

Referendum on the United Kingdom's membership of the European Union

Counting Officers' Expenses Guidance Notes

Published March 2016

Translations and other formats

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1 Introduction

1.1 This guidance has been produced ahead of the referendum in regard to the UK's membership of the European Union to assist Regional Counting Officers (RCOs) and Counting Officers (COs) - particularly those new to the role - by explaining the funding mechanism for the referendum and how Counting Officers should account for the expenditure they incur.

1.2 Please note that although this guidance reflects current legislation and policy it may be subject to change. Any changes and updates will be communicated to Counting Officers via the EA Bulletin.

1.3 As the Regional Counting Officer or Counting Officer appointed for the referendum on the UK's membership of the European Union you are personally responsible for all the expenditure incurred for the purpose of conducting the referendum in the counting area for which you act. Regional and Local Counting Officers should ensure that they read each section of this guidance and also make sure that their teams are aware of the contents of this document. Unless otherwise specified, or the context requires, throughout this guidance the term "Counting Officer" covers both the Regional Counting Officer and Counting Officer posts. Regional Counting Officers are only responsible for preparing and submitting the accounts for their own activities. They are **not** responsible for preparing and submitting accounts for all Counting Officers in their region although they will all also be Counting Officers in their own right and be required to prepare and submit separate accounts for their activities as a Counting Officer.

1.4 It is the Counting Officer's personal responsibility to ensure that claims are accurately and effectively completed and signed off.

1.5 Although parts of your claim may be prepared by deputies or election staff, personal responsibility for ensuring that the accounts are complete, legitimate, properly presented and auditable rests with you. Please therefore ensure that all parts of the claim meet with your approval before it is submitted to the Elections Claims Unit (ECU) as any queries will be addressed to you in the first instance, and you must be prepared to answer for any deficiencies and justify your decisions if necessary.

1.6 The approach we are adopting in relation to expenses is based on that which operated at the European Parliamentary elections in 2014 and the UK Parliamentary election in 2015. The aim is to ensure the transparency and accuracy of the process, whilst giving you some flexibility and avoiding over-prescriptive central direction.

1.7 This guidance is based upon that issued by the Cabinet Office at the UK Parliamentary election in 2015 and has been updated to reflect the special requirements of the referendum and our special responsibilities in relation to accounting for it. We have incorporated some changes to the guidance after

consulting with Cabinet Office, and we are confident that the changes we have introduced reflect issues and concerns that have been reported to them.

1.8 In February 2013, Cabinet Office commenced Phase One of its Funding Review programme to evaluate and scrutinise the system for Returning Officers' funding allocations introduced in 2009. The Review considered how the funding system for elections works in practice and where improvements can be made to ensure value for money is achieved.

1.9 The changes culminated in a revised funding model which was adopted for the first time for the 2014 European Parliamentary elections. The new model sets the basis for funding allocations on settled expenditure at the last relevant poll. The allocation for the referendum has been based on actual settled expenditure during recent elections, uplifted to take into account changes in electorate sizes, postal vote numbers, population growth, inflation and increases to Royal Mail charges including VAT on Royal Mail products.

1.10 We are proposing to continue with the reporting system introduced for the 2014 European Parliamentary election which has three categories of scrutiny. This will mean that there is a reliance on Counting Officers following the principles that expenditure will only be incurred where it is necessary for the efficient and effective running of the referendum and that all expenditure achieves value for money.

1.11 The final deadline for submission of claims will be 6 months from the date of the referendum. This is the same timescale as allowed at the European Parliamentary election and the UKPGE. We consider this to be a reasonable deadline. However given that there may be slightly less work for Counting Officers and their staff to undertake in preparing and supplying supporting documentation for claims that fall into the Plain Accounts and Light Touch categories, we would strongly encourage these claims to be submitted in advance of the 6 month deadline. Early submission will also assist the ECU in planning their work and will work to the benefit of all Counting Officers

1.12 While the majority of Counting Officers will not be required to submit additional evidence in support of their claim all Counting Officers should retain all invoices and evidence for audit purposes for a period of 6 years. The National Audit Office will be randomly selecting a sample of Counting Officers in each category to perform an audit.

1.13 We will ensure that resources are in place to enable claims to be processed without undue delay.

1.14 These guidance notes have been developed both to help you through the process and to explain the reasoning behind it.

1.15 The Charges Order¹ specifies an overall maximum recoverable amount available to you. This comprises a maximum recoverable amount for specified expenses and a maximum recoverable amount for Counting Officers in respect of their services. You cannot exceed the maximum recoverable for your expenses without prior authorisation under certain specified circumstances. However, within the amount for your expenses, there is no specific limit on what is available to you to spend on each particular element. You must nevertheless ensure that all expenses are necessary for the efficient and effective running of the referendum.

1.16 Payment in respect of the maximum recoverable amount for Counting Officers' services specified in the Charges Order will be paid separately by us, as specified in paragraph 13.2.

1.17 You may apportion funds between the different functions specified in the Charges Order as appropriate up to the overall maximum recoverable amount, provided that you account for the expenditure properly and only spend on what is necessary for the efficient and effective conduct of the referendum.

1.18 We specifically require you to contact the Commission to request approval before you incur any costs on particular items or services. These include (but are not restricted to):

- **Use of consultants for the delivery of the poll;**
- **Any unusual or novel costs (for example, the procurement of any “non-standard items” of equipment or services which you intend to use for the poll);**
- **IT and any other technological equipment.**

A failure to do so may result in the Commission refusing to reimburse you for such expenditure.

The contact details for fees and charges enquiries to the Electoral Commission are:

Email: referendumclaims@electoralcommission.org.uk

Telephone: 0333 303 1928

1.19 This guidance note covers the following areas:

- The legislation governing the submission of referendum claims;

¹ The Referendum on the UK's membership of the European Union (Counting Officers' and Regional Counting Officers' Charges) Regulations 2016

- The accounting requirements, including the quality of the supporting documentation and vouchers, and the expectations of the Commission and the National Audit Office;
- The status and responsibilities of Regional Counting Officers and Local Counting Officers;
- The arrangements for initial and subsequent advance payments;
- Instructions on how to submit a claim;
- Information about how each claim should be presented

1.20 To assist in preparing your claim we will make the spreadsheets available electronically. This does not mean that hard copy documentation is now unnecessary, but it should help you to process and submit your claim more easily. More detailed information about this is contained in the relevant chapters.

1.21 These notes are as comprehensive as possible and we hope cover most of the questions which are likely to arise. However, we will also publish a FAQ document on our website alongside the guidance. We will also use our publication, the Bulletin, to provide additional information and capture any additional queries that might be of wider interest as and when they arise. The FAQ document is available at:

<http://www.electoralcommission.org.uk/i-am-a/electoral-administrator/eu-referendum>

1.22 If you are experiencing any difficulties with the preparation or presentation of your accounts, the ECU are ready to provide help and assistance. Please do not hesitate to contact them direct in the first instance. It is better to obtain their advice in advance than be faced with difficult questions after your claim has been submitted.

1.23 The contact details for the ECU are:

Email: returning.officers@cabinetoffice.gov.uk

Telephone: 01603 704567

1.24 You are reminded in particular of the following important points:

- Expenditure must be necessary for the efficient and effective conduct of the referendum. Examples of the types of expenditure which does **not** fall into this category are given at paragraph 8.13.
- Expenditure covered by para 1.18 **MUST** be agreed in advance with the Commission before any expenditure or commitment is entered into.
- Claims must be submitted within the period of 6 months commencing with the day of the declaration of the result of the referendum in accordance with The Counting Officers', Regional Counting Officers' and Chief Counting Officers' Accounts (European Union Referendum) Regulations 2016. This is a statutory requirement; it is therefore

unlawful to submit claims after this deadline unless this has been agreed with us and in accordance with the regulations. However, as mentioned in paragraph 1.11, we believe that Counting Officers who fall into the “Plain Accounts” and “Light Touch” categories may be able to submit their claims earlier than this and we would encourage them to do so.

- We may refuse to settle claims which do not conform to the statutory requirements. This includes claims submitted late, or those without sufficient supporting documentation, or those which are not auditable. Further explanation about the circumstances in which a refusal may be considered is given in Chapter 6.
- At the referendum the amount payable for a Counting Officer’s services will be paid in two parts: 75% will be paid after polling day in the week commencing 27 June 2016, and the remaining 25% immediately following clearance of referendum accounts. However, under paragraph 16 of Schedule 3 of the 2015 Act the Commission has the power to reduce or remit the fee of any Counting Officer if they are held not to have performed their services adequately. This might be the case, for example, if a Counting Officer was found to be in breach of official duty or did not comply as directed with the Chief Counting Officer’s directions. The Commission’s procedure for evaluating performance of services in relation to Schedule 3 of the Act can be found on our website.

1.25 These arrangements are intended to make the system flexible, transparent and straightforward for you to implement. These Guidance Notes cover England, Wales, Scotland and, where applicable, Northern Ireland and Gibraltar.

1.26 It is the Commission’s intention to publish the data from the claims from this referendum as we did in our report on the costs of the 2011 Referendum on the Voting System. We are happy to receive suggestions from Counting Officers and their teams as to what information or analysis would be beneficial to them in respect of highlighting good practice and achieving value for money.

2 Referendum claims – legislative background

Political Parties, Elections and Referendums Act 2000

2.1 The Political Parties, Elections and Referendums Act 2000 (PPERA) provides the broad framework for the conduct of UK referendums. It provides for the Chair of the Electoral Commission to be the Chief Counting Officer for any UK-wide referendum. It also provides for the Chief Counting Officer to appoint Counting Officers for each voting area. In Northern Ireland, the Counting Officer for a UK-wide referendum is defined as the Chief Electoral Officer.

2.2 The general duties of Counting Officers are set out in Section 128(5) of PERA. They are required to certify, within the area for which they have been appointed, the number of ballot papers counted and the number of votes cast in the referendum in favour of each answer to the referendum question.

2.3 The general duties of the Chief Counting Officer are set out in Section 128(6) of PERA. The Chief Counting Officer is required to certify, for the referendum area as a whole, the total number of ballot papers counted and the total number of votes cast in the referendum in favour of each answer to the referendum question.

2.4 Section 129 of PERA provides powers for the Secretary of State to make further detailed provisions for regulating the conduct of a referendum to which the Act applies. Additional legislation must be made to enable a referendum to take place.

2.5 The Act also gives the Commission responsibility for:

- commenting on the wording of the referendum question
- registering campaigners
- designating lead campaign organisations
- regulating campaign spending and donations
- giving grants to lead campaign organisations
- conducting the poll

European Union Referendum Act 2015

2.6 The European Union Referendum Act 2015 received Royal Assent on 17 December 2015. It provides the detailed legal framework for the conduct of the referendum on the UK's continued membership of the European Union. The referendum is one to which the provisions of PPERA apply.

2.7 Paragraph 7 of Schedule 3 to the Act specifies that Counting Officers are responsible, in the area for which they are appointed, for counting the votes cast in the referendum. Paragraph 3 of Schedule 3 to the Act makes provision for those appointed as Returning Officer in respect of particular elections to become the Counting Officer at the referendum without the need for an appointment to be made by the Chief Counting Officer.

2.8 In England, the person who has been appointed as the Returning Officer for local government elections will be the Counting Officer in that voting area. The Counting Officer for a voting area that is a county or a county borough in Wales is the person who is the Returning Officer for elections of councillors of the county or county borough.

2.9 The Counting Officer for a voting area that is a local government area in Scotland is the person who is the Returning Officer for elections of councillors of the local government area.

2.10 The Counting Officer for the Isles of Scilly voting area is the person who is the Returning Officer for elections to the Council of the Isles of Scilly and the Counting Officer for the Gibraltar voting area is the Clerk to the Gibraltar Parliament.

2.11 The Counting Officer for the Northern Ireland voting area is the Chief Electoral Officer for Northern Ireland.

2.12 Paragraph 7 of Schedule 3 to the Act specifies that the Chief Counting Officer may give Counting Officers directions about the discharge of their functions, and paragraph 7(8) provides that: "A person to whom a direction is given under this paragraph must comply with it."

2.13 Schedule 3 of the Act provides that Counting Officers and Regional Counting Officers are entitled to recover their charges for services rendered or charges incurred in connection with the referendum from the Commission.

2.14 The total overall amount that a Counting Officer or Regional Counting Officer can recover for the services rendered and the expenses incurred in connection with the referendum is set out in a separate Order made by the Secretary of State. Fees and charges are recoverable provided that the services were necessarily rendered or the expenses were necessarily incurred for the efficient and effective conduct of the referendum.

2.15 In addition the Commission may, with the consent of the Treasury, authorise the payment of more than the maximum recoverable amount if it is satisfied that it was reasonable to render the services or incur the expenses in question and that the charges for them were reasonable.

The Referendum on the UK's membership of the European Union (Counting Officers' and Regional Counting Officers' Charges) Regulations 2016

2.16 The Charges Order, which for the referendum covers the whole of the UK and Gibraltar, is made under Schedule 3 of the 2015 Act and is structured in a similar way to the Charges Orders for the European Parliamentary elections in England and Wales in 2014 and the 2015 UK Parliamentary election. The Order contains schedules which list each voting area and alongside them sets out the maximum amounts recoverable by Counting Officers in respect of the specified services rendered and the specified expenses incurred for or in connection with the referendum together with the total of these figures – the overall maximum recoverable amounts for each voting area.

2.17 The Charges Order also lists what constitutes a Counting Officer's specified services. These include conducting the referendum, discharging the Counting Officer's duties at the referendum and making arrangements for the referendum. The Order sets a maximum recoverable amount for services of the description specified for each authority. Under paragraph 16 of Schedule 3 to the 2015 Act the Commission has the power to reduce or remit the fee of any Counting Officer if they are held not to have performed their services adequately. This might be the case, for example, if a Counting Officer was found to be in breach of official duty or did not comply as directed with the Chief Counting Officer's directions. The Commission's procedure for evaluating performance of services in relation to Schedule 3 of the Act can be found on our website alongside this guidance at:

<http://www.electoralcommission.org.uk/i-am-a/electoral-administrator/eu-referendum>

2.18 Similarly the Charges Order lists what a Counting Officer may claim in respect of any of the specified expenses. These include providing and paying staff, conducting the referendum and the count and all the ancillary activities necessary to discharge the Counting Officer's functions. Again, the Order sets a maximum recoverable amount for expenses of the description specified for each authority.

2.19 All this legislation is available from the Government website www.legislation.gov.uk

The Counting Officers', Regional Counting Officers' and Chief Counting Officers' Accounts (European Union Referendum) Regulations 2016

2.20 These Regulations set out the time and manner in which Counting Officers' accounts must be submitted. The Regulations require accounts to be submitted before the end of 23 December 2016. They also set out the documents to be submitted with the accounts and the form of the accounts.

3 Accounting requirements

National Audit Office

3.1 In recent years the National Audit Office (NAO), has shown particular interest in the submission of accounts in respect of election expenses. Because of the failure to submit accounts on the part of some Returning Officers, the National Audit Office qualified its opinion on election accounts in all years between 2002 and 2009. However more recently the reporting for the years 2009 to 2013 were not qualified reflecting the improved timeliness of the submission of accounts.

3.2 The Commission, if directed to do so by the Treasury, must prepare accounts which set out the expenditure in relation to the referendum. The Chief Executive of the Commission is the Accounting Officer with responsibility for preparation of the accounts and wishes, in the interests of the community of election professionals across the United Kingdom, to be able to submit an unqualified set of accounts. We therefore want to ensure that the accounts provided by all Counting Officers not only arrive within the deadline, but meet best accounting practice. These notes are intended to provide the necessary assistance to enable that to happen.

General requirements

3.3 The use of public money to meet referendum expenses requires proper, auditable accounting and transparent presentation. Whatever is claimed requires appropriate supporting documentation which can be verified if necessary and which meets best accounting practice. Even if you are submitting your accounts using the electronic forms, they will still need to be supported by hard copies of the relevant documentation depending on whether the claim is subject to the plain accounts, light touch or full scrutiny regime. Authorisations will also need to be submitted in hard copy (separately from, and in addition to, the electronic forms) and signed personally by those with the authority to do so.

3.4 **You are therefore advised to read this chapter carefully to ensure that your accounts meet the requirements.** Please also ensure that anyone involved in assisting you in completing your accounts is also familiar with the contents of this guidance and this chapter in particular.

Specific requirements

3.5 All hard copies of accounts and supporting vouchers or invoices must be completed **either in typescript or in pen**. Pencil is not acceptable and any documents submitted in pencil will be returned for re-submission in the correct format.

3.6 Accounts and supporting documents **must not be altered using correction materials**. This applies especially to the Summary of Accounts form, (Form A), which you personally certify as correct. Any improperly completed documents will be returned for re-submission.

3.7 All payments made must be supported, preferably by a scanned or hard copy of original invoices certified by the Counting Officer. These may need to be provided to ECU depending on which scrutiny category you are in. Original receipted vouchers or invoices should be collected by the Counting Officer and you should take care to preserve these safely. This evidence of expenditure may subsequently be requested by the Commission and/or the National Audit Office for audit purposes.

3.8 HMRC now requires Real Time Information in relation to staff arrangements. As a result the submission of individual vouchers, (P528s), will no longer be necessary to support each claim. Where supporting documentation is required it will be sufficient for printouts from EMS or similar systems to be provided with the expenses forms. These should be signed by the Counting Officer or Deputy with full powers if the Counting Officer is not available.

3.9 It is not necessary to enter individual staff payments into the claim form. Instead it will be sufficient to set out the type and number of staff employed on a particular task as well as their fee and total cost (e.g. 40 Polling Clerks x £[rate allocated] = £[total]).

3.10 However, you should note that Counting Officers will be required to provide additional details, in Form L, of any individual who has received payments across each of the expenditure heads of, or in excess of, **£2,500**. This must include:-

- A breakdown of the tasks performed;
- The rate at which they were paid;
- The number of hours worked.

These provisions will allow the scrutiny of staff payments to be made without the need for local authorities to submit signed vouchers in respect of each individual payment and should allay concerns that allowing the recovery of items without supporting documentation will increase the risk of invalid or fraudulent expenditure. **Claims for staffing will not be paid unless the breakdown requested is provided.**

3.11 Where no supporting documents are available you should inform ECU before submitting the claim to explain why that is the case. The ECU may in **exceptional circumstances** be prepared to accept the following, **and only by prior agreement**:

- photocopied vouchers, as long as they have been personally certified by the Counting Officer (or a properly authorised deputy) as a true copy of the original vouchers;

- cross-referenced original bank statements or paid cheques in lieu of individual receipts, together with a description of the expenditure if they are not already self-explanatory; or
- where the original receipted documentation is impossible to retrieve or is otherwise unavailable and neither of the above bullet points apply (but only in those circumstances), a personal declaration from the Counting Officer (or a properly authorised deputy) that the payments have been made and the figures are accurate. **You should note that the NAO has reiterated that personal declarations should only be made in exceptional circumstances and we would expect you to make every effort beforehand to obtain original supporting documentation. Where a claim contains a number of personal declarations then we will query your submission and challenge you to make further efforts to obtain supporting documentation before your claim can be settled. This process is likely to severely delay the payment of any balance owed.**

3.12 We also reserve the right to refuse to pay for any parts of your claim where a reasonable explanation cannot be provided for the absence of supporting material.

3.13 All vouchers and invoices must be clearly numbered to indicate how they relate to the entries on the covering forms or the electronic accounts, and in the order they are shown on those forms or accounts.

3.14 Where a voucher or invoice covers several items of expenditure across different heads of accounts, the document (when required as supporting evidence) must be positioned where the first item appears in the covering form. Subsequent items can then be listed on the appropriate form and cross-referenced to that first appearance, or a cross-referenced photocopy may be positioned accordingly. Electronic accounts should cross-reference to the relevant supporting documentation.

3.15 If you are unsure of what to do in any particular case, the ECU will be happy to provide advice. It is better to ask in advance rather than take a decision which may result in rejection of all or part of your claim at a later date.

Checking your accounts

3.16 The use of public money to meet referendum expenses requires proper, auditable accounting and transparent presentation. Whatever is claimed requires appropriate supporting documentation which can be verified if necessary and which meets best accounting practice. Some Counting Officers may have access to professional accounting, auditing or bookkeeping services and /or advice within their local authority. Although we recognise that for these purposes you are acting outside the jurisdiction of the local authority for the purposes of running the referendum and that local

authority accountants or internal auditors have no official role in relation to these matters, they may be able to assist in checking or quality control of your accounts. Professional accountants or auditors – even if they are not specialists in electoral accounts – may be able to help you in advising on accepted accounting standards, in pointing out deficiencies, and in suggesting improvements to the presentation of your accounts.

3.17 Whilst we recognise that this is a decision for you, the Counting Officer, we recommend as good practice involving some independent and suitably qualified person such as a professional accountant or auditor in either the preparation or quality control of your accounts to help ensure that they meet the required accounting standards. This should help to minimise any subsequent enquiries from the ECU.

3.18 There is no specific allowance for an internal bookkeeper in the allocation. However, we will consider paying reasonable costs in using a bookkeeper under Head J4 (Costs of materials and services) provided they are reasonable and within your overall maximum recoverable amount.

3.19 Counting Officers are strongly advised to open separate bank or building society accounts for their initial advances and subsequent referendum expenditure. This ensures that the funds are kept separate from local authority money and that the expenditure can be easily accounted for. It also ensures that lines of accountability and responsibility are clear and that only staff directly authorised by the Counting Officer have access to the accounts.

3.20 If other arrangements are entered into (such as using a local authority bank account), Counting Officers should ensure that there is suitable separation of funds and that accountabilities are clear.

3.21 We recommend that advances are held in interest-bearing accounts. Any interest which a Counting Officer receives on a bank account which is opened for the purposes of the referendum must be returned to ECU when your claim is submitted.

4 Regional Counting Officers, Local Counting Officers and deputies

4.1 At the referendum the Chair of the Electoral Commission is the Chief Counting Officer. The Chief Counting Officer has in turn appointed Regional Counting Officers to assist with the organisation of the referendum in each of the UK European parliamentary regions, except for Northern Ireland where there is a single Counting Officer. Each individual counting area within the regions also has a Counting Officer.

4.2 Each type of officer has different functions and therefore has different spending and accounting responsibilities. These are summarised below. Subsequent chapters deal with the detailed requirements under the appropriate spending head. Unless otherwise specified or the context requires, throughout this guidance the term “Counting Officer” covers both the Regional Counting Officer and Counting Officer posts.

Regional Counting Officers

4.3 The role of the Regional Counting Officer includes planning and co-ordination at a regional level, managing the collation of regional count totals and reporting those totals to the Chief Counting Officer.

4.4 Regional Counting Officers can recover their charges for services necessarily rendered and expenses necessarily incurred for the efficient and effective conduct of the referendum. The Charges Order lists the specified services and sets out the maximum recoverable amount for these services. Similarly it lists the specified expenses and the maximum recoverable amount for these expenses. The total of these two amounts is the overall maximum recoverable amount available to Regional Counting Officers.

4.5 Regional Counting Officers are only responsible for preparing and submitting the accounts for their own activities. They are **not** responsible for preparing and submitting accounts for all Counting Officers in their region although they will all also be Counting Officers in their own right and be required to prepare and submit separate accounts for their activities as a Counting Officer.

Counting Officers

4.6 The role of a Counting Officer includes managing the conduct of the poll in their local area, counting the votes and passing the local area totals to the Regional Counting Officer.

4.7 Counting Officers can recover their charges for services necessarily rendered and expenses necessarily incurred for or in connection with the referendum. The Charges Order lists the specified services and sets out the maximum recoverable amount for these services. Similarly it lists the specified expenses and the maximum recoverable amount for these expenses. The total of these two amounts is the overall maximum recoverable amount available to Counting Officers.

4.8 Counting Officers are responsible for preparing and submitting the accounts for their own activities.

Deputies and authorised signatories

4.9 We recognise that Counting Officers may wish to appoint deputies (or deposes in Scotland) to act on their behalf. There is, therefore, provision for the appointment of deputies who can also be given delegated powers to sign documents instead and on behalf of Counting Officers, should those officers be unavailable. Deputies who are given responsibility for covering the entire range of the Counting Officers' duties are referred to as "deputies with full powers". Other deputies may be given limited powers to exercise responsibility over specifically identified areas or functions.

4.10 The ECU will accept documents signed by deputies **only** when they have been notified of their identity in advance, provided with specimen signatures against which subsequent signatures can be checked, and supplied with a copy of their letter of appointment signed by the relevant Counting Officer. Form B is available for this purpose.

4.11 In general it is preferable for the use of such deputies to be restricted, both as to function and to numbers. Whenever possible the relevant Counting Officer should sign documents personally. Only when it is absolutely essential should delegated powers to sign documents be called upon. It should not be necessary to appoint large numbers of deputies at one time. In addition, their specific functions and the extent of the delegation should be made clear when they are appointed. This not only ensures that Counting Officers are fully engaged in the preparation and submission of their accounts and cognisant of their progress and content, it also establishes a clear and verifiable audit trail back to the responsible authority and lessens the risk of misunderstanding.

4.12 There is no specific fee for Deputy Counting Officers. The Cabinet Office's funding review highlighted a number of instances where claims had been submitted in respect of "DRO fees". **Please note that there is no provision for this in the Charges Order or elsewhere in legislation.**

4.13 Counting Officers are able to allocate some or all of their own fees to deputies, but will not receive any further contribution over and above this amount for a fee for deputies

5 Initial and further advances

Terms of advances

5.1 The European Union Referendum Act 2015 allows the Commission to make advance payments to Counting Officers on such terms as it thinks fit to cover the costs of the referendum. The following paragraphs describe the terms on which the Commission will make advance payments.

Initial advance

5.2 Initial advances will be distributed to Counting Officers as soon as possible once the Charges Order has come into force. **Payment of the advances is contingent on the Commission having received notification from each Counting Officer of the bank account details to which payments should be made.** Form C is available for this purpose. Any changes to bank account details should be notified to the Commission using a further Form C.

5.3 Payment will be made direct to the notified bank account and no acknowledgement of receipt is required. Form C must be signed by the relevant Counting Officer to confirm that they have read and accept the terms on which the advance has been made. These terms are:

- the Counting Officer will account properly and on time for any advances;
- the Counting Officer will repay any unspent funds that have been advanced to them;
- the Counting Officer will use any advances only in accordance with the provisions in the Charges Order; and
- the Counting Officer has read and understands the compliance measures and possible sanctions that can be applied.

5.4 The amount of the initial advance will be **75% of the maximum recoverable amount** specified in the Charges Order in respect of a Counting Officer's **expenses** in each counting area.

5.5 Payment for a Counting Officer's **services** will on this occasion be made in two instalments. 75% of the fee will be paid after polling day in the week commencing 27 June 2016, and the remaining 25% after accounts have been submitted and settled.

Further advances

5.6 As at previous electoral events, provision for further advances has been made for those Counting Officers who are faced with unexpected higher costs which cannot be covered by the initial advance. Further advances of this kind will only be made when a special application has been made with supporting evidence. Evidence of further need will need to be produced, for example a breakdown of the costs and payments made to date and copies of the invoices awaiting payment together with an explanation for the need for the further advance.

5.7 A further advance of 15%, up to a maximum of 90%, of the overall maximum recoverable amount for expenses published in the Charges Order will therefore be made available to those who may need them. However, **a further advance cannot be used to claim for the total outstanding balance of your actual spend on the poll.** In order to have your claim settled in full you must submit your account.

5.8 Form D is available for the purpose of applying for a further advance. It requires confirmation that you have read and understood this guidance and the conditions upon which advances are made. The Commission will liaise with the ECU and ensure that applications for further advances will be dealt with promptly, as long as they are alerted to the submission of the application, and it is accompanied by the correct supporting documentation.

5.9 No Counting Officer will receive in advances more than 90% of the total amount for expenses shown in the Charges Order. Any balance which might be due after initial and further advances are taken into account will not be settled until the accounts have been received and scrutinised and any queries answered satisfactorily.

5.10 Additionally, no further advances will be made to any Counting Officer for applications made more than one month after the date of the referendum, i.e. made on or after 24 July 2016. If there is a need for further funds at this stage, the full claim should be made so that the account can be settled and the balance due paid. The ECU should be alerted to any outstanding unpaid invoices.

Use of advances

5.11 Advances made for the UK referendum must not be used to offset payments in respect of any other elections, such as local elections. They must only be used for expenses in connection with the UK referendum itself.

6 Making a claim

Time limits

6.1 The 2015 Act gives the Commission the power to make regulations specifying when and in what format accounts must be submitted. We have determined that accounts must be submitted before the end of 23 December 2016. However as stated in para.1.11 Counting Officers who fall within the “Plain Accounts” and “Light Touch” scrutiny categories are encouraged to submit their accounts well in advance of that deadline.

6.2 The reasons for this deadline are :

- It is good practice to account for expenditure promptly, before memories fade and whilst details are fresh in the mind and evidence to support claims is usually more readily available;
- It ensures that public funds are accounted for properly and with documentary evidence available to audit within a reasonable time, whilst giving those responsible for completing them adequate time to do so;
- It allows for lessons to be learned and adjustments made before the next round of electoral events; and
- It enables the whole process to be open and transparent and gives the public and the UK Parliament the opportunity to be assured that the referendum has been conducted and paid for correctly.

6.3 Missing the deadline for submission will result in these aims not being met. In particular the overall referendum accounts which the Commission has a statutory responsibility to prepare and submit cannot be completed fully. The Commission does not wish to be in a position of having the accounts qualified because of late returns by Counting Officers and having to report this fact to Parliament.

6.4 Reminders will be sent to Counting Officers via ECU at set intervals before the deadline informing them that their accounts are due and warning them of the consequences of failure to submit them on time. Every chance will be given for proper and timely compliance. However, as a general rule we will refuse to consider claims or accounts that arrive after the deadline.

6.5 This does not, however, absolve Counting Officers of their duty to account for their spending. Accounts will still be required, even if the deadline has been missed and even if no money is owed on either side. Counting Officers will be pursued for the submission of their accounts until they have been received.

6.6 In addition, Counting Officers are reminded that the Commission will not be paying the remaining 25% of the overall maximum amount for their services until the final accounts are cleared.

Incomplete accounts

6.7 If you think that you may not be able to complete your accounts on time for any reason, you must contact the ECU as soon as possible to explain the circumstances and to obtain advice.

6.8 If the Counting Officer has a valid reason s/he can apply to the ECU for an extension of time for submitting the whole account. It is no longer possible to submit an incomplete account. However the Counting Officer must do this at least 2 weeks before the deadline for the final submission of accounts, i.e. by 9 December 2016. The Counting Officer will need to give the reason for the delay and the anticipated date that the accounts will be submitted.

6.9 It will be for the Accounting Officer to decide whether the reason for delay is satisfactory and whether the proposed date for submission of completed accounts is reasonable. S/he can require completed accounts to be submitted at an earlier date if s/he is not satisfied with the reasons.

6.10 Where a Counting Officer fails to submit an account by the deadline or any agreed extension the Commission will regard the monies as not being accounted for and may require the immediate return of the full advance.

Combination Provisions

6.11 There is no provision within the legislation for any other electoral event to be combined with the referendum poll. Should a Counting Officer decide that another poll needs to take place on the same day as the referendum in all or part of their area then the costs of any such poll will be the responsibility of the relevant Counting/ Returning Officer and cannot be included in a claim for the referendum.

Form of claim

6.12 To support the system of assessing claims and preparing accounts, a suite of forms has been developed. These are modelled on the forms used at the last European and UK Parliamentary elections. The forms are available electronically from ECU or from our website at:

<http://www.electoralcommission.org.uk/i-am-a/electoral-administrator/eu-referendum>

Forms A, B, C and D will be required in hard copy as these require original signatures. Some of these forms will need additional supporting documents

listing the detailed amounts expended, as well as original invoices or vouchers as evidence depending on the scrutiny category.

6.13 The forms are as follows:

- Form A - Summary of accounts (hard copy required)
- Form B - Appointment of deputies with full powers (hard copy required)
- Form C - Bank account details (hard copy required)
- Form D - Application for further advance (hard copy required)
- Form E - Counting Officers' services
- Form F - Polling station costs
- Form G - Postal voting costs
- Form H - Poll card costs
- Form I - Count costs
- Form J - Other costs
- Form L - Transparency of staff costs
- Form M - Equipment record

6.14 Counting Officers will need to complete one set of forms for each counting area for which they are responsible. All forms must be completed, except for form B (the appointment of deputies) and form D (further advance application), both of which are only needed for those specific purposes, and Form M. Form M is for providing contextual information only for Cabinet Office relating to purchase of equipment in previous years, and does not apply to Counting Officers in Scotland, Northern Ireland or Gibraltar. Information about completing the forms is contained in the relevant chapters of this guidance.

Over and under spending

6.15 It must be stressed that the figure for expenses in the Charges Order is the **maximum recoverable amount**. That means that you should not automatically expect to spend all the money which has been allocated. It represents what, in the view of the Commission, is a reasonable amount to run the referendum. You should make every effort to limit your expenditure and you must only spend on what is necessary for the efficient and effective conduct of the referendum.

6.16 The funding system now provides flexibility for you to manage the amount allocated and account for it accordingly. We expect, therefore, this flexibility to offer opportunities for realising value for money savings where possible.

6.17 Nevertheless, we also recognise that there may be occasions when, because of an emergency or special circumstance, particular functions will cost considerably more than expected. Examples might be multiple recounts or unexpected security alerts requiring extra staffing or special equipment at short notice. Where these extra costs are unavoidable, unexpected **and** clearly necessary for the efficient and effective running of the referendum

and these costs cannot be absorbed by cost reductions elsewhere, there is flexibility for us to consider making additional funds available. We have discretion to authorise the payment of more than the overall maximum recoverable amount in a particular case, but only if it was reasonable for the Counting Officer to incur the spending, and if the charges themselves were reasonable. **You should not assume that our discretion will be automatically exercised for any overspend**

6.18 We would not expect Counting Officers to inform the ECU of any anticipated underspend. The accounts will reveal the details when they are submitted.

6.19 If there are special circumstances that you think may require extra funding you should make the Commission aware of it **as soon as possible**, preferably before the spending has been incurred, but if not, as soon after as is reasonable.

6.20 If such emergency spending is incurred which is not notified in advance or as soon as is practicable after the event, we reserve the right to refuse to reimburse it.

Submitting your claim

6.21 Electronic versions of the forms are available from ECU, and our website, and should be used to submit your claim. Only if it is not possible to use that format should hard copy, paper versions be submitted.

6.22 Accounts should be submitted to the ECU within the deadline by e-mail and / or by post. The ECU will acknowledge receipt of your accounts within five working days.

6.23 If you do not receive an acknowledgement within that time, you should check that the message or the accounts have arrived safely. It is your responsibility to ensure that the accounts are submitted – you should not assume that they have arrived in the absence of an acknowledgement.

Checking your claim and reconciliation

6.24 The ECU will usually examine the accounts submitted to them in the order in which they are received and as soon as possible after receipt. However, the Commission reserves the right to prioritise the examination of the accounts of those Counting Officers which we believe might pose a greater risk. There are also likely to be times when there are a large number of claims submitted at once so a delay in processing might occur at these times. On acknowledgement of receipt of your claim, ECU will be able to let you know how long it is likely to take to process it based upon the number received and outstanding at that time. The Commission will monitor the process to check for any delays.

6.25 Accounts will be scrutinised carefully to ensure that they are sufficiently supported by evidence of payment, and to identify any anomalies and any exceptional or unusual payments. We will need to check that payments have indeed been made; that they have been made for the correct purposes; and that the amounts paid are reasonable and only necessary for the effective and efficient running of the referendum.

6.26 There will, of course, be a certain amount of leeway which the flexibility of the system is aimed at enabling. But where costs of functions appear to be either significantly above or below average and there is no accompanying explanation, we will seek further information to identify the cause. **It is therefore helpful to include any explanation of significant variances with your claim.**

6.27 Where ECU ask you to respond to a request for further information, we would expect you to reply within five working days from receipt of the request. This will enable us to move to settlement of claims in the shortest possible time.

6.28 Counting Officers in the Plain Accounts and Light Touch categories are strongly encouraged to submit their claims as early as possible. There is less work to do in providing supporting documentation on these claims and getting them settled early means more complete claims received later can also be dealt with in a more timely fashion.

6.29 After the accounts have been settled, the Commission, the ECU and the Government will study the figures to help inform the funding of future polls and provide the basis for revisions of the calculations where necessary. It may be that, where anomalies or exceptional payments are identified, we will want to come back to Counting Officers for further information. You should therefore be prepared to provide that, when requested.

6.30 Once the accounts have been cleared, the Commission will arrange for any reconciliation payments for expenses to be made, either by requesting reimbursement of funds from Counting Officers, or by arranging for the payment of whatever is due to them after deduction of any advance payments. Final payment will also be made for the balance of fees payable for Counting Officers' services. Payment will be made direct to the notified bank account within five working days following clearance of the accounts by ECU and the Commission being notified, and no acknowledgement will be required.

7 The approach to the scrutiny of accounts

7.1 Prior to the 2014 European Parliamentary election, all claims had to be submitted with all supporting evidence in relation to expenditure made for

the election. Following a consultation with stakeholders in 2013, findings showed that most Returning Officers felt that this was too onerous and it attracted a cost and time resource for all those involved in the claims process.

7.2 The new model, introduced in 2014, adopted three levels of scrutiny:

- **Plain accounts**
- **Light touch**
- **Full scrutiny**

7.3 The table below sets out what is required under each category of scrutiny. We will adopt a risk based approach to selecting which category a Counting Officer will be placed in although this will be supplemented by a system of random selection. However we reserve the right to amend the categories in the light of any conclusions and recommendations from the National Audit Office (NAO) on the revised methodology.

Category	Claim Form	Evidence for ALL purchases	Evidence of Printing	Evidence for payments to staff	Evidence for payments \geq £2,500	IT software / licence invoice	% of Claims in this category
Plain Accounts	✓	✗	✗	✗	✓	✓	20%
Light Touch	✓	✗	✓	✓	✓	✓	60%
Full Scrutiny	✓	✓	✓	✓	✓	✓	20%

7.4 Whilst the majority of Counting Officers will not be required to submit additional evidence in support of their claim all Counting Officers should retain all invoices and evidence for audit purposes for a period of 6 years. The National Audit Office will be randomly selecting a sample of Counting Officers in each category to perform an audit.

7.5 The National Audit Office may carry out site visits to a number of Counting Officers in the Plain Accounts category as part of their audit. The rationale for this is that additional checks may be required to ensure that all evidence is collected and retained by Counting Officers, even though they are not required to submit this as part of their claim, to ensure that all expenditure can be backed up and justified with evidence.

7.6 For **PLAIN ACCOUNTS** Counting Officers will need to account for all expenditure (under each expenditure head). However, they will **not** be required to submit any accompanying vouchers, invoices or receipts except for:

- IT software/licence invoices;
- Single payments of £2,500 or more to a member of staff; or
- An aggregate total of £2,500 or more across all the expenditure heads to a member of staff;

- £2,500 or more for a single capital item.

7.7 Vague or ambiguous descriptions in the forms may require the ECU to query the expense. This may, in turn, lead them to require the supporting document(s) in respect of the relevant expense, even for those Counting Officers subject to plain accounts scrutiny.

7.8 If the claim exceeds the MRA, it will automatically become a full scrutiny account and the Counting Officer will need to provide **all the evidence** in relation to the claim.

7.9 In regard to **LIGHT TOUCH** scrutiny Counting Officers will need to account for all expenditure (under each expenditure head) however, they will not be required to submit any accompanying vouchers, invoices or receipts except for:

- IT software/licence invoices;
- Single payments of £2,500 made to a member of staff; or
- An aggregate total of £2,500 across all the expenditure heads to a member of staff;
- Printing (poll cards, ballot papers, postal voting statements etc.);
- Payments to staff that cannot be recorded elsewhere (J1) (previously General Clerical); and
- Postage (poll cards and postal votes).

7.10 Vague or ambiguous descriptions in the forms may require the ECU to query the expense. This may in turn lead them to require the supporting document(s) in respect of the relevant expense.

7.11 If the claim exceeds the MRA, it will automatically become a full scrutiny account and the Counting Officer will need to provide all the evidence in relation to the claim.

7.12 Counting Officers who are subject to **FULL SCRUTINY** will be required to submit evidence in respect of **all expenditure**.

8 General advice on what you can claim

8.1 As mentioned in paragraph 1.19 we specifically require you to contact the Commission via ECU to request approval before you incur any costs in the categories listed below. We recommend you contact ECU before committing to the expenditure if you have any uncertainty as to whether you can claim :

- Use of consultants for the delivery of the poll;

- For any unusual or novel costs (for example, the procurement of any “non-standard items” of equipment or services which you intend to use for the poll);
- IT and any other technological equipment.

We will not pay these costs unless prior agreement has been obtained.

8.2 Although Counting Officers act in a statutorily independent capacity, we do not see any issues with the use of existing local authority frameworks / contracts where these achieve value for money.

8.3 While we recognise that Counting Officers may prefer to use trusted service providers, we also expect them to use the most cost efficient option available. For items such as printing and postage / delivery, this may involve a change in supplier in order to benefit from lower rates or a greater discount

Equipment costs

8.4 The cost of purchasing equipment (e.g. polling booths, ballot boxes and other “capital” items) must be apportioned to reflect the fact that the equipment may be used at future elections. You cannot claim for the full cost of equipment which may also be used at other electoral events – just the proportion of their cost for this referendum and in this voting area. To do this you must take into account the value of the equipment and divide it by the number of scheduled polls that are known about at the time of purchase and which will occur in the lifetime of the equipment. If additional polls are introduced during the lifetime of the equipment (for instance, council and parish by-elections, neighbourhood planning and council tax referendums, Parliamentary by-elections, local authority governance referendums, national referendums) these will have no effect on the initial apportionment for payments that have been agreed. Overall, a local authority will be likely to benefit from that calculation as they will be more likely to have unscheduled local polls and any residual scrap value will sit with the local authority.

8.5 The estimated life of equipment will vary depending on the equipment in question; its quality; the amount of use it gets; how it is handled, stored and maintained and so on. As a general rule, we would expect major items of polling station equipment such as modern polling screens and ballot boxes to last at least 15 years in regular use – that is, for most local authorities, around 6 national and up to 10 local or other elections (though some of these will be combined, of course, and there will be other, casual vacancy elections, too). Any lower estimation of the life of such equipment will need to be justified carefully (estimates of a longer life expectancy will, of course, be acceptable).

EXAMPLE

Life of equipment = 5 years				
Year 1	Year 2	Year 3	Year 4	Year 5
Local election	Local election		European	Parliamentary
1/4	1/4		1/4	1/4

If an item of equipment lasts five years and during those five years there were scheduled to be local elections in two years, a Parliamentary election and a European election, the cost would be a quarter for each of those polls to be claimed back from the relevant source of funding. In Year 4, therefore, the Returning Officer would be entitled to claim back from the Consolidated Fund $\frac{1}{4}$ of the total cost and then another $\frac{1}{4}$ for Year 5.

8.6 Your claim should make clear how you have arrived at the value of the equipment claimed for and include evidence to support that, such as invoices showing the initial cost and any advice you may have received about the useful life of the equipment or its estimated scrap value. It will not be necessary to retain all these for submission with future claims, but you should keep some records so that you can refer the ECU or appropriate body to this one when making a new claim at a future date. This is still a relatively new system and the advice contained here may not cover all eventualities or be clear enough for every circumstance. The ECU should be the first point of contact for requesting further advice and guidance on what is acceptable and on how to make a claim if it is necessary. Contact details are at the beginning of this Guidance in para 1.23.

Management software

8.7 We recognise that election management software packages are an essential tool in the management of polls. But they are a necessary cost for all elections and it is not appropriate for us to pay all the costs associated with them. We will therefore be prepared to pay the relevant percentage costs of the appropriate licences and maintenance contracts for the relevant elements of such systems e.g. PVI checking. However elements associated with other functions, such as registration, must be separated out since their

costs cannot be reimbursed as an expense of the referendum. **You should therefore be able to produce evidence, if required, of the components of your licence fee so that we can easily identify the amount you are claiming. You should also ensure that the components reflect accurately the apportionment between electoral events and registration and are not weighted disproportionately**

8.8 Counting Officers should note that, as set out in para 8.1, where any new or novel IT process that incurs a cost is being introduced we require Counting Officers to tell us in advance and obtain our approval before committing to any expenditure. There have been instances where IT based processes have been introduced that were unnecessary and have increased costs. The Commission will not reimburse the cost of any such new system beyond what the costs of any necessary process would have been.

Election equipment – acceptable and unacceptable items

8.9 Although this system of assessing and accounting for referendum expenses is intended to give you greater flexibility and reduce the level of central control on your spending, that does not mean that you are free to spend completely without constraint. You are still required to justify that the expenditure was necessary for the efficient and effective running of the UK referendum.

8.10 That means that we are not required to reimburse you for charges which fall outside of that definition. Neither are we empowered to reimburse extra spending unless it was reasonable for the expenditure to be incurred and the amount was reasonable. Over the years, precedents have been set establishing what is and is not a necessary expense, examples of which are set out in para 8.13 below.

8.11 You should bear in mind that your accounts will be subject to scrutiny by us and the ECU and that they may well also be subject to scrutiny by others who are taking an increasing interest in this area. They may question payments which could be judged as unlawful. We must therefore ensure that we have legal authority to make payments and that no unlawful payments are authorised.

8.12 In regard to mobile phones there are now very few people who do not own a mobile phone and there should be little need to hire mobile phones for anyone working on an election. Claims may be paid for call charges provided that these have been incurred wholly and exclusively for the purpose of the referendum.

8.13 The following are examples of expenditure that has, in the past, not been considered as a necessary expense for the effective and efficient conduct of the electoral event and so has not been reimbursed under the relevant Charges Order. Reimbursement for such items will continue to be refused.

- purchase of mobile telephones
- additional permanent lighting inside or outside polling places or count centres (though reasonable claims for temporary lighting may be considered)
- electric kettles for use in polling stations
- shoulder bags or luggage trolleys for polling station staff to carry equipment or papers
- special clothing for count or polling station staff e.g. T-shirts or sweat shirts
- first aid kits or employment of first aiders or St John's Ambulance staff
- coverings for count tables
- floor covering at count or verification centres
- floral / shrub or other decoration at count centres or for any stage of the polling process
- refreshments for the media, candidates, party agents, security personnel or police at the count or verification centres.
- refreshments at postal vote issue and opening
- loss of revenue at venues, such as leisure centres, hired as count or verification centres, including bar or restaurant takings, car parking fees, membership subscriptions, payment of wages for centre staff
- payment for employment of health and safety officers to undertake checks of premises and equipment
- photographs or photographers for recording any part of the referendum process
- interpreters, such as in providing specialist translation services at polling stations or the count
- Standby costs (polling staff, venue, generators etc.)
- consultancy fees (without prior agreement)
- rates of pay which are in excess of the rate for the job
- payments for the role of Deputy Counting Officer (or Deputy Officer 'fees'); project manager, elections office manager or equivalents.
- purchase of flat screen televisions, audio visual equipment, Bluetooth wristbands, mobile phone signal boosters, Wi-Fi routers or other similar items
- dedicated call centre to answer election queries
- supervision of recovery of equipment from storage
- supervision and repair of polling equipment including painting
- photography for signage/count venue
- flags or bunting at polling stations
- printed banners etc. for count centres
- resurfacing of roads
- routine hotel accommodation (such expenditure has previously been accepted only in relation to Returning/ Counting Officers or deputies on the night of the election as a result of travel distance or for health and safety reasons e.g. finishing late at the verification and count).

- taxi costs

Royal Mail sweeps

8.14 The Chief Counting Officer has directed the use of sweeps of Royal Mail mail centres in order to ensure that postal votes are received at the count centres before close of poll. This process has been undertaken at recent national elections on an ad hoc basis with the taxpayer paying when they were used for the national poll. The Chief Counting Officer wants to ensure a consistent approach across the UK in respect of the referendum and so has directed all Counting Officers to use sweeps.

8.15 Funding for Royal Mail sweeps has been provided for within the Charges Order. The cost of holding the sweeps has been negotiated with Royal Mail and will be paid for directly by the Chief Counting Officer. Each Counting Officer or local authority area will, however, be invoiced for a Royal Mail Postal Vote Licence. Where a Royal Mail postal vote product licence is not already used by the Returning Officer and would only be required for the purpose of the sweep, the full cost of that licence can be claimed. Where a Returning Officer already obtains a Royal Mail postal vote product licence for use with other products, then half of the cost of that licence can be claimed.

8.16 The Chief Counting Officer has also directed on the use of international business response licences as a mechanism to facilitate the timely return of completed postal ballot packs from outside the UK. Funding for these has also been provided for within the Charges Order.

Contingency Planning

8.17 The Electoral Commission's guidance sets out the need to plan for contingencies and gives examples of areas to consider. While it gives examples, it does not require a Counting Officer to take any specific action in terms of expenditure unlike some other recommendations it makes. However, the guidance provides for Counting Officers to take a different course based on consideration of their local area and previous experiences.

8.18 Risk and contingency planning to ensure you can deliver a successful referendum should be undertaken with the level of risk, likelihood and proportionality in mind. Seeking to cover for every possible eventuality will not be supported in reimbursement on claims. It is possible to have standby provisions that avoid or minimise expense and this should be borne in mind when considering options.

Employment of staff - transparency

8.19 Auditing bodies are increasingly paying attention to election accounts and closely scrutinising payments made to staff. We recognise that people

work hard in preparing for and delivering elections and referendums. We think it is right that staff should be reimbursed for the work that they do, considering that staff are often working additional hours in order to ensure successful outcomes. We also recognise that Counting Officers will want to utilise their experienced and responsible staff for certain activities to ensure successful delivery of the referendum. The Commission is, however, aware from some previous election claims that some areas appear to reimburse people without a clear explanation as to what it is they have done and/or at rates which appear to constitute a fee which does not exist, e.g. for deputies, and/or which appear to be excessive in relation to the task undertaken.

8.20 There is a need to be clear and transparent in setting out what has been paid to anyone working on a referendum. One of the most significant areas of enquiry on claims concerns staff payments. Where staff are working outside office hours on matters relating to the poll, such as undertaking the verification or the count or other work, it is clear that they are not already being paid to do so in some way. However, where people are undertaking tasks such as postal vote opening during the course of the working day, it is less clear where this should be funded from. There is significant disparity between Counting Officers in how they approach this and how much they claim for such activities.

8.21 Some authorities treat this as an additional task and continue to pay staff their salary while also paying additional monies from the Consolidated Fund. Others regard it as part of the work they expect their employees to do or require them to 'clock off' for that period so that they are not being paid by the local authority as well as by the Counting Officer.

8.22 Regardless of the approach taken, any reimbursement from Consolidated Fund monies must be at a rate proportionate to the task undertaken. We will not sanction payments based upon the grade of the officer undertaking the work. For example, if there are five people of different grades undertaking postal vote opening, or where there are supervisors essentially doing the same job, we would expect similar rates to be paid.

8.23 Counting Officers are reminded that Form L requires details to be provided of all staff who have received payments of £2,500 or more together with details of the tasks that they have performed, the rate at which they were paid and the number of hours they worked.

8.24 One issue that could raise concern is that of employment by the Counting Officer, or her/his deputies, of close family and/or friends. While there is no bar on such employment, it is important that the nature of the duties of any such staff are clearly itemised and all payments accounted for so that they are completely transparent.

8.25 Not only will claims be queried by the Commission where there is no clear explanation of duties performed in respect of receipt of a fee, but auditors may well identify such occurrences and seek to make further enquiries.

8.26 Counting Officers should be aware that no fee is payable for their duties other than within the overall maximum amount available for their services. They should not, therefore, be in receipt of separate payment for other duties such as supervision of postal vote issue or opening as any such duty is deemed to be included in the overall payment for their services. Any claims in respect of other such duties will not be met except for the provision of training. Any provision of training must be at a proportionate cost in relation to other training and cannot be claimed at excessive rates.

Outsourced services

8.27 It is common for Counting Officers to outsource elements of parts or all of the postal voting process. While this is perfectly acceptable any claim must only reflect what is necessary for the essential, efficient and effective running of the service and should not greatly exceed any cost of providing the same service internally. We will, therefore, not fund any costs for any special technological or computer aided services over and above that which we consider necessary. This includes services which promise additional or special levels of managed services.

8.28 When claiming for any costs in respect of a managed ballot service you should ensure that detailed breakdowns are provided for all elements of the service, and ensure that your claim reflects only those essential costs. Contractors should not object to this, but if there are any questions, you should point out that one of the aims of the new system is to introduce more transparency to the process of funding elections and referendums. You as the customer, the Government as the funding source, and the public who ultimately pay for it, have a right to know what each element of the process has cost.

8.29 Care should be taken when outsourcing any element of the referendum that the costs incurred are not greatly increased from those that would be incurred if the service were provided internally. While Counting Officers have flexibility across the various heads of spending we will question any element of a claim which greatly exceeds the average, or which we consider is above that which is necessary for the efficient and effective running of the referendum. Throughout all expenditure you should be able to demonstrate that you are achieving value for money. Where elements of a claim exceed that which is necessary for the efficient and effective running of the referendum then we may refuse to pay for all or part of those additional elements.

Claiming for Tax (VAT and income tax)

8.30 We are unable to reclaim Value Added Tax (VAT) on UK referendum expenses. You should, therefore, include VAT in all your expenses returns. All the assessments in the above chapters have been made on the basis

that VAT is included, so allowance for inclusive VAT has already been made.

8.31 Different VAT regimes apply to local and central Government. Local authorities can recover VAT in respect of statutory services under s33 of the Value Added Tax Act 1994. Central Government departments fall within s41 of that Act and may only recover VAT where it is in relation to a business activity or where the VAT is incurred in respect of certain contracted-out services listed in the Treasury contracted-out services directive.

8.32 Local authorities may therefore wish to make claims for the return of VAT on elements of expenditure which are attributable to that local authority. This is, however, an issue for discussion between the local authority and Her Majesty's Revenue and Customs (HMRC) and not something on which we can advise.

8.33 All figures in your accounts relating to payments to staff should be shown gross, not net, of income tax. Any questions on income tax matters should be made to the local Inspector of Taxes who handles the PAYE for the relevant local authority.

8.34 Questions have previously been raised about interest payments levied by local tax authorities for late payment of income tax by Returning Officers for electoral staff. It seems that practice in relation to this varies from area to area. In some areas, demands for interest payments have been made after only a few weeks delay; in other areas agreements have been reached to delay payment until, for instance, the end of the tax year without any penalty.

8.35 Counting Officers are urged to make contact with their local tax authorities before the referendum to ensure that they are clear about what is acceptable in that area. Ideally, all due income tax should be paid to HMRC as soon as possible after the poll to avoid the risk of incurring any interest payments. Failing that, agreements should be reached with the relevant local tax office to ensure that realistic deadlines are set which also avoid that risk.

8.36 In any event, we will not pay any interest payments incurred because of late payment of due tax. Counting Officers must therefore ensure that they do not incur such costs by giving suitable priority to making tax payments on time.

8.37 Real Time Information (RTI) took effect in 2014 and new tax arrangements change the duties required of all employers, requiring them to report on the payments made and relevant tax status for each of their employees as the payments are made (rather than being able to defer such reporting and payment of tax, as has previously been the case).

8.38 This has an impact on Counting Officers who employ staff, whether existing Local Authority (LA) staff or casual staff, that assist at referendums by staffing polling stations and count centres or undertaking other electoral duties including canvassers for registration work.

8.39 HMRC has provided guidance on RTI which can be found at: <https://www.gov.uk/government/publications/real-time-information-improving-the-operation-of-pay-as-you-earn>.

8.40 HMRC has stated that there is no additional funding available for implementation of this change for any employer. DCLG colleagues have recognised the changes to taxable arrangements as something which does not meet the "new burdens" principle and which, therefore, should be accommodated within existing funding.

8.41 The Commission has no additional funding available for this change. As it is not a consequence of any national poll, HMRC takes the view that any transitional costs to reach RTI compliance should be a matter for local authorities given the system will need to be in place for local elections in any event.

National Insurance

8.42 National Insurance contributions are not payable in respect of employment at any UK referendum. The introduction of RTI has no bearing on National Insurance Contribution liabilities.

Insurance and Indemnity

8.43 Counting Officers should already have their own arrangements to insure themselves against any risks they face in taking forward their statutory duties at elections. Cover may be included in the local authorities' own insurance arrangements for elections to extend that cover to referendums and Counting Officers should check what cover they have in place.

8.44 While the local authority insurance may cover certain risks, Counting Officers may also be liable for claims of a type not covered by existing insurance policies. In light of this, the Commission proposes to arrange through Parliament for a specific indemnity for the referendum to supplement the insurance policies that already exist locally. However, this indemnity will only come into force where existing insurance cover has been exhausted by the Counting Officer i.e. all claims should in the first instance be met by existing policies.

8.45 Only those claims that cannot be met by existing insurance policies will be considered.

8.46 Some existing insurance policies have 'excess' payment conditions such that the local authority is contractually obliged to meet the cost of claims up to this limit. Recovery of excesses is not covered by the Government indemnity.

Superannuation on staff payments

8.47 Counting Officers fees are not pensionable for national referendums. This decision was taken following a consultation on the pension requirements for Counting Officers fees for the purposes of national referendums and also applied in respect of the May 2011 referendum on the UK Parliamentary voting system.

COMPLETING THE CLAIM FORMS

9 Summary of accounts – Form A

9.1 The summary of accounts form is the master document which both summarises the amounts claimed and confirms that the accounts are true and accurate. It contains the totals carried forward from the accompanying forms E to L and takes account of the amounts already received as initial and/or further advances. It sets out in summary what has been expended, what has been advanced and what remains due (or owed). In addition, it seeks some further, general, data about the overall numbers of voters, as well as postal and proxy voters. The overall number of voters is the same as that used for elections – that is, the figure at the close of the register 5 days before polling day and including all those registrations determined following applications up to the 12 day deadline for registration.

9.2 The total amount recorded in part 2 of Form A – amounts claimed under each head of expenditure – should **not exceed** the total amount listed as the overall maximum recoverable amount for that authority in the Charges Order. Any underspend will not need specific explanation (although we may want to discuss with you at a later date how any significant underspends were achieved) but any overspend will need to be justified carefully in the accompanying documentation, and agreed with – or notified to - the ECU in advance wherever possible.

9.3 Once you have satisfied yourself, as Counting Officer, that the accounts are true and accurate and that the arithmetic is correct, you must sign the form to declare that, to the best of your knowledge and belief, the accounts are accurate and that expenditure has been incurred in accordance with the regulations. This is in law a personal responsibility and you will be accountable for any inaccuracies or discrepancies.

9.4 Counting Officers should sign the declaration personally. Although it is not usual, however, there may be circumstances where the Counting Officer is not available to sign the accounts off in person. In such exceptional circumstances it may be acceptable for a deputy “with full powers” to sign the declaration on behalf of the Counting Officer. Deputies doing so must ensure that they are properly authorised to do so and that they have submitted a Form B and their letter of appointment in advance.

Explaining an overspend

9.5 If an overspend has occurred you will need to provide information on:

- The reasons why the maximum recoverable amount was exceeded
- The value for money judgements which were made when committing expenditure for the referendum, e.g. what have you done to check that it is not excessive. Did you get three quotes or was this a sole supplier? Did it go out to tender etc.?
- Why all the costs were necessary and reasonable for the effective and efficient conduct of the referendum.

10 Appointing Deputies – Form B

10.1 It is recognised that Counting Officers may wish to appoint deputies (or deposes in Scotland) to act on their behalf. There is therefore provision for the appointment of deputies who can also be given delegated powers to sign documents instead and on behalf of Counting Officers, should those officers be unavailable. Form B will need to be completed with the full details of all appointed Deputies with full powers.

11 Bank Account Details – Form C

11.1 Counting Officers are strongly advised to consider opening separate bank or building society accounts for their initial advances and subsequent election expenditure. This ensures that the funds are kept separate from local authority money and that the expenditure can be easily accounted for. If a Counting Officer does choose to use a local authority bank account, rather than setting up their own, it must be very clearly distinguished and able to account for the Counting Officer's expenditure separately from the local authorities' expenditure. Form C enables Counting Officers to record the bank account details into which funds will need to be transferred following settlement.

12 Application for Further Advance – Form D

12.1 Further advances can be made at the Commission's discretion and a further 15% of the overall MRA can be advanced to a Counting Officer (to a maximum total of 90%). These advances are made for Counting Officers facing unexpected and / or higher costs which cannot be covered by the initial advance.

12.2 Payment will be made direct to the notified bank account. Form D must be signed by the relevant Counting Officer to confirm that they have read and accepted the terms on which the advance has been made. The terms are:

- The Counting Officer will account properly and on time for any advances;
- The Counting Officer will repay any unspent funds that have been advanced to them;
- The Counting Officer will use any advances only in accordance with the provisions in the Charges Order; and
- The Counting Officer has read and understands the compliance measures and possible sanctions that can be applied.

12.3 The deadline for the receipt of applications for further advances is 23 July 2016, one month after the date of the referendum. If there is a need for further funds after the date of poll, the Counting Officer is encouraged to submit the full claim in order for the account to be settled and the balance paid. ECU should be warned of any outstanding and unpaid invoices. The application for an advance post referendum will be considered in light of scrutiny levels applied to accounts. Applications will be considered on merit but it is unlikely that any application for those areas on the lowest scrutiny level will be approved.

13 Counting Officers' services

– Form E

13.1 Using Form E Counting Officers will be able to recover the amount for their specified services (as opposed to their expenses). This is also known as the “personal fee”. The Charges Order sets out a maximum recoverable amount for the services specified. **This amount cannot be exceeded.** The flexibility given to Counting Officers to allow them to pay more for some functions and less for others within the maximum recoverable amount for expenses does not apply to the personal fee. Counting Officers are not therefore entitled to claim more than the amount specified in the Charges Order as the maximum for their services although there is of course nothing to prevent them claiming less.

13.2 At the referendum the amount payable for a Counting Officer's services will be paid in two parts: 75% will be paid after polling day in the week commencing 27 June 2016, and the remaining 25% immediately following clearance of referendum accounts. However, under paragraph 16 of Schedule 3 of the 2015 Act the Commission has the power to reduce or remit the fee of any Counting Officer if they are held not to have performed their services adequately. This might be the case, for example, if a Counting Officer was found to be in breach of official duty or did not comply as directed with the Chief Counting Officer's directions. The Commission's procedure for evaluating performance of services in relation to Schedule 3 of the Act can be found on our website alongside this guidance at:

<http://www.electoralcommission.org.uk/i-am-a/electoral-administrator/eu-referendum>

13.3 The usual practice at referendums is for Counting Officers to appoint deputies to act on their behalf and in some circumstances the Counting Officer may choose to allocate all or part of their personal fee to any deputies. Where that is the case, where the amount exceeds £2,500 signed supporting vouchers or receipts should be submitted which provide details of the basis on which any amount has been paid. To ensure transparency and accountability it is not sufficient to make a blanket payment without providing a detailed justification for that payment. The claim form (form E) has a space for this information to be included. There is no means under the Charges Order for a deputy Counting Officer to be paid a separate fee from the specified expenses.

Regional Counting Officers

13.4 The Charges Order provides for Regional Counting Officers to recover a standard amount for their services. The tasks undertaken by Regional

Counting Officers are not necessarily dependent on the size of the area they administer. There is an irreducible core of activities which must be completed by all Regional Counting Officers, regardless of the number of local counting areas or the electorate in their areas.

13.5 Each Regional Counting Officer will therefore be entitled to recover for their services at the UK referendum a standard maximum of no more than £12,000.

13.6 Similar arguments apply to the expenses of the Regional Counting Officer. There is an irreducible core of activity which they all must undertake and which must be paid for, in addition to the costs of their specific functions which are calculated on a pro rata basis. The maximum amount each Regional Returning Officer will be entitled to recover is set out in the Charges Order. All these costs can be attributed to one of the heads of expenditure described below and should be claimed under those heads. So the costs in relation to the regional count, for instance, should be claimed under head I.

13.7 The other expenses of the Regional Counting Officer (for instance, to cover the appointment and payment of deputies, training costs, travel and subsistence, and other miscellaneous costs) will be recoverable under head J (other costs) and using that form.

Counting Officers

13.8 The Charges Order provides for Counting Officers to recover a maximum recoverable amount for the services specified in the Order. This amount relates to the size of the voting area for which they are responsible, and should therefore broadly reflect the amount of work required to conduct the referendum in that area. The amount has therefore been calculated in relation to the numbers of electors in the voting area, but with an underpinning minimum amount which recognises that there is an irreducible core of activity which all Counting Officers undertake, whatever the size of their voting area.

13.9 For each voting area, therefore, the Counting Officer will be entitled to recover for his services at the referendum a sum of £475 for every 10,000 electors in that area on a pro rata basis (in accordance with data previously supplied to Cabinet Office). Where the figure produced by that calculation is below £2,500, however, the Counting Officer will be entitled to a minimum of £2,500.

13.10 The amount for the services of the Counting Officer in the voting area which is the subject of the claim should be recorded on the form in the relevant box under head E1. It is not acceptable to make any relevant payments to the Counting Officer before the successful completion of the referendum and finalisation of the accounts.

13.11 For the purposes of transparency a brief outline of the activities which you as the Counting Officer undertook for the conduct of the poll, should be outlined in explanatory box 2 on Form E.

14 Polling station costs – Form F

14.1 This form documents the costs of staffing, equipping and running the polling stations. You should account for each head using the Annexes A, B, C, D and E and break down costs accordingly.

14.2 We have not used assumptions or a formula based approach to give allocations for individual heads. This gives Counting Officers greater flexibility to vary the amount they pay for certain functions within the maximum recoverable amount for expenses. However, you may still want to refer to previous information and we would expect individual amounts for Polling Clerks and Presiding Officers to be around or close to the fees paid at the UKPGE election in May 2015 of £115 and £195 respectively for the day of the poll.

14.3 There is no provision within the assumptions for reserve or standby staff to be paid a Presiding Officer or Poll Clerk fee. Although it is best practice to ensure that there are staff available to cover in the event of emergencies, payment should be made only for the duties that they perform. Payment may be made for training attended by reserve staff but any such payment must reflect actual and real costs incurred in attending such training. Consideration must also be given to how many staff may be required to be on standby, based on previous experience of dropout rates, so that value for money in providing training can be demonstrated. Any payments made under this category should be met from within the overall assumed costs.

14.4 The head F3 “Supervising Officer” is intended to cover staff that act as Polling Station Inspectors, as well as any other ancillary staff employed on activities attributable to setting up and managing polling stations.

14.5 If staff are paid through a payroll system, you must ensure that arrangements are made to exclude National Insurance contributions, as these are not payable in respect of the referendum.

14.6 The amount claimed at Head F6, Training, is the cost incurred by staff in attending training sessions, in recognition of the fact that they may have to take time off to attend. It is not intended to cover the costs of providing the training, which is covered elsewhere (in ‘Other Costs’ – form J).

14.7 Counting Officers must be careful to ensure that fees paid under this head reflect actual and real costs. If, for example, staff are not required to take time off to attend a training session or did not incur travelling expenses then there is no justification for paying a fee. Similarly, any flat rate paid must be clearly justifiable and beyond challenge.

14.8 Heads F7 and F8 relate to accommodation. Schools and some other public buildings should be available to Counting Officers free of charge, with

the exception of maintenance (heating, power and lighting) costs. We recommend that Counting Officers assess the requirements for their polling stations individually. We will not be funding blanket claims for equipment or heating without any assessment having been made as to whether those polling stations required it specifically. While we do not require details to be provided for individual polling stations, we may request evidence to be provided which shows that you have considered them.

14.9 There is no provision for reserve or standby venues to be reimbursed. Although it is best practice to ensure that there are arrangements in hand to provide cover in the event of emergencies, payment should be made only for those that are actually required for the efficient and effective conduct of the poll in those special circumstances. It is not reasonable for payment to be made for dual provision of facilities. Any payments made under this category should be met from within the overall assumed costs.

14.10 The cost of polling station equipment is covered at Head F10. You cannot claim for the full cost of equipment which may also be used at other electoral events, just the proportion of their cost relevant for this referendum and in this voting area. Invoices and other vouchers should be retained for future claims.

14.11 We expect major items of polling station equipment such as modern polling screens and ballot boxes to last at least 15 years in regular use. Any lower estimation of the life of such equipment will need to be justified carefully in your claim. Estimates of a longer life expectancy will, of course, be acceptable. Form M should be used to keep a record of equipment purchased.

14.12 Head F11 relates to the cost of producing and printing the Ballot Papers for use in the polling stations and not those for postal voting.

14.13 For the purposes of this guidance, and in accordance with usual practice, it has been assumed that the printing of ballot papers will be undertaken by the Counting Officer, even though the Regional Counting Officer has the power to arrange this themselves. Claims for reimbursement of ballot paper printing expenses should therefore be made by Counting Officers.

14.14 Should a central ballot paper printing contract have been entered into, however, by the Regional Counting Officer, or by a group of Counting Officers, arrangements should be made for the contractor, as part of the contract, to identify the costs separately so that they can be accounted for appropriately.

14.15 The total amounts for each head of expenditure calculated on the supporting forms will be transferred automatically to the relevant line at part 2 of Form F and totalled.

14.16 In **ANNEX A** each of the payments to staff must be accounted for under the appropriate head of expenditure. Thus payments to Presiding Officers are Head F1, those to Poll Clerks are Head F2, those to Supervising Officers are Head F3 and so on.

14.17 The reporting requirement changed in 2014 to allow staff costs to be set out in a more simplified way. Instead of having to set out all the names of staff it will be sufficient to set out the type and number of staff employed as well as their fee and total cost (*e.g. 40 Polling Clerks x £[rate] = £[total].)

14.18 The number of staff from the elections team should also be set out in brackets in the column “number of employees”.

14.19 In **ANNEX B** Polling station costs, including accommodation, heating, lighting, setting up, etc. must be shown on the form under the appropriate Heads – Head F7 and Head F8 for Permanent and Temporary polling stations respectively. These must be supported by evidence, such as paid invoices or signed vouchers in accordance with the scrutiny level required. Booking slips for polling stations will not be sufficient.

14.20 The reporting requirements in respect of non-staff costs have now been strengthened (contrary to staff costs) where it is not clear what an item relates to. Such costs will require more detailed narratives of what they include and show the VAT incurred (if applicable). For example, if the invoice includes several cost components these must be itemised (venue hire, heating & lighting etc.).

14.21 Other polling station costs need to be recorded in **ANNEXES C-E**. These costs must be shown on the form under the appropriate Heads; Head F9 (preparation and transport of equipment), Head F10 (equipment costs) and Head F11 (printing of ballot papers) - and supported by evidence, such as paid invoices or signed vouchers in accordance with the section on scrutiny.

14.22 These annexes will also require more detailed narratives and show the VAT incurred (if applicable).

14.23 Your claim should make clear how you have determined the annual value of the equipment claimed for and include supporting evidence, such as invoices showing the initial cost and any advice you may have received about the useful life of the equipment or its estimated scrap value. It will be necessary to retain all these for submission with future claims, and you should keep records so that you can refer the ECU or appropriate body to this when making a claim at a future date. Other invoices or other supporting evidence, for instance for storage costs, should also be submitted and listed on this form.

14.24 Any equipment costs necessary for the support of postal voting or the count must be included on the forms for those functions.

15 Poll card costs – Form G

15.1 Form G should provide a breakdown of the costs of postal voting. It should include the costs of preparing postal vote packs, sending them, opening and checking returned forms. You should account for each head using **ANNEXES A- G**.

15.2 In regard to **Heads G1 and G2**, Staff costs, where staff are paid through a payroll system, you must ensure that arrangements are made to exclude National Insurance contributions, as these are not payable in respect of the referendum.

15.3 There is no separate calculation for supervisory, ancillary or IT staff employed on postal vote preparation, issue, receipt and checking. Any staff costs arising should be covered under the staff costs heads (heads **G1, G2 and G3**).

15.4 You cannot claim for refreshments for staff when preparing or delivering postal votes. The onus is on you to make staff aware of the working conditions they can expect.

15.5 Under Head **G3** the amount for receiving training is to cover the costs incurred by staff in attending training sessions, in recognition of the fact that they have to take time off to attend. It is not intended to cover the costs of providing the training, which is covered elsewhere (in “Other Costs” – Form J).

15.6 In regard to Head **G5 and G6** we know that many Counting Officers use business delivery rates or utilise hand delivery by staff. We will accept claims for use of either method. However, while we recognise that using trusted service providers might be preferable, we expect Counting Officers to use the most cost efficient delivery system available and this may involve changing suppliers to receive lower rates and higher discounts (e.g. if there is another delivery provider which can offer lower rates/higher discounts).

15.7 In relation to accommodation costs for postal voting, **Head G7**, you can claim for the accommodation costs of preparing ballot packs. We will only reimburse Counting Officers for the use of local authority accommodation where there is usually a charge for using the rooms and if the amount which you are looking to claim is consistent with or below the rate usually charged.

15.8 You cannot claim for refreshments for staff when preparing ballot packs. The onus is on you to prepare staff for the working conditions they can expect. If there are extreme circumstances that mean the health and safety of your staff will be compromised if you do not provide refreshments, we may agree claims in that circumstance. However we will expect you to have contacted ECU ahead of the referendum to justify this and be able to provide a full justification.

15.9 In regard to the cost of equipment, **Head G8**, claims may be made for up to half of the costs of the annual IT licence fee in the year in which the referendum takes place, and to contribute to the costs of any necessary hardware in the way outlined above under “General advice on what you can claim”. However, as with polling station equipment, any contribution is not intended to cover the whole costs of postal voting processing equipment and the associated IT; it represents the Consolidated Fund proportion of those costs for this referendum in that counting area.

15.10 Typically, PVI (Postal Vote Identifier) checking hardware and software is supported by annual licence fee payments which are more like maintenance contracts. Your claim may cover the supply of scanners and other equipment, support services, software upgrades and other services and are much more than a simple licence to use the particular system purchased.

15.11 The Commission is prepared to contribute up to half the cost of the annual licence fee payable in the year of the referendum, on the basis that the licence fee is also payable for other elections (such as local casual vacancies) in that year.

15.12 Where a “managed ballot service” is used, the Commission will reimburse only those costs that would have been incurred if the service had been provided in-house. This means that we will not pay for costs around the provision of a Project Manager such as project manager packs, reporting, training and user guides for project managers.

15.13 Equipment costs are intended to cover any additional equipment required for this referendum over and above that provided for initially by the grants issued to local authorities in England and Wales. Those grants were made to enable the purchase of hardware and software necessary to carry out PVI checking, even for those authorities who had no upcoming elections and who would consequently not need the equipment immediately. These grants were a special, one-off, payment and unrelated to the funds provided for this and other electoral events.

15.14 This equipment may now need some upgrading and we are aware that the level of demand for postal voting has increased which may mean that further provision is necessary. We recognise that the way that IT suppliers now structure their contracts means that one-off payments or grants do not necessarily meet administrators’ needs.

15.15 Counting Officers and electoral administrators would, of course, need to have such contracts in place annually whether or not there was a referendum. The licence fee has to be paid to enable any election to run – including, for instance, local casual vacancies. Thus a maximum of half will be paid from the Consolidated Fund.

15.16 If you have additional numbers of postal voters following the canvass, we will settle your claim on the final number of postal voters at day -11 before the election. You will need to inform us of this change in your claim using explanatory box 3.

15.17 The total amounts for each head of expenditure calculated on the supporting forms will be transferred automatically to the relevant line at part 2 of form G and totalled. This total can then be transferred to the appropriate line in form A.

15.18 In regard to recording staff costs on Annex A to Form G each of the payments to staff must be accounted for under the appropriate head of expenditure. Thus payments for preparation and issue of postal votes should be included at Head G1, those for opening and checking them at Head G2, those for training at Head G3 and so on.

15.19 The reporting requirement has now been relaxed to allow staff costs to be set out in more simplified way. Instead of having to set out the names of all staff it will be sufficient to set out the type and number of staff employed as well as their payment and total cost (e.g. Opening and checking costs x 10 x £18 = £180 (amounts are for illustration purposes only)).

15.20 The number of staff from the elections team should also be set out in brackets in the column "number of employees". This will show clearly the proportion of staff resourced from outside the elections team.

15.21 If you prefer to pay staff with a combined amount covering wages and training allowances etc. you may do so provided the payments are accounted for under the appropriate heads of expenditure.

15.22 The voucher must show clearly the amount being claimed per head and individual payments must be listed separately and not as a grand total/lump sum unless the amounts are standard (for instance 100 people each receiving £100 =£10,000). If there are varied amounts all payees must be listed individually on the form.

15.23 Care should be taken to record the nature of supervising officers and ancillary staffs' activities, recording who undertakes them for how many hours, so that a properly supported claim can be made.

15.24 The supporting payroll documentation should clearly identify staff and the duties performed, and provide evidence of individual payment. This supporting documentation will need to be submitted only in certain cases.

15.25 Other costs must also be shown on the form under the appropriate Heads – Head G4 (printing and stationery), Head G5 (outward postage), Head G6 (inward postage), Head G7 (accommodation), and Head G8 (equipment) - and supported by evidence in accordance with the section on scrutiny in the Annexes B – G.

15.26 The reporting requirements in respect of non-staff costs have now been strengthened (contrary to staff costs) where it is not clear what an item relates to. Such costs will require more detailed narratives of what they include and set out the VAT incurred (if applicable).

15.27 Where printing and stationery has been sourced in-house, confirmation of the cost from internal Finance departments will be sufficient evidence. Your selected postal supplier will probably submit a single invoice for their postal voting services, but the invoice will need to break down the costs into separate elements (outward post, inward post, etc.). These separate elements should be indicated on the form.

15.28 Accommodation costs should also be set out with supporting evidence in accordance with the section on scrutiny – once again, internal confirmation of the cost from internal Finance departments will be sufficient evidence where appropriate (Head G7).

15.29 Claims for costs of postal vote checking equipment or services over and above those already met from the Consolidated Fund when PVI checking was first introduced should be made under Head G8. Claims for hardware or other equipment should be made on the same basis as for polling station equipment, taking into account its annual depreciation value (see above under “General advice on what you can claim” for a detailed explanation). Care should be taken to ensure that only claims for costs relevant to the voting area are made.

15.30 Where all or part of the postal voting process has been outsourced and contracts with companies have been entered into for the delivery of goods and services, you should, as part of the contract, require the contractor to identify the costs separately under the Heads of expenditure listed above. You can then complete Form G appropriately, attaching the invoice(s) as necessary. Contractors should not object to this, but if there are any questions, you should point out that one of the aims of the existing system is to provide more transparency to the process of funding elections. You, as the customer, the Commission as the funding source, and the public who ultimately pays for it, have a right to know what each element of the process has cost. It should be noted that where a “ballot managed service” is used, the Commission will reimburse only those costs which would have been incurred had the service been provided in-house. This importantly means that we will not pay for costs around the provision of a Project Manager such as project manager packs, reporting, training and user guides for project managers.

15.31 Any equipment costs should be listed and supported by appropriate invoices (Head G8) (although submission of the supporting documents will be required only in certain circumstances depending on your scrutiny category). Claims for equipment should be made on the same basis as other equipment, taking into account its annual depreciation value and use across a number of elections.

16 Poll card costs – Form H

16.1 **Form H** should be used to record the costs of preparing and sending poll cards. The expenditure should be accounted for using the form and **Annexes A-D**.

16.2 In regard to **Head H1**, Staff costs, if staff are paid through a payroll system, you must ensure that arrangements are made to exclude National Insurance contributions, as these are not payable in respect of the referendum.

16.3 You cannot claim for refreshments for staff when preparing or delivering poll cards. The onus is on you to make staff aware of the working conditions they can expect.

16.4 In regard to **Head H4**, Postage, we know that many Counting Officers use business delivery rates or utilise hand delivery by staff. We will accept claims for use of either method. However, while we recognise that using trusted service providers might be preferable, we expect Counting Officers to use the most cost efficient delivery system available and this may involve changing suppliers to receive lower rates and higher discounts (e.g. if there is another delivery provider which can offer lower rates/higher discounts).

16.5 The total amounts for each head of expenditure calculated on the supporting forms will be transferred automatically to the relevant line at part 2 of Form H and totalled. This total can then be transferred to the appropriate line in Form A.

16.6 If the number of registered electors has increased you may wish to notify us of this in explanatory box 3. This will be taken into account when reviewing the amount claimed.

16.7 Payments to staff for the preparation of poll cards must be accounted for under **Head H1**. The reporting requirement has now been relaxed to allow staff costs to be set out in more simplified way. Instead of having to set out the names of all staff it will be sufficient to set out the type and number of staff employed as well as their fee and total cost (e.g. preparation of poll cards x 3 x £5 = £15 (amounts are for illustration purposes only)).

16.8 The number of staff from the elections team should also be set out in brackets in the column “number of employees”. This is to show the proportion of staff resourced from outside the elections team.

16.9 The supporting payroll documentation should clearly identify staff and the duties performed and provide evidence of individual payment. Submission of this supporting documentation will be required only in certain cases.

16.10 Other costs must also be shown on Form H under the appropriate heads – Head H2 (equipment), Head H3 (printing), and Head H4 (postage / delivery).

16.11 The reporting requirements in respect of non-staff costs have now been increased (contrary to staff costs) where it is not clear what an item relates to. Such costs will require more detailed narratives of what they include and show the VAT incurred (if applicable).

16.12 Please note that vague or ambiguous descriptions in the forms will prompt the ECU to query the expense and they may request the supporting document(s) in respect of the expense even for claims otherwise subject to plain accounts or light touch scrutiny.

16.13 Any equipment costs should be listed and supported by appropriate invoices (Head H2) (submission of the supporting documents will be required only in certain circumstances depending on your scrutiny category). Claims for equipment should be made on the same basis as other equipment, taking into account its annual depreciation value and use across a number of elections.

16.14 Printing costs should be recorded and the invoices submitted (Head H3). Where printing and stationery has been sourced in-house, confirmation of the cost from internal Finance departments will be sufficient evidence.

16.15 Delivery of poll cards can be via Royal Mail, by using another delivery contractor, or by hand, using staff employed by the Counting Officer. In the case of the Royal Mail (or another commercial delivery organisation), the cost should be recorded under Head H4 and the invoice attached.

16.16 Delivery of poll cards by hand, using staff employed especially for that purpose, is an option taken by many Counting Officers. In such cases, you must account for the payments under Head H4, and observe the requirements for recording the payments mentioned in the paragraphs.

17 Count costs – Form I

17.1 The costs of the count are to be recorded on **Form I** with the costs for staffing, equipping and running the count broken down and accounted for using **Annexes A-E**. Additional costs incurred in respect of the count rehearsal scheduled for 24 May 2016 should be included in this part of the claim, and you should clearly indicate those elements that relate to the rehearsal in the explanatory boxes and description fields provided on the forms.

17.2 At the referendum, both Regional Counting Officers and Counting Officers will incur costs in relation to the count. Counting Officers will run their counting area count and convey the total to a central point for collation by the Regional Counting Officer. Similar principles apply to both, however, and what follows applies equally.

17.3 Staff costs should be recorded under Heads I1 to I3. Under Head I2, "Supervising Officer", this is intended to cover staff who act as count venue supervisors, as well as any other ancillary staff employed on activities attributable to setting up and managing the count venue.

17.4 If staff are paid through a payroll system, you must ensure that arrangements are made to exclude National Insurance contributions, as these are not payable in respect of the referendum.

17.5 Under Head I4, Training, the amount for receiving training is intended to cover the costs incurred by staff in attending training sessions, in recognition of the fact that they have to take time off to attend. It is not intended to cover the costs of providing the training, which is covered elsewhere (in "Other Costs" – Form J).

17.6 Under the accommodation costs, there is an allowance for expenditure on light refreshments (for example tea / coffee and biscuits) for count staff. No other expenditure on refreshments will be reimbursed.

17.7 We also recommend that you inform your staff that working conditions will reflect those of a normal working day, thus staff must dress appropriately and bring refreshments with them.

17.8 Accommodation costs are intended to cover rent for premises, it also covers such things as heating, lighting, caretaking, set up and breakdown costs. We are aware, however, of the wide variation in charges for suitable count accommodation throughout the country, as well as the difficulty of obtaining it. We expect Counting Officers to make every effort to keep such costs as low as possible. We consider that enough flexibility has been built into the system to allow cost reductions elsewhere to compensate for any unexpected extra accommodation costs. However, if you anticipate extra accommodation costs, then you should contact the ECU in the first instance with an explanation of the difficulty as soon as possible.

17.9 As a matter of course we do not consider that there is a need to provide funding for contingency count venues. However, if you have significant concerns and justification as to why a contingency count venue is required in addition to the main venue before booking it please contact the Commission as soon as possible.

17.10 Under Head I6, Equipment, claims may be made for the equipment costs of hardware (such as Returning trays, tables, stationery items and similar special items necessary for this referendum in particular which are not already held) if necessary for the efficient and effective running of the poll. Reimbursement will not be made for systems that cost more than is necessary.

17.11 As outlined under "General advice on what you can claim", the cost of materials which are necessary for this referendum (such as stationery, forms, etc.) can be claimed in full. The cost of equipment which may be used for elections or other purposes (such as Returning trays) cannot be claimed in

full, but claims for a proportion of their cost, related to their expected life and usage at scheduled polls, will be considered. Claims for a contribution to the costs of any necessary IT equipment to be used at the count will also be considered on the same basis

17.12 The Commission will not pay for the purchase of new laptop computers for this referendum. Such items could normally be provided from other sources and it is not reasonable for the taxpayer to subsidise the provision of laptops to local authorities for purposes other than this referendum.

17.13 Transport costs under Head I7 are intended to cover the costs of transporting the ballot boxes and other documentation from polling stations to the count, and from the count to the final destination. It is also intended to cover any costs of transport of other equipment to and from the count centre.

17.14 Under Head I8 security costs are intended to cover all the costs of security, including the verification and count, as well as any costs associated with the storage of ballot boxes securely between the verification and the count, if that is necessary. Costs for the police to attend will usually require prior approval from ECU as this should be necessary only in exceptional circumstances.

17.15 We expect Counting Officers to meet the costs of any recounts from within their overall budgets, taking advantage of reductions in costs made elsewhere. Where this is not possible, however - for instance in the case of multiple or lengthy recounts – we will consider extra funding, provided that all the accounting requirements are met. Clearly it will not be practicable to inform us of the need for further funds for recounts at the time they occur but you should make contact as soon as possible after the event to explain the circumstances.

17.16 The total amounts for each head of expenditure calculated on the supporting forms will be transferred automatically to the relevant line at part 2 of Form I and totalled. This total can then be transferred to the appropriate line in Form A.

17.17 All Counting Officers costs should be attributed to the appropriate head of expenditure described in this section.

17.18 Each of the payments to staff must be accounted for under the appropriate head of expenditure. Thus payments for count staff should be included at Head I1, those for supervisory and ancillary staff (and Counting Officer staff) at Head I2, those for travel and subsistence at Head I3 and for training at Head I4.

17.19 The reporting requirement has now been relaxed to allow staff costs to be shown in more simplified way. Instead of having to set out the names of all staff it will be sufficient to set out the type and number of staff employed as well as their fee and total cost (e.g. count staff x 150 x £8 = £1,200 (amounts are for illustration purposes only)).

17.20 The number of staff from the elections team should also be shown in brackets in the column “number of employees”. This will show clearly the proportion of staff resourced from outside the elections team.

17.21 If you prefer to pay staff with a combined amount covering wages and training allowances, etc. you may do so, provided the payments are accounted for under the appropriate heads of expenditure.

17.22 Other expenses – for accommodation (Head I5), equipment (Head I6), transport (Head I7) and security (Head I8) – should be recorded and the supporting documentation submitted according to scrutiny categories .

17.23 The reporting requirements in respect of non-staff costs have now been strengthened (contrary to staff costs) where it is not clear what an item relates to. Such costs will require more detailed narratives of what they include and show the VAT incurred if applicable.

18 Other costs – Form J

18.1 There are a number of other miscellaneous costs which cannot be included elsewhere which will need to be allowed for and claimed by Counting Officers – this section deals with them. This includes the costs of providing (as opposed to receiving and attending) training. Only costs which cannot otherwise be attributed elsewhere should be included in this particular form.

18.2 The costs need to be accounted for using **Form J and Annexes A-F**.

18.3 The costs under **Heads J1 and J2** are intended to cover all the general staff costs associated with a UK referendum which are not already covered elsewhere in the accounts. These might include staff costs in relation to issuing notices, responding to queries from electors, dealing with correspondence specific to the referendum, overtime and so on. If it is possible to attribute activities to other heads of expenditure (polling stations, postal voting, poll cards or the count), you should do so. Only costs which cannot easily be otherwise attributed should be included here, though it is recognised that it may be difficult to separate these costs from those associated with the day-to-day business of electoral services.

18.4 **Counting Officers must be careful to ensure that fees paid under this head reflect actual and real costs.** Claims may be made for the time which individuals work outside their core hours. This is in recognition of the need for local authorities to put their staff at the disposal of Counting Officers. Charges for staff time in the normal working day cannot be classed as overtime, though weekend and evening working might be. It must not be assumed that all staff working on referendum tasks can be charged at overtime rates whenever they perform their duties. However, as set out above, where a payment relates to a specific activity such as postal vote opening or the counting of votes, it should be clearly listed in the appropriate section and not included under J1.

18.5 For the purposes of transparency all staff payments under J1 must be based on an objective and pre-agreed basis (with costs being appropriate, proportionate and justifiable in respect of the activity undertaken). As such, all claims under J1 must include:

- A breakdown of the tasks performed;
- The rate at which they were paid;
- And the number of hours worked.

18.6 By way of example, the following items will normally be refused:

- Payments to deputies or fixed fees for the responsibility of being a DCO (such payments should be made from the CO fee);
- “Bonus payments”, i.e. payments which are simply given to staff for working on the referendum; and
- Payments which do not include an adequate description and breakdown of what the payments relate to.

18.7 This is not an exhaustive list and we recommend that you contact the ECU before committing to any expenditure if you are uncertain as to whether any particular spend is appropriate for inclusion under this head.

18.8 The following items will normally be accepted provided the costs appear reasonable and necessary for the efficient and effective running of the referendum:

- Preparing the claim;
- Recruitment of staff;
- Issuing notices;
- Responding to queries from electors;
- Dealing with correspondence specific to the election; and
- Overtime, evenings and weekends not attributable to another head of expenditure.

18.9 If staff are paid through a payroll system, you must ensure that arrangements are made to exclude National Insurance contributions, as these are not payable in respect of the referendum.

18.10 We will not fund requests for refreshments under this head.

18.11 Item J2 is intended to cover the costs incurred by Counting Officers and their staff in travel and subsistence in relation to the referendum which cannot be attributed to any other head of expenditure.

18.12 The costs of providing locally focused training are to be claimed under Head J3. This item is intended to cover the costs to the Counting Officer of providing any necessary training locally, as well as the costs of any training courses which it is necessary for staff to attend to equip them to carry out their duties in conducting the referendum. This head is not intended to cover any costs payable to those attending the training, which should be claimed by them in their own accounts under the appropriate heads of expenditure.

18.13 It is clearly important that staff involved in delivering the referendum are adequately trained, and the costs of providing training which is necessary for the efficient and effective conduct of the referendum can be claimed. Examples include training for polling station procedures, for postal vote issue and receipt, and for count work. Training of staff for general electoral work (for instance, electoral services work, answering general queries, etc.) or training for work in relation to electoral registration **cannot be funded**.

18.14 Whether or not training is necessary will depend on individual circumstances – the nature of the training, its relevance, how much of it applies to the referendum, the individual needs of the staff involved and so forth. For example, a new member of staff who has never undertaken such duties will clearly need training. Where new processes are being introduced, experienced staff will also need training in those. However it would not be acceptable for us to pay for a training course for a member of staff who has recently attended training of a similar nature, or for a lengthy “top-up” training course when the training could have been delivered in a session of an hour or two. If the amount claimed substantially exceeds that normally expected, detailed justification for the claim must be given.

18.15 When making a claim for reimbursement of training costs, Counting Officers must provide all the necessary invoices and receipts in the usual way. In addition, you must confirm that the training claimed for was necessary for the efficient and effective conduct of the UK referendum.

18.16 As with any use of public funds, training should be proportionate and give value for money. This is a matter of judgement, and it is not therefore possible to guarantee in advance and in all cases that a particular individual's attendance on a particular course will be funded. However, where such training is reasonable and necessary for the effective conduct of the UK referendum in relation to the circumstances of the individual receiving the training that will be funded. But, as before, it would not, for example, be reasonable for us to fund a week-long residential course when the relevant training could be delivered locally in a day.

18.17 The amounts to be claimed under Head J4 (materials and services) are intended to reflect the costs of materials and services which are a necessary expense but which cannot be accounted for under other heads of expenditure. These might include the costs of printing notices, of general stationery (outside of that for polling stations, postal voting and the count), of postage (but not the cost of sending postal votes or poll cards), telephone bills, bank charges and so on.

18.18 The reference to telephone costs represents any telephone costs separately attributable to the referendum. This item is not intended to cover the provision of telephones to staff but rather simply any costs associated with using existing telephones. We recognise that there may be occasions when there may be a need to contact staff quickly and the best way to do so may be via the mobile telephone network. But it is not reasonable for us to pay for the purchase of brand new mobile phones for this referendum when they may be used for other elections and other purposes. This should not in any case be necessary in most cases. There are very few people who do not own or have access to a mobile phone and it should be possible for those who may not to be supplied with one on loan or via a hire arrangement. Expenditure on hiring mobile phones may be permissible as long as it is not extortionate, but no extra funds over and above the maximum recoverable amount will be granted to pay for it – it must be met from within your overall expenditure if you choose that route. It should be accounted for under the appropriate head – usually under polling station equipment costs.

18.19 There may be costs attributable to the use of call centres to handle enquiries in respect of the referendum. Where these are claimed they must be specific and relate only to those costs incurred that are specific to enquiries concerning the referendum. Costs should not be claimed in respect of enquiries that relate to the functions of an Electoral Registration Officer, for example concerning registration or applications for postal voting, as these are not costs attributable to the Counting Officer. It is important therefore that any claim relating to call centres can provide a detailed breakdown of the total and nature of calls received and how the claim relates to the apportionment.

18.20 As outlined in para. 3.16 under the heading “Checking your Accounts”, the Commission has not made any specific allowance for an internal bookkeeper in the Charges Order. We will consider paying the costs under Head J4 (materials and services) if the costs are reasonable and within your overall maximum recoverable amount. Further, the use and payment of a bookkeeper should visibly improve the quality of the claim, which should make it easier and quicker to process by ECU.

18.21 In the past, the cost of one textbook per council (for instance “Parker’s Law and Conduct of Parliamentary Elections”) has been judged to be an acceptable election expense, since it can be argued to be necessary to ensure the proper conduct of the election. However, since any textbook can be used to assist with other elections and for general electoral purposes, the Government has only been prepared to fund the initial purchase, and not any annual subscriptions.

18.22 Most authorities will already have such a copy and will be receiving regular updates, so any further edition should not be necessary. If a copy has been purchased at any of the last five national elections (2009 – 2015) by that RO or local authority, then updates should have kept it current and no claims for a further copy will be considered. Any claim which is made for this expense should be made under materials and services (Head J4), stating that no earlier claim has been made, explaining why this claim is necessary and attaching the appropriate documentation.

18.23 Counting Officers in Wales can claim for the costs of translations where these are necessary. The Commission/Cabinet Office have provided full Welsh translations of all forms and notices. The Commission does not fund other translations of electoral documents into other languages, as these are already available free of charge from us.

18.24 The total amounts for each head of expenditure calculated on the supporting forms will be transferred automatically to the relevant line at part 2 of Form J and totalled. This total can then be transferred to the appropriate line in Form A.

18.25 As elsewhere, each of the payments to staff must be accounted for appropriately, in this case under heads J1 (payments to staff that cannot be recorded elsewhere) and J2 (travel and subsistence). These can either be listed in the attachment to form J, or as a similar supporting schedule if one is available (to save copying them all out). Evidence for all payments must be provided, either by signed vouchers, or a signed wages book or other payroll information. Aggregated lists of payments – for instance lists of BACS payments - will also be acceptable, as long as they confirm that payments have been made to particular staff for particular duties and are certified as correct by the Counting Officer or a deputy.

18.26 If staff are paid through a payroll system, you must ensure that your claim excludes National Insurance contributions, which are not payable in respect of the referendum.

18.27 Genuine overtime costs of staff may be claimed under this head (and under other staff cost heads), but only in cases where overtime has been worked and evidence for such working is supplied. Charges for staff time in the normal working day cannot be classed as overtime, though weekend and evening working might be. You should not assume that all staff working on referendum tasks can be charged at overtime rates whenever they perform their duties. Where overtime rates have been claimed, full details of the hours worked (for instance, precisely when and how many), the need for working out of normal hours, the rates paid and the justification for paying them must all be supplied. This should be provided as separate attachments, but you may choose to indicate in the explanatory box what this is.

18.28 Counting Officers are required to provide:

- The name of employee and a breakdown of the tasks performed;
- The hourly rate at which the person was paid; and
- The number of hours worked.

18.29 This will enable the scrutiny of staff payments to be made without the need for local authorities to submit signed vouchers in respect of each payment and should allay concerns that allowing the recovery of items without supporting documentation will increase the risk of invalid or fraudulent

expenditure. These claims will no longer be paid unless a breakdown is included.

18.30 Payments for other costs must also be shown under the appropriate Heads. The costs of providing training should be detailed under head J3, materials and services should be listed under head J4, translation costs at head J6 and legal advice under head J7. Payments should be supported by evidence, such as paid invoices or signed vouchers (this supporting documentation will only be required to be submitted in certain cases depending on your scrutiny category).

18.31 Any interest earned on money deposited in election bank accounts should also be accounted for under head J4. Please make it clear on the form and accompanying documentation that this is a positive figure which will reduce the total claimed on this form.

18.32 The reporting requirements in respect of non-staff costs have now been increased where it is not clear what an item relates to. Such costs will require more detailed narratives of what they include and set out the VAT incurred (if applicable).

18.33 Please note that vague or ambiguous descriptions in the forms may require the ECU to query the expense and this may in turn lead them to require the supporting document(s) in respect of the expense even for claims otherwise subject to accounts based or light touch scrutiny

18.34 When making a claim for reimbursement of training costs, the Counting Officer must confirm that the training claimed for was necessary for the efficient and effective conduct of the referendum, and indicate the proportion of the training which is attributable to the poll in explanatory box 2

18.35 Claims in respect of legal advice will not normally be necessary and before seeking legal advice that may be charged, you should first contact your Regional Counting Officer or the Commission for appropriate advice and guidance. If claiming for legal advice under Head J7 from within the local authority, an internal invoice or confirmation of the cost from internal Finance departments will be sufficient evidence (this supporting documentation will only be required to be submitted in certain cases depending on your scrutiny category).

19 Transparency of Staff Costs – Form L

19.1 The purpose of Form L is to improve the transparency of payments made to staff for work undertaken in regard to the referendum. The form collates in one place a record of payments made to any individual of £2,500 or more. The form will provide greater clarity in regard to the number of hours worked, and the hourly rate paid to an individual.

19.2 All individual staff payments of £2,500 or more need to be itemised, with a breakdown of tasks performed, the rate at which they were paid and why these individuals received more than £2,500 in total across the claim. The detail of this form must include:

- A sufficiently detailed description of the tasks performed;
- The hourly rate at which they were paid; and
- The number of hours worked.

19.3 Without this information large individual amounts with no accompanying explanation may not be paid.

19.4 For each individual claiming a payment or aggregation of payments of £2,500 or more we need them to provide their job title, any voucher or supporting documentation reference and the expenditure head it has been claimed under. Additional rows can be added as required and the overall total per individual will be automatically added.

19.5 Information will also need to be provided in the box regarding:

- How the elections team is set up: structure, responsibilities and so on;
- When the tasks were performed: during office hours, evenings or weekends; and
- Whether annual leave, unpaid leave or special leave was taken to enable staff to work on the election.

This will help improve understanding of how election teams are structured differently and inform future thinking on elections funding.

20 Equipment Record – Form M

20.1 Cabinet Office wish to review and collect data on the equipment that Returning Officers have bought in order to understand what future costs could look like. Over the years some Returning Officers have been provided with large grants to purchase equipment in full up front, more recently Cabinet Office have moved to requesting claims based on a percentage of the cost from each poll.

20.2 The two items Cabinet Office are most interested in are polling booths and ballot boxes and they would like Returning Officers (Counting Officers) to complete this information on the newly created Form M. They are aware that some equipment was purchased historically and there may be no record of

the original cost or who it was purchased by. If you have no records please add this to your comments on the 'Comments' tab.

20.3 Please note that this form (Form M) is not relevant to Counting Officers in Scotland, Northern Ireland and Gibraltar.