

Situations and procedures

National Assembly for Wales Election May 2016: Political parties

This document is for political parties
campaigning at the National Assembly
for Wales election in 2016

Forms you might need:

RP11

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Translations and other formats

For information on obtaining this publication in another language or in a large-print or Braille version please contact the Electoral Commission:

Tel: 020 7271 0500

Email: publications@electoralcommission.org.uk



You can find this document in the Welsh language [here](#)

Terms and expressions we use

You will normally be doing enough to comply with the law if you follow this guidance.

We use '**must**' when we refer to a specific legal requirement. We use '**should**' for items we consider to be minimum good practice, but which are not legal or regulatory requirements.

Our approach to enforcement

The Commission regulates political funding and spending. We are committed to providing those we regulate with a clear understanding of their regulatory obligations through our guidance documents and advice service.

Wherever possible, we use advice and guidance proactively in order to secure compliance. And we regulate in a way that is effective, proportionate and fair.

If you do not comply with legal or regulatory requirements you or your organisation may be subject to civil or criminal sanctions. You can find more information about the Commission's approach to enforcement at www.electoralcommission.org.uk/party-finance/enforcement

National Assembly for Wales Election 2016

This document explains:

The rules on spending for political parties in the run up to the National Assembly for Wales election in 2016.

The document covers:

- the regulated period
- spending limits
- campaign spending
- reporting requirements
- key dates and events

Related documents:

- [Overview of party campaign spending](#)
- [Overview: Regulated periods for political parties 2016](#)
- [Introduction to being a party treasurer](#)
- [Overview of donations to parties \(GB\)](#)
- [Overview of loans to parties \(GB\)](#)

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Summary

Under the Political Parties, Elections and Referendums Act 2000 (PPERA) there are rules on spending and fundraising that political parties must follow in the run-up to elections.

This document explains the main rules for the National Assembly for Wales election to be held in 2016.

It covers the regulated period, spending limits, campaign spending, reporting requirements and the deadlines.

Introduction

Under PPERA, there are rules on fundraising and spending that political parties must follow in the run-up to certain elections.

This guidance provides information on the regulated period, spending limits, campaign spending, reporting requirements and deadlines for the National Assembly for Wales election to be held on 5 May 2016.

In this guidance, we use 'you' or 'the responsible person', to refer to the person who is responsible for campaign spending.

You should read this guidance alongside the related documents we refer to. They provide important information which will help you follow the rules.

Candidates at the National Assembly for Wales election in 2016 can stand as:

- a constituency candidate in one of the 40 constituencies
- an independent regional candidate in one of the 5 regions
- a regional party list candidate in one of the 5 regions

This guidance and the related documents we refer to apply to political parties and regional party list candidates **only**. The rules for constituency and independent regional candidates are different. We issue separate guidance for those candidates and their agents contesting the National Assembly for Wales election in 2016.



Our guidance for constituency and independent regional candidates and agents contesting the National Assembly for Wales election is available here:

[Guidance for candidates and agents: National Assembly for Wales](#)

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The National Assembly for Wales Disqualification Order 2015 came into force on the 1 September 2015. The Order specifies those who cannot stand as a candidate in the National Assembly for Wales elections in 2016. The Order can be viewed [here](#)

 Important

The regulated period

Campaign spending is what your party spends on activities to promote the party or to criticise other parties during a particular period in the run-up to the election.

This period is called the 'regulated period'. Where we use the term regulated period we mean the time when the spending limits and rules apply.

The regulated period for the 2016 National Assembly for Wales election, begins on **5 January 2016** and ends on polling day, **5 May 2016**.

If your party is standing candidates on a regional list, party campaign spending will also include spending on activities to promote the party list candidates.

The referendum on the United Kingdom's membership of the European Union is scheduled to take place by the end of 2017 but a date has not been confirmed. There will be a time in the run up to the referendum when rules on campaign spending and donations and loans will apply to campaigners campaigning on the referendum. We call this the referendum period.

Depending on the date of the referendum, it is possible that the referendum period may overlap with the regulated period for the National Assembly for Wales election and other elections being held on 5 May 2016. If this happens, we will issue further guidance to explain the impact of the overlapping periods for parties and campaigners who are campaigning at both the referendum and the May 2016 elections.

Spending on campaigning at referendums is regulated separately from campaigning at elections. If you intend to spend more than £10,000 campaigning at the referendum, you will need to register with us as a referendum campaigner.

More information about regulated periods for political parties in 2016 is available in our guidance document:

[Overview Regulated periods for political parties 2016](#)

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The spending limit

The maximum amount you can spend on campaigning during the regulated period is based on how many constituencies and regions your party is contesting in the election.

There are 40 constituencies in Wales and 5 regions. There are 4 seats in each of the 5 regions, making a total of 20 regional seats. A party can field up to 12 candidates per region.

Your spending limit is £10,000 for **each constituency** your party contests, **plus** £40,000 for **each region** your party contests.

The regional spending limit applies even if you **do not** field a full list of 12 candidates in the region.

The spending limit is a national limit, which means you do not have to attribute your spending between constituencies and regions.

If your party is contesting every constituency and region, the total spending limit will be **£600,000**:

£10,000 x 40 constituencies	£400,000+
£40,000 x 5 regions	£200,000
Total	£600,000

Spending on party campaigning for the Police and Crime Commissioner elections in Wales, must be included in any spending return for the National Assembly for Wales elections, and will count toward the spending limit for the National Assembly for Wales elections in 2016

For Example

The example below shows how to calculate the spending limit for your party. You must calculate your party spending by working out how many constituencies and regions that your party will be contesting in the National Assembly for Wales election, and multiplying these numbers by the spending limit for the constituency and/or region.

Number of constituencies/regions contesting	Calculation	Total £
25 constituencies	25x £10,000	£250,000
3 regions	3 x £40,000	£120,000
Total spending limit		£ 370,000

Campaign spending

Campaign spending is what the party spends on certain activities to promote itself, or criticise other parties, during the regulated period.

If your party is standing candidates on a regional list, party campaign spending will also include spending on activities to promote the party list candidates.

It includes:

- items or services bought before the regulated period begins, but used during it
- items or services given to the party free of charge or at a non-commercial discount of more than 10% (see 'Notional spending' on page 16)

All party spending must be reported to the Electoral Commission after the election.

Donations and loans are reported by parties on a quarterly basis when they exceed a certain threshold or are impermissible.

There are no additional requirements for parties to report donations and loans during the regulated period for the National Assembly for Wales election.

Managing campaign spending

Who is responsible for party campaign spending?

A party's registered treasurer is usually responsible for making sure that the party follows the rules on campaign spending. However, if a party has registered a campaigns officer, this person is responsible for campaign spending instead.

In this guidance, we use 'you' or 'the responsible person' to refer to the person who is responsible for campaign spending. This will be the campaigns officer if one has been appointed, or the registered treasurer if not.

For more information about permissibility and donations and loans please see out guidance:

- [Overview of donations to parties \(GB\)](#)
- [Overview of loans to parties \(GB\)](#)

For more information about party treasurers, see this document:

[Introduction to being a party treasurer](#)

You can appoint deputies to help with some of your responsibilities. You can do this using [form RP5](#)

Authorising and paying campaign expenses

Only the 'responsible person' registered with us and people authorised in writing by the responsible person can incur campaign spending.

For example, someone may be authorised to spend money on particular items, or up to a particular amount.

These rules are in place to make sure that spending can be controlled and accurately recorded and reported.

You should make sure that your volunteers and campaigners know who can and cannot incur costs.

Personal expenses

The treasurer must appoint an election agent for each region the party stands candidates in. The election agent is responsible for authorisation and payment of personal expenses incurred by the regional party list candidates in the regulated period.

Personal expenses include the reasonable travel and living expenses (such as hotel costs) of the regional party list candidate.

A regional party list candidate can only pay for personal expenses up to a cost of £900. The election agent is responsible for paying personal expenses for regional party list candidates over £900.

These requirements are set out in the National Assembly for Wales (Representation of the People) Order 2007 and may change before receiving final Parliamentary approval. We will issue an update on our website if there are any changes to these figures.

By 'incur' we mean make a legal commitment to spend money, such as confirming an order.

Types of election spending

There are different types of spending by or on behalf of parties at elections. These are:

- spending on campaigning to promote the party and its policies generally

For example, national newspaper adverts for the party, or leaflets explaining party policy.

- spending on campaigning to promote regional party list candidates.

For example, a public event in the region to promote party list candidates.

Party constituency candidates standing for election in a constituency are responsible for their own campaign spending. Spending on promoting their candidacy in the constituency will count towards their own candidate spending limit. If a party candidate is standing in both a constituency and a region, it is only the spending on promoting the candidate in the region that will count towards the party spending limit.

This guidance document covers **party campaign spending** and spending on **promoting regional party list candidates** only. For information on candidate spending, see our guidance for [candidates and agents](#).

Regional party list candidates and party spending

Spending on promoting the regional party list candidates counts towards the party campaign spending limit, and must be reported by the party.

Regional party list candidates **only** standing on a party list, may incur personal expenses. These expenses will only count towards the party spending limit, if the party reimburses the candidate for these personal expenses.

Regional party list candidates must give a written statement of personal expenses they have paid to their regional agent, within 21 days of the election result being declared. This requirement is set out in the National Assembly for Wales (Representation of the People) Order 2007 and may change when a new Order receives final Parliamentary approval. We will issue an update on our website if there is a change.

A regional party list candidate must submit a declaration to the Regional Returning Officer, at the same time that the party submits its spending return or within 7 days of the party submitting the return confirming that the party spending return is complete and correct to the best of their knowledge and belief. This requirement is set out in the National Assembly for Wales (Representation of the People) Order 2007 and may change when a new Order receives final Parliamentary approval. We will issue an update on our website if there is a change.

Dual candidacy

Candidates can stand as a regional party list candidate and also as a constituency candidate for the National Assembly for Wales elections in 2016. This is known as “**dual candidacy**”.

Regional party list candidates standing on a party list do not have a separate candidate spending limit, **unless** they stand as a constituency candidate at the same time. A dual candidate will have a separate spending limit for any constituency campaigning within the constituency that they are



Dual candidacy has been re-instated by the Wales Act 2014.

For more information on dual candidacy, please see our factsheet [here](#).

contesting. For more information, see our factsheet on dual candidacy [here](#).

If a candidate stands for more than one party in a constituency, the **party** spending limit of £10,000 for that constituency will be split between the parties.

Allocating campaign spending between the party and the constituency candidates

Sometimes you may need to decide whether campaign spending should count towards the party spending limit, or the spending limit of a candidate standing for your party in a particular constituency.

Campaign spending does not need to be counted against both the party and candidate spending limits. It will usually fall into one category or the other.

If you are not immediately sure whether something is promoting the party, (including regional party list candidates), or a constituency candidate, you must make an honest and reasonable assessment, based on the facts, as to whether the campaign spending should be allocated to the party or candidate.

You should only divide the costs of an item between the party and candidate spending limits if you are sure that it is reasonable to do so.

You should not divide the costs of an item if it is produced mainly to promote a constituency candidate, and uses the party's name or refers to the party's policies purely in support of that aim.

For example, if a leaflet focuses on a constituency candidate but includes some of the party's key pledges as a way of telling voters what the candidate stands for, this will count towards the candidate's spending limit, if it has been authorised by the candidates agent.

If you are still not sure how you should allocate an item of spending, please call or [email](#) us for advice.

What activities count as spending?

Activities included in campaign spending are:

- advertising of any kind. For example, street banners, websites or YouTube videos
- unsolicited material sent to voters. For example, letters or leaflets you send that aren't in response to specific queries
- the manifesto and other documents setting out your party's policies
- market research or other methods of finding out how people intend to vote
- press conferences or other dealings with the media
- rallies and events, including the cost of people's attendance, and any goods, services or facilities provided
- transport in connection with publicising your campaign

Which costs are included?

You must include all the costs associated with each activity. For example, if you are producing leaflets or advertising, you must include the design and distribution costs.

You must also include overheads or administrative costs which are associated with each activity. For example, this could include increased telephone bills for your office.

You must make an honest assessment based on the facts as to the amount you need to record.

Downloadable material

If you put material on a website for people to print off for their personal use, such as window posters or petition forms, the design and website costs count as campaign spending. You do not need to count people's print costs against your spending limit, as the costs will be very low.

Important

All costs should include VAT, even if you can recover VAT payments.

If the material could be printed and distributed to voters – for instance a leaflet – you will need to make it clear how you expect people to use it. If you authorise wider use of the material, the production costs may count as campaign spending whoever does the printing.

Party election broadcasts

If you are entitled to party election broadcasts, you must include the production costs as campaign spending. You do not need to include the value of the airtime.

What doesn't count as spending?

Activities **not** included in campaign spending are:

- permanent, fixed term or temporary staff costs where the staff member has a direct employment contract with the party
- volunteer time
- office running costs, except costs that are higher than usual because of campaigning, such as telephone bills
- people's travel, food and accommodation costs while they campaign, unless you reimburse them
- expenses met out of public funds. For example, security costs for VIP visits
- material sent only to your members
- party conferences
- local newsletters about elected representatives or prospective candidates
- anything a candidate properly declares on their spending return
- regional party list candidates' deposits

Volunteer time

Sometimes you may not be sure if someone is a volunteer or if their time should be treated as notional spending. For example, they may offer similar services professionally to the ones they are performing for you.

They will be a volunteer if:

- their employer is not paying them for the time they spend on your campaign, or
- they are using their annual leave, or
- where they are self-employed, you won't benefit from any professional insurances they hold

If they use specialist equipment or materials, you should consider whether their use is notional spending, using the principles in the next section.

Notional Spending

Sometimes you may receive items or services free or at a non-commercial discount. This may occur if another person or organisation supports your campaign.



Notional spending is the difference in value between the commercial rate for an item or service and the price you pay.

If you use any items or services that are given to you free, or at a non-commercial discount of more than 10%, in undertaking your regulated campaign activities, the value of the notional spending may count towards your spending limit and be reportable in your spending return.

You must record the full commercial value of these items or activities if:

- you receive the item free of charge or at a non-commercial discount of more than 10%, **and**
- the difference in value between the commercial rate and what you pay is over £200

If you receive a discount of 10% or less, or the difference in value is £200 or less, you only need to record the amount you paid.

Valuing notional spending

If the supplier is a commercial provider, you should use the rates they charge other customers. If this information is not available, you should find out what similar providers charge for the same goods or services and use this as the commercial value.

You should keep a record of how you reached your valuation and keep copies of any quotes you receive.

The value you declare in your spending return must be an honest and reasonable assessment of the commercial value.

Commercial discounts are those available to other similar customers, such as discounts for bulk orders or seasonal reductions

Non-commercial discounts are special discounts that you, specifically, are given by suppliers

For example:

You are provided office accommodation from which to run your campaign free of charge, which you use for the full four months of the regulated period.

You would calculate and report the notional spending as set out below:

Commercial rate for monthly rent:	Commercial value of four month's rent:	Notional spending to be reported:
£1,200	$£1,200 \times 4 = £4,800$	£4,800

Seconded staff

If an employer second a member of staff to your campaign, you must record their gross salary and any additional allowances as the notional value.

You do not need to include the employer's national insurance or pension contributions.

Splitting spending

Why you may need to split spending

You may need to split your costs between activities and materials that count as campaign spending and those that don't.

Here are two common examples of where you need to split spending:

- if you use your office as a base for telephone canvassing, you will need to split the phone bill between canvassing calls, and calls made for non-campaign purposes
- if you use design work for campaigning before the regulated period begins, and continue to use it after it has begun, you will need to split the design costs between the two periods

For example:

You commission design work for a campaign logo for your party that you use on your website, other social media and on all your campaign material for a month before the regulated period starts and during the 4 month regulated period.

You should split the cost of the design equally across the entire time that you use it in this way.

The design work cost £15,000, and you used it over a 5 month period, the cost per month is $£15,000 \div 5 = £3,000$ a month.

The regulated period covered the final 4 months, so the cost of spending during the regulated period is:

$$4 \times £3,000 = £12,000$$

£12,000 must be recorded as party campaign spending

You may also need to split your costs between the party and a constituency candidate, if the spending has been authorised by the candidate's agent.

For more information on splitting spending, see this document:

[Expert paper: Splitting spending](#)

For example, you might hire a car for a staff member who spends some of their time working on the party's regional campaign, and the rest working for a constituency candidate in a particular constituency.

The honest assessment principle

In all cases you should make an honest assessment, based on the facts, of the proportion of spending that can fairly be attributed to your campaign.

Sometimes, it may be difficult to make an exact split. For example, your telephone bill may only provide a breakdown of the cost of calls over a certain value.

In these cases, you should consider the best way of making an honest assessment on the information you have. For example, you could compare the bill with one that does not cover a regulated period.

If you are still not sure, call or [email](#) us for advice.

Important

You must sign to declare the return is complete and correct to the best of your knowledge and belief.

It is an offence to make a false declaration knowingly or recklessly.

Reporting to us

Political parties contesting the National Assembly for Wales election must report the details of their campaign spending to the Electoral Commission after the election.

Donations and loans

Donations and loans are reported by parties on a quarterly basis when they exceed a certain threshold or are impermissible.

There are no additional requirements on parties for reporting donations and loans at the National Assembly for Wales election, although you should ensure that you have systems in place for agents to provide all the necessary information about donations and loans to the party.

Donations to regional party list candidates will be considered donations to the party. When you receive a donation, you must check that you can accept it, record it and in certain cases, report it to us. If the donation isn't from a permissible donor, or for any reason you can't be sure of the true identity of the source, you must return it within the 30-day of receipt and report it to the Electoral Commission.

Recording campaign spending

You must record all your campaign spending. You will need to send us this information in your spending return after the election.

This includes campaign spending for candidates standing on a regional party list.

You must keep invoices or receipts for any payments over £200.

You do not need to report or send us details of regional party list candidates' **personal** expenses, unless the party has



Important

Our guidance on managing donations and loans for parties in Great Britain is available here:

[Overview of donations to parties \(GB\)](#)

reimbursed the candidate. If the party reimburses the candidate this will be party spending (see page 10).

What you need to record

For each item of spending, you should record the following information to put in your spending return:

- what the spending was for – for example, leaflets or advertising
- the name and address of the supplier
- the amount or value
- the date that you spent the money

Items given free of charge

If you receive items free of charge you must record the full market value of the item if it is more than £200, (see notional spending, page 16).

Items given at a non-commercial discount

If you receive items at a non-commercial discount of more than 10%, and the difference in value is more than £200, you must include the full market value of the item (see notional spending, page 16).



If an item has a value of more than £500, and it is given free of charge or at a non-commercial discount, it will be a donation.

For more information see this document:

[Overview of donations to political parties](#)

Time limits for receiving and paying invoices

There are time limits by which the responsible person **must** receive all invoices for your campaign spending.

Receiving invoices from suppliers

You must obtain all your invoices from suppliers within 30 days of the elections. The last day for receiving invoices from your suppliers is **6 June 2016**.



We call claims (invoices for campaign spending) that are not received within the 30 day deadline, **unpaid claims**. If you do not get an invoice within 30 days, you must not pay it without getting a court order to do so. You should make your suppliers aware of this.

Paying invoices from suppliers

You must pay all your invoices from suppliers within 60 days of the elections. The last day for paying invoices is **4 July 2016**.

We call claims (invoices for campaign spending) that are not paid within the 60 day deadline, **disputed claims**. If you do not pay an invoice within 60 days, you must then get a court order to be able to do so.

It is an offence to breach these rules without reasonable excuse.

Reporting after the elections

You must report your campaign spending to us after the elections.



Your spending return must include the following:

- details of your spending
- invoices and receipts for any payment over £200
- a declaration from the 'responsible person' to say that the return is complete and correct

It is a criminal offence to make a false declaration knowingly or recklessly.

You can report your campaign spending via PEF Online.

Visit: <https://pefonline.electoralcommission.org.uk/Default.aspx>

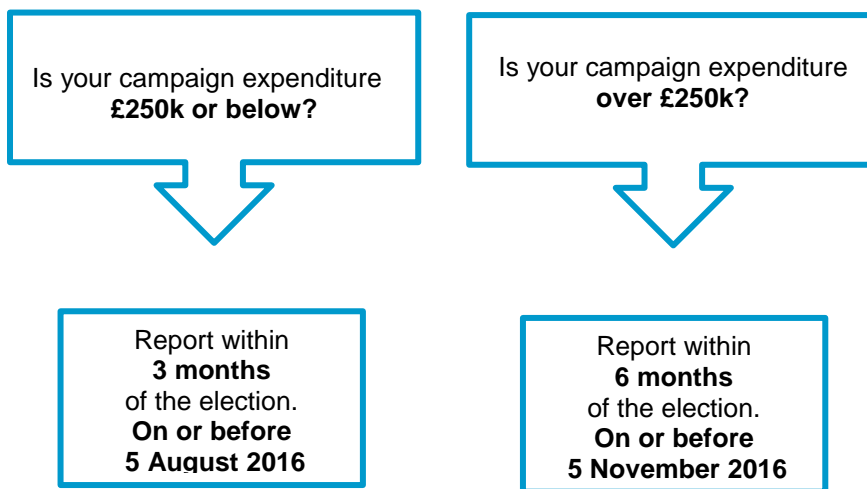
We also produce [forms](#) and [explanatory notes](#) you can use for this. They cover all the information you must include.

Regional party list candidates are required to complete a declaration confirming the party spending return is correct. This must be sent to the Regional Returning Officer within 7 days of the party submitting its return.

This requirement is set out in the National Assembly for Wales (Representation of the People) Order 2007 and may change when a new Order receives final Parliamentary approval. We will issue an update on our website if there is a change.

Campaign reporting deadlines

The date by which you must report to us depends on how much you spent on your campaign. The deadlines are shown below.



 **Important**

If your campaign expenditure is over £250k you must also include an independent auditor's report.

For more information see this template:

[Auditor's report template](#)

You may be liable for a penalty if you don't submit your return on time.

Event	Date	Action
Regulated period begins	Tuesday 5 January 2016	Ensure you have systems in place to record all your spending.
Deadline for applications to register a political party	Monday 22 February 2016	Submit your application to register a new party, or to change your party's details, in by this date.
Polling day and end of regulated period	Thursday 5 May 2016	You must receive all your invoices from your suppliers on or before this date. You or your supplier must apply for a court order to pay invoices received after this date
Deadline to receive invoices	Monday 6 June 2016	You must pay all your invoices on or before this date. You or your supplier must apply for a court order to pay invoices after this date.
Deadline to pay invoices	Monday 4 July 2016	Submit your spending return to us on or before 5 August 2016
Deadline to submit your spending return, if you spent £250,000 or less	Friday 5 August 2016	Ensure your spending return is audited and submit it to us on or before 5 November 2016
Deadline to submit your spending return, if you spent over £250,000	Friday 5 November 2016	

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* This is correct as at 5 October 2015. Any significant changes to legislation will be updated on our website.

How we can help

You can view our full range of guidance and up-to-date resources on our website. You can contact us on the phone number below or via email on the addresses below. We are here to help, so please get in touch.

Call us on:

0333 103 1929

Or email:

- Wales: infowales@electoralcommission.org.uk
- General: pef@electoralcommission.org.uk

Visit us at <http://www.electoralcommission.org.uk>

We welcome feedback on our guidance – just email us at:
pef@electoralcommission.org.uk