

Terms and Conditions of Grant to a Designated Organisation

The UK Parliamentary voting systems referendum 2011

1 Introduction

1.1 In exercise of its powers under section 110 of PPERA, the Commission intends to make available a grant of £380,000 to each Designated Organisation for the Referendum.

1.2 Subsection 110(3) of PPERA states that these grants may be made subject to such conditions as the Commission considers appropriate. This document sets out the conditions attached to any grant made.

1.3 For the purposes of this document:

“Commission” means The Electoral Commission;

“Designated Organisation” means a person or body designated by the Commission under section 108 of PPERA in respect of the Referendum;

“eligible spending” has the meaning ascribed to it under paragraph 3.2;

“for Referendum purposes” means in connection with the conduct or management of a campaign conducted with a view to promoting or procuring a particular outcome in relation to the question asked in the Referendum;

“PPERA” means the Political Parties, Elections and Referendums Act 2000;

“Referendum” means the Referendum under The Parliamentary Voting System and Constituencies Act 2011;

“Referendum period” means the period beginning on 16 February 2011 and ending on 5 May 2011.

2 General Conditions

- 2.1 A Designated Organisation must comply with the 'notification of alteration' provisions under subsection 106(5) of PPERA.
- 2.2 A Designated Organisation must, for two years after the Referendum period, retain all invoices, receipts, financial records and other documents relating to its use of grant monies.

3 Eligible spending

- 3.1 Grant monies may only be used by a Designated Organisation to meet eligible spending.
- 3.2 In paragraph 3.1 'eligible spending' means spending incurred, for Referendum purposes, in establishing, operating or staffing offices, including:
 - (a) the cost of purchasing,
 - office equipment;
 - general office IT software, but not the cost of purchasing specialist campaign software;
 - IT hardware;
 - general office supplies, but not supplies used to communicate with voters in relation to matters listed under Schedule 13 Part 1 of PPERA;
 - (b) subject to paragraph 3.3, the cost of renting,
 - premises;
 - office equipment;
 - IT hardware;
 - (c) the cost of employing staff during the Referendum period, to a maximum of £33,000;
 - (d) the cost of utilities used during the Referendum period, including the cost of water, gas, electricity, internet services and telephone (but not the cost of unsolicited calls to voters).
- 3.3 Where a rental agreement is for a period longer than the Referendum period only the 'referendum component' of the total cost of the agreement is eligible spending. The 'referendum component' is to be worked out using the following formula:

$$\frac{79}{y} \times \text{£}z = \text{£referendum component}$$

where

79 is the number of days in the Referendum period;

y is the number of days in the rental period;

z is the total cost of the rental agreement, including reasonable start-up and termination costs.

- 3.4 Spending of a Designated Organisation may be eligible spending even though the purchase, rental, employment or other agreement to which the spending relates was finalised before the Referendum period.

4 Payment of the Grant

- 4.1 The Commission will pay grant monies of £114,000 (the 'initial instalment') to a Designated Organisation as soon as reasonably practicable after the Commission has appointed the Designated Organisation.
- 4.2 Subject to paragraph 4.7, the Commission will pay to a Designated Organisation as soon as reasonably practicable so much of the remaining grant monies of £266,000 as the Designated Organisation claims under this section.
- 4.3 A Designated Organisation may submit more than one claim for grant monies.
- 4.4 A claim for grant monies must:
- (a) be submitted to the Commission, in the form reasonably specified by the Commission, before 19 May 2011;
 - (b) state the value of the grant monies claimed; and
 - (c) include documents and explanation that show to the Commission's reasonable satisfaction that the Designated Organisation has incurred or will incur specified eligible spending to the value of the grant monies claimed.
- 4.5 The first claim submitted by a Designated Organisation must also include:
- (a) documents and explanation that show to the Commission's reasonable satisfaction that the Designated Organisation has incurred or will incur specified eligible spending to the value of the initial instalment, less £50,000; and
 - (b) explanation as to the planned use of that part of the initial instalment not dealt with under paragraph 4.5(a).
- 4.6 Eligible spending specified in one claim may not be specified in another claim.

- 4.7 The Commission will not pay grant monies to a Designated Organisation if the Designated Organisation is materially in breach of a condition set out in this document.

5 Conditions to be met after Referendum period

- 5.1 A Designated Organisation must, by 19 May 2011, submit to the Commission a document listing each item purchased for more than £200 in relation to which the Designated Organisation has claimed under section 4 or will provide evidence of payment under paragraph 5.4(a) ('listed item'). The document is to be in the form reasonably specified by the Commission.
- 5.2 The Designated Organisation must, if requested by the Commission and as soon as reasonably practicable, transfer ownership of a specified listed item to the Commission and permit the Commission to take possession of the item, together with all warranties, guarantees and maintenance records. The Commission will pay the cost of preparing any document necessary to transfer ownership and the cost of collecting any item.
- 5.3 The Commission may not make a request for a listed item after the period of 14 days following submission of the document referred to at paragraph 5.1.
- 5.4 A Designated Organisation must, by 4 July 2011 and in the manner reasonably specified by the Commission:
- (a) submit to the Commission receipts or other documents evidencing all payments for which grant monies have been used (unless such evidence of payment was previously submitted to the Commission); and
 - (b) return to the Commission so much of the grant monies for which the DO has not provided evidence of payment.

6 Audit

- 6.1 The Commission may audit a Designated Organisation's use of grant monies. For the purpose of an audit, the Commission may use its supervisory powers under Schedule 19B of PPERA.

7 Recovery

- 7.1 Where a Designated Organisation is materially in breach of a condition set out in this document, including;
- (a) the condition set out at paragraph 3.1;

(b) the condition set out at paragraph 5.2; or

(c) the condition set out at paragraph 5.4(b),

the Commission may demand repayment of all or part of the grant made to the Designated Organisation.

7.2 The Designated Organisation must comply with the demand.