7 November 2007:

I will shortly bring forward proposals on the regulation of party finance and expenditure and, in particular, on how we can end the problem of the spending arms race which is the central driver of the other problems that we face.¹

The term ‘arms race’ has been the subject of numerous statements and speeches. So often is it repeated that even the most experienced observers of British politics tend to assume that the existence of such a cost explosion is already proven.²

Keith Ewing has discussed the extent of the alleged steep upward trend in a recent work on *The Cost of Democracy*. This important work is a masterful piece of advocacy by a distinguished and influential professor of constitutional law at King’s College, London. Ewing introduces his book with a section on the political spending ‘arms race’:

In the case of Labour, expenditure in 1997 was thought to be growing around 10 per cent per annum compound in real terms, and to have been doing so for twenty years. This meant that the party was doubling its expenditure every seven years ... [A]lthough it was difficult to identify the

1. Minister of Justice (2007b)

2. Perceptions of an explosion in political costs exist in many countries. A leading study of the subject is Casas (2008)

areas of difference when comparing the 1970s with the 1990s, it was clear that election spending had risen dramatically.³

A second common assumption is that state funding of party politics in Britain is only modest. It is easy to reach this conclusion if the term 'state funding' is used to refer narrowly to grants to opposition parties in the House of Commons which have been available since 1975 ('Short Money'), grants to opposition parties in the House of Lords which were introduced in 1997 ('Cranborne Money'), and policy development grants administered from 2001 onwards by The Electoral Commission under the terms of the PPERA.

The situation looks very different if the many other existing forms of assistance to parties from public funds are taken into account. Andrew Tyrie MP has produced an important set of estimates of the high value of some of the in-kind benefits to parties which have become integral to current British politics.⁴ In addition, some indirect state subsidies need to be examined.

Basic to this report is an analysis of trends in party spending – both central and local, over the entire course of an entire political cycle. The main comparison is between the 1966-70 and 2001-05 cycles, which span a period of almost forty years. Additional data provides a still longer perspective.

Sources

The data are based on a number of published and unpublished sources.

(1) Constituency party accounts

Since local party funding is one of the most important and least researched aspects of party funding and since The Electoral Commission publishes relatively few of the budgets of local parties and of other units of party organisation, I have analysed additional unpublished budgets

of Labour, Conservative and Liberal Democrat constituency organisations for the year 2003. (See Appendix 3)

Statistics on constituency finance in 2003 have been based on information for 1,111 local party organisations. There was no time to analyse published and unpublished budgets of Labour and Conservative constituency organisations for 2004, 2005 and 2006 or the results of unpublished information on Liberal Democrat constituency budgets for these years.

(2) Central party accounts

Central accounts of the Labour Party have been published since 1900 when it was created. Conservative Central Office accounts have been published since 1967-68, though accounts for 1950-64 were provided for my book *British Political Finance 1830-1980*.⁵ It has become possible for the first time to examine certain financial records of the Conservative Party back to 1912. The summary results are given in this report.

Unfortunately it is far harder to present a continuous set of Liberal/Liberal Democrat Party central accounts for the past century and even for recent times. This is partly because the party's political problems have resulted in the scattering or destruction of papers. An additional, and for recent years, more important problem arises from the complex nature of the party's organisation. Liberal Democrats believe in decentralisation. Because of this, the party maintains several separate national organisations; it does not consolidate their accounts, and it is hard for an outsider to do so.

I am grateful for the help given by a senior member of the Liberal Democrat headquarters about the steps that would be needed to produce a consolidated set of central party accounts comparable to those of Labour and the Conservatives. It has not been possible to complete the task of producing these in time to include them in this report.

3. Ewing (2007), p. 5

4. See Tyrie (2006)

5. Pinto-Duschinsky (1981), p. 138

Apart from these practical problems, trends in Liberal Democrat spending arguably are less important than those of the two largest parties when it comes to a consideration of the 'arms race' thesis.

Some essential technicalities

Any analysis of party funding, whether in Britain or abroad, faces serious technical problems as well as contentious issues of definition and scope. Some of these issues, and the way in which this study deals with them, are set out later in the report and in Appendix 1 and Appendix 3. Nonetheless, some key issues should be made clear at this stage:

(1) Focus on party expenditure

Since much of the current debate about British political finance revolves around the level of spending, this publication concentrates on this and does not examine sources of funding apart from direct and indirect public payments to political parties, to parliamentary candidates and to elected officeholders.

(2) Consistent accounting rules

There is no consistency between the accounting rules of the two parties or between the accounts of a single party over a period of time. The inconsistencies apply both to central and to local party accounts. Moreover, the requirements of the PPERA have made it necessary to change those rules. In particular, they are now required to include the 'notional' costs of benefits in kind and services – which were not included in central party budgets issued before the enactment of PPERA in 2000.⁶

I have attempted to analyse the statistics about central party spending so that they are consistent with budgets for earlier years. In particular, I have tried to retain the method of presenting central party spending totals that I used in *British*

Political Finance 1830-1980. Thus, income from fundraising and from commercial activities has been presented net of costs incurred. Notional spending has been excluded because it did not have to be declared until the PPERA came into force in 2001 and for this reason it is not possible to estimate the level of such costs for earlier years. Expenditure financed from direct state aid also has been excluded for reasons explained in the section titled 'Central routine spending.'

In view of the large number of units of local party organisation and of variations in their accounting methods, it is impractical to attempt to clean up local data in a similar way. An effect of this inconsistency is that the total of constituency spending (given gross) is somewhat exaggerated in comparison to that of central spending (given net).

(3) Use of consistent four-year parliamentary cycles to measure overall party spending

In order to measure trends in the costs of British party politics, the study includes the overall spending of a party at all levels of its organisation throughout a complete cycle between one general election and the next. Since the time between elections varies under British rules, statistics for spending in periods when no general election campaign is in progress have been adapted to represent a standard four-year gap between general elections.

(4) Other technical points

There are a variety of other issues that should be taken into account.

- (a) Reliable information about levels of local party funding is available only for some years. The choice of electoral cycles for purposes of historical comparisons of overall party funding has been determined by the availability of data. (See Appendix 3)

6. Levels of spending may be crucially affected by accounting conventions. For instance, if a local party association runs a fundraising event such as a dinner or a conference which involves an expenditure of £4,000 and proceeds of £5,000, it will make a difference to its total spending if the event is entered into the accounts as income of £1,000 or as £5,000 on the income side of the accounts and £4,000 as expenditure. If a political party alters its accounting methods, the result may be an apparent increase or decrease in spending.

- (b) Despite the fact that the distinction between non-campaign (routine) and campaign spending is imprecise, it is a part of the law in the United Kingdom and is used in this study. The terms 'central' and 'local' also are used though units of party organisation do not always fall neatly into either category.
- (c) Where there is room for disagreement about appropriate forms of presentation of statistics, I have sometimes presented alternative figures based on different methods. For instance, the argument about the appropriate measure of inflation has been resolved by using both the Retail Prices Index and the Average Earnings Index in some of the calculations.
- (d) Sources and notes have been attached to some of the tables in order to allow readers to interpret the figures and to recalculate them if they do not accept the basis of my calculations.
- (e) The data exclude the costs of local elections and of internal party leadership and candidate selection contests. Professor Menachem Hofnung of the Hebrew University of Jerusalem has rightly pointed out that the study of internal party elections is a missing dimension of most studies of party funding. He has demonstrated that such contests have been increasingly common in Western democracies. The failure to take account of the costs of internal party contests is an admitted gap in the present study.
- (f) Another important aspect of political funding omitted from the study is that of so-called 'Third Parties'. These are lobby groups and think tanks which are legally independent from parties but which may in practice be closely attached to them.
- (g) At various times, individual politicians – especially, party leaders – have received funds for their political offices. These funds do not form a part of the accounts of their parties and are not considered. (On the Lloyd George and Harold Wilson funds, see Pinto-Duschinsky (1981); on the Blair blind trust, see Osler (2002).)
- (h) Since the main parties do not compete for parliamentary seats in constituencies in Northern Ireland, the statistics in the study exclude Northern Ireland.
- (i) The income received by the parties to administer foreign projects of the Westminster Foundation for Democracy and the expenditures devoted to these projects have been excluded whenever information has been obtained as to their inclusion in central party accounts. The WFD was created by the Foreign and Commonwealth Office and came into existence in 1992.

(5) Errors

Considerable efforts have been made to ensure that the statistics have been presented clearly and accurately. Nevertheless, this report is a working document subject to revision and change as more data becomes available, further analysis is carried out, and mistakes are eliminated. For this reason, comments and corrections will be gratefully received.

2

The 'arms race' myth

The 'arms race' was first used to refer narrowly to spending on general elections by the national organisations of the Labour and Conservative parties. The term was later widened to include all types of party spending, national, local, campaign and routine.

The common errors that will be exposed are, first, that increases in central campaign spending have continued since a legal cap on such spending was introduced in 2000⁷ and, second, that there has been an escalation in the overall costs of politics.

Common explanations of the arms race
Three inadequate explanations are typically given to explain why political costs have shot up: (a) advertising in the mass media, (b) legislation establishing several new types of elections and (c) inter-party competition of an increasing intensity.

(a) The pressure on parties to advertise in the mass media

Both in Britain and in other countries, pressure on parties and political leaders to advertise in the mass media is frequently held to be a cause of escalating political spending.

There was special alarm in the UK following the general elections of 1959 and 1964. In those elections, the Conservatives employed advertising agencies and commissioned advertising on what was thought to be an unprecedented scale. The use of modern propaganda techniques could grow, in the words of a leading article in *The Times* into a 'notorious scandal'.⁸

After the high-spending general election of 1997, renewed fears about campaign advertising led the Committee on Standards in Public Life to recommend a legal cap on national campaign spending by political parties, a measure enacted in 2000.

In fact, mass advertising was introduced into British politics earlier than generally supposed, although the forms of advertising were somewhat different before the Second World War. The Conservatives spent heavily on them in the general election of 1935 through a body called the National Publicity Bureau.

The present-day costs of mass media advertising, though considerable and highly visible, need to be put into perspective. The most potent advertising medium is television. In the UK, political advertising on television and radio is forbidden. Moreover, parties are given valuable free broadcasting time.

This means that the main forms of advertising available to the parties are billboards and advertisements in newspapers. During four national or regional election campaigns during the 2001-05 electoral cycle (the National Assembly of Wales and Scottish Parliament elections of 2003, the European Parliament elections of 2004 and the 2005 general election) the total cost of mass media advertisements – billboards and press advertisements – amounted to £6 million for Labour and £8.8 million for the Conservatives. This constituted 4 per cent of overall Labour spending and 5 per cent of overall Conservative spending.

7. In March 2007, Sir Hayden Phillips argued in the final report of his *Review of the Funding of Political Parties*, "[A]t the last [2005] general election the expenditure of the Conservatives and Labour showed an increase far above the trend of rising spending ... PPERA sought to control the level of spending, but it has proved inadequate to the challenge." The Phillips report fails to mention that the legal limit on spending in the 2001 election was lower than in 2005 because the 2001 election was held at short notice just after the enactment of PPERA. As shown in Graph 2, central spending in the 2005 general election was far lower than in 1997, the last election before the passage of the 2000 Act.

8. Pinto-Duschinsky (1981), p. 275.

The arms race in quotes

The 'arms race'

Committee on Standards in Public Life, 1998

The high spending by the two main parties is like the doctrine of mutually assured destruction - MAD - of the superpowers during the cold war: if we do not spend, they will.

Statement on central election costs by Peter Riddell, *The Times*, to the Committee on Standards in Public Life (1998)

At national level the criticism is that there is an 'arms race'. That is, that parties feel they have to compete in spending levels and not just in policies.

The Review of the Funding of Political Parties, (2006a)

An 'arms race' ... emerged between the major parties involving an unseemly dash for cash ... which ...disadvantaged the less well financed parties ...

Navraj Singh Ghaleigh (2006)

'The Arms Race – The Cost of Campaigning'

Constitutional Affairs Committee of the House of Commons (2006)

The ... 'arms race' of spending between the parties ... There is simply no benefit in the continuation of the current 'arms race' in an environment which has seen spending go up dramatically ...

Speech by the Leader of the House of Commons (5 September 2006)

... the huge levels of national expenditure that had increased over the 1980s and 1990s - most of it channelled into national advertising campaigns ...

Speech by the Leader of the House of Commons (5 September 2006)

The time has come to end the 'arms race' on election expenditure, with a cap on what parties can spend, nationally and locally and for the lifetime of a parliament.

Statement by the Chair of the Labour Party National Executive Committee (18 December 2006)

The Government ... believed it was in everybody's interest that the fundamental problem - the arms race between the political parties - had to be tackled.

No 10 Downing Street press briefing (11 January 2007)

The Government very much hope ... to restore public confidence by tackling the spending arms race.

Minister of Justice (27 November 2007)

(b) New types of elections

The argument that political parties are burdened by the need to run campaigns in an ever greater number of elections has been put forward forcefully by The Electoral Commission.

Among the 'stimulus materials' produced to set out the facts relevant to the issue of state aid to parties for a series of deliberative workshops held in 2006, the Commission produced a misleading graphic. This showed that there are now

more types of elections (to the European Parliament, the devolved national assemblies, London Assembly and mayoral elections) and suggested that they have radically increased political costs.⁹

Elections to the European Parliament were first held in 1979. More recently, there have been elections to the Scottish Parliament and to the National Assembly for Wales. Elections to the National Assembly in Northern Ireland (Stormont) and to a council for London have been reinstated. Additionally, London and a handful of cities and boroughs now have elected mayors.

The main British parties do not compete in elections in Northern Ireland. The costs of mayoral elections are subject to spending restrictions, which limit each party's candidates to a total of about £0.5 million each over the course of an electoral cycle.¹⁰

The costs incurred by the main parties in contesting the elections for the European Parliament and the devolved assemblies for Scotland and Wales are shown in the Table 1. They show that the costs of all the 'new' elections amounted to slightly more than 2 per cent of overall Labour and Conservative spending in 2001-05. In the future, such elections may account for a larger chunk of their budgets. The scale of spending so far on

these elections means that so far they have not been an important driver of higher costs.

(c) Inter-party competition

The main characteristic of an arms race is that the leading participant – whether the country with the best weaponry or the highest-spending political party – reacts to a challenge by increasing its spending in order to maintain its supremacy.

Over the course of the twentieth century, the Labour Party narrowed the gap between its own spending and that of its main political rival, the Conservative Party. At first, this catch-up was gradual. After Labour's fourth successive defeat in the general election of 1992, and especially after Tony Blair became the party leader, Labour increased its spending in a more determined manner. By the time of the 1997 general election, the historical lead of the Conservatives in political spending had largely disappeared.

However, as will be shown later, the Conservatives were unprepared or unable to respond to the new challenge by increasing their spending and by rebuilding their traditional lead. With the exception of central campaign spending in the general election of 1997, inter-party competition did not lead to a series of tit-for-tat increases in expenditure. (See Graphs 1 and 2)

Table 1: Major party spending on elections to the National Assembly for Wales, Scottish Parliament and European Parliament, 2001-05

(In thousands of pounds)

	Labour	Conservative	Liberal Democrat
National Assembly for Wales, 2003	252	68	135
Scottish Parliament, 2003	714	291	129
European Parliament, 2004	1,570	3,084	1,183
Total	2,535	3,443	1,447

Source: The Electoral Commission (EC).

Note: Excludes notional spending.

9. Ipsos MORI (2006). According to Ipsos MORI, the materials, though presented in its name, had been the responsibility of the Commission. See Pinto-Duschinsky (2006).

10. There is no official collection of statistics of spending on mayoral campaigns or local election campaigns. My estimate is based on a review of the spending limits for mayoral elections.

Contrasting trends in party expenditure: central and local, routine and campaign

All too frequently, it is assumed that the same trends are to be found in all aspects of party funding. In fact, there is no reason why an increase in spending by a party's central organisation need be accompanied by a parallel growth in spending of the party's local organisations. Nor is it inevitable that a rise in the costs of election campaigns should go hand in hand with a growth in a party's spending between elections.

The confusion of categories is vital. It is on an extrapolation from national election spending (and without considering the most recent trends) to total party spending that the 'arms race' thesis rests.

Therefore, trends will be considered under five headings:

- (a) central campaign spending
- (b) central routine spending
- (c) local campaign spending
- (d) local routine spending, and
- (e) overall spending during an electoral cycle.

This section sets out the main conclusions of this analysis together with some illustrative charts. The raw data and sources are to be found in Appendix 2.

It is hard to define what constitutes the 'central' organisation of a party since different parties organise themselves in different ways and because there sometimes are changes in party structure. As far as possible, central organisation includes the national and regional organs of a party; local organisation refers to city, constituency and ward organisations or to federations of several adjoining constituencies.

(a) Central campaign spending

Apart from elections to the devolved assemblies and to the European Parliament, which have already been con-

sidered, central campaign spending involves the national and regional costs of general elections to the House of Commons.

Since 2000, the law has defined the scope of national campaign spending as covering the twelve months before polling day. Under the terms of PPERA, parties are obliged to submit campaign accounts to The Electoral Commission showing that they have adhered to the statutory spending limit.

In some previous elections, observers spoke of a pre-campaign as well as a campaign period. The pre-campaign period covered an indefinite time during which a political party engaged in active electioneering (typically including advertising), whereas the campaign period was the time between the announcement of the election and polling day. Parties were not obliged to publish any accounts, though Labour did so from the time of its creation and the Conservative Central Office published its accounts from 1967 onwards. Even when accounts were published, they did not always separate election and non-election costs. Campaign accounts for general elections before 2001 have therefore been based on a variety of documentary sources and on interviews with party officials.

The statistics of general election spending by central party organisations from December 1910 onwards, given in Appendix 2 and charted in the graphs below, have four salient features.

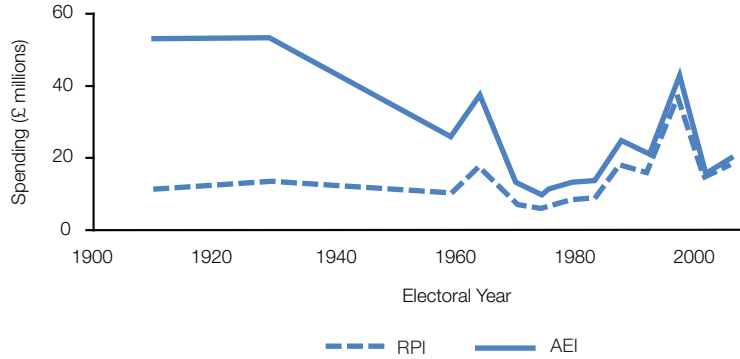
- First, long-term trends in the national campaign expenditures of the Conservative Party, which has generally been the highest spending party, show the limitations of the 'arms race' argument. (See Graph 5)

With the exception of 1997, central campaign costs for the Conservatives have been no higher (when inflation is measured by the RPI) in the two recent decades than in 1964. They have been

Paying for the party

Graph 5: Long-term trends in Conservative Central Office spending in general elections: 1910-2005

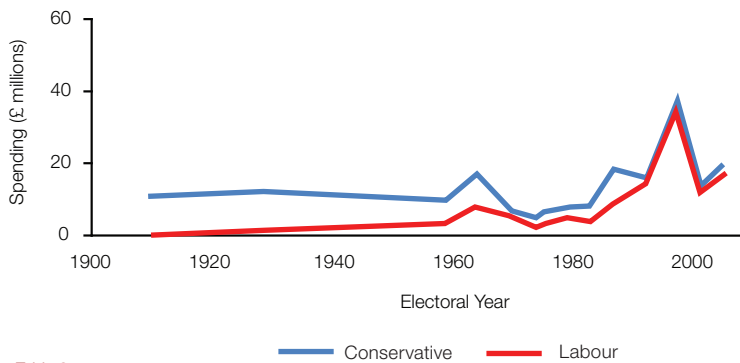
(In millions of pounds, at 2007 values as measured by the Retail Prices Index and Average Earnings Index)



Source: Table 6

Graph 6: Central spending in general elections, 1910-2005: Labour catches up

(In millions of pounds, at 2007 values as measured by the Retail Prices Index)



Source: Table 6

not much higher than in 1929 and in December 1910. Moreover, using the Average Earnings Index (AEI), Conservative central election expenditures peaked before the Second World War. At that time, grants to parliamentary candidates constituted the main item of the central party budget. (See Graph 5)

- Second, there was a particularly rapid growth in spending on general elections from the 1970s to the 1990s. (Graph 2)
- Third, spending fell off sharply in the 2001 general election. A partial rebound in 2005 still left it far below the level of 1997. (Graph 2)

- Fourth, the statistics demonstrate Labour's advance to the point when, in 2005, the party finally spent about as much as the Conservatives.¹¹ (See Graph 6)

As shown in Graph 6, Labour's advance from being massively outspent by the Liberals and Conservatives in the early 1900s to nearly equalling the Conservatives in 2005 has been a long process. After its defeat in the general election of 1983, Labour made a concerted effort to increase its campaign spending and to enhance its professionalism, especially in the use of media. The pace of

11. If 'notional' spending is included, Labour narrowly outspent the Conservatives. If it is excluded, the Conservatives were ahead of Labour.

modernisation and of growth in national party spending accelerated under the leadership of Tony Blair.

Of all the different aspects of party spending, the steep upward trend in central campaign expenditure from the 1970s to 1997 most justified being called an 'arms race.' The important Fifth Report of the Committee on Standards in Public Life, published in 1998, used the phrase narrowly with reference to such expenditure.

As the lobby group New Politics Network has acknowledged, the legal reforms of 2000 (PPERA) placed a cap on central campaign spending and thereby "ended the 'arms race' of increasing spending during the 1990s."¹²

As demonstrated in the Introduction to this study, this has not stopped academics and politicians from using the term 'arms race' to refer to overall party spending.

(b) Central routine spending

The release of previously closed Conservative Party archives makes it possible for the first time to give statistics of central party spending since 1912. Statistics for the Labour have already been published over all this period.

Despite this valuable new source, the presentation of a consistent set of statistics involves substantial problems. The inclusiveness of central accounts varies between the parties.¹³ Within the Conservative party, Central Office accounts include the Scottish party organisation in some periods but not in others. Information about the expenditures of Labour's regional councils is missing from the published National Executive Committee's accounts at certain periods.

Apart from the difficulties caused by these inconsistencies, changes in the law have affected the presentation of party accounts from 2001 onwards.¹⁴ For example, parties are now required to list the costs of in-kind goods and services as 'notional' expenditures. Since similar items

were excluded from earlier accounts, they have been eliminated from the accounts from 2001 for the sake of consistency.

The treatment of state grants also causes problems. 'Short Money' and 'Cranborne Money' is intended specifically to support the parliamentary activities of opposition parties. Accordingly, the Liberal Democrats include money received under these schemes in a separate parliamentary account and not in the accounts of the central ('Federal') extra-parliamentary organisation. When Labour was in opposition, it listed part but not all its share of 'Short Money' in its national accounts.

Moreover, it is arguable that state grants should be excluded from consideration for a second reason. An examination of spending trends is of relevance to current debates on political funding reform since the 'arms race' is used as an argument for an increase in state funding. Yet, to the extent that expenditure has lately been boosted by the recent increases in state grants, it is circular to cite spending growth financed by these grants as an argument why there need to be more grants.

Third, the inclusion of 'Short Money' and 'Cranborne Money' for opposition parties raises the question of whether also to include arguably parallel expenditures (for example, on special advisers to government ministers).

For these reasons, statistics of routine central spending in the tables in Appendix 2 and in the charts in this study are given net of state grants. However, the size of these grants is given in the notes to Table 7 so that readers who disagree with my assumptions can adapt the statistics accordingly.

As with central campaign spending, the most striking feature of the data for central routine spending is Labour's success in catching up with and, in this case significantly overtaking, the Conservatives. Once again, it is a picture of steady advance through much of the twentieth century, with a leap in the last two decades. (See Graph 7)

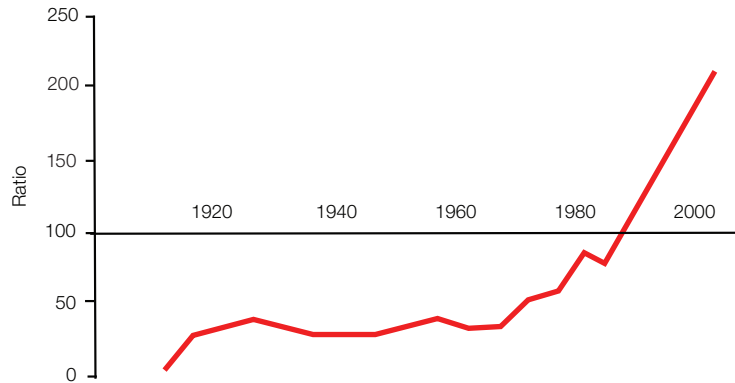
12. Runswick (2006)

13. Appendix F of Pinto-Duschinsky (1981) sets out variations between accounting procedures of the different parties; some of these continue to apply.

14. The EC provides statistics on its website on party expenditure (in practice, central party expenditure) on election campaigns from 2001 onwards to the House of Commons, the European Parliament, the Scottish Parliament, and the National Assembly for Wales. This has both advantages and disadvantages. Statistics for campaign expenditure are drawn up on a consistent basis, which makes it possible to compare a few categories of election spending by different parties (such as spending on mass media). Unfortunately, the accounts do not show how much of a party's regulated campaign spending was devoted to grants to local parties and to individual candidates, information which was sometimes available before.

Graph 7: Central party routine expenditure 1912-2003

(Labour spending as a percentage of Conservative spending)



Source: Table 7

Labour's outlays on routine central organisation have more than doubled over the last twenty years when adjusted for the RPI. They have seen a major increase even by comparison with the AEI. (See Graph 8)

The Conservatives have not matched this improvement. The party's central spending saw some increase in the 1990s but even this barely took the annual total (when adjusted for the RPI) above the levels of the late 1950s. Expenditure then fell back to levels that were no higher, adjusted for the RPI, than that of 1937 and lower than those of 1912. (See Graph 9)

Compared with the Average Earnings Index, the fall in spending by Conservative

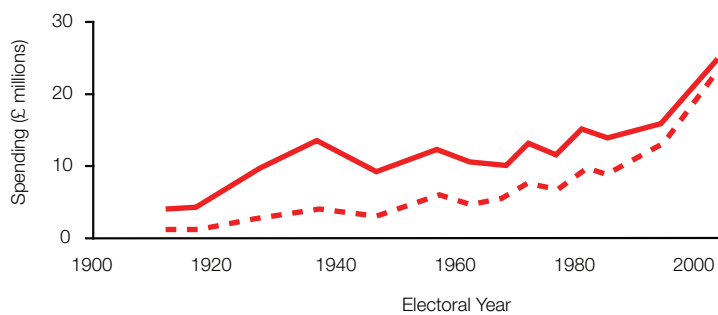
Central Office is dramatic. The relevance of the AEI as a measure of spending in real terms is reflected in statistics of staff numbers included in central Conservative accounts. The payroll of the party headquarters in 1930 and in 1949 was over twice as large as it was in 2006. Moreover, in 1930 and 1949, the staff totals did not include employees of the party headquarters in Scotland whereas contemporary figures do include them.

(c) Local spending on parliamentary elections

Given that local party organisations now predominantly fund constituency cam-

Graph 8: Central Labour spending in selected non-election years, 1912-2003

(In millions of pounds, at 2007 prices as measured by the Retail Prices Index and the Average Earnings Index)

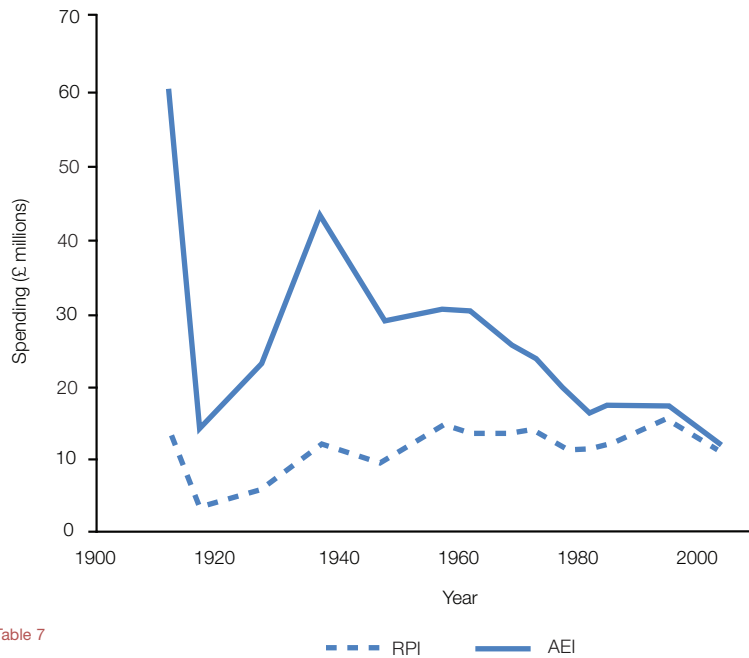


Source: Table 7

--- RPI — AEI

Graph 9: Central Conservative spending in selected non-election years, 1912-2003

(In millions of pounds, at 2007 prices as measured by the Retail Prices Index and the Average Earnings Index)



paigns, and do so within a clear framework of law, and given the tightness of the legal limits, it is unsurprising that recent decades have seen little change in the RPI-adjusted figures for spending, and little difference between the major parties.

More dramatic changes have been seen over the longer term; candidates' campaigns were far more expensive in the days of Salisbury and Gladstone than they are now.

The Corrupt Practices Act 1883 introduced limits on permitted expenditures by candidates for the House of Commons. Despite some strict provisions in the legislation, the limits were not water-tight. A complex series of court decisions over the following decades set out what was and was not considered an election expense. Provided they took care, candidates and pressure groups could evade the limits, especially in the pre-campaign period.

Nevertheless, the 1883 Act proved broadly effective insofar as candidates' declared expenses fell sharply after it was

enacted and especially after the First World War.

In the late nineteenth century, candidates or their patrons were largely responsible for paying for their campaigns. From its formation at the start of the twentieth century, Labour had to arrange for its candidates to receive funding for their campaigns and eventually the other parties followed suit. It was not until after the Second World War that the Conservative Party introduced rules to limit financial demands on candidates by their constituency parties, a measure calculated to make it possible for those without personal wealth to aspire to a parliamentary career in the party.

The falling cost of constituency campaigns, now funded predominantly by local party organisations, is shown in Table 8 and in Graphs 10 and 11.

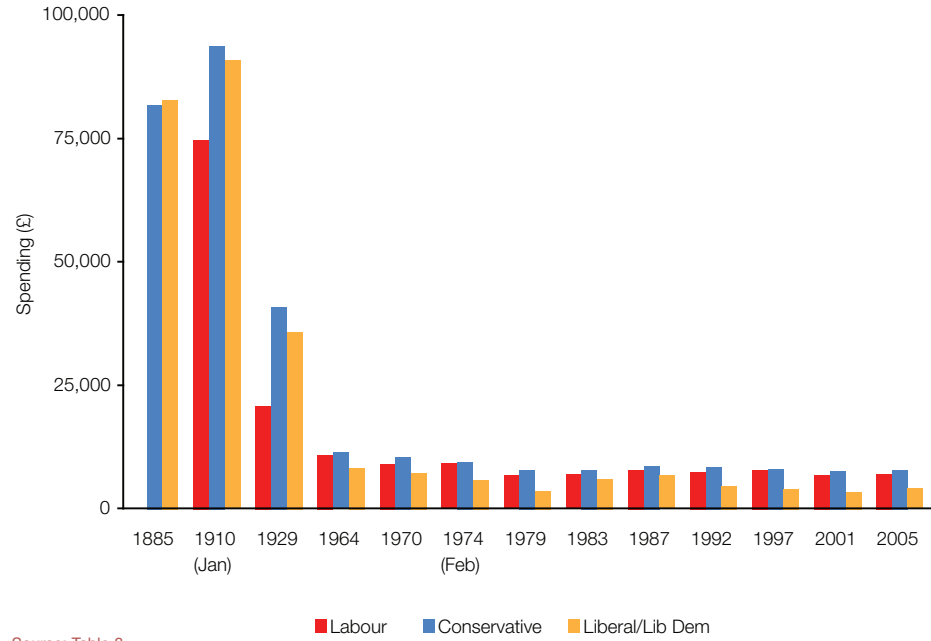
(d) Local routine spending

Between the First and Second World Wars, and for a period after the Second World

Paying for the party

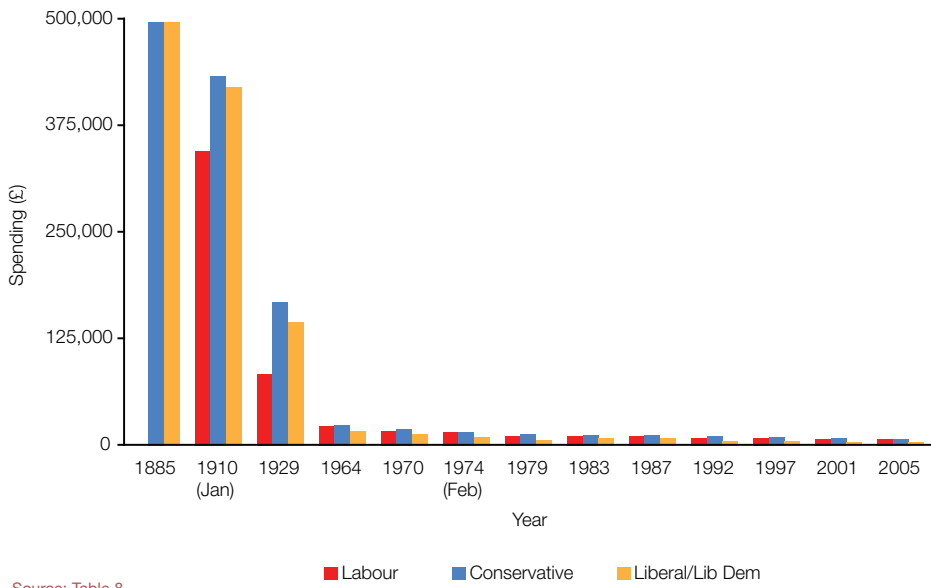
Graph 10: The falling costs of constituency campaigns: Average declared spending by parliamentary candidates in general elections, 1885-2005

(In pounds, at 2007 prices measured by the Retail Prices Index)



Graph 11: Average declared spending of parliamentary candidates in general elections, 1885-2005

(In pounds, at 2007 prices measured by the Average Earnings Index)



War, Labour and the Conservatives attracted large numbers of members. At its peak, in the 1950s, Conservative Party membership reached 2.8 million and individual (as

distinct from trade union) membership of the Labour Party reached 1 million.

High membership and relatively high levels of activism boosted the health of the

finances of local party organisations between general elections. While local spending on general election campaigns fell, constituency organisations spent far more heavily between elections.

For the current time, exceptionally detailed information has been collected.

- (1) The Electoral Commission publishes accounts of constituencies and other party organisations ('accounting units') with annual budgets of at least £25,000 (though some constituencies have failed to obey the reporting rules introduced in 2000 and their accounts have not been included in the Commission's published lists)
- (2) The Electoral Commission obtained data on spending by a large number of below-threshold constituency organisations for 2003 from a survey and from a similar survey for 2006. Access to the information collected from these surveys was obtained through requests under the Freedom of Information Act
- (3) All three main parties have provided access to their (incomplete but substan-

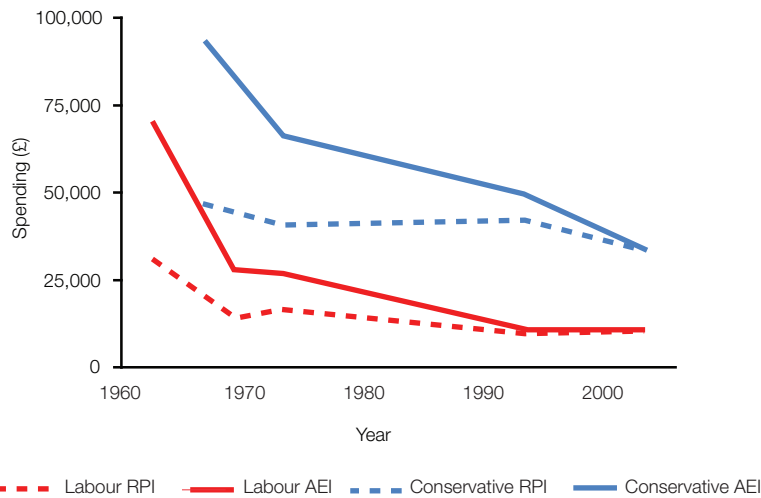
tial) collections of constituency budgets, though these have been for 2004 onwards. In the time available before this study went to press, it was not possible to analyse all this data

It should be noted that 'local routine spending' includes spending by local party organisations for all purposes except for parliamentary elections. Expenditure on local elections is regarded as routine. This is partly a matter of practicality, since systematic information about trends in spending on local elections by constituency parties is unavailable. For similarly practical reasons, explained in Appendix 3, the expenditures are given in a gross form.

Our knowledge of routine spending by local parties in earlier decades is incomplete. The selection of years and of parties in Table 9 was determined by the availability of information. The quality of the data is variable. Although there is little doubt about the trend, statistics for years for which a relatively small number of constituencies were surveyed or researched are to be regarded with caution.

Graph 12: Constituency spending in decline

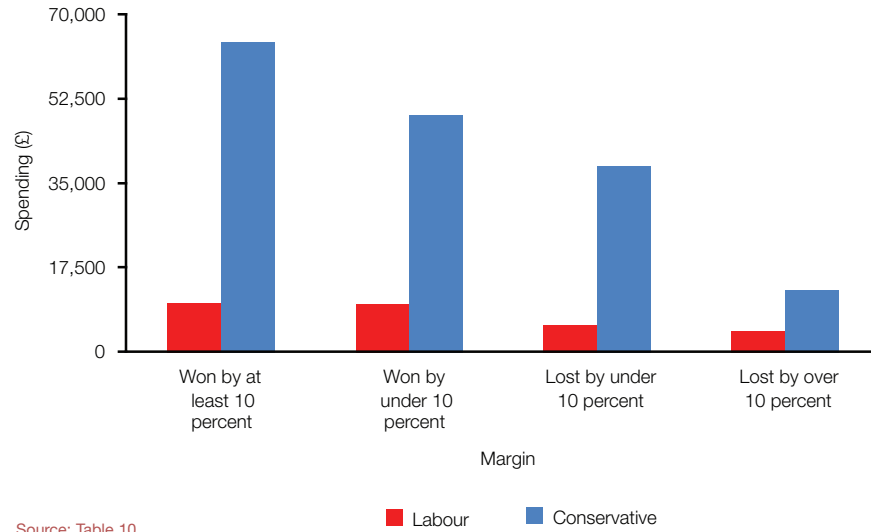
Average spending by constituency organisations in non-election years, 1962-2006 (In pounds, at current prices, at 2007 prices measured by the Retail Prices Index and by the Average Earning Index)



Source: Table 9

Graph 13: Average constituency spending in safe and marginal constituencies, 2003

(In pounds, at current prices)



Nonetheless, the overall picture is clear. Constituency spending in non-election years has fallen sharply from its post-war peaks as local membership and activism have weakened. The decline in Labour's local spending has been especially dramatic. Adjusting for the RPI, Conservative spending fell 23 per cent between 1966-67 and 2003 (and 61 per cent if the AEI is used); however, for Labour the figures from the starting point in 1962 are 59 per cent and 86 per cent respectively. Labour shows a sharp decline in the 1960s - a reflection of the erosion of the party's base during the 1964-70 Wilson government. There was a further sharp fall between the 1970s and 1990s.¹⁵

Graph 13 shows variations in the average spending of constituency organisations in 2003 by the political strength of the party in each constituency

(e) Overall party expenditure

On the basis of the statistics given in the previous sections, it is possible to present a unified picture of party spending over a series of election cycles. This can establish whether or not the cost of party politics is increasing, as well as shifts in composition of that spending.

This presents a number of difficulties. Not only does this require information on central and local, campaign and non-campaign costs, it is also necessary - in order to avoid double counting - to find out about how much of the party's central budget was spent on grants to local parties and how much the local parties contributed to the centre.

The selection of parliamentary cycles may affect an assessment of trends. The choice has been determined by the availability of evidence since there are some periods for which current knowledge about constituency spending is poor or non-existent.¹⁶

Finally, routine costs over different cycles have had to be adjusted to take account of the varying time between elections and have been standardised to represent a four-year period.

Even allowing for these qualifications, it is possible to draw clear conclusions that undermine the 'arms race' theory. As set out in the Executive Summary, comparisons of two election cycles over the last four decades - 1966-70 and 2001-05 - show that:

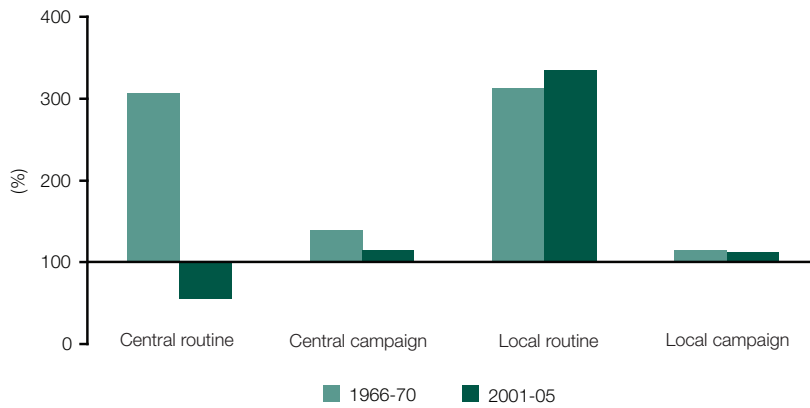
- Expenditure by the highest spending party, the Conservative Party, has slightly declined. (Graph 1)

15. According to the statistics shown in Graph 12, average spending by constituency Labour parties grew slightly from 1969 to 1973 and from 1993 to 2003. In each case, the statistics for one of the years in question is based on a small sample. It is unclear whether these were real increases.

16 Shortage of time meant that work on the 1970-74 and 1992-97 cycles was still incomplete when this report went to press. It is intended to add statistics for these cycles later.

Graph 14: Comparison between Labour and Conservative spending

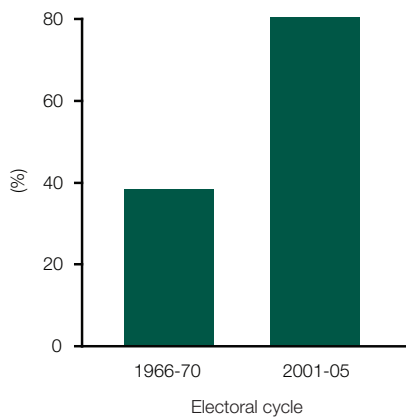
(1966-70 and 2001-05, by level of party and type of activity: Conservative spending as a percentage of Labour spending)



Source: Table 14

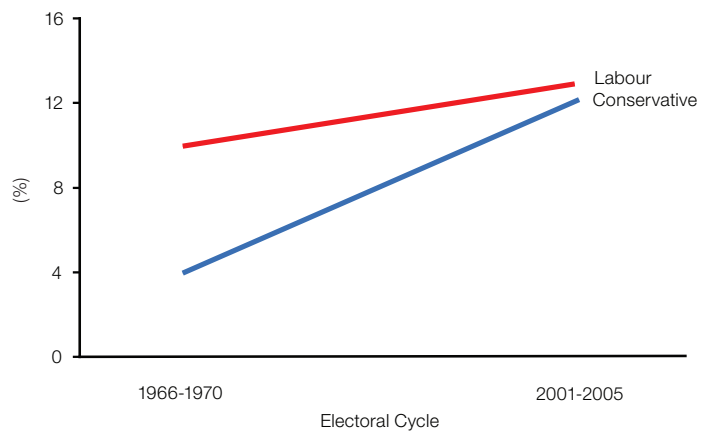
Graph 15: Centralisation of Labour Spending

(1966-70 to 2001-05: Central spending as a percentage of overall spending)



Source: Table 13

Graph 16: Central party spending in general elections as a percentage of overall spending, 1966-70 and 2001-05



Source: Tables 6 and 12

Note: Net of central grants to constituency organisations

- Labour has almost caught up with the Conservatives when overall expenditure is combined. (Graph 1)
 - Labour has overtaken the Conservatives in central spending but the Conservative lead in constituency spending has slightly widened. (Graph 14)
 - Overall Labour spending has increased, but there have been two contrasting trends in the party's spending – central growth and local decline. (Graph 15)
 - Both in the Labour Party and in the Conservative Party, an increasing proportion of overall spending has been devoted to central election spending. However, the proportion of overall spending devoted to the central costs of general elections remains less than one-seventh.¹⁷ (Graph 16)
- The most complete information about overall spending by a political party is available for the Conservatives.¹⁸ This

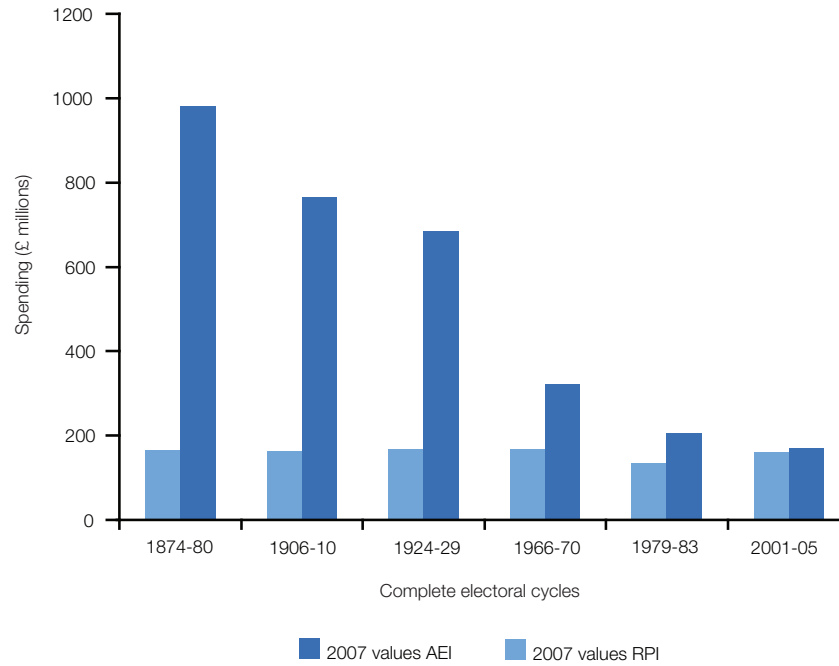
17. The statistics for central spending on elections need to be distinguished from spending specifically on general elections to the House of Commons, though such elections account for the bulk of the total.

18. There may need to be minor revisions in the statistics I prepared for works published in 1981 and 1985. These have been used as the basis for Graph 17 and Table 11, except for 1966-70 and 2001-05.

Paying for the party

Graph 17: Overall Conservative Party spending (approximate) in electoral cycles from 1874-80 to 2001-05

(In millions of pounds, at 2007 prices measured by the Retail Prices Index and by the Average Earning Index)



Source: Table 11

shows that the cost of politics was far higher before the emergence of mass suffrage than it is now (Graph 17). If Conservative Party spending is measured in terms of the

cost per vote, or as a proportion of the Gross National Product, the fall in costs over the long period becomes all the more striking.

3

The growth of state funding of party politics

If the ‘arms race’ is the first myth about contemporary political finance, misunderstanding about existing levels of state funding of parties has given rise to the second.

The annual accounts of central and local parties, give very little indication of the extensive amount of public funding that now exists in Britain. Labour’s central accounts for 2006 include only £0.4 million received by the party as a Policy Development Grant. The Conservative accounts for the same year include the party’s share of ‘Short Money’ for opposition parties in the House of Commons, the income from similar grant for party in House of Lords (‘Cranborne Money’) and in the Scottish Parliament as well as a Policy Development Grant. They amount to £4.9 million.

These totals are the tip of an iceberg.

Some of the leading proponents of increased financial aid to political parties have been tempted to strengthen their case by concentrating on this visible tip of state funding and by virtually ignoring the submerged parts of the iceberg. They pay too little attention to the indirect state funding which has grown so rapidly and which continues to grow apace. Sir Hayden Phillips gave an inadequate account of such funding on the website of his official *Review of the Funding of Political Parties* and in his interim report of 2006.

In parallel, The Electoral Commission’s 2004 policy study on party funding glossed over the many indirect channels

through which public money flows into party political coffers. In briefing materials produced in 2006, the Commission again minimised the importance of state funding in the current political system in visually misleading graphs and pie charts.¹⁹

Both the Phillips Review and The Electoral Commission refused to carry out research into the extent of already-existing state aid to parties.

Although the facts and figures below are presented in a rudimentary form, the following paragraphs should suffice to show that there has been a revolution in British party politics since the late 1960s. Public money has increased to the point that it provides a high proportion of the funds used by the parties and by party politicians.

It is difficult and unwise to try to express public funding as a percentage of total party funding. First, it is open to argument whether schemes such as ‘Short Money’ for opposition parties in the House of Commons constitute aid to party organisations or whether they are a ring-fenced subsidy for opposition activities specifically within the Palace of Westminster. As already mentioned, the fact that ‘Short Money’ is recorded in the financial accounts of different parties in different ways reflects this ambiguity.

Second, concerning subsidies-in-kind to parties, such as free postage for parliamentary candidates and free party political broadcasts, it is hard to put a financial value on them. The value in commercial

¹⁹. See EC (2006)

Table 2: Public funding of British politics: Some developments 1911-2008

1911	Payment of Members of Parliament
1918	Free postage for parliamentary candidates and free use of municipal halls for campaign meetings
1924	Free party election broadcasts (followed later by party political broadcasts: that is, broadcasts outside the time of an election campaign)
1937	Salary (additional to parliamentary salary) for the Leader of the Opposition (Ministers of the Crown Act 1937)
1969	Secretarial allowance of up to £500 for each Member of Parliament. By 2007, this has been transformed into a staff allowance of up to £90,505 per MP, with substantial additional benefits
1974	Attendance allowances for local government councillors. These are subsequently changed to salaries, together with additional 'special responsibility allowances' for party leaders on local councils, executive (cabinet) members, chairmen and chairwomen of committees, etc.
1974	Special (political) advisers. Ministers are to be allowed two political advisers each, paid out of public funds
1975	'Short Money': payments to opposition parties in the House of Commons
1989	'Widdicombe Money': political assistants for party groups on local government authorities
1996	'Cranborne Money': payments to opposition parties in the House of Lords
2001	Policy Development Grants for political parties
2007	European Union to fund 'political foundations' linked with European political party groups
2008	European Union funding proposed to subsidise campaigns of European party groups for elections to the European Parliament to be held in 2009

Sources. Pinto-Duschinsky (1981), Secretary of State for the Home Department (1999) 9.6, Butler and Butler (2000), EC.

terms of free broadcasting time allocated to the parties is uncertain and has been the subject of considerable debate.

Third, little is currently known about the way allowances, such as those for Members of Parliament and for local councillors, are used. It is too early to say with any authority what proportion of the public money devoted to these burgeoning payments may reasonably be regarded as a form of state aid to parties.

The public funding of politics in Britain takes a number of forms. Some of them are set out in Table 2.

Table 3 gives the amounts spent recently on various types of state subsidy. The sums given are annual except for party election broadcasts and free postage for candidates, for which the estimated totals cover an electoral cycle of four years.

The approximate total of £1.75 billion over a parliamentary cycle is already slightly outdated as payment rates continue to grow.

Given that these figures involve many estimates, in some cases for differing years, this grand total of expenditure can only be indicative. Nonetheless, it gives some idea of the scale of public resources committed. In any case, the allowances that have been listed do not cover all forms of indirect state aid. Apart from their financial allowances, Members of Parliament, members of other legislative assemblies and of some local government authorities have the free use of premises. The opening of Portcullis House was a handsome and extremely costly addition to the facilities for Members of Parliament.

Apart from these free premises, there is a considerable amount of what is called in

Table 3: Costs and estimated values of some state allowances, payments and subsidies-in-kind

(In millions of pounds)

	Year	Costs
DIRECT PUBLIC FUNDING OF ORGANS OF POLITICAL PARTIES		
'Short Money' to opposition parties in the House of Commons	2007-08	6.2
'Cranborne Money' to opposition parties in the House of Lords	2007-08	0.7
Policy Development Grants to political parties	2006	1.4
SUBSIDIES-IN-KIND TO POLITICAL PARTIES AND CANDIDATES		
Party political broadcasts	2003	Approx 20.0
Party election broadcasts (General election years only)	Estimate made in 2003	Approx 80.0
Free postage for candidates (Election years only: see note 4)	2001-05	Approx 40
INDIRECT STATE AID		
UK Government: Special advisers	2006-07	5.9
House of Commons: Members' expenses and allowances	2006-07	87.6
House of Lords: Members' expenses and allowances	2006-07	17.7
Scottish Government: Special advisers	2007	0.6
Scottish Parliament: Members' allowances	2006-07	10.3
Welsh Government: Special advisers	2005-06	0.35
National Assembly for Wales: Members' allowances	2005-06	5.7
Local government councillors in England: Salaries and allowances	2006	181.1
Local government councillors in Scotland: Salaries and allowances	2004-05	20.6
	2007-08	(about 23.0)
Local government councillors in Wales: Salaries and allowances	2006	Over 15.0
'Widdicombe Money' to political assistants to party groups in local government authorities	2006-07	About 6.0
European Parliament: UK members' expenses and allowances	2006	14.3
British share of funding of European political parties	[Total funding to European political parties amounts to over 7.0]	
TOTAL (OVER A FOUR-YEAR ELECTORAL CYCLE)	Approximately £1.75 billion (at current prices)	

Sources: Bounds (2008), CSPL (1998) Early (2007), EC, Gay (2007), Kelly (2007), LGAR (2007), Freedom of Information office, National Assembly for Wales, Phillips (2006), Royal Mail *Elections in the UK: Operational Requirements for Election Mail* (2004), SLARC (2006), Swinney (2007), Tyrie (2003 and 2006) and, for 'Widdicombe Money', interviews by the author.

Notes. (1) The estimated values of subsidies-in-kind are taken from Tyrie (2003 and 2006).

(2) The total for Policy Development Grants includes the three main parties only.

(3) The totals for 'Short Money' and 'Cranborne Money' include grants to Conservatives and Liberal Democrats only.

(4) Free postage is allowed for candidates to the House of Commons, Scottish Parliament, National Assembly for Wales, and the European Parliament. It is allowed also for candidates to the National Assembly for Northern Ireland, though these costs are not included in this study. According to information kindly supplied by Oonagh Gay of the House of Commons Library, the most recent estimate of the cost of free postage for parliamentary candidates was that of Phillips (2006), who gave a figure of "over £20 million". For the 1997 election, the total was £20.5 million according to CSPL (1998), p.88. For 2001, the figure given by the Royal Mail was £17.4 million. The total for free postage given in the table is based on the calculation that the cost of free postage for all elections in a parliamentary cycle is double that of candidates in a general election.

(5) The estimated total of English councillors' salaries and allowances was kindly derived by Jonathan Evans of LGAR from LGAR's 2006 Survey of Members' Allowances. It is assumed that councillors claimed their allowances. The total is inexact because a significant minority of councils failed to respond to the survey and totals have been extrapolated. The total excludes a significant amount spent on councillors' expenses.

(6) Concerning Scottish councillors, information from SLARC suggests that the change in the system of allowances introduced in 2007 produced an increase of some £2.5 million over that level of 2004-05 previously reported by SLARC.

(7) The total for UK MEPs' allowances and expenses assumes that UK MEPs claimed allowances and expenses at the average rate for all MEPs.

countries of the former Soviet bloc ‘administrative resource’. This term refers to the value of facilities available to officeholders: the use of official motor cars and telephones, the value of private opinion polls commissioned by government departments but used by the party in office, politically-motivated public grants for groups which the governing authority wishes to attract, and the use of government spin doctors. With devolution and the control by opposition parties of major local government authorities, it is not only the party with a majority in the House of Commons which enjoys access to such ‘administrative resource’. This is a matter for further research, for which the methodology of Marcin Walecki’s important book *Money and Politics in Poland* provides a model for studying British practice.

There are complex regulations about the use of official cars and suchlike. But they may not be completely effective. If a government minister wishes to reduce the cost to his (or her) party of a political engagement far from London, he may arrange for a short official engagement close to the place where the party meeting will be held. In this way, the taxpayers will meet most of the cost while the party will be responsible only for a local journey. There are more significant ways in which an officeholder – for example, a mayor – may boost his prospects of re-election by plastering public information billboards with his photograph. The political use of the public information departments of ministries, devolved governments, European Union institutions, and major local authorities is also important. To my knowledge, some years ago the information department of one major ministry was given as a formal performance indicator the target by moving British public opinion by a set number of percentage points in favour of a highly contentious policy.

Even if the costs of premises and of other forms of ‘administrative resource’ are

ignored, the interpretation of the statistics given in Table 3 is open to controversy. The value of free broadcasting is hard to measure.²⁰ It is clear both that such free broadcasts have a very considerable value, despite the fact that they do not take the form of frequent and short slots, and also that it is hard to quantify their value because commercial advertisers do not purchase television and radio time in such large chunks as free broadcasts by political parties.

The status of items listed as ‘indirect state aid’ also raises some hard questions. It may be argued that most if not all of the money allocated under this heading is intended to be used and is used in practice to enable officeholders to carry out their official duties. For example, research and secretarial assistants to parliamentarians have the job of preparing briefings to enable their employers to hold the government to account and to help them with an increasing load of casework on behalf of their constituents. If there is any manipulation of the rules by parliamentarians, it is usually for their personal financial benefit and not for party political purposes. The scandals of 2008 about the use of allowances by Members of Parliament have mainly concerned the alleged abuse of housing allowances and of payments to family members for work which they have not adequately carried out.

So far, there has been too little research into the use of allowances for party political purposes. Nevertheless, there is enough evidence to show that indirect state aid has had a major impact on the way political parties operate in Britain today.

Indirect state aid affects party politics in two main ways: some of the money provided by the state to political officeholders finds its way into party coffers; some of the money provides for political services previously provided from party funds, thus allowing parties to focus their resources. For convenience, these two effects will be called ‘seepage’ and ‘substitution’.

20. Their monetary worth, estimated recently by Tyrie (2003 and 2006), was previously discussed by Pinto-Duschinsky (1981) and by the Committee on Standards in Public Life (CSPL, 1998).

Seepage occurs in a number of ways. It was traditional for cash-strapped parties of the Left to demand that their legislators donate a set portion of their public salaries to the party. In the United States, holders of low-level patronage jobs obtained through the good graces of party leaders were placed under similar pressures. Typically, they were obliged to purchase tickets for fundraising dinners for party candidates. These practices are known on the European Continent as ‘party taxes’ and in the United States as ‘macing’. As Walecki has shown for Poland and Laura Thornton for Asia,²¹ payments to parties from salaried officeholders remain prevalent abroad.

The extent to which officeholders in Britain are expected to pay money to their parties remains unclear. It is certain that the payment of increasingly substantial salaries to local councillors has led to demands on them to make political contributions. The Conservative Party has documented some of these payments using the lists of party donors published by The Electoral Commission. However, they are not limited to Labour councillors.

Legislators have found ways to use their allowances for the benefit of their local party organisations. One MP was franker than most when she told me she would use her allowances to the maximum extent possible to secure her re-election. At the local level, the persons employed by party groups on city and county councils are restricted to research and policy-making tasks. Though they are banned from participating in activities such as canvassing, it is hard to police the rules. An informed member of the central organisation of one party told me that, in his experience, the rules are not always honoured. It is impossible to ensure that staff members employed by legislators out of public funds deal solely with the problems of constituents and never stray into the realm of local party campaigning.

When an MP employs staff in a constituency-based office and when the same staffer is paid both to carry out non-political work for the MP and to carry out political work for the constituency party organisation, the line of demarcation is especially fuzzy.

As mentioned earlier, use of ‘Short Money’ by opposition parties in the House of Commons has been a subject of disagreement. In particular, there have been complaints from Labour ranks that the Conservatives have used much of the money as a subsidy for the extra-parliamentary party headquarters.

Then there is the matter of local premises. Some MPs from all the main parties pay their local organisations for the part-time use of their offices. This is justified on the ground that they use them for meetings with constituents (‘surgeries’). In Scotland, MSPs are given a special allocation of money for a constituency office. This office may be the same as that of a local political party. The rules governing the shared space are hardly onerous and seem to make it possible to use public funds to pay for local party premises:

Parliamentary offices may be acquired in association with political party premises, but must be a clearly definable office space. Party political material is not permitted to be externally displayed in areas occupied by the Parliamentary office.²²

The published accounts of some constituency parties set out the payments made by MPs out of their allowances for the use of premises. In one case, an MP paid £64,625 to his local party as rental in the five years from 2002-06. This covered the bulk of the constituency party’s rental costs.

One political party is reported to require its MEPs to pay out of their allowances for commercial services provided by the headquarters. It has even been alleged that

21. See Manikas and Thornton (2002).

22. Scottish Parliament (2007), Annex A, A2

MEPs have been led to believe that they would be demoted in the list of candidates used under the proportional representation system used for elections to the European Parliament if such payments were not forthcoming.

Until now, parliamentarians have strongly resisted public pressure for disclosure and accountability for the use of allowances. When Elizabeth Filkin, the Parliamentary Commissioner for Standards employed by the House of Commons became too active, her appointment was not renewed.

Substitution provides the second way in which the new allowances may benefit party finances, even when they are used for their intended purposes. In other words, they relieve parties of some of the previous responsibilities. For example, before the introduction of ‘Short Money’ for opposition parties in the House of Commons, these parties paid for their parliamentary staffs from their own resources. This they no longer have to do.

For example, the detailed financial accounts produced by Sir Maxwell Hicks for the Conservative Central Office until the late 1940s included details of payments to each member of staff. The accounts show the considerable numbers employed after the Second World War as a Parliamentary Secretariat. (Enoch Powell was one of the staff.) The Parliamentary Secretariat was far larger than the famous Research Department. This function is now met from public funds.

The effect of the growth of indirect public funding is open to argument. With the increasing number of politicians and staff employed in publicly funded jobs, it might have been expected that they would act as recruiters of voluntary party members. However, the growth of professionalism has not led to increasing party memberships. Party activists with payroll positions appear to have little incentive to attract

outsiders. Moreover, the combination of substantial pay for leading councillors and small party memberships has meant that the nomination of candidates has been in the hands of small circles of activists. This situation has made local party politics open to corruption. Certainly, the character of British parties has undergone a fundamental transformation.

Finally, it is possible to give an impression of the changing shape of British party politics by examining the membership of what Peter Osborne has called “the political class”. The growing professionalisation of British politics has become a topic of increasing importance since Peter Riddell of *The Times* drew attention to it. On the one hand, the number employed by political parties has declined; on the other hand, there is a ballooning number of political professionals employed as councillors, legislators and staffers of legislators, staffers of political groups on local authorities, and special advisers.

In 2006, the payroll of the Head Office and regional offices of the Labour Party averaged 240, including 39 part-time staff and those on short-term contracts. The Conservative Central Office payroll (including regional offices) averaged 226 and that of the Liberal Democrats 41, a total of just over 500. At a local level, the Conservatives, by far the heaviest spenders at the local level, employ only about 120 party agents. Some local organisations in all the main parties employ staff, usually on a part-time basis. In total, the number of party staffers paid from private funds amounts to a full-time equivalent of roughly 1,000.²³

Not only does this approximate total demonstrate the decline in British party organisation, it also is far smaller than the number of party politicians and their assistants who are paid from public funds.

There is no roster of employees of members of the House of Commons, the House of Lords, the European Parliament and the

23. For a comparison with staffing in the interwar and post-war periods, see above under ‘Central routine spending’.

devolved assemblies. The money allotted to each MP for salaries is supposed to be sufficient for three full-time employees and one part-timer. The total number of employees of MPs is in the region of 2,000. If the staffs of peers, MEPs and members of the devolved assemblies in Britain are included, the total amounts to about 3,000.

There has been a transformation since 1974 in the status of elected members of local authorities. Many local councillors have become professional politicians. There are over 20,000 elected councillors in England, Scotland and Wales, the vast majority of whom are party representatives. All councillors now receive a basic allowance plus expenses. Recently, this allowance has been greatly increased in Scotland and it is relatively high in Wales. A body called the Councillors' Commission was set up by the government to consider the barriers to becoming a councillor in England and a number of its recommendations would reinforce the tendency to raise payments. A further committee has been established to review and probably to increase councillors' payments and benefits in Wales.

On top of the basic allowance, about half of all councillors receive a 'special responsibility allowance'. Leaders and deputy leaders of party groups on local councils, leaders of opposition party groups, executive (cabinet) members and chairmen and chairwomen of committees all receive such payments. As a rule of thumb, the 10,000 councillors who receive special responsibility allowances may be considered as political professionals.

An estimated 150-200 persons are employed under the terms of 'Widdicombe Money' as political assistants to party groups on local authorities. On top of this, some councils permit elected politicians to employ extra assistants as council officials.

At a rough estimate, the total number of party professionals paid from public funds

amounts to some 13,000. If politicians elected to Westminster, to the European Parliament and to the Scottish Parliament and National Assembly for Wales are added, the total is over 14,000, dwarfing the numbers paid for out of private funds.

“ It doesn't take very much for political leaders, parliamentarians and local politicians to convince themselves that it is a matter of the public interest that they should receive more money from the taxpayer”

Despite the very rapid growth of these allowances since 1969, when Members of Parliament first became entitled to an allowance to pay a secretary, there are further substantial increases in the pipeline. In 1969, the secretarial allowance was £500 per annum (less than £6,000 at 2007 values measured by changes in the RPI and under £11,500 measured by changes in the AEI). By 2007-08, the staffing allowance was set at £90,505.

It doesn't take very much for political leaders, parliamentarians and local politicians to convince themselves that it is a matter of the public interest that they should receive more money from the taxpayer. Whether it comes in the form of improved salaries, benefits, allowances or subsidies for their party organisations, the basic demand is for more.

A common response by politicians to scandal is that the fault did not lie with themselves or with their accused colleagues but with the system. Political parties and candidates 'need' money for legitimate purposes. Had it been provided more plentifully by the state, the scandal - whatever it might have been - would have been avoided.

The incumbency factor. Not only has the sharp increase in public funding transformed British political parties from being largely voluntary organisations, it also

Paying for the party

appears to be affecting the balance between political officeholders and challengers. In the United States, elections to the House of Representatives are an unequal battle between incumbents, who receive generous public allowances and their challengers, who enjoy no such benefits. As a result, incumbents usually win with substantial majorities. There are few marginal seats. Only when a Member of the House of Representatives retires can there be an 'open', fair race.

It has been reported in recent studies of British elections that there appears to be a similar process in the United Kingdom.²⁴

The introduction in 2007 by sitting MPs and for sitting MPs of an annual £10,000 'communications allowance' may be seen as part of the same trend. The allowance, which is increased automatically by the Retail Prices Index, is to be used by parliamentarians for "engaging proactively with their constituents". Though designated

exclusively for 'parliamentary' rather than 'campaigning' purposes, it is unclear whether there is a realistic distinction between these categories.

Appendix 4 shows the potential importance of MPs' allowances. The size of these allowances paid from public funds almost always outweighs the sums available to challengers from constituency organisations. For example, Appendix 4 shows the amounts spent in 2003 by the two main competing constituency party organisations in 36 Labour-held marginal seats. In all but two of these constituencies, the local Conservative association spent more (usually by a large margin) than the constituency Labour party. When we take into account the spending by the sitting MP using his (or her) parliamentary allowances, the situation is different. The resources available to the incumbent from public funds were in all cases greater than that of the party of the challenging candidate.

24. I am grateful to Dr David Butler and Michael Steed for their input on this point.

4

Policy Implications

This study is going to press at a time when the Government is expected to publish a White Paper in the near future in which it will set out proposals for new legislation about party funding. The move to introduce new laws comes in the wake of a succession of scandals and after the breakdown of cross-party talks convened by Sir Hayden Phillips, a retired senior civil servant. Phillips was appointed by Prime Minister Tony Blair in 2006 to carry out a Review of the Funding of Political Parties, when officers of the Metropolitan Police were in the midst of their investigation into alleged 'loans for lordships'.

Phillips brought forward his proposed package of reforms in 2007. The main elements were

- (a) to limit overall spending by a political party during an entire electoral cycle, thereby supplementing existing limits on national and local spending on election campaigns
- (b) to impose a cap on the total an individual or institution may donate each year to a party
- (c) to give substantial, additional state payments to party organisations

A major point of disagreement between the political parties was on a matter that is not considered in the present study – the status of block payments by trade unions to the Labour Party. The Conservatives argued that these payments must be subject to the same cap as that proposed for individuals and for corporations. Labour

argued that trade union payments are a core feature of Labour's history and are non-negotiable. The Phillips proposals effectively exempted trade unions from the proposed cap. The Conservatives could not accept this and left the cross-party discussions.

Although the further scandals of recent months concerning the funding of parties and the use of legislators' allowances have been a distraction, it seems probable that the White Paper will put forward proposals similar to those of Phillips.

How does the analysis given in this study affect these proposals?

The existing patterns of party expenditure that have been set out contrast with the current orthodoxy and challenge the factual assumptions of Phillips and of The Electoral Commission.

However, the step from an analysis of facts to policy recommendations is uncertain. If the evidence in this report is used to support contradictory policies, it will have fulfilled its purpose provided that the debate itself becomes better informed.

To some extent, reforms of political finance are impervious to the facts. Different schemes of regulation and subsidy reflect varying political values and interests. Believers in a free market and in freedom of speech have an inbuilt bias against state subsidy; those who favour economic redistribution and public funding in general are likely to apply this approach to party politics. These differences of opinion not only are legitimate but they are desirable in a democracy, even

though it is also to be wished that parties agree on the rules that should govern their competition for votes. Consequently, if different parties draw conflicting lessons from the facts given in this study, this will be natural.

In my opinion, the main implications for policy are as follows.

(1) *It has been shown that there is no factual basis for justifying a cap on overall party spending on the ground that there has been an 'arms race'. Such a cap may be advocated on other grounds but not this one.*

(2) This study is relevant to recent advocacy of a cap on overall spending in another way. *Its effect would be to permit a party with a much lower level of grass roots membership and activity to spend considerably more at the national level than its rival.* The study of constituency budgets has shown the large gap between Labour and Conservative spending at the grass roots. Conservatives would undoubtedly argue that this would be unfair and also that it would conflict with the aim of increasing political participation.

A cap on routine spending by local party organisations would arguably be unfair for another reason as well. It would be of further benefit to incumbent Members of Parliament. Their challengers would be tied down by spending limits whereas sitting MPs presumably would be permitted to retain their handsome allowances.

In practice if not in theory, these allowances benefit their efforts to be re-elected. At present, the rules fail to demarcate the use of allowances for carrying out the official duties of a legislator and for boosting his or her political fortunes. Given the reluctance of MPs to subject themselves to scrutiny, it is doubtful whether they would allow their use of allowances to be tightly regulated. Moreover, it is inherently difficult to distinguish actions intended to promote their re-election from those constituting the ful-

filment of duties to Parliament and to their constituents. Probably, a system of allowances for MPs inherently provides them with advantages against their constituency opponents.

Arguments about fairness apart, a cap on overall spending would present severe practical problems. It would make it necessary to subject local parties to even greater financial scrutiny than they are at present under the terms of the Political Parties, Elections and Referendums Act 2000. It would make it necessary, for example, to impose standardised accounting standards on local organisations which may have only a handful of members.²⁵

One way to release small local political organisations from the accounting rigours required by an overall cap on party spending is to exempt them from the cap. Phillips proposed that only constituencies with budgets of at least £40,000 per annum should be taken into consideration for such a cap. The trouble here is that local parties are not all based on a single constituency. There also are branch parties covering smaller areas, which currently pay money to constituency parties. It would be possible for a constituency party with a budget of £120,000 per annum to reorganise itself into three separate branch organisations each with a budget just below the threshold. If this easy form of evasion were to be avoided, the legislation would need to stipulate in detail the way in which parties organised themselves. Even if it did this, the legislation would be very hard to enforce.

(3) The examination in this study of existing direct and indirect public funding may be used to draw contrasting conclusions. For some, the very large extent of taxpayers' money currently paid for party politics may justify yet more of it. According to this view, the current system shows that the principle of state subsidy for parties has been so well established that it is now beyond question.

25. What would be wrong about such controls? Would it really be unreasonable to expect treasurers of constituency parties to follow a simple set of rules about the presentation of their accounts? In my experience, the practicalities of administering rules about political funding usually prove harder than anticipated. By general agreement from the main British parties, the PPERA has imposed administrative obligations on them that have proved unexpectedly onerous. The practical problems that could arise from a ceiling on overall party spending do not seem to have been properly considered.

What cannot reasonably be argued is that more state funding is needed because there is currently little of it (as suggested by Phillips and by The Electoral Commission's 2004 study).

It may be argued that these are all negative points. They are none the worse for that. There have been two significant Acts of Parliaments in Britain in the last eight years relating to political finance. The experience of these reforms and of similar successions of new political finance laws in other countries is that they are frequently not enforced and sometimes have undesirable, unanticipated consequences.

Despite considerable improvements resulting from the Acts of 2000 and 2006, they are highly complex. In particular, parts of the 2000 Act remain to be interpreted.

Accordingly, the priority should be not yet more reform and subsidy. Rather, it is to improve The Electoral Commission (as recommended in January 2007 by the Committee on Standards in Public Life) so that it is pro-active in enforcing the existing political finance laws.

(4) The study arguably supports the position that the root problem of British political finance is not rising costs but diminishing popular support for parties.

It is in their interests for senior party representatives to argue that political parties have such a fundamental role in democratic life that they need to be propped up by the state and relieved of the tedious job of raising money. Yet parties are important because, and only if, they enjoy popular support. Once they become dependent on state money, they become fundamentally altered and less able to carry out their democratic functions.

The growth of an ever-larger class of payroll politicians and staffers has not had the consequence of attracting extra numbers of citizens to become party members. At the very least, it has failed to halt the decline in party affiliation; it may even have hastened it.²⁶

The effects on British politics of the growing class of political professionals are hard to determine. This is not the place to consider these effects or the merits of increasing payments to elected members of local government authorities. Though it is hard to prove, there may be an increasingly small role for ordinary members and supporters because modern British parties are now controlled by relatively small groups of persons who are career politicians. There are reports from senior party officials that small cliques of local activists, especially in some inner-city areas, dominate their constituency and ward organisations. They treat them just as a means to secure their nominations. The smaller the party membership, the easier it is likely to be for them to control the nomination process. The advent of paid posts on local authorities provides financial rewards for such control.

In my opinion, a high priority of any political finance reform should be to give an incentive for parties to recruit members. For this reason, proposals for financial incentives such as tax relief on small membership subscriptions and donations or matching grants need to be seriously explored.²⁷ They were a key recommendation in 1998 of the Committee on Standards in Public Life, and justifiably so. If we are to make changes, they should be in the direction of enhancing political participation, not diminishing it.

26. There is a long-standing disagreement among political scientists about the role of party members. On the one hand, a large and keen membership supplies a base of active support for the party and provides a valuable forum for internal debates on policy. On the other hand, party members are likely to be more ideological than ordinary party voters. For this reason, it may be argued that they hinder rather than enhance party democracy. While I recognise that both positions have merits, I believe that the shrinking of membership of British parties has been undesirable.

27. Encouragement of small donations was one of the few recommendations of the Committee on Standards in Public Life (1998) rejected by the government and omitted from the PPERA. Schemes to promote small donations have been criticised because it has been argued that they are unfair. Working class electors are less likely to contribute with the result that these schemes would disproportionately benefit the Liberal Democrats and the Conservatives. For an analysis of Canadian experience of similar measures, see Pinto-Duschinsky (1998). Provided that matching grants, tax relief or similar devices apply only to small donations (however defined), I am unconvinced by the argument against such schemes on the ground that they are unfair. There is a second argument against tax relief and matching grants. Yves-Marie Doublet, a senior official of the French National Assembly and a leading French scholar of political finance, reports that there have been administrative problems and a potential for abuse of such schemes in Germany. Issues of administrative practicality cannot safely be ignored. It is for this reason that I have gone no further than to state that such schemes deserve serious consideration.

Appendix 1: Alternative measures of inflation

Any examination of trends in expenditures by political parties and candidates must adjust the raw statistics to take account of inflation. Time series of figures need to be analysed in ‘real terms’.

There are several possible measures of inflation. The choice of an index of inflation crucially affects any conclusion about trends. Those wishing to argue that there has been an explosion in political spending will bolster their position if they choose the lowest measure of inflation; it is in the interest of those who reject the ‘arms race’ thesis to choose the highest possible measure.

The most established index of inflation is the Retail Prices Index (RPI). An advantage of this index is that it reaches back to 1800. The main alternative is the Average Earnings Index (AEI). This is appropriate when the expenses of an organisation or activity consist largely of labour costs. For example, the costs of health care and building rise with earnings rather than with retail prices because they are labour-intensive.

The rise in average earnings has been

considerably greater than the rise in retail prices. Political arguments about the appropriate method of linking the state pension to the cost of living have revolved around the issue of whether pensions should be linked to average earnings or merely to retail prices.

Insofar as the costs of parties consist to a considerable extent of salaries to employees, there is a good argument for using the average wages index rather than the RPI. Possibly, an even better method would be to use a purpose-built index which would take account both of the RPI (for non-labour expenditures) and the AEI (for labour costs).

In this study, I have frequently stated trends using both the RPI and the AEI so that readers are able to choose between them.

In addition, there are at least three further measures which might be considered relevant. The Consumer Prices Index (CPI) and the ‘GDP Deflator’ provide measures of inflation that are lower than

Table 4: Alternative indices of inflation, 1927-2007

(1927 = 100)

	Retail Prices Index (RPI)	Average Earnings Index (AEI)
1927	100	100
1966	337	670
1973	519	1,290
1993	3,084	10,456
2007	4,528	18,211

Sources. RPI: National Statistical Office, index CDKO at www.statistics.gov.uk/statbase/TSDownload?2.asp. For AEI, Butler and Butler (2000) pp. 383-4; Butler and Butler (2006), p. 179; Bain, Bacon and Pimlott (1972), p. 121; and index LNMQ at National Statistics Online www.statistics.gov.uk/STATBASE/tsdataset.asp?vlnk=392&More=N&All=Y. Statistics of the LNMQ series back to 1963 were provided by the National Statistics Customer Contact Centre. For long-term statistics of the AEI, a convenient source is (www.measuringworth.com).

Table 5: Alternative indices of inflation and national product, 1993-2003

(1993 = 100)

	Consumer Prices Index (CPI)	GDP Deflator	Retail Prices Index (RPI)	Average Earnings Index (AEI)	Gross Domestic Product (GDP)
1993	100	100	100	100	100
2003	118	128	130	149	173

SOURCES. For RPI, as for Table XX; for CPI, National Statistics Online on www.statistics.gov.uk/statbase/TSDownload?2.asp; for GDP Deflator, HM Treasury, GDP Deflators, on www.hm-treasury.gov.uk/media/7/8/GDP_Deflators_20071220_NA_update_circ.csv; for AEI, a revised index covering the whole economy (as distinct from male non-manual workers) is available for years since 1990 on National Statistics Online at www.statistics.gov.uk/STATBASE/tsdataset.asp?vlnk=392&More=N&All=Y. The seasonally adjusted series (LNMQ) has been used. For GDP see www.statistics.gov.uk/statbase/TSDownload?2.asp (YBEU).

the RPI and are convenient for political purposes when the government of the day wishes to present figures for inflation which are as low as possible.

An indicator which may be used to show increases in political spending which are greater than those shown by the RPI and the AEI is the Gross Domestic Product (GDP). A team of researchers based at the Massachusetts Institute of Technology has used this measure. In a study of long-term trends of political financing in the United

States, they calculated spending on US presidential elections as a proportion of GDP:²⁸

Since CPI statistics go back only to 1988, Table 4, which gives long-term indices, shows changes in the RPI and AEI from 1927. For purposes of shorter-term comparisons, Table 5 gives statistics for changes since 1992 in the CPI, GDP Deflator, RPI, AEI and GDP. The figures are for selected years when no general election has been held and for which political finance data is provided in this study.

28. See Pinto-Duschinsky (2002), p. 84

Appendix 2: Data on party spending

Table 6: Central party spending in some general elections, December 1910-2005

(In millions of pounds, at current prices and at 2007 values measured by the Retail Prices Index and by the Average Earnings Index)

	LABOUR			CONSERVATIVE			LIBERAL		
	Current prices	2007 values RPI	2007 values AEI	Current prices	2007 values RPI	2007 values AEI	Current prices	2007 values RPI	2007 values AEI
1910 (Dec)	0.0035	0.297	1.36	0.136	11.55	52.86	0.183	15.52	71.05
1929	0.045	2.06	8.28	0.29	13.28	53.35			
1959	0.239	4.01	9.73	0.631	10.58	25.69			
1964	0.538	8.15	16.45	1.233	18.01	37.71			
1970	0.526	5.86	10.98	0.630	7.03	13.15			
1974 (Feb)	0.440	3.53	6.09	0.680	5.45	9.41			
1974 (Oct)	0.524	3.77	5.89	0.950	6.84	10.68	²⁹		
1979	1.566	5.71	8.88	2.333	8.51	13.22	0.213	0.77	1.21
1983	2.057	5.00	7.41	3.7	9.00	13.33	1.934	4.70	6.97
1987	4.7	9.53	12.74	9.028	18.30	24.48	1.8	3.65	4.88
1992	10.2	15.21	18.76	11.2	16.71	20.60	1.8	2.68	3.31
1997	26.0	34.11	39.39	28.3	37.12	42.87	2.1	2.75	3.18
2001	10.810	12.97	13.76	11.998	14.39	15.27	1.316	1.58	1.68
2005	16.864	18.37	18.53	17.732	19.32	19.48	4.243	4.62	4.66

Sources: For elections to 1987, Pinto-Duschinsky (1981, 1985 and 1989); for 1992 and 1997, CSPL (1998); for 2001 and 2005, EC.

Notes: (1) For 1983 and 1987, the figures in the Liberal column are for the Liberal/Social Democrat Alliance, for 1992 onwards, for the Liberal Democrats.

(2) For 2001 and 2005, statistics exclude notional expenditures

29. The problems of assessing central Liberal spending in the October 1974 election are discussed in Pinto-Duschinsky (1981), p.201.

Table 7: Central spending by the Labour and Conservative Parties in selected non-election years, 1912-2006

(In millions of pounds at current prices, at 2007 values measured by the Retail Prices Index and by the Average Earning Index)

	LABOUR			CONSERVATIVE			Labour spending as % of Conservative spending
	Current prices	2007 values RPI	2007 values AEI	Current prices	2007 values RPI	2007 values AEI	
1912	0.01	0.82	3.7	0.162	13.37	60.3	6.2
1917	0.019	0.95	4.1	0.066	3.29	14.1	28.8
1927	0.051	2.31	9.3	0.128	5.78	23.3	39.8
1937	0.074	3.77	13.3	0.239	11.75	43.0	31.0
1947	0.107	3.02	9.3	0.343	9.67	29.9	31.2
1957	0.275	5.7	12.1	0.685	14.21	30.2	40.1
1962	0.301	4.68	10.5	0.863	13.27	30.0	34.9
1968 Cons=68-69	0.408	5.1	9.94	1.054	13.09	25.20	36.7
1972 Cons=72-73	0.787	7.48	12.94	1.481	13.72	22.91	54.5
1977 Cons=77-78	1.53	6.85	11.50	2.589	11.32	19.45	60.5
1981 Cons=81/2	3.5	9.67	14.85	3.8	11.27	16.12	85.8
1985 Cons=85/6	4.4	9.29	13.65	5.5	11.89	17.06	78.1
1994 Cons=94/5	9.1	13.0	15.17	10.296	15.05	17.16	88.4
2003	20.581	23.46	24.16	9.797	11.17	11.51	210.1 ³⁰

Sources: CPA, Pinto-Duschinsky (1981, 1985 and 1989), CSPL (1998); Conservative Central Office accounts, EC, and supplementary information for Conservative expenditure from 2002 to 2005 from Conservative Central Office.

Notes: (1) Figures are for calendar years except for Conservative spending from 1967-68 to 2001-02, when the party drew up its budgets for financial years ending on 31 March.

(2) The figure for Labour spending in 1994 is taken from CSPL (1998) and may be based on different accounting conventions from those in the rest of the table.

(3) Totals are given net of direct state grants ('Short Money,' 'Cranborne Money' and Policy Development Grants). The case for excluding these grants is given in the text under 'Central routine spending'. If these grants are included, the totals are: 1977/8, Conservative 2.754; 1981, Labour 3.8; 1985, Labour 4.8; 2003, Labour 21.020, Conservative 14.566. At 2007 values as measured by the RPI, the equivalent totals are: 1977/8, Conservative 12.03; 1981, Labour 10.50; 1985, Labour 10.14; 2003, Labour 23.943, Conservative 16.60. At 2007 values measured by the AEI, the totals are: 1977/8, Conservative 20.694; 1981, Labour 16.119; 1985, Labour 14.99; 2003, Labour 23.527, Conservative 17.117

(4) Where possible, expenditures are presented net of expenditure on literature and commercial items recouped from sales, interest is given net, and the costs of regional offices of the headquarters are included. However, it is sometimes impossible to iron out differences between accounting procedures of the different parties or of the same party over a period of time and the statistics are subject to minor revisions.

(5) In order to allow comparability over time, 'notional' costs which parties were required to declare under the terms of PPERA 2000 have been omitted but are given in these notes.

(6) Labour 2003-06, net of notional costs (2003=0.239), interest received, cost of commercial activities and of fundraising.

(7) Conservative 2003-06: net of notional costs (2003=0.918), interest received, cost of commercial activities and of fundraising and conference expenses recouped from conference income.

(8) Excludes projects funded by the Westminster Foundation for Democracy. These projects are excluded from central Labour accounts but were included in the central Conservative accounts for 2004 and 2005.

30. If direct state grants to the Conservatives are included, Labour spending in 2003 was 144.2 per cent of Conservative spending.

Paying for the party

Table 8: Average declared spending of parliamentary candidates in general elections, 1885-2005

(In pounds, at current prices, at 2007 prices measured by the Retail Prices Index and by the Average Earning Index)

	LABOUR			CONSERVATIVE			LIBERAL		
	Current prices	2007 values RPI	2007 values AEI	Current prices	2007 values RPI	2007 values AEI	Current prices	2007 values RPI	2007 values AEI
1885				890	82,000	497,000	891	83,000	497,000
1910 (Jan)	881	75,000	345,000	1,109	94,000	434,000	1,075	91,000	421,000
1929	452	21,000	84,000	905	41,000	168,000	782	36,000	145,000
1964	751	10,969	22,967	790	11,539	24,159	579	8,457	17,707
1970	828	9,231	17,013	949	10,581	19,499	667	7,436	13,705
1974 (Feb)	1,127	9,320	15,600	1,197	9,592	16,569	745	5,970	10,312
1979	1,897	6,917	11,443	2,190	8,008	13,210	1,013	3,694	6,111
1983	2,927	7,119	10,545	3,320	8,074	11,961	2,520	6,129	9,079
1987	3,900	7,907	10,552	4,400	8,920	11,905	3,400	6,893	9,200
1992	5,090	7,592	9,258	5,840	8,711	10,622	3,169	4,727	5,764
1997	6,011	7,885	9,223	6,211	8,147	9,530	3,144	4,124	4,824
2001	5,860	6,985	7,431	6,484	7,729	8,222	3,029	3,611	3,841
2005	6,662	7,170	7,264	7,384	7,949	8,051	3,961	4,263	4,319

Sources. Pinto-Duschinsky (1981), Butler and Butler (2000), Butler and Butler (2006) and EC.

Table 9: Average spending by constituency organisations in non-election years, 1929-2006

(In pounds, at current prices, at 2007 prices measured by the Retail Prices Index and by the Average Earnings Index)

	LABOUR			CONSERVATIVE		
	Current prices	2007 values RPI	2007 values AEI	Current prices	2007 values RPI	2007 values AEI
1928				800	36,222	148,055
1962	2,000	30,755	69,857			
1966-67				3,489	46,463	93,633
1969	1,200	14,236	27,207			
1973	1,761	15,350	25,171	4,572	39,852	65,350
1993	5,703	8,373	9,973	28,189	41,387	49,293
2003	8,288	9,444	9,740	28,326	32,279	33,287

Sources. See Appendix 3.

Notes. (1) Research on Conservative spending for 1966-67 covered England and Wales only. According to Pinto-Duschinsky (1972b), the average income of conservative constituency associations in England and Wales was £3,590 (excluding grants from Conservative Central Office). It is assumed that expenditure equalled income. There is evidence (not least from the smaller proportion in 1966-67 of Conservative constituency associations in Scotland with full time agents) that average spending of associations in Scotland was lower than in England and Wales. If it is assumed that the average for Scotland was 25 percent lower, the average for Great Britain falls to £3,489.

(2) For 1993, the figure for average Conservative constituency spending given by Pinto-Duschinsky (1994) is £26,000 and by Fisher (1998) is £35,290. If the results of the average of both these numbers weighted by the number of constituencies covered by the Pinto-Duschinsky and Fisher studies are combined and the results are weighted by the number of constituencies covered by each study, average Conservative constituency income in 1993 was £28,189.

(3) For 2003, it has been assumed that the average expenditures of the relatively few Labour and Conservative constituencies for which information has not been obtained were 25 percent less than the averages for constituencies of the same category of political strength for which information was obtained. Party organisations in some of the constituencies for which information was unavailable belonged to 'accounting units' covering more than one constituency. Accounts, where available, for multi-constituency accounting units are not included because they are already covered as individual constituency units. At the time the study went to press, there were still some minor statistical inconsistencies that remained to be sorted out and the figures are subject to small revisions.

Table 10: Average spending by constituency organisations in non-election years, 2003, by political strength of party

(In pounds, at current prices)

	LABOUR	CONSERVATIVE
Won by at least 10 percent	10,326	64,422
Won by under 10 percent	10,136	49,272
Lost by under 10 percent	5,743	38,644
Lost by over 10 percent	4,490	13,055
ALL CONSTITUENCIES	8,288	28,326

Sources: See Appendix 3.

Notes: As for Table 9.

Paying for the party

Table 11: Overall Conservative Party spending (approximate) in electoral cycles from 1874-80 to 2001-05

(In millions of pounds, at current prices, at 2007 prices measured by the Retail Prices Index and by the Average Earning Index)

	Current prices	2007 values RPI	2007 values AEI
1874-80	1.9	164.7	980.9
1906-10	1.9	161.3	765.7
1924-29	3.7	167.5	683.4
1966-70	13.8	166.9	322.3
1979-83	52.5	133.5	204.0
2001-05	143.5	160.7	168.7

Sources: For electoral cycles to 1979-83, Pinto-Duschinsky (1972b, 1981 and 1985), for 2001-05, as for Tables 6, 7, 8 and 9 plus supplementary information from Conservative Central Office

Notes: For 2001-05, campaign spending includes general elections, elections to the Scottish Parliament, National Assembly for Wales and European Parliament.

Table 12: Overall Labour and Conservative spending in 1966-70 and 2001-05

(In millions of pounds, at current prices, at 2007 prices measured by the Retail Prices Index and as measured by the Average Earning Index)

	LABOUR			CONSERVATIVE		
	Current prices	2007 values RPI	2007 values AEI	Current prices	2007 values RPI	2007 values AEI
1966-70	5.0	60.1	116.1	13.8	166.9	322.3
2001-05	131.7	146.7	149.8	143.5	160.7	164.5

Sources and Notes: As for Tables 6, 7, 8, 9 and 11, and supplementary information from Labour Head Office.

Table 13: Overall Labour, Conservative and Liberal spending in some parliamentary cycles 1874-80 to 2001-05, by type and level of activity

		PERCENTAGE OF SPENDING				
		Central campaign	Central routine	Local campaign	Local routine	Total
1966-70	Labour	8.1	29.5	9.5	52.9	100.0
1970-74	Labour	4.2	39.2	9.3	47.2	100.0
2001-05	Labour	15.1	65.5	2.9	16.5	100.0
1874-80	Conservative	-	2.1	77.3	20.6	100.0
1906-10	Conservative	1.3	16.4	34.5	34.5	100.0
1924-29	Conservative	5.4	20.7	14.4	59.6	100.0
1966-70	Conservative	4.3	34.4	4.1	57.3	100.0
1979-83	Conservative	6.2	36.4	3.4	54.0	100.0
2001-05	Conservative	15.4	31.5	3.0	50.0	100.0
1970-74	Liberal	2.8	22.2	14.3	60.7	100.0

Sources and Notes: As for Tables 6, 7, 8, 9 and 11, and supplementary information from Labour Head Office.

Table 14: Comparison between Labour and Conservative spending: 1966-70 and 2001-05

(Conservative spending as a percentage of Labour spending)

	1966-70	2001-05
Central routine	305.5	53.0
Central campaign	139.7	112.0
Local routine	312.4	332.6
Local campaign	114.6	110.8
TOTAL	277.6	109.5

Sources and Notes: As for Tables 6, 7, 8, 9 and 11, and supplementary information from Labour Head Office.

Table 15: Contrasting trends

(1966-70 and 2001-05: Labour's central spending versus local spending. In thousands of pounds, at 2007 values as measured by the Retail Prices Index)

	Central spending	Local spending
1966-70	22,588	37,539
2001-05	118,175	28,568

Sources and Notes: As for Tables 6, 7, 8, 9 and 11, and supplementary information from Labour Head Office.

Appendix 3: A guide to information on local party finances

Since the late nineteenth century, there have been organisations in most constituencies to support each of the main political parties. With the decline of local party politics in the earlier part of the twentieth century for the Liberal and later part of the century for Conservatives and Labour, organisations in some adjoining constituencies have tended to amalgamate. In addition to (or instead of) constituency organisations, regional and city parties sometimes have (or have previously had) their own organisations.

Each year, there are nearly 2,000 separate financial accounts of local party organisations. This makes it extremely hard to collect comprehensive data or partial data that constitutes a reliable sample. The problem of estimating overall local party income and spending is aggravated by the fact that local budgets are sometimes drawn up by volunteers with little accounting expertise. There are further difficulties. Accounts are based on differing methods and may thus not be comparable; they tend to ignore the activities of branch committees except where there are branches donations to a constituency organisation; and there are frequent internal party transfers of funds, particularly between regional or city organisations and constituency parties.

A major problem of interpretation of local party accounts (which applies, but to a lesser extent, to the accounts of central party organisations) is how to deal with commercial items: should they be given gross or net of costs? For example, local political organisations frequently raise money by arranging social events, which themselves involve considerable costs. In a minority of cases, local party

organisations own one or more properties which they let. If both the costs and rental receipts are included in the local party accounts, the income and expenditure totals will be inflated, even though there may be a very small net profit or even a loss on the property.

Since 2001, all party organisations - national and local - have been obliged to submit their accounts to The Electoral Commission, which then publishes them on its website. However, this applies only to organisations with a gross annual income or expenditure of at least £25,000. Moreover, some organisations with budgets exceeding the disclosure threshold have nevertheless failed to meet the reporting requirement. In any case, this requirement only came into force in 2001 under the terms of the Political Parties Elections and Referendums Act 2000.

In order to compare the present-day level of local party funding with previous periods, it is necessary, first, to collect figures for the years since 2001 for the majority of local organisations, which have budgets below the disclosure threshold. This information must be added to the published accounts of above-threshold organisations. Second, in order to establish evidence on medium- and long-term trends, evidence is needed about budgets for some earlier years.

During the preparation of this report, I used three sources for the contemporary period: the EC's published budgets of above-threshold 'accounting units' for 2001-06, its survey of below-threshold 'accounting units' for the year 2003, and a further collection of data on Conservative local associations.

Concerning earlier years, two sample surveys of Labour, Conservative and Liberal/Liberal Democrat constituency budgets were conducted for official inquiries into party funding. The Houghton Committee commissioned a sample survey of constituencies for the years 1973 and 1974. In 1998, the Committee on Standards in Public Life commissioned a survey (Fisher, 1998) for the financial years between 1992 and 1997. The results of this second survey were based on information on considerably fewer constituency organisations.

The advantage of sample surveys is that they are designed to cover a cross-section of constituencies. Their disadvantage is that organisations replying to surveys are likely to be the more efficient ones. Consequently, the results may overstate the incomes and expenditures of local party organisations.

An alternative way to estimate local political funding in earlier periods is to analyse the original budgets of local associations for which information is available

and to weight the results by political strength of the constituency and by whether they employ a professional party agent. Here too, an analysis of the figures may produce overestimates since the organisations providing information to the party headquarters are probably the most efficient ones. Two advantages of the method are, first, that it may be possible to collect statistics on a far large number of organisations than is usual for a sample survey and, second, it is less costly if collections of constituency budgets are available, for example from a party headquarters.

A third method is to look at accounts of local party organisations and of politicians held in different archival collections. This time-consuming approach, used by Ramsden (1974), can produce useful results for early years, for which central party archives are often defective.

The sources and the number of constituencies and/or other units of local party organisation for the statistics in the text are given in Table 16.

31. The EC provided information in response to requests under the Freedom of Information Act 2000. FOI 14/07 provided approximate working totals derived from a survey of 'accounting units' with annual budgets in 2003 below the statutory threshold for disclosure of £25,000. These 'accounting units' are mainly constituency parties or local party organisations covering a group of constituencies. Possibly as a result of a computing error, the total spending of below-threshold accounting units of the Labour Party seems to be incorrect. In FOI 104/07, the EC supplied the raw data for its survey. This is one of the main sources for Table 17.

Table 16: Sources of information about constituency party finances

(With numbers of constituencies surveyed/researched)

	Source	Labour	Conservative	Liberal
1925-29	Ramsden, 1974		40 constituencies and 6 city associations	
1962	Leonard, 1968	na		
1966-67	Pinto-Duschinsky, 1972b		402 (England and Wales only)	
1969	Butler and Pinto-Duschinsky	About 24	About 36	
1973	Houghton	75	73	37
1974	Houghton	75	73	37
1992	Fisher, 1998	Up to 24	Up to 37	Up to 21
	Pinto-Duschinsky, 1994		120	
1993	Fisher, 1998	Up to 24	Up to 37	Up to 21
1994	Fisher, 1998	Up to 24	Up to 37	Up to 21
1995	Fisher, 1998	Up to 24	Up to 37	Up to 21
1996	Fisher, 1998	Up to 24	Up to 37	Up to 21
1997	Fisher, 1998	Up to 24	Up to 37	Up to 21
2003	Table 17 of this report ³¹	547	491	73

Appendix 4

Table 17: Spending by Labour, Conservative and Liberal Democrat constituency organisations compared with spending by incumbent members of parliament, 2003

(In pounds, at current prices)

CONSTITUENCY	LABOUR		CONSERVATIVE		LIBDEM		INCUMBENT MP'S ALLOWANCES
	Gross expenditure	Party strength	Gross expenditure	Party strength	Gross expenditure	Party strength	
Aberavon (See notes)	13,715	1	685	4			121,617
Aberdeen Central	9,726	1	2,376	4			144,317
Aberdeen North	1,177	1	na	4			125,856
Aberdeen South	7,984	1	33,648	4			131,260
Airdrie & Shotts	na	1	1,696	4			112,349
Aldershot	5,127	4	19,453	1			112,215
Aldridge – Brownhills (See notes)	1,241	3	14,960	2			90,170
Altrincham & Sale West	3,364	3	67,967	2			127,658
Alyn And Deeside	15,505	1	4,031	4			130,195
Amber Valley	8,544	1	14,025	4	612	4	105,405
Angus	1,210	4	19,987	4			127,141
Argyll & Bute	1,145	3	55,753	3	29,407	2	95,569
Arundel & South Downs	2,995	4	93,560	1	4,115	4	120,154
Ashfield	6,174	1	3,818	4			£86,713
Ashford	na	4	77,973	1			119,084
Ashton-Under-Lyne	6,450	1	1,846	4			122,482
Aylesbury	6,631	4	207,029	1			121,522
Ayr	na	2	70,324	3			124,755
Banbury (North Oxfordshire)	1,150	4	137,717	1			113,329
Banff & Buchan (See notes)	na	4	11,891	4			146,151
Barking	1,336	1	na	4			103,778
Barnsley Central	9,103	1	387	4			107,572
Barnsley East & Mexborough	4,323	1	na	4			102,998
Barnsley West & Penistone	1,395	1	5,741	4			98,305
Barrow & Furness	13,220	1	na	4			128,862
Basildon	10,408	1	12,810	4			118,835
Basingstoke	21,160	3	69,161	2			123,676
Bassetlaw	6,465	1	17,662	4			132,792
Bath	66,855	4	61,865	4	23,498	1	114,295
Batley & Spen	2,382	1	na	4			122,371
Battersea	57,115	1	43,560	4			106,471
Beaconsfield (See notes)	800	4	106,593	1			110,719
Beckenham	5,456	4	40,514	1			132,797
Bedford	10,031	1	16,438	4			111,094
Berwick-Upon-Tweed	671	4	32,511	4			113,866
Bethnal Green & Bow	na	1	2,440	4			106,408
Beverley & Holderness	5,853	3	47,254	2			88,524
Bexhill & Battle	2,558	4	63,999	1			117,760

Bexleyheath & Crayford	na	2	38,710	3			111,299
Billericay	2,374	4	11,585	1	325	4	131,455
Birkenhead	3,627	1	8,459	4			118,505
Birmingham, Edgbaston	11,628	1	33,641	4			119,114
Birmingham, Erdington	4,032	1	na	4			116,847
Birmingham, Hall Green	4,938	1	9,883	4			70,516
Birmingham, Hodge Hill	6,003	1	na	4			108,729
Birmingham, Ladywood	5,743	1	na	4			112,648
Birmingham, Northfield	3,411	1	na	4			119,900
Birmingham, Perry Barr	3,000	1	3375	4			125,630
Birmingham, Selly Oak	9,055	1	na	4			116,958
Birmingham, Sparkbrook	621	1	na	4			128,493
Birmingham, Yardley	573	1	na	4			101,029
Bishop Auckland	11,561	1	4,048	4	35	4	132,883
Blaby	2,381	4	32,535	1			106,123
Blackburn	14,129	1	na	4			106,858
Blackpool North & Fleetwood	8,500	1	8,601	4			117,083
Blackpool South	7,896	1	na	4			114,075
Blaenau Gwent	15,731	1	na	4			93,253
Blaydon	6,596	1	na	4			130,654
Blyth Valley	8,005	1	2,558	4			126,558
Bognor Regis & Littlehampton	1,723	4	61,590	1			117,198
Bolsover	3,517	1	1,011	4			71,120
Bolton North East	8,446	1	14,158	4			125,561
Bolton South East	na	1	na	4			100,755
Bolton West	4,119	1	na	4			105,687
Bootle	10,734	1	na	4			124,722
Boston & Skegness	636	3	8,356	2			122,574
Bosworth	6,558	3	53,388	2			119,383
Bournemouth East	1,063	4	35,604	2			114,359
Bournemouth West	1,063	4	46,122	1			117,509
Bracknell	13,830	4	89,419	1			114,061
Bradford North	4,511	1	5081	4			109,991
Bradford South	na	1	1,450	4			117,919
Bradford West	3,505	1	10,489	4			119,604
Braintree	na	2	43,775	3			88,077
Brecon & Radnorshire	5,443	4	34,972	3	19,896	2	128,385
Brent East	na	1	15,412	4			68,689
Brent North	4,175	1	na	4			135,451
Brent South	na	1	3,142	4			95,004
Brentford & Isleworth	na	1	23,155	4			112,457
Brentwood & Ongar	4,295	4	na	2			106,316
Bridgend	14,021	1	na	4			107,463
Bridgwater	10,073	4	65,312	1			117,536
Brigg & Goole	7,235	2	31,492	3			113,150
Brighton, Kemptown	13,134	1	23,996	4			115,991
Brighton, Pavilion	8,412	1	20,214	4			111,385
Bristol East	na	1	na	4			120,850
Bristol North West	4,406	1	29,688	4			118,046
Bristol South	8,946	1	na	4			110,986
Bristol West	5,810	2	20,914	3			108,564
Bromley & Chislehurst	4,702	4	49,113	1			114,579
Bromsgrove	77	4	22,175	1			127,878

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Broxbourne	na	4	30,339	1			122,082
Broxtowe	7,452	1	11,878	4			131,079
Buckingham	2,345	4	76,686	1			124,057
Burnley	21,500	1	na	4			153,989
Burton	17,303	1	47,930	4			112,671
Bury North	21,877	1	19,454	4			128,053
Bury South	16,581	1	7,577	4			117,517
Bury St Edmunds	5,393	3	55,177	2	3,251	4	123,356
Caernarfon	2,500	4	na	4			117,966
Caerphilly	9,883	1	2,544	4			120,640
Caithness, Sutherland & E Ross	na	4	4,674	4			136,785
Calder Valley	9,480	2	29,646	3			129,469
Camberwell & Peckham	5,647	1	na	4			107,649
Cambridge	34,604	1	na	4			135,085
Cannock Chase	6,038	1	4,929	4			111,648
Canterbury	na	3	99,845	2			113,953
Cardiff Central	na	2	9,106	4			117,936
Cardiff North	17,186	1	29,935	4			112,076
Cardiff South & Penarth	11,951	1	5033	4			101,762
Cardiff West	na	1	13,040	4			85,222
Carlisle	na	1	na	4			112,742
Carmarthen East & Dinefwr	13,462	3	5,735	4			120,491
Carmarthen W & S Pembrokeshire	na	1	14,521	4			110,376
Carrick, Cumnock & Doon Valley	na	1	13,556	4			134,311
Carshalton & Wallington	6,803	4	15,772	4			103,902
Castle Point	20,271	3	34,293	2			119,277
Central Fife	7,254	1	na	4			127,717
Central Suffolk & North Ipswich	25	3	59,045	2			117,212
Ceredigion	4,911	4	na	4			122,097
Charnwood	3,290	4	32,620	1			91,336
Chatham & Aylesford	3,290	1	41,814	4			111,665
Cheadle	na	4	na	3	39,700	2	120,110
Cheltenham	12,071	4	55,698	4	26,568	1	115,039
Chesham & Amersham	na	4	90,923	1			121,206
Chesterfield	9,517	2	na	4			138,129
Chichester	2,716	1	99,730	1			124,101
Chingford & Woodford Green	6,838	4	58,774	1			104,222
Chipping Barnet	3,059	3	95,319	2			114,718
Chorley	12,762	1	31,618	4	1,800	4	144,398
Christchurch	1,092	4	70,404	1			104,741
Cities of London & Westminster	4,351	4	343,059	1			100,287
City of Chester	10,137	1	66,538	4			129,052
City of Durham	6,888	1	na	4			121,255
City of York	14,281	1	28,552	4	1,515	4	135,638
Cleethorpes	798	1	na	4			113,538
Clwyd South	2,231	1	8,612	4			126,998
Clwyd West	5,860	2	29,338	3			129,550
Clydebank & Milngavie	12,075	1	na	4			97,238
Clydesdale	10,568	1	10,989	4			134,110
Coatbridge & Chryston	5,674	1	na	4			125,724
Colchester	3,361	4	na	4	28,054	1	110,447
Colne Valley	7,589	1	25,773	3			134,325
Congleton	na	4	12,663	2			85,553

Conwy	15,587	1	12,845	4	9,963	4	113,049
Copeland	32,643	1	na	4			122,788
Corby	5,105	1	24,834	4			125,559
Cotswold	1,090	4	140,300	1			114,412
Coventry North East	na	1	na	4			119,898
Coventry North West	2,643	1	2,563	4			99,912
Coventry South	3,141	1	8,004	4			111,861
Crawley	8,957	1	na	4			92,133
Crewe & Nantwich	4,263	1	17,029	4	1,645	4	110,053
Crosby	na	1	24,735	4			168,889
Croydon Central	7,603	2	31,910	3			127,938
Croydon North	6,587	1	23,141	4			100,872
Croydon South	6,759	4	90,516	1			113,553
Cumbernauld & Kilsyth	12,998	1	na	4			123,957
Cunninghame North	8,125	1	27,553	4			145,518
Cunninghame South	2,922	1	4,780	4			141,112
Cynon Valley	3,917	1	na	4			108,811
Dagenham	2,027	1	na	4			132,555
Darlington	15,206	1	18,302	4			139,734
Dartford	14,385	2	24,405	3			115,173
Daventry	2,162	4	106,049	1			97,658
Delyn	4,484	1	na	4			127,824
Denton & Reddish	6,413	1	na	4			125,026
Derby North	14,143	1	na	4			117,558
Derby South	27,040	1	na	4			115,047
Devizes	8,932	4	105,641	1			112,020
Dewsbury	1,114	1	1,017	4			115,173
Don Valley	11,310	1	8,421	4			127,167
Doncaster Central	7,406	1	2,908	4			121,315
Doncaster North	3,356	1	na	4			97,981
Dover and Deal	12,796	1	34,988	4			118,325
Dudley North	na	1	na	4			108,083
Dudley South	na	1	5,885	4			117,984
Dulwich & W Norw. (See notes)	52,626	1	47,398	4			101,100
Dumbarton (See notes)	18,152	1	500	4	2,980	4	137,597
Dumfries	na	1	70,030	4	2,811	4	129,036
Dundee East	14,470	1	5,500	4			120,008
Dundee West	14,470	1	na	4			124,968
Dunfermline East	2,704	1	5,288	4			130,292
Dunfermline West (See notes)	11,767	1	2,132	4			124,899
Ealing North	8,000	1	na	4			111,601
Ealing, Acton & Shepherds Bush	19,856	1	47,483	4	1,681	4	87,593
Ealing, Southall	15,249	1	na	4			112,910
Easington	12,859	1	na	4			128,325
East Devon	1,894	4	81,019	1			121,305
East Ham	na	1	175	4			88,468
East Hampshire	2,996	4	52,444	1			121,654
East Kilbride	1,133	1	na	4			108,974
East Lothian	41,808	1	22,866	4			148,719
East Surrey	9,024	4	86,581	1			115,039
East Worthing & Shoreham	2,411	4	38,469	1			124,247
East Yorkshire	5,963	3	38,152	1			114,563
Eastbourne	2,587	4	26,438	2	54,125	3	115,051

Paying for the party

Eastleigh	22,692	4	25,129	3	29,546	2	123,002
Eastwood	5,164	1	49,982	4			133,821
Eccles	4,311	1	285	4			137,086
Eddisbury	2,964	4	57,030	1			128,262
Edinburgh Central	14,979	1	22,536	4			112,729
Edinburgh East & Musselburgh	13,694	1	2,145	4			116,333
Edinburgh North & Leith	na	1	11,415	4	1,413	4	126,174
Edinburgh Pentlands	2,251	2	50,365	3			112,842
Edinburgh South	22,950	1	25,717	4	41,141	4	135,282
Edinburgh West	3,682	4	46,399	4	34,748	1	127,804
Edmonton	27,949	1	na	4			123,949
Ellesmere Port & Neston	5,031	1	22,913	4			122,201
Elmet	4,614	2	23,615	3			121,935
Eltham	34,315	1	27,643	4			105,213
Enfield North	38,569	2	34,526	3			146,424
Enfield, Southgate	19,626	1	55,490	4			105,276
Epping Forest	1,811	4	49,687	1			109,638
Epsom & Ewell	4,757	4	62,025	1			120,152
Erewash	8,720	1	26,600	4			120,956
Erith & Thamesmead	21064	1	4,721	4			110,775
Esher & Walton	2,479	4	101,956	1			122,733
Exeter	22,322	1	46,368	4			109,686
Falkirk East (See notes)	na	1	1,957	4			134,450
Falkirk West	6,765	1	na	4			152,861
Falmouth & Camborne	na	2	54,870	3	4,150	4	135,877
Fareham	2,841	4	38,560	1			116,781
Faversham & Mid Kent	12,310	4	30,226	1			115,326
Feltham & Heston	17,447	1	2,330	4			119,434
Finchley & Golders Green	21,292	2	57,389	3			118,386
Folkestone & Hythe	na	4	90,930	1			125,650
Forest Of Dean	3,323	2	19,688	3			121,117
Fylde	1,874	4	40,106	1			128,727
Gainsborough	1,047	4	45,407	1			116,446
Galloway & Upper Nithsdale	na	4	53,583	2			144,308
Gateshead E & Washington W	4,953	1	na	4			107,707
Gedling	6,344	1	20,143	4			112,104
Gillingham	11,006	2	43,548	3			119,929
Glasgow, Anniesland	8,533	1	na	4	725	4	131,755
Glasgow, Baillieston	na	1	855	4			101,792
Glasgow, Cathcart	7,989	1	na	4			123,448
Glasgow, Govan	na	1	4,987	4			156,722
Glasgow, Kelvin	na	1	na	4			107,593
Glasgow, Maryhill	na	1	na	4			113,410
Glasgow, Pollok	na	1	3,760	4			144,665
Glasgow, Rutherglen	6,760	1	na	4			130,235
Glasgow, Shettleston	na	1	860	4			107,170
Glasgow, Springburn	7,101	1	1,171	4			98,025
Gloucester	na	2	21,045	3			134,584
Gordon	186	4	na	4	25,364	1	133,957
Gosport	8,300	3	28,565	2			126,140
Gower	na	1	na	4			105,775
Grantham & Stamford	na	3	17,547	2			124,592
Gravesham	15,205	1	24,356	4			130,642

Great Grimsby	3,399	1	na	4			134,789
Great Yarmouth	29,932	1	13,236	4	89	4	123,365
Greenock & Inverclyde	10,303	1	na	4			133,608
Greenwich & Woolwich	16,942	1	na	4			84,502
Guildford	19,503	4	97,824	3	55,822	2	112,664
Hackney N & Stoke Newington	6,294	1	na	4			96,366
Hackney South & Shoreditch	3,509	1	na	4			102,151
Halesowen & Rowley Regis	7,609	1	8,246	4			107,474
Halifax	7,229	1	na	4			125,966
Haltemprice & Howden	2,721	4	na	2			115,328
Halton	4,754	1	na	4			105,544
Hamilton North & Bellshill	621	1	2,579	4			88,925
Hamilton South	9,065	1	na	4			136,145
Hammersmith & Fulham	18,277	1	57,153	3			95,434
Hampstead & Highgate	10,118	1	81,162	4			99,361
Harborough	633	4	81,888	1			112,043
Harlow	15,739	1	8,968	4			139,218
Harrogate & Knaresborough	2,760	4	64,371	4	63,695	1	129,700
Harrow East	16,710	1	na	4			107,639
Harrow West	16,653	1	34,772	3			120,008
Hartlepool	15,792	1	3,222	4			113,029
Harwich	12,332	2	20,761	3			119,851
Hastings & Rye	18,871	1	24,010	4			114,680
Havant	2,692	3	69,779	1			123,278
Hayes & Harlington	na	1	1,500	4			131,388
Hazel Grove	na	4	7,214	4	35,802	1	113,683
Hemel Hempstead	15,386	2	92,631	3			126,486
Hemsworth	4,959	1	2,908	4			132,947
Hendon	14,734	1	na	4			147,650
Henley (South Oxfordshire)	3,864	4	77,534	1			117,373
Hereford	2,688	4	36,446	3	31,299	2	129,158
Hertford & Stortford	2,878	4	46,669	1			114,757
Hertsmere	6,099	4	45,256	1			108,387
Hexham	7,963	3	46,937	2	4,000	4	129,277
Heywood & Middleton	6,368	1	8,334	4			117,769
High Peak	3,744	1	33,958	3			124,104
Hitchin & Harpenden	7,397	4	69,971	1			116,860
Holborn & St Pancras	38,211	1	13,100	4			100,576
Hornchurch	15,485	2	8,926	3			109,611
Hornsey & Wood Green	19,215	1	11,444	4			116,005
Horsham	4,563	4	76,749	1			115,949
Houghton & Washington East	6,112	1	1,352	4			124,539
Hove	6,845	2	56,918	3			129,133
Huddersfield	na	1	10,758	4			133,334
Huntingdon	9,969	4	59,248	1	6,697	4	115,535
Hyndburn C	13,136	1	8,723	4			106,271
Ilford North	6,804	2	27,890	2			121,719
Ilford South	18,389	1	na	4			124,410
Inverness East, Nairn & Lochaber	13,831	1	15,746	4			139,449
Ipswich	55,037	1	na	4	619	4	121,184
Isle Of Wight	7,912	4	59,248	2	11,002	3	126,566
Islington North	9,685	1	1,249	4			102,929
Islington South & Finsbury	na	1	7,996	4			104,271

Paying for the party

Islwyn	na	1	na	4			114,285
Jarrow	2,938	1	8,753	4			130,583
Keighley	13,832	2	19,854	3			122,734
Kensington & Chelsea	3,210	4	192,606	1			89,644
Kettering	12,801	2	22,528	3			114,125
Kilmarnock & Loud. (See notes)	12,655	1	12,639	4			118,060
Kingston & Surbiton	na	4	32,724	4			108,628
Kingston Upon Hull East	1,244	1	na	4			107,299
Kingston Upon Hull North	3,835	1	2,238	4			121,747
Kingston Upon Hull West	2,057	1	3,820	4			98,815
Kingswood	14,232	1	6,937	4			120,405
Kirkcaldy	11,251	1	na	4			112,560
Knowsley North & Sefton East	4,643	1	na	4			129,983
Knowsley South	5,250	1	na	4			125,300
Lancaster & Wyre	7,140	2	33,087	3	925	4	135,082
Leeds Central	3,390	1	2,192	4			103,101
Leeds East	8,610	1	1,147	4			120,696
Leeds North East	6,658	1	29,931	4	883	4	126,009
Leeds North West	6,859	1	30,152	4			116,760
Leeds West	6,859	1	198	4			116,054
Leicester East	na	1	6,435	4			164,265
Leicester South (See notes)	10,899	1	na	4			
Leicester West	na	1	6,297	4			119,482
Leigh	5,607	1	926	4			123,248
Leominster	2,078	4	74,680	1			132,017
Lewes	15,028	4	59,593	4			113,772
Lewisham Deptford	8,411	1	500	4			102,500
Lewisham East	15,479	1	10,376	4			101,670
Lewisham West	25,938	1	10,762	4			99,548
Leyton & Wanstead	8,119	1	12,166	4			123,718
Lichfield	2,270	4	23,186	1			113,726
Lincoln	10,186	1	na	4			136,706
Linlithgow (See notes)	na	1	1,957	4			82,376
Liverpool, Garston	na	1	1,610	4	5,238	4	112,022
Liverpool, Riverside	5,883	1	2,449	4			130,633
Liverpool, Walton	4,000	1	na	4			125,347
Liverpool, Wavertree	4,192	1	200	4	9,283	4	97,707
Liverpool, West Derby	-	1	8,776	4			130,253
Livingston (See notes)	na	1	178	4			125,050
Llanelli	13,728	1	na	4			92,604
Loughborough	13,391	1	23,839	4			128,326
Louth & Horncastle	721	4	na	1			118,867
Ludlow	2,823	4	86,297	3			127,693
Luton North	9,422	1	na	4			86,135
Luton South	11,249	1	10,557	4			139,132
Macclesfield	7,192	1	33,876	1			92,794
Maidenhead	2,738	1	84,478	2	22,602	3	92,331
Maidstone & The Weald	1,243	4	30,682	1			115,375
Makerfield	3,190	1	na	4			104,184
Maldon & East Chelmsford	6,292	4	32,050	1			113,480
Manchester Central	3,409	1	na	4			110,027
Manchester, Blackley	6,840	1	na	4			121,718
Manchester, Gorton	5,913	1	na	4			115,538

Manchester, Withington	8,017	1	na	4			115,665
Mansfield	9,310	1	na	4			132,122
Medway	3,242	2	18,923	3			114,911
Meirionydd Nant Conwy	na	4	na	1			130,458
Meriden	na	3	42,242	2			114,134
Merthyr Tydfil & Rhymney	6,070	1	4,412	4			120,301
Mid Bedfordshire	4,436	4	52,260	1			120,237
Mid Dorset & North Poole	9,522	4	36,718	3			115,311
Mid Norfolk	1,496	3	31,532	2			124,607
Mid Sussex	3,996	4	51,739	1			113,992
Mid Worcestershire	na	4	33,913	1			119,410
Middlesbrough	1,668	1	6,634	4			131,346
Middlesbrough S & E Cleveland	14,826	1	21,367	4			143,796
Midlothian (See notes)	8,905	1	1,215				109,427
Milton Keynes North East	na	2	32,342	3			104,377
Milton Keynes South West	na	1	32,342	4			111,962
Mitcham & Morden	36,180	1	1,493	4			139,988
Mole Valley	4,932	4	94,864	1			109,180
Monmouth	9,713	2	95,192	3			127,243
Montgomeryshire	12	4	21,385	4			119,537
Moray	3,227	3	46,727	3			151,230
Morecambe & Lunesdale	na	1	na	4			136,271
Morley & Rothwell	14,967	1	2,389	4			114,416
Motherwell & Wishaw	11,652	1	na	4			123,717
Neath	24,405	1	548	4			127,626
New Forest East	2,051	4	39,354	2			112,741
New Forest West	2,040	4	67,823	1			117,495
Newark	na	3	33,079	2			123,380
Newbury	1,449	4	na	3	52,205	2	115,309
Newcastle U Tyne C (See notes)	na	1	3,839	4			130,252
Newcastle U Tyne E (See notes)	na	1	3,839	4			137,354
Newcastle U Tyne N (See notes)	8,878	1	3,839	4			142,977
Newcastle-Under-Lyne	11,850	1	4,230	4			135,764
Newport East	5,538	1	na	4			92,149
Newport West	8,011	1	13,593	4			116,349
Normanton	3,552	1	908	4			117,144
North Cornwall	500	4	57,594	4			121,001
North Devon	534	4	na	1			126,591
North Dorset	2,558	4	45,599	2			130,914
North Durham	17,393	1	na	4			121,180
North East Bedfordshire	8,323	4	44,733	1			120,697
North East Cambridgeshire	4,953	4	40,748	1	284	4	121,215
North West Cambridgeshire	2,327	4	45,961	1			115,391
North East Derbyshire	5,823	1	2,435	4			117,010
North East Fife	4,498	4	48,597	4	32,444	1	114,838
North East Hampshire	650	4	53,036	1			119,886
North East Hertfordshire	na	3	77,172	2			121,012
North Essex	1,028	4	60,652	1			120,922
North Norfolk	8,796	4	65,088	3	34,675	2	120,413
North Shropshire	na	4	37,010	1	510	4	130,461
North Southwark & Bermondsey	1,177	4	na	4	16,587	1	104,160
North Swindon	na	1	na	4			114,064
North Tayside	1,212	4	48,848	3			137,607

Paying for the party

North Thanet	na	4	26,328	1			125,760
North Tyneside	4,636	1	na	4	13,212	4	126,985
North Warwickshire	2,000	1	6,985	4			123,605
North West Cambridgeshire	2,327	4	45,961	1			85,248
North West Durham	4,230	1	1,610	4			112,769
North West Hampshire	968	4	83,032	1			115,588
North W Leicestershire (See notes)	na	1	6,737	4			123,042
North West Norfolk	10,598	3	61,019	2	2,165	4	129,504
North Wiltshire	6,620	4	40,054	2			130,464
Northampton North	5,842	1	na	4			119,912
Northampton South	5,362	2	34,997	4			116,527
Northavon	3,074	4	60,154	4			113,258
Norwich North	62,829	1	11,696	4			119,094
Norwich South	62,829	1	4,631	4			120,816
Nottingham East (See notes)	4,548	1	13,987	4			119,795
Nottingham North (See notes)	5,343	1	13,987	4			142,715
Nottingham South (See notes)	16,633	1	13,987	4			147,338
Nuneaton	4,500	1	3,720	4			108,418
Ochil	18,794	1	3,397	4			135,575
Ogmore	9,177	1	2,219	4			138,329
Old Bexley & Sidcup	1,989	3	46,014	2			131,867
Oldham East & Saddleworth	2,718	2	14,808	4			137,595
Oldham West & Royton	3,097	1	7,737	4			109,270
Orkney and Shetland (See notes)	44	4	171	4			140,999
Orpington	3,394	4	31,420	1	44,399	3	103,930
Oxford East	3,890	1	5,216	4			109,325
Oxford West & Abingdon	4,592	4	35,189	4			121,685
Paisley North	1,642	1	na	4			137,094
Paisley South	3,198	1	na	4			146,362
Pendle	17,737	1	na	4			123,419
Penrith & The Border	1,761	4	40,194	1			124,316
Perth	5,823	3	56,540	3			124,280
Peterborough	8,714	2	na	3	1,838	4	123,395
Plymouth, Devonport	7,766	1	5,507	4			130,563
Plymouth, Sutton	6,336	1	24,968	4			117,652
Pontefract & Castleford	8,407	1	3,991	4			129,488
Pontypridd	7,573	1	na	4			111,156
Poole	1,488	4	51,236	1			106,616
Poplar & Canning Town	2,983	1	3,222	4			102,787
Portsmouth North	31,186	1	18,670	4			95,737
Portsmouth South	na	4	36,962	4			118,914
Preseli Pembrokeshire	9,713	2	na	3			126,729
Preston	5,464	1	na	4			129,447
Pudsey	12,434	1	27,979	4	2,017	4	127,351
Putney	23,673	2	75,934	3			82,936
Rayleigh	na	4	38,707	1			108,478
Reading East	11,538	1	19,715	4			119,171
Reading West	11538	1	36,838	4			114,957
Redcar	na	1	na	4			128,388
Redditch	3,957	2	9,195	3			125,552
Regent's Park & Kensington North	42,516	1	81,622	4			108,905
Reigate	11,274	4	55,736	1			113,625
Rhondda	29,420	1	na	4			132,104

Ribble Valley	821	4	23,778	1			141,349
Richmond (Yorks)	2,648	4	104,729	1			129,075
Richmond Park	5,822	4	87,994	4			114,577
Rochdale	na	1	2,265	4			129,451
Rochford & Southend East	5,005	4	58,308	1			99,941
Romford	11,333	4	26,387	1			139,277
Romsey	3,441	4	55,310	3			119,985
Ross, Skye & Inverness West	na	4	na	4			121,630
Rosendale & Darwen	4,248	1	na	4			135,779
Rother Valley	10,007	1	6,623	4			126,153
Rotherham	6,316	1	8,740	4			126,943
Roxburgh & Berwickshire	na	4	10,519	4	9,668	1	114,887
Rugby & Kenilworth	na	2	41,767	3			124,540
Ruislip - Northwood	2,697	4	15,930	1			107,006
Runnymede & Weybridge	9,671	4	132,054	1	891	4	107,325
Rushcliffe	10,560	4	93,035	1			103,486
Rutland & Melton	478	4	98,441	1			116,099
Ryedale	483	4	61,063	1			129,328
Saffron Walden	9,271	4	103,706	1			105,718
Salford	142	1	na	4	2,380	4	117,625
Salisbury	12,030	4	123,823	1			105,269
Scarborough & Whitby	8,720	2	42,441	3			133,922
Scunthorpe	4,197	1	5,918	4			109,231
Sedgefield	6,443	1	2,144	4			80,836
Selby	3,818	2	23,347	3	297	4	142,490
Sevenoaks	22,149	4	54,075	1			109,768
Sheffield, Central	4,859	1	579	4			125,944
Sheffield, Attercliffe	3,835	1	na	4			130,942
Sheffield, Brightside	6,000	1	na	4			111,358
Sheffield, Hallam	4,412	4	na	4	30,627	1	110,140
Sheffield, Heeley	4,823	1	2,132	4			134,573
Sheffield, Hillsborough	na	1	599	4			111,680
Sherwood	5,175	1	na	4			118,858
Shipley	5,476	2	na	3			118,329
Shrewsbury & Atcham	17,767	2	47,666	3			136,869
Sittingbourne & Sheppey	17,287	2	9,030	3			120,794
Skipton & Ripon	3,934	4	64,301	1	6,139	4	113,701
Sleaford & North Hykeham	3,864	4	65,400	1			102,791
Slough	18,346	1	28,219	4			102,271
Solihull	4,412	4	na	1			90,117
Somerton & Frome	2,243	4	75,381	3	27,306	2	118,585
South Cambridgeshire	2,423	4	6,408	1			115,414
South Derbyshire	7,997	1	23,462	4			120,114
South Dorset	18,331	2	38,325	3			121,112
South East Cambridgeshire	3,497	4	25,235	1	6,557	4	113,847
South East Cornwall	1,339	4	44,572	4			116,767
South Holland & The Deepings	462	4	29,097	1			133,950
South Norfolk	30,335	4	88,641	1			119,825
South Ribble	6,557	2	10,833	3			116,280
South Shields	14,107	1	2,325	4			118,493
South Staffordshire	1,704	4	30,335	1			124,568
South Suffolk	5,859	4	63,330	1			128,889
South Swindon	na	1	34,332	4			115,199

Paying for the party

South Thanet	9,871	2	na	3			111,812
South West Bedfordshire	3,313	3	40,588	2	2,083	4	127,906
South West Devon	2,031	4	24,740	1			137,141
South West Hertfordshire	na	4	51,248	1			99,251
South West Norfolk	4,818	4	57,800	1			86,584
South West Surrey	5,004	4	112,659	2	39,523	3	117,093
Southampton Itchen	11,916	1	10,595	4			114,201
Southampton Test	11,916	1	13,220	4			110,868
Southend West	2,496	4	41,040	1			125,349
Southport	1,718	4	57,507	3	26,028	2	117,434
Spelthorne	5,587	3	na	2			133,696
St Albans	31,213	2	39,717	4			114,537
St Helens North	3,581	1	4,789	4			113,406
St Helens South	8,060	1	121	4			123,335
St Ives	na	4	27,834	4			143,631
Stafford	11,706	1	22,704	4			113,480
Staffordshire Moorlands	9,979	1	14,138	4	2,042	4	119,702
Stalybridge & Hyde	na	1	na	4			139,195
Stevenage	23,653	1	9,476	4			118,214
Stirling	13,687	1	33,509	4			121,300
Stockport	10,678	1	na	4			122,310
Stockton North	3,553	1	12,336	4			131,089
Stockton South	7,870	1	na	4			116,078
Stoke-On-Trent Central	6,271	1	422	4			136,771
Stoke-On-Trent North	3,336	1	0	4			112,835
Stoke-On-Trent South	5,125	1	451	4			115,299
Stone	na	4	50,938	1			124,049
Stourbridge	1,883	1	na	3			139,129
Stratford-On-Avon	1,269	4	85,477	1			109,059
Strathkelvin & Bearsden	6,966	1	12,411	4			138,577
Streatham	11,709	1	19,029	4			98,898
Stretford & Urmston	9,489	1	na	4			128,000
Stroud	12,613	1	61,566	3			127,846
Suffolk Coastal	9,333	3	79,067	2			114,938
Sunderland North (See notes)	na	1	2,163	4			126,585
Sunderland South	na	1	6,200	4			95,228
Surrey Heath	697	4	198,326	1			120,646
Sutton & Cheam	6,118	4	47,703	4			107,964
Sutton Coldfield	1,886	4	22,157	1			125,641
Swansea East	12,493	1	4,452	4			124,858
Swansea West	13,678	1	na	4			85,108
Tamworth	1,323	1	17,644	4			112,756
Tatton	3,290	4	na	1			128,852
Taunton	4,993	4	75,898	2	32,178	3	120,842
Teignbridge	6,305	4	73,599	3			127,509
Telford	5,428	1	na	4			92,704
Tewkesbury	3,768	4	41,887	1			131,404
The Wrekin	11,789	2	28,649	3			113,425
Thurrock	16,829	1	3,700	4			120,261
Tiverton & Honiton	3,441	4	57,967	1			129,487
Tonbridge & Malling	1645	4	41,814	1			73,849
Tooting	30,750	1	31,509	4			106,124
Torbay	1,132	4	40,469	4			129,958

Torfaen	8,960	1	3,409	4			107,777
Torridge & West Devon	2,134	4	68,659	3			138,502
Totnes	1,112	4	39,843	2			137,508
Tottenham	8,555	1	5,192	4			114,390
Truro & St Austell	1,233	4	28,725	4	33,710	1	141,132
Tunbridge Wells	na	4	34,746	1			102,212
Tweeddale, Ettrick & Lauderdale	623	4	18,404	4	15,292	1	130,912
Twickenham	7,760	4	60,159	4			117,249
Tyne Bridge	7,895	1	na	4			124,750
Tynemouth	10,605	1	na	4			121,295
Upminster	3,180	3	10,421	2			122,042
Uxbridge	3,954	3	17,239	2			105,803
Vale of Clwyd (See notes)	15,132	1	13,752	4			122,564
Vale of Glamorgan	23,924	1	37,695	4			101,433
Vale of York	2,254	4	86,846	1			117,624
Vauxhall	6,257	1	9,352	4	6,347	4	81,103
Wakefield (See notes)	2,518	1	8,462	4			117,090
Wallasey	9,039	1	28,810	4			111,849
Walsall North	969	1	5,692	4			74,961
Walsall South	1,729	1	na	4			114,634
Walthamstow	8,775	1	na	4			92,228
Wansbeck	na	1	na	4			128,281
Wansdyke	10,069	1	31,756	4			140,811
Wantage	6,985	4	82,580	1			123,818
Warley	4,457	1	na	4			109,404
Warrington North	na	1	na	4			125,924
Warrington South	6,304	1	27,069	4			115,744
Warwick & Leamington	15,942	1	52,955	4			122,578
Watford	na	1	29,128	4	34,665	4	114,533
Waveney	165,235	1	28,999	4	2,988	4	122,486
Wealden	1,896	4	140,802	1			125,811
Weaver Vale	1,098	1	13,158	4	720	4	133,706
Wellingborough	6,566	2	na	3			127,155
Wells	1,251	4	107,201	2			99,278
Welwyn Hatfield	15,234	2	71,661	3			110,775
Wentworth	3,547	1	7,657	4			122,164
West Aberdeenshire & Kincardine	na	4	45,474	4	45,474	1	120,335
West Bromwich East	7,505	1	1,074	4			136,783
West Bromwich West	2,606	1	na	4			120,934
West Chelmsford	11,712	4	43,690	1			120,236
West Derbyshire	1,379	4	90,464	1			125,340
West Dorset	2,298	4	99,265	2			121,734
West Ham	na	1	700	4			122,765
West Lancashire	9,146	1	12,267	4			124,295
West Renfrewshire	5,492	1	16,939	4			150,355
West Suffolk	6,853	4	69,767	1			124,032
West Worcestershire	na	4	51,132	1			115,566
Westbury (See notes)	2,403	4	60,034	1			107,733
Western Isles	11,546	2	na	4			134,393
Westmorland & Lonsdale	1,042	4	60,986	2	31,851	3	123,918
Weston-Super-Mare	na	4	32,332	3			125,437
Wigan	882	1	741	4			124,133
Wimbledon	6,093	2	28,375	3			128,214

Paying for the party

Winchester	na	4	105,611	4			127,691
Windsor	1,950	4	65,338	1			57,241
Wirral South	7,960	1	na	4			142,358
Wirral West	5,664	2	29,485	3			136,274
Witney	5,233	4	79,591	1			119,829
Woking C	4,019	4	61,116	1			117,750
Wokingham	1,220	4	52,860	1			111,569
Wolverhampton North East	2,943	1	na	4			117,662
Wolverhampton South East	1,539	1	na	4			93,805
Wolverhampton South West	10,048	1	7,826	3			104,427
Woodspring	3,849	4	48,185	1			126,920
Worcester	8,638	1	21,207	4			131,512
Workington	7,978	1	na	4	1,144	4	119,990
Worsley	1,729	1	na	4			88,735
Worthing West	na	4	87,118	1			80,390
Wrexham	2,461	1	5,524	4			115,190
Wycombe	10,331	3	66,402	2			96,026
Wyre Forest	13,443	4	41,708	3			92,303
Wythenshawe & Sale East	5,419	1	4,729	4			121,867
Yeovil	5,106	4	55,111	3	47,052	2	128,922
Ynys Mon	14,853	2	20,022	4			118,784

Sources: For constituency expenditures, EC, published list of accounts of "accounting units" with budgets above the reporting threshold of £25,000 per annum for total income and/or expenditure, reply to Freedom of Information request 104/07, and additional accounts collected by Conservative Central Office. For MPs' allowances, http://www.parliament.uk/about_commons/hocallowances/hoc_expenditure04.cfm

Notes. (1) party strength: 1 = constituency won by at least 10 percent, 2 = won by under 10 percent, 3 = lost by under 10 percent, 4 = lost by over 10 percent.

(2) na = information not available or no active constituency party organisation or the constituency party organisation belonged to a larger "accounting unit" under the terms of PPERA, 2000.

(3) For Labour constituency parties total for Beaconsfield is approximate.

(4) For Conservative constituency associations Dulwich & West Norwood expenditure is for 2002, Henley is duplicated as South Oxfordshire; the Central and South Oxfordshire accounting unit is excluded since the three constituencies which it comprises are reported individually; the expenditure of the Nottingham Federation has been split equally among its three constituencies; Westbury is listed by the EC also under West Wiltshire, therefore the latter is excluded.

(5) Based on additional accounts provided by the Conservative Central Office for 2004, the expenditures of the following constituencies are for 2004 and not for 2003: Aberavon, Aldridge Brownhills, Banff & Buchan, Bishop Auckland, Cardiff Central, Cardiff South & Penarth, Dumbarton, Dunfermline West, Falkirk East, Kilmarnock & Loudoun, Linlithgow, Livingstone, Midlothian, North Warwickshire, North West Leicestershire, Orkney & Shetland (Shetland only), Sunderland North, Vale of Clwyd, and Wakefield.

(6) Following the death of the sitting MP for Leicester South, the accounts of his allowances were not required.

Abbreviations

CCO	Conservative Central Office
CPA	Bodleian Library Oxford, Conservative Party Archive
CSPL	Committee on Standards in Public Life
EC	The Electoral Commission
FOI	Freedom of Information Act 2000
LD	Liberal Democrat
LGAR	Local Government Analysis and Research
PPERA	Political Parties, Elections and Referendums Act 2000

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