

11. Party Finance in 2019: Advantage Conservative Party

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With only two and half years since the previous election, there might have been a temptation to think little would change in terms of party finance. Certainly, there were no major reviews or legislative change. But, the fallout from the 2015 election continued and was finally resolved in court, with the ruling affecting party behaviour in terms of allocating campaign expenditure. And, just as in 2017, the snap election established Conservative financial dominance. But 2019 did more than that. The Conservatives' financial advantage became even more marked, buoyed by further growth in corporate donations. For Labour the legacy of the Corbyn leadership was a very positive increase in income from party members but equally a heavy reliance on one union for campaign donations.

1. Developments in Party Finance

Unlike the previous three Parliaments, there was no major review of party finance (Fisher 2010, 2015) nor a substantive change in the law (Fisher 2018a). This is not surprising, given the brevity of the 2017 Parliament and the other demands on Parliamentary time. However, there was – nevertheless – an important development, which had implications for how some parties interpreted existing legislation. The development related to the appropriate allocation of campaign expenditure to candidates or parties. As Fisher (2018a:173-6) outlined, this had been a growing issue in British politics. Ostensibly, the distinction is clear – that which promotes a party is counted as national (party) expenditure, while that which promotes the

candidate is counted as constituency-level. In reality, the distinction is not so neat. Nor indeed is it a new concern, with the issue first being tested in court in 1952 (Fisher, 2018a: 173-4). And, as Fisher (2018a: 174-6) explains, over the last thirty years, developments in technology and campaign techniques have become such that the boundaries between national and constituency-level spending have become less distinct. This is a consequence of newer technologically-driven practices such as telephone voter identification, nationally sent direct mail and targeted advertisements in social media (Fisher et al. 2007; Fisher et al., 2011; Fisher, 2018a) as well as longer standing practices including national party figures – especially party leaders – focussing their election tours on marginal seats (Butler & Kavanagh, 1974: 224; Fisher & Denver, 2008: 816) and party volunteers descending on target seats to assist with campaigns. In the last example, parties would often assist with travel for these volunteers. In all five aspects of campaigning, expenditure was ascribed principally to the national party, rather than the candidate; the view being that they promoted the party rather than the candidate explicitly.

As Fisher (2018a) argues, these developments have been important for three reasons. First, the national campaign has been effectively subsumed into supporting constituency-level activities (Fisher, 2010, 2015). Second, and as a consequence, the distinctions between expenditure on national and constituency-level campaigns have become increasingly blurred and the ability to ascribe expenditure meaningfully as being national or constituency-level has become increasingly challenging. Thirdly, the increasing blurring has led some to claim that the candidate spending limits in districts are now effectively meaningless, since so much national spending is devoted to supporting campaigns in individual constituencies.

Such circumstances have led to calls for reform such that national-level activity which is focussed on constituencies should count as candidate expenditure. On the face of it, it is a potentially appealing idea. The reality, however, is more complex (Fisher, 2018b: 61-4). If implemented, national parties would need to apportion all their direct mail, telephone calls, billboard placement, newspaper advertisements and social media activity to various constituencies. This is not straightforward. Regional or local newspapers frequently cut across constituency boundaries so can be argued to not be constituency-level expenditure. Equally, billboards whether fixed or mobile, can be seen by anyone walking or driving past. Direct mail, telephone calls and social media advertisements may be easier to ascribe but there are potentially high administrative costs in so doing and, of course, such apportionment would need to be available for auditing. There are also other consequences: such a move would effectively centralise all district-level spending, since in order to comply, the central party would need to control both national and district-level spending. It would also almost certainly lead to election spending being even more concentrated in parties' target seats than is already the case. Since this accounts for only a minority of seats, the vast bulk of voters would enjoy very little of the beneficial effects of campaigning, which would be likely to have an impact on turnout. As things stand, the distinction between national- and constituency-level spending means that sufficient money is spent in non-targeted seats not to depress turnout overall (Fisher et al. 2016; Trumm & Sudulich 2018). So, the current system is imperfect and open to manipulation by national parties. However, it is not at all clear that removing the distinction between national- and candidate-level expenditure

would deliver preferable alternatives, especially if it resulted in campaigns being subject to repeated legal challenge.

For all these more abstract discussions however, new developments following the 2015 election became a matter for the courts and a judgement in 2019 had potentially significant ramifications. It related to the case of the Thanet South constituency and the 2015 election (Fisher, 2018a:176). Specifically, it related to the reporting of the candidate's election expenses during the short campaign (post-dissolution). The Crown Prosecution Service concluded that there was sufficient evidence to authorise charges against three people – the candidate, his election agent, and a Conservative Party official (Marion Little). In the end, the candidate and agent were found not guilty of making a false election expenses declaration. However, the Conservative Party official was found guilty of encouraging or assisting an election offence. The judge noted that the overspend of the candidate's permitted election expenses was substantial, and that the official had created dishonest documents and presented them to the candidate and his agent for signing. By so doing, she had 'placed them at grave risk of conviction'. In addition, the judge ruled that Little had worked for at least 50% of her time as the candidate's campaign manager and agent (in all but name) but that these salary costs had not been ascribed to the candidate's expenses. He added that 'There appears to have been a belief that Central Headquarters staff salaries and accommodation of staff employed by Central Headquarters were a central party expense, even if those staff were living temporarily in a constituency for the duration of the election campaign.' He added that the official '...was not alone in that she worked in a culture which tolerated some of what she did' but '...that there is no evidence that anyone other than Marion Little

was aware of the dishonest calculations and concealment of invoices.’ Little’s sentence was suspended for two years (on the grounds of the ill-health of her husband), but the judge concluded that: ‘This case should operate as a warning to those involved in future elections that prison is the usual consequence of deliberately corrupt practice on a significant scale.’ (Courts and Tribunals Judiciary, 2019)

The implications of this ruling were significant because it was the national party official rather than the candidate or agent who was found guilty. Hitherto, it would have been more likely to be the candidate and agent who bore responsibility for the overspend. Additionally, it brought into sharp relief what expenses should be ascribed to candidates and which to national parties, especially in relation to leadership visits, the deployment of activists in particular constituencies and the associated staff time. Fisher (2018a:176) suggested that the case might mean that ‘all parties will seek to make absolutely sure that they are not vulnerable to accusations of mis-apportioning funds through effective self-policing.’ This assertion proved to be broadly correct though parties differed in how they reacted.

For some parties, the ruling was a landmark; it introduced a new interpretation of the law, perhaps even changing the law. This was particularly apparent with visits by leadership figures to seats, such that costs of any visit were now potentially classified as candidate expenses. Parties’ interpretations differed, however. One sought to keep such expenses as national ones by ensuring that the candidate was not seen with the visitor, going so far as to equipping the leadership tour buses with wholly party-spend compliant canvass materials and doorstep canvas scripts for door knocking. Other parties went further, apportioning leadership visits to candidate expenses, even if the candidate was not present. Leaflets, too, were affected. In target seats, for

example, one party produced leaflets that featured information about the party and party leader on one side and information about the local candidate on the other. The costs of such leaflets were split evenly between candidate and party spend. Yet not all parties saw the ruling as being important. One described it as undoubtedly being a precedent case, ‘...but it might be a precedent case for not being stupid’,¹ suggesting the law was already sufficiently clear. Whether or not this is a reasonable view is a moot point. But, it is clear that the Thanet ruling changed some aspects of behaviour – significantly for some parties – and suggested that there may now be sufficient clarity to not require the kinds of reforms that some had called for – at least in respect of visits to the constituency

2. Trends in Party Income and Expenditure

The normal pattern of party income is that it cycles with general elections – rising sharply in the year before an election and falling away again in the year after. This happened for all three parties, unlike the period after the 2015 election when Labour’s post-election finances were buoyed significantly by the two leadership elections of 2015 and 2016 (Fisher, 2018a). That said, parties were affected to different degrees. While Conservative income declined after the 2017 election, the party still had a good financial year in 2018, securing a higher level of real terms income in the year after a general election than any of the previous three (2010, 2015 and 2017) and nearly doubling income from membership from £0.8m to £1.5m. This enabled the party to plan for any future election, spending nearly £2m in staff costs expanding its campaign manager programme (Conservative Party, 2019: 6). Labour

¹ The source of this and other non-published quotations in this article are interviews with national officials at the Conservative, Labour and Liberal Democrat parties

also generated a similar increase in revenue from membership – some £765,000 – despite a decline of 8.1% (nearly 46,000) in membership. And, like the Conservatives, the party allocated increased resources for a future general election, noting the political uncertainty following the loss of the government’s majority in 2017. Labour increased spending on staff costs by £2.7m as an investment for future elections (Labour Party, 2019: 2). By way of contrast, the Liberal Democrats secured their lowest level of real terms central income since 2002, following a significant decline in donor income in the absence of a general election or referendum. Membership also fell by 3.9% (nearly 4,000), leaving the party to focus on ‘restructuring initiatives’ (Liberal Democrats, 2019: 5)

At the time of writing (April 2020), full accounts are only available up to the end of 2018. However, a review of annual central party income since 1989 (when the Liberal Democrats first filed accounts) shows a series of phases in respect of the Conservatives and Labour (see Figure 11.1). First, the phase of ‘normal service’, where the Conservatives were clearly the wealthier of the two main parties – a longer standing position that predates these graphs (Fisher, 2000, 2010). Second, there is the ‘Blair revolution’, where Labour became not only the party of government, but also the wealthiest party by some margin. Third, the resumption of ‘normal service’, from soon after the 2005 election, with the Conservatives again generating most income. Finally, since 2011, Labour has again enjoyed higher levels of annual income than the Conservatives, though the difference between them and the Conservatives was not as marked as during the ‘Blair revolution’. This is clearly illustrated in Figure 11.2, which calculates Labour annual income as a percentage of that of the Conservatives. Where the line rises above 100 on the graph, Labour are generating

more income, and *vice versa*. For the Liberal Democrats, however, there is only one real phase throughout this period – that of relative poverty compared with the Conservatives and Labour. As Figure 11.1 shows, Liberal Democrat annual income only came close to that of either of the main two parties in the depths of the Conservative malaise in the late 1990s and early 2000s.

In terms of annual expenditure (Figure 11.3), as we might expect, similar patterns are evident. Not surprisingly, those parties that generate more income on an annual basis, spend more and the periods of Conservative or Labour annual financial advantage are mirrored, as is the gap in expenditure levels between the Liberal Democrats and the main two parties. What has been an important change, however, is the parties' financial prudence since the late 2000s. Figure 11.4 shows annual central expenditure as a percentage of annual central income. Where the lines on the graph fall above 100, parties are spending more than they earn in each year, and *vice versa*. In the period up until 2007 to 2008, parties regularly spent more in any year than they generated income – considerably so in some years. This was for many reasons, not least that the income required for parties' annual operating costs were not well served by a cycle of income that reflected the timing of the general election. With parties fighting elections in every year and seeking to maintain their organisations, the flow of income was not matching their regular financial needs. Since 2007 to 2008, however, the parties have clearly exercised significant levels of financial restraint. The Conservative and Labour parties have only rarely spent more in one year than they have earned since then. The picture for the Liberal Democrats has been slightly less positive. The party has continued to struggle to earn more than it needs to spend on an annual basis, though the overspends have generally been

rather lower than in the pre-2007 period. Overall, however, it shows that parties have become much more financially responsible. Indeed, in many ways it would not be an exaggeration to think of them as models of efficiency – undertaking a great deal of activity with relatively little money.

Figure 11.1

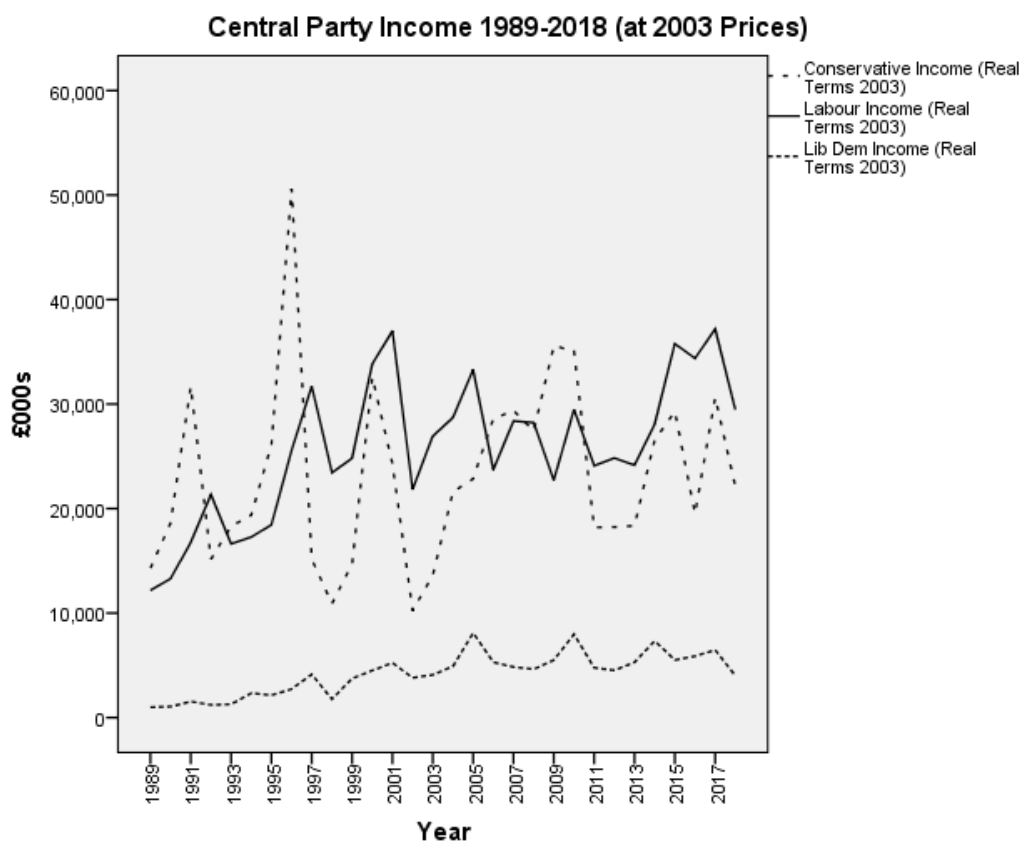


Figure 11.2

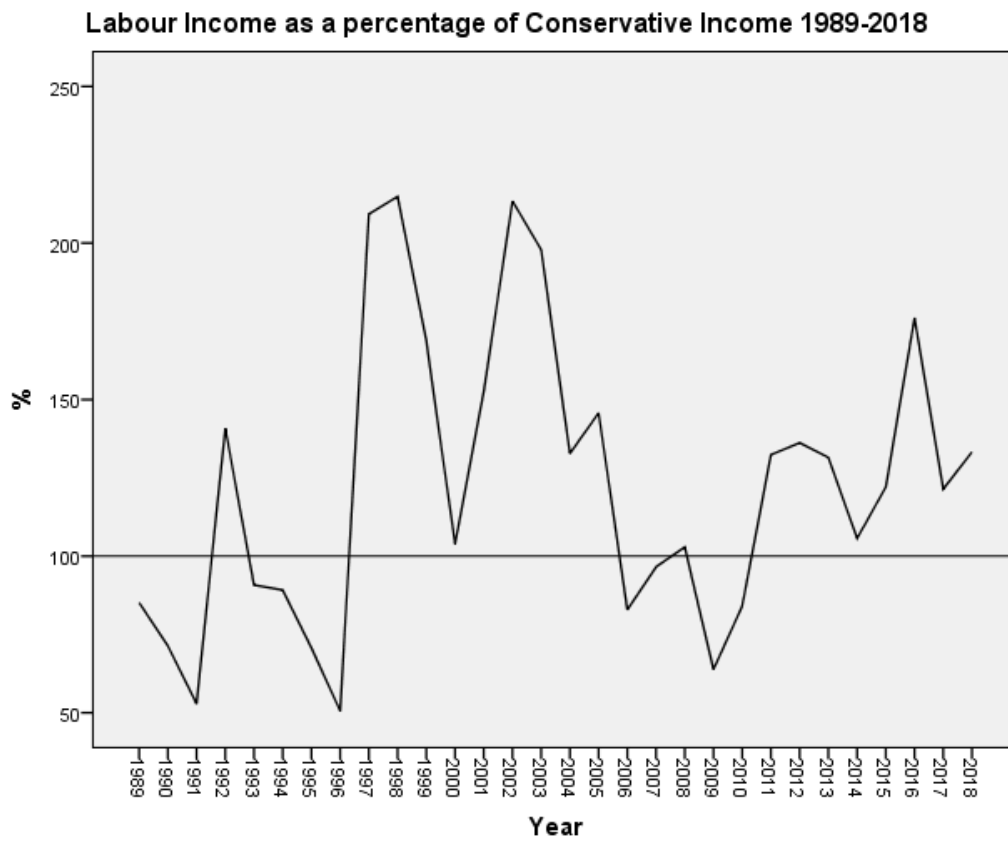


Figure 11.3

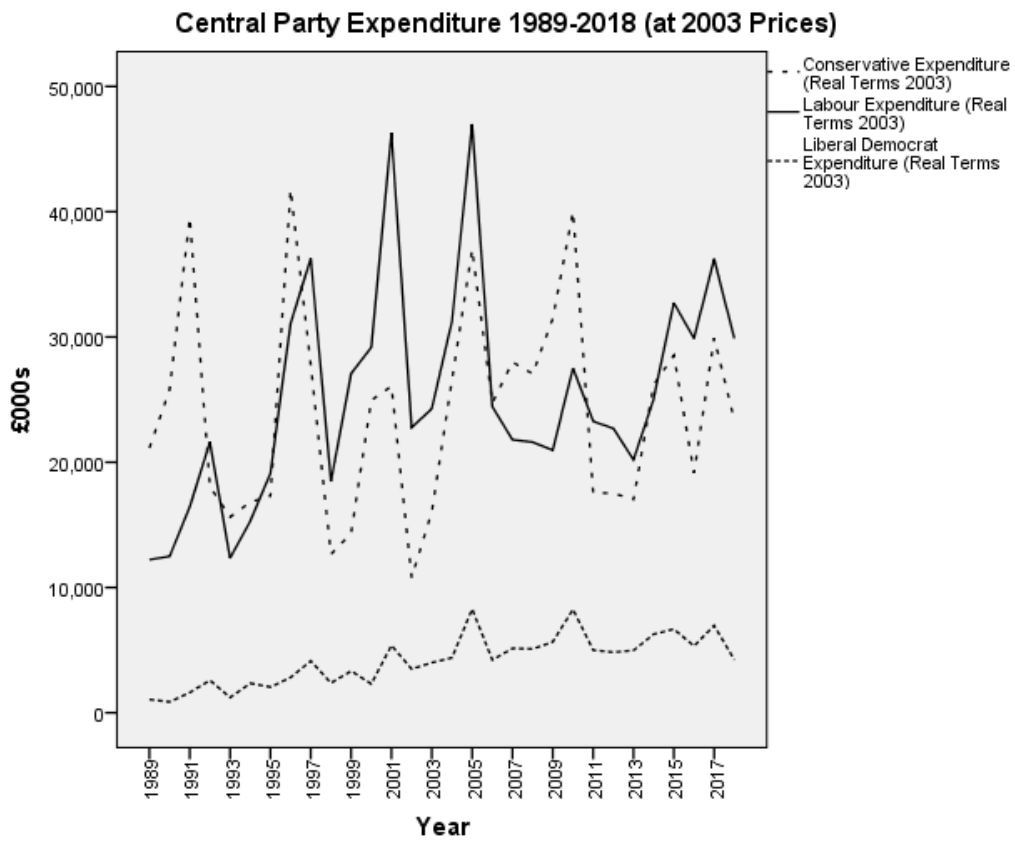
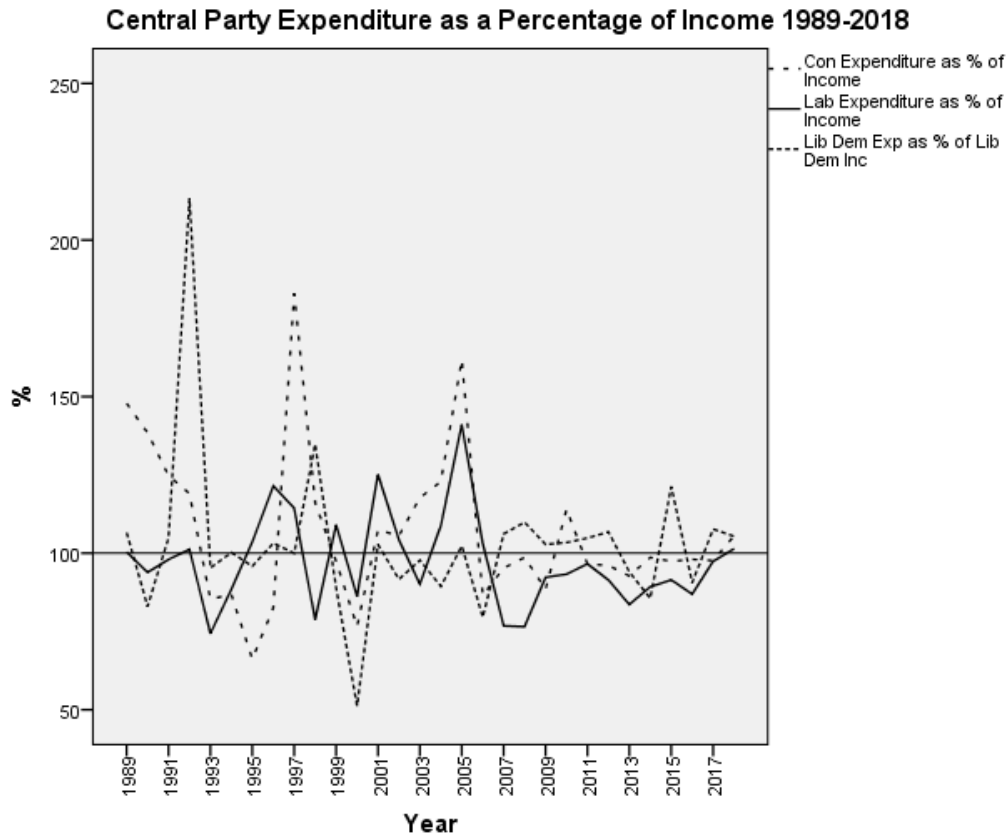


Figure 11.4



3. Donations 2010-2019

Figures 11.1 to 11.4 provide excellent context to the finances of the 2019 election, but of course, only go up to the end of 2018. So – to gain a fuller picture of central party income, we examine declared cash donations in each quarter from Quarter 3 in 2010 (the first quarter after the 2010 election) to Quarter 4 in 2019, which includes the 2019 election and the period up to 31st December (Figures 11.5 and 11.6). A description of some terminology is important. Declared donations are all donations of £7,500 or more made to the national party (rather than to a constituency one).

£7,500 is the threshold for reporting donations to the Electoral Commission. The original threshold stipulated by the Political Parties, Elections & Referendums Act 2000 was £5,000, and was raised to £7,500 by the Political Parties & Elections Act 2009. Donations are reported every quarter by the Electoral Commission (and weekly from dissolution until polling day). Cash donations are distinct from non-cash donations, which are more commonly known as payments-in-kind. So – these data do not provide a complete picture of party income (as any donations below £7,500 are not captured), but they do reveal patterns in terms of sizable donations. As in 2017, this is particularly relevant in 2019 on account of the election cycle being truncated by the early poll.

Figure 11.5 shows the number of declared cash donations. It reveals a number of things. First, in all three elections in this period (2015, 2017 and 2019), the Conservatives experienced a significant boost in income in the run up to the election. This boost was more gradual in 2015, because the date of the election was known in advance as a result of the Fixed Term Parliament Act. In both 2017 and 2019, however, the boost was rapid reflecting the sudden calling of the elections. Labour and the Liberal Democrats also benefited in similar ways, albeit with far fewer declared donations.

Second, while the Conservatives were able to attract 337 declared cash donations in the quarter that included the 2017 election, in 2019, they attracted some 523, with obvious financial benefits. Labour also received more declared donations in the final quarter of 2019 than in the two previous elections, at 235, but that was less than half of the number made to the Conservatives. The Liberal Democrats also

received the most they had done over this period in Quarter 4 2019, with 103 declared donations.

Figure 11.6 illustrates how these donations translated into income. Not surprisingly, the peaks and troughs in income from declared cash donations reflect the numbers of donations (indeed they correlate at 0.9), but what is intriguing about Figure 11.6 is how it reveals the scale of the Conservative advantage in 2019. In Quarter 4 2019, the Conservatives generated some £33.6 million in declared donations (the figure in the graph being lower as it is adjusted for prices over time). In the period up to and including polling day, this included three separate donations of £1 million (two of which were from individuals and one from a company), two of £900,000, one of £750,000 and twelve of £500,000.

By way of contrast, Labour attracted £8.3 million in the same period, nearly £4.6 million of which came from Unite the Union. Indeed, the Liberal Democrats received more than Labour from declared cash donations in Q4 2019, some £11.8 million, though £8 million of this came in one single donation from Lord David Sainsbury. Even combined, the volume of declared donations received by Labour and the Liberal Democrats represented only 60% of the amount received by the Conservatives.

The Conservatives, then, had a significant financial advantage over their political opponents. In earlier elections, this might not have mattered so much in respect of the campaign as the lead time for many campaigning techniques such as direct mail and billboards meant that the more significant income for a party's campaign needed to be generated some months before polling day. That remains the case for campaigning techniques such as direct mail which endure. But the growth of

digital campaigning is very significant in this respect as the lead time is considerably shorter, and therefore ‘late money’ – money that comes in during the campaign – can still be spent with the potential, at least, to be effective. Of course, there are national spending limits, set at £30,000 multiplied by the number of seats contested by a party. Thus, for a party that contested all 632 British seats (less that of the Speaker, making it 631), the limit for the 365 days before the election would be £18.93 million. The Conservative financial advantage in declared donations must be seen in that context. But regardless, the sizeable volume of donations meant that decisions would be guided much more by the expenditure limit than whether an activity could be afforded. Indeed, it is worth noting that the figure of £30,000 per seat contested has not been adjusted for inflation since its introduction in the 2000 Act. In real terms, the figure is now worth around 59% of what it was in the original legislation – approximately £17,690 (equating to a national limit of around £11.6 million based on 631 seats). Nonetheless, given the significant financial advantage enjoyed by one of the parties, it may have been beneficial that the figure had not been adjusted, else the spending disparity would have been even larger.

Figure 11.5

Number of Declared Donations to Central Party 2010 Q3 to 2019 Q4

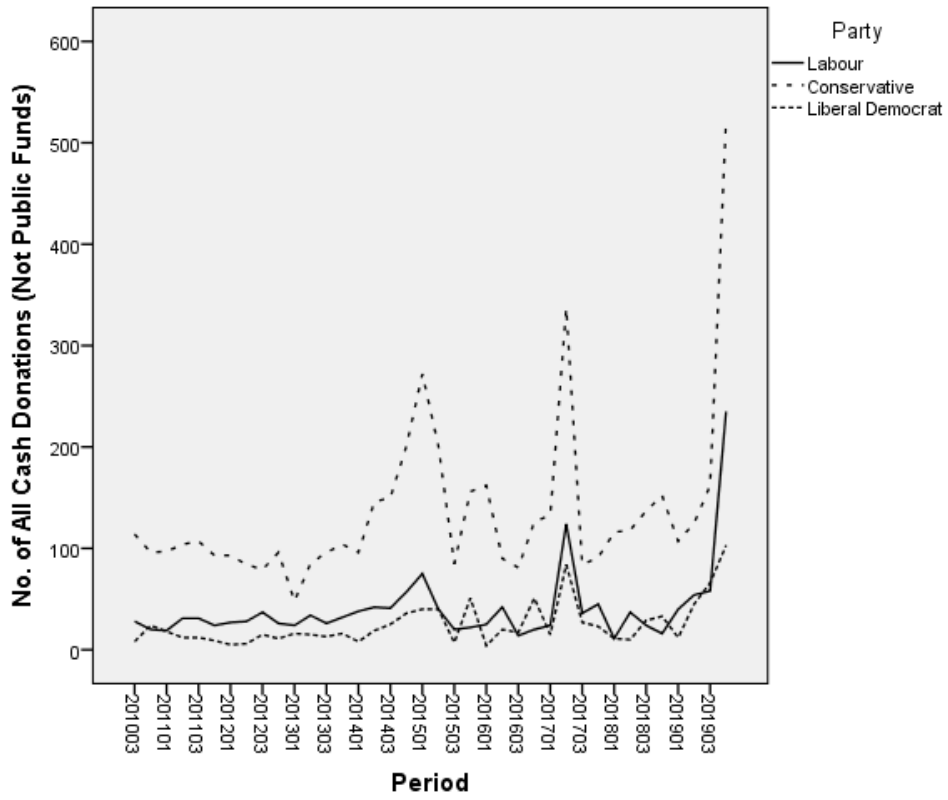
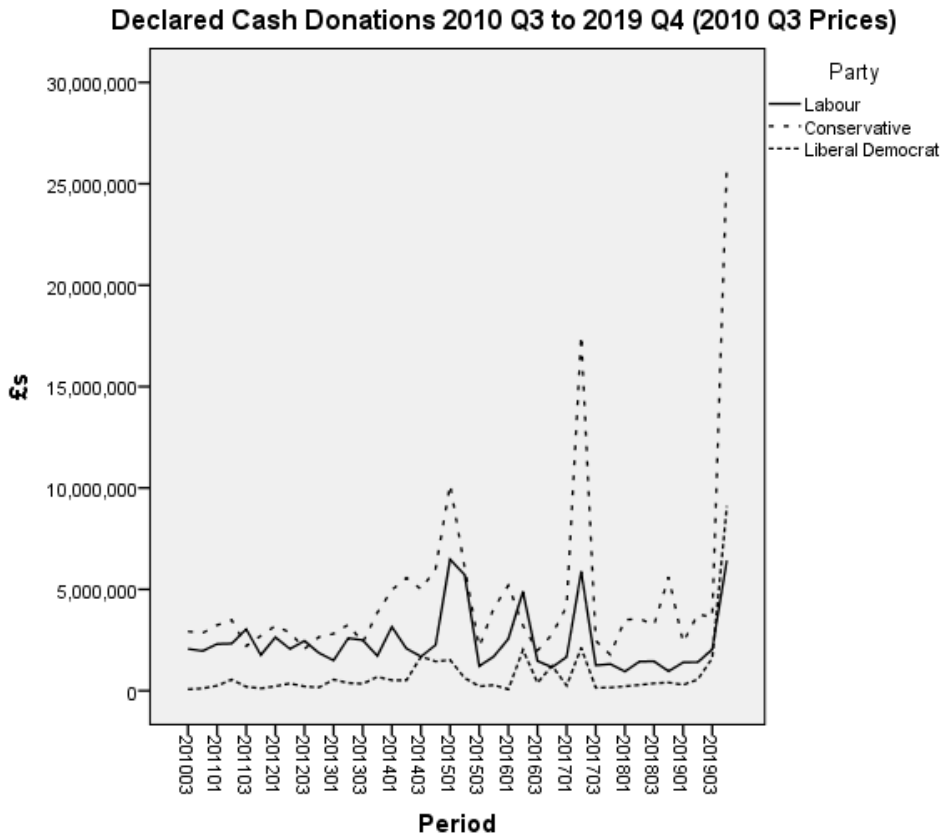


Figure 11.6



4. Campaign Donations

A further illustration of the Conservatives' financial advantage in 2019 can be illustrated when examining donations made during the period between dissolution and polling day. The Political Parties, Elections & Referendums Act requires donations to be made weekly during this period. When the legislation was first introduced, what appeared like a well-intentioned provision in terms of transparency was of limited use because of the lead-time associated with major campaign initiatives. A good example of this was in the first general election under the

regulations (2001) when the Conservatives received a donation of £5 million just before polling day and were required to declare it in their weekly reports, even though there was almost no opportunity to spend any of it on the election campaign (Fisher, 2001:128). However, the growth of digital campaigning, with significantly shorter lead times means that this level of transparency is now much more informative.

Table 11.1 details all declared donations (cash and non-cash) and the category of cash donor over the period. All parties received more in this period in absolute terms than in 2017 – the Conservatives received more than £6.6 million, Labour nearly £900,000 and the Liberal Democrats £30,000 (the party’s large donation of £8,000,000 coming in days before Parliament was dissolved). Once again, the Conservatives had a significant financial advantage. Over 270 declared donations were made during the campaign period, totalling £19.3 million. This compared with Labour’s 46, totalling £5.4 million and the Liberal Democrats’ 38, totalling £1.2 million.

Table 11.2 details when the donations were received by the parties during the campaign. The Conservatives received a high volume of donations throughout. Indeed, the party received more in the first week (£5.7 million) than Labour did over the whole campaign (£5.4 million). And, although Week 6 lasted for only two days (11th and 12th December), the Conservatives received more in that period (£1.4 million) than the Liberal Democrats did over the whole period (£1.2 million). The Liberal Democrats actually got off to a better start in fundraising terms than Labour. In the first week of the campaign, the party received some £275,000 in declared cash donations compared with Labour’s £218,500. By week two, however, Labour’s large

donations began to appear. £3,488,000 in declared cash donations was received, £3,008,000 of which came from Unite.

Coupled with that, trends noted in the 2017 election were again evident. The growing attractiveness of the Conservative Party to corporate donors continued. In 2010 and 2015, the party received 28 and 25 corporate cash donations respectively in the campaign period. In 2017, there were 48. The snap election in 2017 almost certainly inflated that figure, but the 2019 election was also called suddenly, and the comparable number of corporate donations in this election was 76. Equally, corporate cash donations amounted to 25%, 17% and 23% of the Conservatives' declared cash donations during the 2010, 2015 and 2017 campaign periods. In 2019, that figure had risen to 31%. As in 2017, the likely implication was that companies were giving to the Conservatives in large numbers (and volume) in response to the growing perceived threat from the Labour Party – a perceived threat that had declined in the previous thirty years (Fisher, 1994, 2017).

Trends also continued for Labour. Just as in 2017, the vast majority of declared cash donations in the campaign period came from trade unions – 95%. In 2017 it was 96%. The comparable figures for 2015 and 2010 were 72% and 64%. Not only did the vast majority of the declared cash donations come from trade unions but a very large proportion, some 61%, came from just one: Unite. Relatedly, the proportion of declared cash donations from individuals was again very small at just 3%. In 2010, 2015 and 2017, the proportions were 24%, 12% and 4% respectively.

Table 11.1 Source of Election Period Declared Cash Donations and Levels of Declared Non-Cash Donations

	Conservative		Labour		Lib Dems	
	(£)	No.	(£)	No	(£)	No.
Individual	13,246,521	193	159,442	13	1,004,998	32
Company	5,989,500	76	120,000	4	241,000	6
Trade Union	-	-	5,039,754	28	-	-
Unincorporated Associations	88,000	2	10,500	1	-	-
Limited Liability	20,000	1	-	-	-	-
Partnership						
Total Cash Donations	19,344,021	272	5,329,696	46	1,245,998	38
Total Non-Cash Donations	26,887	3	81,600	2	-	-
Total All Donations	19,370,908	275	5,411,296	48	1,245,998	38

Source: The Electoral Commission

Table 11.2 Timing of Weekly Declared Cash and Non-Cash Donations

£s	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Total
Conservativ	5,673,646	2,967,000	3,590,500	3,201,965	2,545,500	1,392,297	19,370,90

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Labour	218,500	3,488,000	521,909	1,017,417	165,471	0	5,411,296
Lib Dems	275,000	251,000	509,998	80,000	130,000	0	1,245,998

Source: The Electoral Commission

5. Election Period Expenditure

Conservatives

In the 2017 general election, despite being the party of government, the Conservative party machine was under-prepared (Fisher, 2018a). That was not the case in 2019. The national party was much better prepared for an early election, both organisationally, and as we have seen, financially. This meant, for example that the party was far clearer about any campaign-related spending throughout 2019 to ensure that there was no danger of overspending on the national limit. Indeed, such was the party's relatively buoyant financial position that the 'late money' had relatively little impact on the digital advertising budget, the party having committed to a comparatively high level anyway. The Conservatives focussed most expenditure on digital advertising, direct mail and more generic print, there being rough parity between spend on digital and print.

The types of digital spending did change, however. In 2015 and 2017, Facebook had been the principal platform for digital campaigning. Facebook again dominated but was not quite as dominant as before. So, in addition to Facebook, there was digital advertising spend on Instagram (as part of Facebook), Google, YouTube and Snapchat. In addition, the party used advertising to 'take over' the websites of national newspapers such as the *Daily Express*. All of this contributed to digital advertising being more broadcast than narrowcast. Hitherto, much of the discussion around digital advertising had been in respect of micro-targeting. However, 2019 marked a shift. To an extent, this was due to Facebook itself making it more difficult for parties to use their own tools to segment the population, in part

as a response to users coming off the platform if they received too much unsolicited advertising. It was also due to users changing their privacy settings. Instead, therefore, the party focussed its digital advertising on particular demographic groups rather than micro-targeted individuals within them.

Reflecting this broadcast approach, the party differentiated between digital advertising and social media. The former was designed to be shared and to spark discussion, the latter seen as a process of people communicating with each other. To that end, the spend on digital advertising was designed to give people ‘something that they are going to talk about at the water cooler...even if they didn’t agree with a word’. This change in emphasis reflected changes in staffing, the party bringing in people who ‘weren’t scarred by 1997, 2001 and 2010’ and who were less concerned about any negative feedback to the party’s advertising.

As in previous elections, while much of the election commentary focussed on digital campaigning, significant expenditure still occurred on printed matter, such that the budget matched that of digital campaigning. This was for two principal reasons. First, there was familiarity. The stakes in election campaigns are too high to simply shift strategies completely – especially if there is either evidence or perception that it is effective. As a Conservative official said: ‘We tend to take an approach of, “What did we do before?” Unless we knew it didn’t work, let’s do quite a lot of that again, plus some extra stuff.’ Second, direct mail allows for much more precise micro-targeting than digital for the reasons described above. Direct mail is much more expensive per person than digital but remains an important part of campaign spending.

Just as compliance issues shaped the focus of some of the digital expenditure, so they also impacted on telephone voter identification. The party continued to devote some expenditure to this approach, but its use was limited compared with previous elections as a result of existing telephone calling restrictions and the Information Commissioner's Office delivering more explicit guidance on the purchase of telephone numbers, such that parties can no longer purchase numbers unless the owners have expressly given consent for these to be shared with political parties.

A final significant area of expenditure was on polling. The party used a range of approaches, including their own MRP analysis to inform spending decisions (rather than predict the result). They also ran polling in representative areas (rather than regions) to help inform decisions. The principle of representative areas was, like digital advertising, based on demographic profiles. The party used these polls together with public polls and largely real-time feedback through canvassing (delivered through an app) to shift digital and direct mail expenditure during the campaign.

Labour

The 2017 Labour campaign was marked by a lack of coordination, with the leader's office and the central party effectively running two campaigns (Fisher, 2018a). In 2019, this was not an issue. But, just as in 2017, print continued to play an important role in campaign expenditure alongside the continuing growth of digital techniques. Indeed, overall spend was slightly more on print than on digital. This was in part because direct mail could be more finely targeted than digital and partly because a lot

of direct mail was distributed in key seats before the election was called. However, changes in the make-up of the party made it slightly more difficult to capitalise on the distribution of mail. Typically, the party has sought to follow-up direct mail with contact on the doorstep. However, this has not always been possible, in part due to shifts in the geography of members. In the past, Labour's membership was distributed very 'efficiently' with large memberships in target seats (Fisher et al, 2006). This, of course, was not by design, but gave the party an electoral advantage. Changes in the geographical distribution of the party's membership however has meant that the largest local parties are now found in London and the major English cities – not in the party's marginal seats, and those in the cities were often less willing to campaign elsewhere.

Labour spent nearly as much on digital advertising as it did on printed matter – predominantly on Facebook and Instagram (for younger voters), but also on Snapchat. In addition, there was some advertising on local media. The big advantages in terms of spending was that digital was much cheaper before the campaign proper started, but also that it was easier to shift emphasis as the campaign developed. This became necessary, for example after the first YouGov MRP poll in *The Times*, which led to a changed strategy from offensive to defensive, with a focus on supporting the more defensive seats. Like the Conservatives, however, Labour found Facebook advertising to be less finely targeted than print. But the party also encountered issues with Facebook's 'incubation period' for adverts, where these are checked. This could be for up to thirty-six hours and meant that more planning was needed in digital advertising than in the past, and that rapid response advertising via Facebook was often not possible. Regulatory challenges also led to the party

devoting little expenditure to telephone canvassing, and the timing of the election in the middle of winter also limited expenditure on items such as rallies. However, Labour did continue to conduct polling, running a poll of 20,000 voters and conducting MRP analysis in August (delaying the poll slightly as the party was confident an election was coming).

Liberal Democrats

Like the other parties, the principal items of campaign expenditure were digital and print, with the amount spent on digital increasing for the third consecutive election. Digital spend was principally on Facebook and Instagram, but unlike the other parties, the newer challenges in micro-targeting presented fewer problems. The reason was that the Lib Dems were principally targeting Remain-leaning voters. Such voters were much easier to reach on Facebook because they often shared similar demographic characteristics, such that Facebook could easily identify them. Coupled with that, the party had previously been running its Stop Brexit campaign, meaning the party could more easily target those voters who had previously supported that. All in all, it meant that voters in the party's target seats saw a lot of digital material, with adverts to Remainers focussing on Brexit and those who were less strongly Remain seeing adverts on the party's other policy areas, such as health and education. Like the other parties, however, the Liberal Democrats found telephone canvassing challenging, as a result of restrictions on obtaining numbers.

In addition to digital and print, the Liberal Democrats also devoted expenditure to wraparound adverts on large regional papers, including the *London Evening Standard*. In part, this advertising in the regional press was to support target

seats. In London, for example, it was focussed on commuters from the party's targets in St Albans and Guildford as well as in some London seats. But of course, regional papers cover many seats so may not be so useful in targeting terms. For the Liberal Democrats, however, such advertising was also about building 'a background of presence' – reinforcing the idea that the party was in electoral contention in the region.

Like the other parties, the Liberal Democrats also conducted their own polling. They conducted an MRP analysis in the summer and conducted a range of constituency polls prior to the regulated period. Indeed, the party released details of these internal polls where they had moved into a competitive position. As with newspaper advertising, they needed to convince voters that they were now in a possible position to win seats. The party also used real-time feedback from canvassing from an app, but like Labour, had experienced a big shift in the distribution of its membership. Many had joined the party after the 2015 and 2017 elections, the EU referendum in 2016 and the 2019 European Elections. As result, the membership moved from being efficiently distributed in target seats (Fisher, Denver & Hands, 2006) to being very heavily concentrated in Remain voting areas.

What really marked the Liberal Democrats' campaign out, though was its finances, despite the relatively poor financial year in 2018. As we have seen, a large donation came in just before the campaign, but the party also had an indication that several significant donations would be forthcoming as an election became more likely. As Figures 11.5 and 11.6 show, this uplift began in Quarter 2 2019. The party therefore planned an extensive campaign accordingly, and for the first time, had to be mindful of the national party spending limit, such that the party limited the use of

party literature in non-target seats to ensure the limit was not breached. In the end, however, the party spent less than planned. As it became clear that the party's vote was getting squeezed, resource was progressively retrenched towards supporting a smaller pool of seats.

6. Conclusion

The 2019 election was characterised by a very significant financial advantage for the Conservatives. Large sums of money flooded into the party's coffers in 2019 and particularly in the run-up to the election. Neither Labour nor the Liberal Democrats were in financial poverty, but the Conservatives' election period income dwarfed theirs. Only the spending regulations introduced in 2000 kept the Conservatives' spending advantage from being even larger. Beyond that, some patterns continued from previous elections. Digital campaigning continued to grow in importance but, yet again, its importance (at least in terms of campaign expenditure) was arguably overstated. Spending on printed materials continued to be as important – the role of print is certainly not yet dead. And, because of changes in the behaviour of online platforms, print was the only means of micro-targeting. Digital advertising was critically important, but it was more broadcast than narrowcast compared to previous campaigns, meaning that the trend of the national campaign being subsumed into merely supporting constituency ones slowed a little. Digital advertising will undoubtedly continue to grow and become an even more important component of campaign spend. But just as in previous elections, there has been a tendency to assume that most spend is through this medium. That assumption remains incorrect. Coupled with that, campaigners on the ground still matter a great deal – knocking on

doors, following up direct mail and sharing discussion about digital adverts. However, Labour and the Liberal Democrats are now in a position that has hitherto afflicted the Conservatives – their members are disproportionately in seats in which they are already likely to do well. Overall, then 2019 was advantage Conservatives and in party finance terms, at least, ‘normal service’ appears to have been resumed.

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