

SCOTTISH LOCAL GOVERNMENT ELECTIONS (CANDIDACY RIGHTS OF COMMONWEALTH CITIZENS) BILL

FINANCIAL MEMORANDUM

INTRODUCTION

1. As required under Rule 9.3.2 of the Parliament’s Standing Orders, this Financial Memorandum is published to accompany the Scottish Local Government Elections (Candidacy Rights of Commonwealth Citizens) Bill (“the Bill”), introduced in the Scottish Parliament on 9 September 2026.
2. The following other accompanying documents are published separately:
 - Explanatory Notes (SP Bill 1–EN);
 - a Policy Memorandum (SP Bill 1–PM);
 - a Delegated Powers Memorandum (SP Bill 1–DPM);
 - statements on legislative competence made by the Presiding Officer and the Scottish Government (SP Bill 1–LC).
3. This Financial Memorandum has been prepared by the Scottish Government to set out the costs associated with the measures introduced by the Bill. It does not form part of the Bill and has not been endorsed by the Parliament.

BACKGROUND

4. The purpose of this Bill is to extend candidacy rights at Scottish local government elections to Commonwealth citizens with limited leave to remain in the UK.
5. This is a single-issue Bill which will remedy an unintended gap in candidacy rights for Scottish local government elections which was identified after the commencement of the Scottish Elections (Representation and Reform) Act 2025. The stated intention of the Scottish Government in relation to that Act had been to extend candidacy rights at Scottish Parliament and local government elections to all resident foreign nationals aged 18 or older with limited leave to

remain¹. Foreign nationals with indefinite leave to remain had previously been extended the right to stand for election as councillors in Scotland by the Scottish Elections (Franchise and Representation) Act 2020. In May 2026 the Scottish Government identified that the planned extension of candidacy rights to all foreign nationals with limited leave to remain had not in fact been made in relation to citizens of Commonwealth countries with limited leave to remain in relation to Scottish local government elections. This Bill seeks to remedy that gap.

6. The Financial Memorandum for the Scottish Elections (Representation and Reform) Bill² outlined potential costs associated with the extension of candidacy rights to persons with limited leave to remain in the UK. That Financial Memorandum was prepared on the basis that the Scottish Elections (Representation and Reform) Bill would extend candidacy rights in council elections to Commonwealth citizens with limited leave to remain. That Memorandum (see paragraphs 38 to 49) therefore sought to describe the potential cost of that change, even though the Bill as passed did not in fact make that change to the law. The Scottish Elections (Representation and Reform) Bill and its Financial Memorandum were considered by both the Standards, Procedures and Public Appointments Committee³ and the Finance and Public Administration Committee⁴ in 2024. Some of those considerations remain relevant to this Bill, but it is worth noting that the provisions in this Bill are considerably more limited. They only relate to citizens of Commonwealth countries with limited leave to remain, and only to local government elections, and do not impact on candidacy rights at Scottish Parliamentary elections.

7. In summary, the Financial Memorandum from the Scottish Elections (Representation and Reform) Bill outlined that there were some potential indirect costs as a result of extending candidacy rights to foreign nationals with limited leave to remain. This was primarily in relation to the slight increase to the chance a local government by-election would have to take place, in cases where a local councillor with limited leave to remain was elected and subsequently lost their leave to remain in the UK. The cost of a local government by-election was estimated to be between £50,000 and £80,000.

8. That analysis remains relevant for consideration of this Bill. It is however worth noting that the Financial Memorandum for the Scottish Elections (Representation and Reform) Bill was based on an extension of candidacy rights to all persons with limited leave to remain. As that Bill did not in fact extend councillor candidacy rights to Commonwealth citizens with limited leave to remain, the current Bill will if passed mean that the law on candidacy – and by extension the overall risk of additional by-elections – will be brought into line with the expectations set out in the Financial Memorandum for the Scottish Elections (Representation and Reform) Bill (i.e. the risk of additional by-elections presented by all eligible foreign nationals with limited leave to remain being able to stand for election as a councillor).

¹ See paragraph 23 of the Policy Memorandum in respect of the Scottish Elections (Representation and Reform) Bill: <https://www.parliament.scot/-/media/files/legislation/bills/s6-bills/scottish-elections-representation-and-reform-bill/introduction/policy-memorandum-accessible.pdf>

² <https://www.parliament.scot/-/media/files/legislation/bills/s6-bills/scottish-elections-representation-and-reform-bill/introduction/financial-memorandum-accessible.pdf>

³ <https://www.parliament.scot/chamber-and-committees/committees/committee-reports/sppac/2024/6/18/sppas062024r03>

⁴ See <https://www.parliament.scot/chamber-and-committees/committees/current-and-previous-committees/session-6/session-6-finance-and-public-administration-committee/business-items/scrutiny-of-financial-memorandums/scottish-elections-representation-and-reform-bill-financial-memorandum>

COSTS ON THE SCOTTISH ADMINISTRATION

9. There are no anticipated costs associated with the change being made in this Bill which have impact on the Scottish Administration. The Scottish Government does not produce guidance on local government candidacy rights, and ongoing Scottish Government work with electoral administrators to highlight the changes made in the Bill will not attract additional costs.

COSTS ON LOCAL AUTHORITIES

10. The primary cost that could come about as a result of this Bill relates to local government by-elections, the running of which are the responsibility of Returning Officers within relevant local authorities. This would be an indirect cost, and the provisions of the Bill do not in of themselves attract any costs.

11. The changes being made in this Bill could marginally increase the likelihood of a local government by-election occurring. Should a Commonwealth citizen with limited leave to remain in the UK who has been elected as a councillor in Scotland be required to leave the country as a result of that leave to remain coming to an end, a by-election is likely to be required to be held⁵. This is considered an unlikely possibility as for this set of circumstances to take place, a person would have to:

- be a national of a Commonwealth country with limited leave to remain in the UK;
- meet the other eligibility criteria for standing in a local election;
- choose to stand for election;
- be elected; and
- have their leave to remain expire during their term of office (and not within 6 months of the next scheduled local government election).

12. It is difficult to estimate the number of people who will gain candidacy rights at local government elections as a result of this Bill. Accurate statistics on numbers of Commonwealth citizens, resident in Scotland, with limited leave to remain are not readily available. The most recently published National Records of Scotland statistics show that as of June 2021, there were an estimated 397,000 non-British nationals living in Scotland, of which 165,000 were non-EU citizens. It is not known what proportion of these people have limited leave to remain in the UK, but is considered likely to be significantly smaller than the total number when taking into account those who have indefinite leave to remain in the UK. Accurate estimates of the proportion of resident foreign nationals with limited leave to remain are not readily available. However between 2016 and 2025, 1,085,301 people gained indefinite leave to remain (excluding EU settled status) in the UK⁶. Assuming relatively equal spread of people across the UK, approximately 8%, or

⁵ Under the terms of section 37(2) of the Local Government (Scotland) Act 1973 a council by-election will not ordinarily be held if the vacancy arises within the 6 month period before the next scheduled nationwide local government elections.

⁶ <https://www.gov.uk/government/statistics/immigration-system-statistics-year-ending-december-2025/how-many-indefinite-leave-to-remain-settlement-and-eu-settled-status-and-citizenship-grants-have-been-issued-in-the-uk>

around 86,800 people, could be expected to have lived in Scotland and gained indefinite leave to remain over this period.

13. If a local government by-election was to occur as a result of a Commonwealth citizen vacating a seat after being elected, the costs to the relevant local authority are estimated by the Electoral Management Board for Scotland (EMB) to be, on average, between £50,000 and £80,000. These figures are indicative, and costs will differ depending on the particular geography and size of the electorate of the relevant ward. For example, the EMB has estimated that two recent local government by-elections cost approximately £60,000 (Fife Council) and £75,000 (Aberdeen City Council). This cost estimate may increase over time, and is dependent on some external factors, such as inflation, or the cost of postage as set by Royal Mail which makes up a significant proportion of election-related costs. By-elections in areas with high rates of postal voting and high turnout, for example, are more likely to cost towards the upper end of the estimated range. Other costs which contribute to the total cost of a local government by-election include staffing polling stations, paying for materials such as pencils and other polling station equipment, and costs of printing ballot papers. Local authorities meet the costs of local government elections and by-elections, and as a result Scottish Government do not have detailed breakdowns of the costs of each election.

COSTS ON OTHER BODIES, INDIVIDUALS AND BUSINESSES

14. The change made by the Bill will create a need for the Electoral Commission to update its online guidance for those considering standing in local elections⁷. However, the Bill's changes for Commonwealth citizens with limited leave should make the law simpler to explain (as it remedies what is currently an inconsistency between Commonwealth and non-Commonwealth citizens and between MSP and councillor eligibility). This will be met from the Commission's existing financial settlement from the Scottish Parliamentary Corporate Body for its core costs in relation to delivering its functions in respect of devolved Scottish elections. The modification of Electoral Commission guidance was noted to be a business-as-usual cost for the more significant change of this nature made in the Scottish Elections (Representation and Reform) Bill.

15. There are no anticipated financial implications for individuals or businesses as a result of this Bill.

By-elections: additional costs	Cost	Timing
Local Government	£50-80K per by-election	When vacancy arises, unless within 6 months of a scheduled election

⁷ See paragraph 1.20 of this guide: <https://www.electoralcommission.org.uk/sites/default/files/2026-07/SLG%20Part%201%20Can%20you%20stand%20for%20election.pdf>

This document relates to the Scottish Local Government Elections (Candidacy Rights of Commonwealth Citizens) Bill (SP Bill 1) as introduced in the Scottish Parliament on 9 September 2026

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