

## Bold ideas for electoral reform

Spotlight asked electoral experts what they want to see in the upcoming Elections Bill. Here former Electoral Commission chief executive Bob Posner looks at year-round spending limits.

# Regulating political party spending year-round

**Current campaign spending rules only cover the 'regulated period' before an election. It's time to change that, argues Bob Posner.**

### The current system

Since the UK's rules on political finance were introduced 25 years ago, the scale and nature of political campaigning have markedly changed.

The controls have been largely successful, but the existing laws were directed to another time in politics. A political culture of self-restraint and trust that perhaps then existed, does not apply today.

We have seen significant funding come into politics, the international nature of some individuals and businesses, technological change including social media, and the emergence of non-party actors. The major parties are now well-funded organisations, with professional systems, staff and advisors undertaking sophisticated and targeted campaigns to win votes.

### Change is needed

In a robust democracy, why does UK political finance law still only require transparency of campaign expenditure by political parties for a few months in most years?

The major political parties and other campaigners now spend money on campaigning throughout the year – for instance printing campaign literature, doing mailings and carrying

**Campaign spending** is what a political party and political campaigners spend on certain activities to promote the party or criticise other parties.

However, campaign spending limits and transparency of campaign spending only applies during the 'regulated period' in the run-up period prior to the election – for instance for 365 days before a UK parliamentary general election and for four months before some other types of election.

Political party annual accounts suggest that outside of regulated periods, the major political parties may spend millions on campaigning.

out online advertising. There are no limits on or transparency about this spending.

That means the rules on campaign spending are not working as intended, and in the interests of fairness and choice for voters, the concept of regulated periods is no longer appropriate.

In addition, having regulated periods may incentivise parties to start campaigning early, potentially extending election campaigns and perversely increasing the cost of elections.

## The solution

A simple way to restore fairness and transparency in campaign spending would be to abolish the 'regulated periods' prior to elections, so that the rules on party spending apply all year-round.

This is not a new proposal. It was made more than two decades ago by the Electoral Commission in 2004, and subsequently by Sir Hayden Phillips' review of party funding in 2007, and the Committee on Standards in Public Life in 2011. Each time it was ignored, but now more than ever it needs to be revisited.

There are also persuasive arguments that campaign spending by candidates, and non-party individuals or organisations should be regulated year-round too.

There could be a set of year-round rules that become more demanding in the months close to an election. There would also need to be regular times when reporting of spend with required details by categorisation is required, perhaps quarterly. And it would be important to ensure that campaign spending limits remain set at appropriate sums.

The introduction of year-round regulation would be practicable to manage for political parties and the Electoral Commission as the regulator. The data and systems already exist to handle this.

Some comparable democracies are moving to exactly this kind of model. In Australia, from July 2026 spending limits will be introduced on political campaign spending related to federal elections, with year-round monthly reporting, which becomes weekly closer to elections.

## The Impact

The move to year-round regulation in the UK (including for devolved elections in Wales and Scotland) would restore the fairness and transparency that was the goal of the system back in 2000.

Democracy works on the fundamental principle of rules that provide a relatively fair and even playing field between political parties (and other campaigners). In a UK context this includes both campaign spending limits and transparency of that spending. This ensures that a political party cannot unfairly influence the outcome of an election by spending more than the limits. This in turn means the voter can make a proper choice on who to vote for based on a party's policies.

Ensuring legitimacy and trust in our UK democracy is paramount in turbulent times. The UK Government's heralded Elections Bill is an opportunity to put this matter right.

## About the author

Bob Posner is a former Chief Executive of the UK Electoral Commission who has spent many years working in the administration of elections and the regulation of political and campaigning finance rules. He is currently an external consultant at the law firm Bates Wells, covering electoral and campaigning finance law.



*The ideas presented in this series do not necessarily reflect the views of Spotlight on Corruption. We are sharing them with the aim of contributing bold ideas and fostering constructive debate about how best to ensure a new Elections Bill will effectively prevent foreign interference and undue influence, and empower the Electoral Commission and law enforcement to hold political parties to account. You can find out more about [our work on political finance](#) on our website.*