

# **Police and Crime Commissioner elections**

Police Area Returning Officers and  
Local Returning Officers Expenses

Guidance Notes

November 2012

## Contents

1. Introduction .....	5
Returning officer's personal responsibility for accounts.....	5
Funding approach .....	5
Content of guidance .....	6
Submitting your claim .....	6
Contact details.....	7
2. PCC claims – legislative background.....	9
Police Reform and Social Responsibility Act 2011 .....	9
The Fees and Charges Order .....	9
Accounts regulations .....	10
Legislation .....	10
3. Accounting requirements .....	11
Background to our accounting requirements.....	11
Summary of specific requirements .....	11
Proof of payment.....	12
Payroll .....	13
Single invoices for multiple items .....	13
Seeking advice.....	14
Bank accounts.....	14
4. PAROs, LROs and deputies .....	15
PAROs .....	15
LROs .....	15
Deputies and authorised signatories .....	15
5. Initial and further advances.....	17
Terms of advances.....	17
Initial advance .....	17
Further advances .....	18
Use of advances.....	18
6. Making a claim.....	20
Time limits .....	20
Incomplete accounts .....	21
Accounting for combination .....	22
Form of claim.....	22
Over and under spending.....	23
Submitting your claim .....	25
Checking your claim and reconciliation .....	25
Settlement of accounts.....	25
7. General advice on what you can claim .....	26
Authorisation from ECU.....	26
Outer London increases .....	26
Accounting for Equipment .....	27
Information technology and election management software .....	30
Mobile phones.....	30

Acceptable and unacceptable items.....	30
Outsourced services.....	32
Meeting the Electoral Commission’s performance standards.....	32
Timing of PCC elections.....	33
Claiming for Tax (VAT and income tax).....	33
Claiming for National Insurance .....	34
Employment of staff - transparency.....	34
Claiming as a PARO .....	34
<b>8. Summary of accounts – Form A .....</b>	<b>36</b>
Purpose of form.....	36
What you can claim .....	36
How to fill in the form.....	36
<b>9. Returning Officers’ services – Form E .....</b>	<b>38</b>
Purpose of form.....	38
What you can claim .....	38
How the amounts are calculated .....	39
How to fill in the form.....	39
<b>10. Polling station costs – Form F.....</b>	<b>40</b>
Purpose of form.....	40
What you can claim .....	40
How the amounts have been calculated.....	43
How to fill in the form.....	45
<b>11. Postal voting costs – Form G.....</b>	<b>47</b>
Purpose of form.....	47
What you can claim .....	47
How the amounts have been calculated.....	49
How to fill in the form.....	51
<b>12. Poll card costs – Form H .....</b>	<b>54</b>
Purpose of form.....	54
What you can claim .....	54
How the amounts have been calculated.....	55
Completing the Form.....	56
<b>13. Count costs – Form I .....</b>	<b>58</b>
Purpose of form.....	58
What you can claim .....	58
How the amounts have been calculated.....	62
LROs .....	62
PAROs.....	63
Completing the form .....	64
<b>14. Other costs –Form J .....</b>	<b>66</b>
Purpose of form.....	66
What you can claim .....	66
How the amounts have been calculated.....	70
LROs .....	71

PAROs.....	72
Completing the form.....	73
15. Encouraging Participation – Form K.....	75
Purpose of form.....	75
What you can claim.....	75
How the amounts have been calculated.....	76
Completing the form.....	76
16. Deposits – Form L.....	77
Purpose of form.....	77
What you need to submit.....	77
How to complete the form.....	77

## 1. Introduction

### Returning officer's personal responsibility for accounts

1.1 As the Police Area Returning Officer ("PARO") and / or Local Returning Officer ("LRO") appointed for the Police and Crime Commissioner elections, you are personally responsible for managing and accounting for the expenditure incurred for the purpose of conducting the poll in the area for which you act.

1.2 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 Election Claims Unit (ECU); 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.**

### Funding approach

1.3 The approach we have adopted in relation to expenses is consistent with that which operated at last year's Referendum on the Voting system, the UK Parliamentary elections in 2010 and the 2009 European Parliamentary elections. The aim of our approach is to ensure the transparency and accuracy of the process, whilst giving you some flexibility to manage the expenditure which has been allocated to you for the effective and efficient conduct of the election.

1.4 The Charges Order specifies an overall maximum recoverable amount available to you. This comprises a maximum recoverable amount for specified expenses and a maximum recoverable amount for PAROs and LROs in respect of their services. You cannot exceed the maximum recoverable for your expenses without prior authorisation and under certain specified circumstances. If you are within your overall maximum recoverable amount, there is no specific limit on what is available to you to spend on each particular element. **However, all expenditure which is incurred will only be reimbursed if it meets the statutory criteria of being necessary and reasonable for the efficient and effective running of the poll.**

1.5 While we have adopted the same approach as for other elections:

- We have changed some of the heads of expenditure from the levels set in previous elections. For more information see the relevant paragraphs in each section on 'How the amounts have been calculated' and the briefing note sent to all returning officers on 17 September 2012.
- Advances will be payable on the basis of 75% of the overall maximum amount specified for the PARO or LRO's expenses in the relevant Charges Order. In areas where Acting Returning Officers submitted claims for the UK Parliamentary election after the 6 May 2011 deadline

without prior agreement from the Cabinet Office, PAROs and LROs will receive reduced levels of advances (either 65% where the an electronic claim was received by the deadline but not a hard copy) or 50% where no documentation was received).

- The payment for the services provided by PAROs and LROs will be paid by ECU upon submission of your claim.

## **Content of guidance**

1.6 This guidance (which covers the PCC elections in both England and Wales) is based upon the original guidance which the Cabinet Office first issued for the 2009 European Parliamentary elections but has been updated to take into account lessons which have been learnt from processing the claims which were submitted by Returning Officers / Counting Officers for the last three national polls (the 2009 European Parliamentary elections, the 2010 UK Parliamentary election and 2011 Referendum on the voting system) and to reflect the particular requirements of the PCC elections. This includes the Home Office's specific requirements in relation to accounting for it.

1.7 This guidance note covers the following areas:

- The legislation governing the submission of PCC election claims;
- The accounting requirements, including the deadline for submission of claims, quality of the supporting documentation and vouchers, and the expectations of the Home Office, Cabinet Office and auditing authorities;
- The status and responsibilities of PAROs and LROs;
- The arrangements for initial and subsequent advance payments;
- Details of how the amounts allocated for each function which make up the overall maximum recoverable amount have been calculated and what data have been used;
- Instructions on how to submit a claim;
- Information about how each claim should be presented; and
- How to deal with forfeited deposits.

1.8 The notes are as comprehensive as possible and, we hope cover most of the questions which are likely to arise. But if you have any problems to which you cannot find the answer, or are experiencing any difficulties with the preparation or presentation of your accounts, on the Home Office's behalf the ECU are ready to provide help and assistance. Please do not hesitate to contact them directly (see paragraph 1.14). It is better to obtain advice and approval in advance than be faced with difficult questions after expenditure has been incurred and your claim has been submitted.

## **Submitting your claim**

1.9 The deadline for submission of claims for the PCC elections will be 12 July 2013. In practice this means that you have 8 months from the date of the PCC election to submit your claim. We consider this to be a reasonable deadline and one which will put us in a good position to be able to finish processing your claims by 31 December 2013.

1.10 To assist in preparing your claim we will as usual, 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.

1.11 As referenced under paragraph 7.3 of this guidance, we specifically require you to contact the Home Office via ECU to request approval before you incur any costs:

- for the use of consultants for the delivery of the poll; and
- for any unusual or novel costs (for example, the procurement of any “new items” of equipment which you intend to use for the poll).

**1.12 You are reminded in particular of the following important points:**

- Expenditure must be necessary for the efficient and effective conduct of the PCC elections. Examples of the types of expenditure which does **not** fall into this category are given at paragraph 7.29.
- Claims must be submitted by 12 July 2013 in accordance with The Police and Crime Commissioner Elections (Returning Officers’ Accounts) Regulations 2012. 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. Further information about this requirement is given in Chapter 6.
- We may refuse to settle claims which do not conform to the statutory requirements. This includes claims submitted late, those which are submitted in electronic form only, 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.

1.13 These arrangements are intended to make the system flexible, more easily understandable and more straightforward for you to implement.

## **Contact details**

1.14 Please contact ECU first in all instances, and if necessary contact the Home Office. The contact details for the Home Office and ECU are:

### ***ECU***

Email: [ecu@communities.gsi.gov.uk](mailto:ecu@communities.gsi.gov.uk)

Telephone: 030 344 43912

UNCLASSIFIED

***Home Office***

Email: [pccelections@homeoffice.gsi.gov.uk](mailto:pccelections@homeoffice.gsi.gov.uk)

Telephone: 020 7035 6189



## **2. PCC claims – legislative background**

### **Police Reform and Social Responsibility Act 2011**

2.1 The principle legislation which provides for PCC elections is the Police and Reform and Social Responsibility Act 2011 (“PRSR Act”). The Act sets the date of the poll, the voting system, boundaries and provides the order making powers which were used to make the Police and Crime Commissioner Elections Order 2012.

2.2 Section 55 (2) of the Police and Reform and Social Responsibility Act 2011 provides for payments by and to PAROs and LROs and gives the Secretary of State the power to make Orders specifying the charges recoverable by PAROs and LROs for election expenses.

2.3 The approach which is being taken is consistent with the position for UK Parliamentary elections under the Electoral Administration Act 2006 which allows for the Secretary of State to specify in an Order the total overall amount a Returning Officer can recover for the services rendered and the expenses for or in connection with the election, providing the services were necessarily rendered or the expenses were necessarily incurred for the effective and efficient conduct of the poll. The legislation also allows for the Secretary of State to authorise the payment of more than the maximum recoverable amount if he or she 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 Fees and Charges Order**

2.4 The Charges Order is made under Section 55 (2) of the Police and Reform and Social Responsibility Act 2011 and is structured in a similar way to the Charges Orders for the European Parliamentary elections in England and Wales in 2009 and the 2010 UK Parliamentary election. The Order contains schedules which list local authorities in England and Wales (excluding London) and alongside them sets out the maximum amounts recoverable by PAROs and LROs in respect of the specified services rendered and the specified expenses incurred for or in connection with the PCC elections together with the total of these figures – the overall maximum recoverable amounts for each voting area.

2.5 The Charges Order also lists what constitutes a PARO and LROs specified services. These include conducting the PCC election, discharging the PAROs and LROs duties at the PCC election and making arrangements for the poll. The Order sets a maximum recoverable amount for services of the description specified for each authority and Police Area where the PAROs and LROs are respectively based.

2.6 Similarly the Charges Order lists what a PARO and LRO may claim in respect of any of the specified expenses. These include providing and paying staff, conducting the PCC election and the count and all the ancillary activities necessary to discharge the PARO and LRO functions. Again, the Order sets a maximum recoverable amount for expenses of the description specified for each Police Authority Area for PAROs and each local authority area for LROs.

### **Accounts regulations**

2.7 These Regulations set out the time and manner in which Returning Officers' accounts must be submitted. The Regulations require accounts to be submitted by **12 July 2013**. They provide for the submission of incomplete accounts where that may be necessary and describe the circumstances under which incomplete accounts may be submitted. They also set out the documents to be submitted with the accounts and the form of the accounts.

### **Legislation**

2.8 All of this legislation is available from the [legislation.gov.uk](http://legislation.gov.uk) website:

[Police Reform and Social Responsibility Act 2011](#)

[The Police and Crime Commissioner Elections \(Local Returning Officers' and Police Area Returning Officers' Charges\) Order 2012](#)

[The Police and Crime Commissioner Elections \(Returning Officers' Accounts\) Regulations 2012](#)

### 3. Accounting requirements

#### Background to our accounting requirements

3.1 You will understand the need for the Home Office to ensure that all expenditure for the PCC election is spent appropriately by Returning Officers and accounted for in an effective manner. This ensures that the public can be reassured that their money is being spent wisely and that appropriate safeguards are in place to prevent and detect any misuse of public monies

3.2 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 NAO qualified its opinion on election accounts in all years between 2002 and 2009. However the reports which the NAO published in December 2011 and January 2011 respectively for financial years 2009/2010 and 2010/2011 were not qualified and reflected the improvement in the timeliness of the submission of accounts.

3.3 The Permanent Secretary for the Home Office, who is the Accounting Officer for the purposes of these PCC polls, is naturally keen to avoid any qualification issues and adverse reports. We therefore want to ensure that the accounts provided by all PAROs and LROs not only arrive within the deadline, but that they meet the required accounting standing sufficient to satisfy the relevant authorities. This includes ensuring that:

- (i) Full hard copies of the claim are received by **12 July 2013**;
- (ii) All supporting documentation is provided and properly logged on the claim form.

#### Summary of specific requirements

3.4 We have a number of specific requirements for all claims. This is in order to ensure, as far as possible, against fraud. Key requirements are:

- (i) 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 resubmission in the correct format.
- (ii) Accounts and supporting documents **must not be altered using liquid paper**. Any improperly completed documents will be returned for resubmission.
- (iii) All payments made **must be supported by proof of payment, which is original receipted vouchers or invoices**. You must take care to retain and preserve these safely.

## Proof of payment

3.5 Proof of payment is required for all payments including payroll but what you can provide will depend on the means of payment, for instance whether this is paid via payroll, cheque or other means. The ECU must check what has been claimed on the claim form against a separate document which can be verifiable back to an actual payment for specific services in connection with the election, if found to be necessary.

3.6 Even if you are submitting electronic versions of your accounts you will still need to supply hard copies of the supporting documentation. In exceptional circumstances, we may **by prior agreement** be prepared to accept the following:

- Photocopied vouchers, as long as they have been personally certified by the PARO or LRO (or a properly authorised deputy – see paragraphs 3.8, 3.13 and 3.14) 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;
- Where it is not possible to provide the above documentation **we may consider** a letter or email from the supplier which confirms the service which was provided and the amount which was received for it from the PARO or LRO; or
- Where the original receipted documentation is impossible to retrieve and neither of the above bullet points apply (**but only in those circumstances**), a personal declaration from the PARO or LRO (or a properly authorised deputy) that the payments have been made and the figures are accurate.

3.7 **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 we will query your submission and challenge you to make further efforts to produce supporting documentation before your claim can be settled. This process is likely to severely delay the payment of any balance owed. 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 original supporting material.

3.8 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.

## Payroll

3.9 The Acceptable / Minimum Requirement for proof of payment for payroll are listed below:-

- Signed P528 for each individual (or equivalent)
- Accounts system payment report listing individuals by name and showing a system generated payment number or equivalent which could be traced back to an individual payment if necessary
- Payroll report listing individuals by name and showing a system generated payment number or equivalent which could be traced back to an individual payment if necessary
- Bank statement cross referenced to an accounts system report, cheques or some other proof of payment
- Spreadsheet or other report listing individuals, amounts and a payment related reference number. These must be covered by a declaration from the Returning Officer and provided in electronic format which will facilitate processing.

3.10 Any of the above must be clearly cross-referenced to the individuals on the claim form. If they are included under more than one head and/or there is not a one-for-one relationship between the amount claimed on the head and the voucher/report entry, then this must be clearly explained. ECU will return any form which does not meet these criteria.

3.11 We do accept aggregated lists for payroll but these must provide additional information to that on the claim form and contain clear reference to a means of payment. In some cases spreadsheets or reports from election management systems are lists of names and amounts and do not show a proof of payment. There is more information in paragraph 3.5 of the expenses guidance.

3.12 If it is not possible to provide the above please contact ECU as soon as possible to discuss options. For payments to staff, individual vouchers or receipts will not always be necessary, as long as there is sufficient documentation to show what payments were made to whom. Alternatives listed in paragraph 3.9 will be acceptable if they identify payments made under the correct heads and are certified as true records.

## Single invoices for multiple items

3.13 Where a voucher or invoice covers several items of expenditure across different heads of accounts, for example where a member of staff has received payment for different duties under different heads, the document 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.

## Seeking advice

3.14 If you are unsure of what to do in any particular case, the ECU will be happy to advise. It is better to ask in advance rather than take a decision which may be questioned at a later date. The contact details for ECU are in paragraph 1.14.

3.15 We would 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. Although we recognise that for these purposes you are acting outside the jurisdiction of the local authority 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 the quality control of your accounts.

3.16 Whilst we have not made any specific allowance for an internal bookkeeper in the fees and charges assumptions we will consider paying the costs under Head J4 (General Clerical) if the costs are reasonable and within your overall maximum recoverable amount see paragraph (14.22). Please contact the ECU for agreement before committing to using one. 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.

## Bank accounts

3.17 PAROs and LROs are strongly advised to open 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. It also ensures that lines of accountability and responsibility are clear and that only staff directly authorised by the PARO or LRO have access to the accounts. If other arrangements are entered into (such as shared accounts), PAROs and LROs should ensure that there is suitable separation of funds and that accountabilities are clear.

Any interest which a PARO or LRO receives on a bank account which is opened for the purposes of the PCC election must be returned to ECU upon submission of the claim.

## 4. PAROs, LROs and deputies

4.1 Each type of officer has different functions and each 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 “Returning Officer” covers both the PARO and LRO posts.

### PAROs

4.2 The role of the PARO includes planning and co-ordination at a Police Area level, managing the collation of the count totals (and where applicable organising a central count) and declaring the result.

4.3 PAROs can recover their charges for services necessarily rendered and expenses necessarily incurred for the efficient and effective conduct of the PCC Election. 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 those expenses. The total of these two amounts is the overall maximum recoverable amount available to PAROs.

4.4 PAROs are only responsible for preparing and submitting the accounts for their own activities. They are **not** responsible for preparing and submitting accounts for all LROs in their police area although they will all also be LROs in their own right and be required to prepare and submit separate accounts for their activities as a LRO.

### LROs

4.5 The role of a LRO includes managing the conduct of the poll in their local area, counting the votes and passing the local area totals (where a local count is taking place) to the PARO.

4.6 LROs can recover their charges for services necessarily rendered and expenses necessarily incurred for or in connection with the election. 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 represents the overall maximum recoverable amount that is provided to LROs for the conduct of the poll.

4.7 LROs are responsible for preparing and submitting the accounts for their own activities.

### Deputies and authorised signatories

4.8 It is recognised that PAROs and LROs may wish to appoint deputies 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 PAROs and LROs, should those officers be unavailable. Deputies who are given responsibility for covering the entire range of the PAROs and LROs 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.

4.9                               The ECU will accept documents signed by deputies only when they have been notified of their identity in advance, been 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 Returning Officer. **Form B** is available for this purpose.

4.10                              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 PARO or LRO should sign documents personally. Only when it is absolutely essential should delegated powers to sign documents be called upon.

4.11                              **It should also be noted that there is no provision under the fees and charges order for a fee to be paid to deputy Returning Officers from the specified expenses.** However, a PARO or LRO may pay the Deputy Returning Officer from their own fee which they receive for their specified services if they wish to do so. In such circumstances for the purposes of clarity we would expect the claim to include evidence of the work which the individual took forward to merit any payments which were received. Further information on payments to local authority staff for clerical duties is set out in paragraph 14.5 of this guidance.



## 5. Initial and further advances

### Terms of advances

5.1 The Police Reform and Social Responsibility Act 2011 allows the Home Office to make advance payments to PAROs and LROs on such terms as it thinks fit to cover the costs of the PCC election. The following paragraphs describe the terms on which the Home Office will make advance payments.

### Initial advance

5.2 Initial advances were distributed to PAROs and LROs on 12 October. **Payment of the advances was contingent on the ECU having received notification from each PARO and LRO of the bank account details to which payments should be made. Form C** was sent to each PARO and LRO in advance of the PCC election for this purpose.

5.3 For by-elections, advances will be paid to PAROs and LROs once the date of the poll has been confirmed and bank account details have been requested and received in the same way as outlined in paragraphs 5.2 and 5.4.

5.4 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 Returning Officer to confirm that they have read and accept the terms on which the advance has been made. These terms are:

- the Returning Officer will account properly and on time for any advances;
- the Returning Officer will repay any unspent funds that have been advanced to them;
- the Returning Officer will use any advances only in accordance with the provisions in the Charges Order; and
- the Returning Officer has read and understands the compliance measures and possible sanctions that can be applied (as set out in paragraph 6.4 of these Guidance Notes).

5.5 The amount of the initial advance will be 75% of the maximum recoverable amount specified in the Charges Order in respect of a Returning Officer's **expenses** in each voting area. This is a change from previous advances where the initial payment was based on the overall maximum recoverable amount, including the fee for a Returning Officer's services. This new arrangement separates out any fees due in respect of the Returning Officer's services.

5.6 Payment for a Returning Officer's **services** will on this occasion be made on submission of accounts. i.e. it should be paid to Returning Officers as the last item before the submission of the claim and not before as outlined in paragraph 9.2.

5.7 To reiterate from paragraph 1.5 of the guidance, in areas where Acting Returning Officers submitted claims for the UK Parliamentary election after the 6 May 2011 deadline without prior agreement from the Cabinet Office, PAROs and LROs will receive reduced levels of advances (either 65% where the an electronic claim was received by the deadline but not a hard copy) or 50% where no documentation was received).

### Further advances

5.8 At previous UK Parliamentary and European Parliamentary elections, provision for further advances has been made for those Returning Officers who are faced with unexpected and / or higher costs which cannot be covered by the initial advance. Further advances of this kind have only been made when a special application has been made and evidence of need has been produced, usually a breakdown of the costs and payments made so far and copies of the invoices awaiting payment together with an explanation for the extra need.

5.9 Further advances 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. The basis of the entitlement will be the same as in previous elections. Returning Officers must supply details of their spending so far as well as copies of the invoices awaiting payment, together with an explanation of the need for the further advance.

5.10 **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 as set out at paragraph 5.4. The ECU will 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.

5.11 As with initial advances, there will be some exceptions to this general rule, however. Applications for further advances from Returning Officers for areas where accounts for the last relevant election were not returned on time and where reduced advances have been provided will generally not be considered unless there are genuinely mitigating circumstances.

5.12 Additionally, no further advances will be made to any Returning Officer for applications made more than six months after the date of the election, i.e. made on or after 15 May 2013. 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 so that payment can be expedited.

### Use of advances

5.13 Advances made for the UK election must not be used to offset payments in respect of any other elections, such as UK parliamentary

by-elections and local elections. They must only be used for expenses in connection with the PCC election only. Further information on apportioning costs in respect of combination is given from paragraph 6.12 onwards.

## 6. Making a claim

### Time limits

6.1 The 2011 Act gives the Home Office the power to make regulations specifying when and in what format accounts must be submitted. We have determined that accounts must be submitted within 8 months from the day of the PCC election i.e. by 12 July 2013.

6.2 The reasons for this deadline are :

- It is good practice to account for expenditure promptly, before memories fade and whilst details (including the location of invoices) are fresh in the mind;
- It ensures that public funds are accounted for properly and auditably within a reasonable time, whilst giving those responsible for completing them adequate time to do so;
- It enables the Accounting Officer (the Permanent Secretary of the Home Office) and those who have a role in overseeing the way in which public funds are spent – the National Audit Office and HM Treasury – the chance to examine them to check whether the funds have been expended properly and to query payments promptly;
- It allows for lessons to be learned and adjustments made before the next national election event comes round; 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 election has been conducted and paid for correctly.

6.3 The consequences of missing the deadline are that these reasonable aims cannot be met. In particular, the overall PCC election accounts which the Home Office is required to prepare and submit cannot be completed fully. Any such failure would also leave the Home Office and the responsible PAROs / LROs subject to criticism by the NAO and other interested parties.

6.4 Six weeks before the deadline, i.e. on 3 June 2013 PAROs and / or LROs who have not returned their accounts will be sent reminders that their accounts are due and warned of the consequences of failure to submit them on time. Every opportunity will be given for proper and timely compliance, but as a general rule we will refuse to consider claims or accounts that arrive too late and will look to impose financial sanctions where there is non-compliance.

6.5 This does not, however, absolve PAROs and LROs 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.

PAROs and LROs will be pursued for the submission of their accounts until they have been received.

6.6 In addition, PAROs and LROs are reminded that the Home Office will not make any payments for their services until the final claims are submitted.

### **Incomplete accounts**

6.7 We are aware that as the PARO or LRO you may be unable to complete a claim because of failures by others to supply invoices or information, or for some other valid reason. Under this scenario if PAROs and / or LROs are unable to submit a complete claim then they should first inform ECU of this and explain the circumstances. PAROs and / or LROs must then submit an incomplete claim together with a formal explanatory note rather than delay submission until after the time limit. Further documentation can be supplied at a later date. Incomplete accounts must be **substantially complete** – they can be considered initially by the ECU without the missing information. Every effort should be made to produce as complete accounts as possible by the deadline. But a near complete account is better than a missed deadline, even if further enquiries are then necessary.

6.8 The Police and Crime Commissioner Elections (Returning Officers' Accounts) Regulations 2012 therefore provide that, where complete accounts cannot be produced within the time limit and there is a good reason for that, incomplete accounts **must** be submitted before the deadline. Such accounts must be as complete as possible in the circumstances and they must be accompanied by a statement that:

- (i) they are incomplete;
- (ii) give the reason for the inability to provide complete accounts; and
- (iii) state the date by which complete accounts will be submitted. This date must be within three months of the original time limit.

6.9 It will be for the Home Office's Accounting Officer ultimately to decide whether or not the reason is satisfactory, whether the incomplete accounts are as complete as possible in the circumstances, and whether the proposed date for submission of complete accounts is reasonable. If he or she is not satisfied as to these points, he or she can require complete accounts to be submitted at an earlier date than that proposed.

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

6.11 We encourage PAROs and / or LROs to work proactively with their Electoral Services Managers to ensure that claims are

submitted on time and that good communications are maintained throughout the process. It is particularly important for PAROs and / or LROs to be up to date on issues surrounding the timeliness of their claims as the Home Office will contact you directly to ask for explanations to provided in the event of deadlines being missed.

### Accounting for combination

6.12 Where two or more polls are combined, the costs attributable to the various electoral events need to be apportioned appropriately. Detailed advice is given under of the various form headings regarding costs attributable to combination and required to be apportioned, and which are costs solely attributable to the PCC election.

6.13 Apportionment of costs can be more complex than a straight split. Where three polls are taking place in combination costs will need to be apportioned, where shared, and divided by three. If four, then relevant costs will need to be divided by four etc.

6.14 Apportionment on combination needs to be carefully considered where a poll is taking place in only part of an area where another poll is taking place. In such a case relevant costs will need to be apportioned in respect only of that area under combination. It is important that any elements of combined cost are identified in your accounts and apportioned correctly, and that they are highlighted on your returns. **Further advice is given in the following sections under the relevant heads.**

6.15 No account has been taken of unscheduled polls which may be combined on the same day as the PCC election – such as UK Parliamentary by-elections and the filling of local authority casual vacancies – since this information was not available at the time when the Police and Crime Commissioner Elections (Local Returning Officers' and Police Area Returning Officers' Charges) Order 2012 was made.

6.16 The figures which have been allocated for the PCC elections represent over-provision in these circumstances (particularly for polling station costs) which increases the responsibility on the Returning Officers who are affected by combination to spend public money effectively and provide evidence that all monies which were spent were incurred on a necessary and reasonable basis for the effective and efficient conduct of the poll. **It is also important to note that your claim must show a correct attribution of costs in those areas and that the increase for combination should be added before any division is calculated, not after.**

### Form of claim

6.17 To support the system of assessing entitlements and preparing accounts, a suite of forms has been developed. These are modelled on the forms used at the 2011 referendum on the voting system, 2010 UK Parliamentary election and the 2009 European Parliamentary election. The forms are available as hard copies from the ECU (contact details at the

beginning of this guidance) or as electronic copies in spreadsheet form to download from the Home Office website. Certain forms will be required in hard copy, for instance those containing original signatures; these are identified both on the face of the form and in this guidance.

6.18 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** Returning 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 K** Encouraging Participation
- **Form L** Returned Deposits

6.19 Some of these forms will need additional supporting documents listing the detailed amounts expended, as well as original invoices or vouchers as evidence.

6.20 PAROs and LROs will need to complete one set of forms for each police authority and local authority 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. Information about completing the forms is contained in the relevant chapters of this guidance.

## Over and under spending

6.21 Most figures in this guidance are allocated – or predicted – expenditure. They represent what it is considered reasonable for each of these elements to cost. With the exception of returning officer fees and encouraging participation costs, if you can spend less on one element or need to spend more on another, you are free to do so as long as you do not exceed the maximum recoverable amount for the overall expenses specified in the Charges Order. You can spend less (or more) than has been allocated above on one element and more (or less) on others if you wish. Most of the figures in this guidance tell you what has been allowed for in the calculations making up the maximum recoverable amount for expenses.

6.22 We have worked with the Cabinet Office to ensure that the assumptions which are used to calculate the costs of the PCC elections reflect the “real” costs of the 2009 European Parliamentary and 2010 UK Parliamentary polls. The assumptions also take into account increases for inflation and the costs which will be incurred by PAROs in administering the

candidates addresses, running the count under the supplementary voting system across the police area and in encouraging participation at the poll.

6.23 In some localities or circumstances it will be possible to provide a function for less than has been allowed for in the calculations. In that case, a saving can be realised and your claim should reflect that. In practice some bills will come in at a higher level and some lower, and **the system provides the flexibility for you to manage that and account for it accordingly, without necessarily referring the decision to the ECU.**

6.24 Nevertheless, we also recognise that there may be occasions when, because of an emergency or special circumstance, particular functions will cost more than what has been calculated as reasonable. Examples might be multiple recounts or unexpected security alerts requiring extra staffing or special equipment at short notice. Where these extra costs are clearly necessary, unavoidable and unexpected and their cost cannot be absorbed by savings elsewhere, there is flexibility for additional funds to be made 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 PARO and / or LRO to incur the spending, and if the charges themselves were reasonable.

6.25 However where an individual Head is overspent we expect an explanation to be provided as part of your claim. The forms have been revised to allow you space to provide such an explanation. If required ECU will ask for further information to support the overspend. In explaining an overspend you should consider:

- how it is a necessary cost – why it is needed for the effective conduct of the poll; and
- how it is a reasonable cost – what you have done to check that it is not excessive e.g. by getting three or more quotes or showing it is a sole supplier.

This information helps with answering any queries and feeds into the overall data which is used to review and revise figures for national elections on an ongoing basis.

6.26 We would not expect PAROs and LROs to inform the ECU of any anticipated underspend. The accounts will reveal the details when they are submitted. **But you should not assume that our discretion will be automatically exercised for any overspend.** If there are special circumstances that you think may require extra funding you should make ECU aware of it **as soon as possible**, preferably before the spending has been incurred, but if not, as soon after as is reasonable. Contact details for ECU are set out in paragraph 1.14.

6.27 If such emergency spending is incurred and it 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

6.28 The electronic spreadsheet versions of the forms available on our website should be used to submit your claim. This will enable greater speed and accuracy in both compilation and in processing. Accounts should be sent via e-mail, but in all cases they will need to be supplemented by hard copy versions of **Form A** (and **Form B** if it has not been submitted in advance), along with original hard copies of supporting invoices, vouchers, etc., as evidence of spending. Where there is any doubt, check with the ECU about the precise requirements.

6.29 **Accounts should be submitted to the ECU within 8 months of the day of the election (i.e. by 12 July 2013).** The ECU will acknowledge receipt of your accounts within five days and give an estimate of how long it will take to process them. If you do not receive an acknowledgement within that time, you should check that the message or the claim have arrived safely. It is your responsibility to ensure that the claim has been submitted – you should not assume that it has arrived in the absence of an acknowledgement.

## Checking your claim and reconciliation

6.30 The ECU will examine the claims submitted to them in the order in which they are received and as soon as possible after receipt. However, there will still clearly 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 them, based upon the number received and outstanding at that time.

6.31 After the claims have been settled, the Home Office will work with the Cabinet Office and the ECU to study the figures to help refine the assumptions for future polls, including the 2014 European Parliamentary election. The data that you submit in your accounts will help inform future policy 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 PAROs and LROs for further information. You should therefore be prepared to provide that, when requested.

## Settlement of accounts

6.32 Once the accounts have been cleared, ECU will arrange for any reconciliation payments for expenses to be made, either by requesting reimbursement of funds from PAROs or LROs, 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 PARO and / or LRO services. Payment will be made direct to the notified bank account immediately following clearance and no acknowledgement will be required.

## 7. General advice on what you can claim

7.1 Sections 8 to 16 explain in detail what you can claim and how. This section provides generic advice that you should bear in mind for all or a number of the Heads of expenditure.

7.2 As outlined in paragraphs 6.21 to 6.27, all the figures in this document are allocated – or predicted – expenditure. **However, you are reminded that all costs which are incurred must be necessary and reasonable for the effective and efficient conduct of the poll.**

### Authorisation from ECU

7.3 We specifically require you to contact the Home Office via ECU to request approval before you incur any costs:

- for the use of consultants for the delivery of the poll;
- using an internal bookkeeper to improve the quality of your claim; and
- for any novel or unusual costs (for example, the procurement of any “new items” of equipment which you intend to use for the poll).

Throughout the rest of this guidance, we recommend you contact ECU before committing to the expenditure if you have any uncertainty as to whether you can claim.

### Outer London increases

7.4 The 17 voting areas immediately surrounding the Greater London Authority Area can claim higher amounts for staff, accommodation and transport, as in previous Charges Orders. This is to recognise that there can be higher costs in these areas. In this context, outer London voting areas means the 17 voting areas immediately surrounding the Greater London Authority area. They are:

Basildon (Essex)	Reigate and Banstead (Surrey)
Brentwood (Essex)	Sevenoaks (Kent)
Broxbourne (Hertfordshire)	Spelthorne (Surrey)
Dartford (Kent)	South Bucks (Buckinghamshire)
Elmbridge (Surrey)	Tandridge (Surrey)
Epping Forest (Essex)	Three Rivers (Hertfordshire)
Epsom and Ewell (Surrey)	Thurrock (Essex)
Hertsmere (Hertfordshire)	Watford (Hertfordshire)
Mole Valley (Surrey)	

7.5 The extra allowances made for outer London areas are an integral part of the cost assumptions. While there is flexibility to pay staff at rates outside the assumed scale and within the overall maximum amount, we will query claims where rates are applied that differ noticeably from the

assumptions and which we deem to be outside the costs that we consider necessary for the essential, effective and efficient running of the poll. Where costs exceed what we would consider reasonable, we may choose not to meet the full cost of that part of the claim.

## Accounting for Equipment

7.6 The Charges Order continues the revised approach to the way the taxpayer contributes to the cost of election equipment provided for elections it funds. Instead of the former system of “grants” the new approach, in line with the principles underlying the rest of the funding system, gives the responsibility for managing funds spent on electoral equipment to the LRO. It redistributes the funds which would otherwise be spent on “grants” for the next five years to the Charges Order. Those funds are distributed to each authority in proportion to their size (in the case of polling stations, according to their number).

7.7 Unlike the “grants” system, this allocation is not meant to pay outright for the cost of the equipment. Rather it is meant to pay for the use of the equipment at that election. It is assumed that the LRO will pass the amounts claimed under this head to the owner of the equipment (presumably the local authority) who can use them as they wish, but may want to help offset the initial cost of the equipment, for instance, or contribute to the cost of new equipment in the future.

7.8 The amounts included for equipment take into account the amount of use the taxpayer will get from the equipment over its lifetime, compared with that made by local authorities. Most local authorities use electoral equipment for their own elections more than it is used for national elections. This indicates that the proportion of contribution the taxpayer should make to its cost should be no more than half.

7.9 The equipment costs you can claim are for the use of the equipment at this election only. You cannot claim for the full cost of equipment which may also be used at other elections – just the proportion of their cost for this PCC election and in this voting area. To do this you must take into account the value of the equipment on an annual basis, or the annual depreciation value.

7.10 Depreciation is potentially a complex subject, but it is essentially a way of calculating the value of assets on an annual basis. The simplest way of working this out is to use the following standard formula:

$$\text{annual value} = \frac{\text{cost} - \text{scrap value}}{\text{useful life}}$$

So, for example (and keeping it simple), a number of polling screens or ballot boxes cost £16,000, and you estimate their scrap (that is their residual or salvage) value at £1,000. You also estimate their useful life at 15 years. The calculation of their annual value is thus:

$$\frac{\pounds 16,000 - \pounds 1,000}{15 \text{ years}} = \pounds 1,000$$

For each year of its use, the equipment therefore depreciates by £1,000. This represents both the annual depreciation value and also the amount you can claim for its use for a single election. If there were to be a General election every year for the next 15 years, and you claimed its value each time, the taxpayer would have paid for the equipment at the end of that time, minus the scrap value. As it is, you will use the equipment for other elections and it is right that those responsible for funding those pay their contribution for the use of the equipment for those elections.

7.11 Clearly, the longer the estimated life of the equipment, the lower the annual value will be as a proportion of the initial cost. 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.

7.12 Estimates of the scrap value (the residual or salvage value) of equipment may be difficult to make, and for some equipment there will be none. But metal polling screens, for instance, have relatively substantial scrap value (there have been instances of them being stolen for their scrap value alone) and we would expect some realistic estimate to be made in those cases. We would not expect any costs to be incurred for obtaining such estimates, however.

7.13 The same principles will apply to other items of equipment. Some equipment, such as notices, stationery, seals, large print ballot papers, etc, can only be used once or is only valid for this election. The costs of such equipment can be claimed in full. Other equipment may be used for other elections - or for other purposes - after the PCC election, and you should claim only that proportion applicable to this poll. Such equipment may include unused tactile voting devices, unused or partly used stationery (pens, pencils, rulers, staplers, etc), plastic storage boxes or trays and so on. Clearly the life of such equipment is limited but, nevertheless, an estimate of the proportion attributable to this election must be made.

7.14 Care must be taken only to claim for the relevant amount for each voting area (which may be smaller or larger than the local authority which owns the equipment). Where polls are combined, your claim must split the costs equally between the number of polls which are taking place in the

usual way, unless the items are solely to be used for the election (such as large print ballot papers).

7.15 These arrangements will only apply to equipment purchased for this election - and thereafter. Any equipment bought with the aid of a grant from the Government under the previous arrangements has already been paid and accounted for by the Government and no further funds can be claimed for it. Claims at this election can only therefore be made for new equipment bought since the closure of the grants system for which no Government grant has been received.

7.16 However, you cannot claim for items which you might reasonably be expected already to have available, or for items which can subsequently be used for other elections or other purposes. The Home Office will not, for instance, pay for the purchase of brand new lap-top computers for this PCC election only, since such items could normally be provided from other sources and it is not reasonable for the taxpayer to subsidise the provision of lap-tops to local authorities for purposes other than this election.

7.17 Storage costs can only be claimed in a year when a PCC election or PCC by-election takes place. This is on the basis that storage of the equipment would in any case be necessary for local elections, but that the taxpayer should pay their share since it uses the equipment in that year. Once again, this can only apply to new equipment bought without the aid of a Government grant since the grant payment already made factored in storage costs as part of the amount granted. It can also only be made for the voting area for which the claim is being made, not for the whole of the local authority area if that is different.

7.18 Some LROs may have made arrangements with neighbouring LROs to borrow spare equipment to supplement their own. We would not expect charges to be made for the loan of equipment in such circumstances, especially if the equipment had already been purchased with the help of Government "grants". Reasonable transport costs may, however, be claimed, if necessary.

7.19 Your claim should make clear how you have arrived at the annual 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 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 other appropriate body to this one when making a new claim at a future date. Other invoices or other supporting evidence, for instance for storage costs, should also be submitted and listed on the appropriate forms.

7.20 In circumstances where equipment has been purchased solely for the PCC election, consideration will be given to reimbursing the full costs which have been incurred. However, in order for such consideration to take place your claim should include an explanation of why it will not be possible to use the equipment for other polls.

## **Information technology and election management software**

7.21 Information technology associated with postal vote processing and postal vote identifier checking (such as licence and other annual fees and maintenance contracts) is an essential tool in the management of modern elections. 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 contribute to the initial capital cost of any necessary election management software package on the same basis as any other electoral equipment. That is, we will contribute to the capital cost taking into account the expected life of the package and its depreciation value. The details of how to work out the annual depreciation value are set out under paragraphs 7.10 – 7.13.

7.22 LROs may therefore claim the relevant percentage cost of the use of the package or postal voting IT for the PCC election. In addition, claims for up to half the cost of any annual licence fee for election management software payable in the year of a PCC election will be considered. This is on the basis that the licence fee is also payable for other elections (such as local casual vacancies) in that year.

7.23 Elements associated with other functions – such as registration – must be separated out since their costs cannot be reimbursed as an expense of the election.

7.24 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.)

## **Mobile phones**

7.25 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 PCC election 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 nowadays who do not own 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.

## **Acceptable and unacceptable items**

7.26 Although this system of assessing and accounting for election 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 only to expend funds on running the PCC election. You can only recover your charges if they were necessarily incurred for the efficient and effective conduct of the PCC election

7.27 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 paragraph 7.29 below. These precedents are still relevant and the ECU, as part of their scrutiny of your accounts, will examine them to see whether your spending is necessary, and may question items of expenditure which might be considered unnecessary.

7.28 You should bear in mind that your accounts will be subject to scrutiny by us, 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.

7.29 The following are examples of expenditure which has, in the past, not been considered as a necessary expense for the effective and efficient conduct of the election and has not therefore been reimbursed under the Charges Order. Reimbursement for such items will continue to be refused.

- purchase of mobile telephones (but see paragraphs 0 and 10.15)
- 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
- first aid kits
- 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
- 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 election process
- interpreters, such as in providing specialist translation services at polling stations or the count

- Legal services, although we will refund PAROs, as outlined in section 14, for the legal advice required to assess candidate addresses.
- Standby costs (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 Returning Officer; project manager, elections office manager or equivalents
- Purchase of flat screen televisions, audio visual equipment or other similar items
- Flags on polling stations
- Bunting
- Standby polling staff;
- Resurfacing of roads
- Routine Hotel Accommodation and taxi costs
- T-shirts for the count. (Bibs which could be used for more than one poll would be considered though).

### **Outsourced services**

7.30 Care should be taken when outsourcing any element of the election that the costs incurred are not greatly increased from those that would be incurred if the service were provided internally. While there is provision for spending to exceed assumed average costs and be spread between heads within the overall maximum amount, 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 election. 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 PCC election then we may refuse to pay for all or part of those additional elements. In order to avoid paying for a service which will not be reimbursed, we strongly advise you to contact the Home Office to seek permission via ECU ahead of the election.

### **Meeting the Electoral Commission's performance standards**

7.31 The Electoral Commission has recently sent out a message to clarify the basis for their assumptions. Their guidance sets out that in all cases, decisions should be taken on a case-by-case basis and the reasoning behind the decisions on allocation should be clear. See: [http://www.electoralcommission.org.uk/data/assets/pdf\\_file/0016/150604/Electoral-Administration-Bulletin-17.pdf](http://www.electoralcommission.org.uk/data/assets/pdf_file/0016/150604/Electoral-Administration-Bulletin-17.pdf)

7.32 The Home Office will, similarly, fund reasonable and necessary costs above our assumptions, but expect returning officers to justify them and to have taken more into account in addition to the Electoral Commission's guideline ratios/figures in this case.



## **Timing of PCC elections**

7.33 No special provisions have been included in the fees and charges order to cover any additional expenditure which is required due to the PCC elections being held in November, for example, the cost of any additional lighting. However, we will consider reimbursing any additional costs which are incurred on a case by case basis and if you sufficient prove can be provided that the expenditure was reasonable and necessary for the effective and efficient running of the poll. More advice is provided under each relevant head.

## **Claiming for Tax (VAT and income tax)**

7.34 We are unable to reclaim Value Added Tax (VAT) on PCC 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.

7.35 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.

7.36 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) VAT authorities and not something on which we can advise.

7.37 All figures in your accounts relating to payments to staff should be shown gross, not net, of income tax. Guidance on the deduction of income tax was issued in Home Office RPA circular 368 in September 1991. This advice still applies. Any questions on income tax matters should be made to the local Inspector of Taxes who handles the PAYE for the relevant local authority.

7.38 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.

7.39 PAROs are urged to make contact with their local tax authorities before the election 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.

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

### **Claiming for National Insurance**

7.41 National Insurance contributions are not payable in respect of employment at any UK election.

### **Employment of staff - transparency**

7.42 Auditing bodies are increasingly paying attention to election accounts and closely scrutinising payments made to staff. One issue that could raise concern is that of employment by the PARO and / or LRO or his or her deputies of close family and friends. While there is no bar on such employment, it is important that the nature of duties of any such staff are clearly itemised and accounted for, and that they are completely transparent. Not only will claims be queried by us 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.

7.43 PAROs and / or LROs should be aware that no fee for their duties is payable 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 their overall payment for their services. Any claims in respect of other duties will not be met.

### **Claiming as a PARO**

7.44 PAROs can claim a amount, to a maximum of £10,000, for their expenses in addition to the costs of their specific functions which are calculated on a pro rata basis. This is on the basis that there is an irreducible core of activity which they all must undertake and which must be paid for, and a common amount to cover the bulk of these costs is therefore appropriate.

7.45 The amount for PARO expenses has been set following an analysis of the real costs of Regional Returning Officer expenses from the 2009 European Parliamentary Elections. The Regional Returning Officer representatives were clear that a flat rate for expenses was more helpful than heads of expenditure that vary with the number of counting areas. Their argument was that the role of the higher tier returning officer is similar regardless of the number of counting areas. However, we do not have sufficient data on what a suitable level should be and many of the regional returning officers justified their spending against heads of expenditure that

vary with the number of counting areas and not the flat rate for expenses following the European Parliamentary Election in 2009.

7.46                      Therefore, as we did not have data to identify what a comparable amount for PCC elections would be (as few RROs claimed against the flat rate amount), the assumptions are the same as the European Parliamentary Elections in 2009. The flat rate for expenses is less for PCC elections than the EPEs (£10,000 compared to £15,000) as PAROs have 8 counting areas on average compared to RROs who have 35 on average.

7.47                      All PARO costs should be attributed to the appropriate head of expenditure described below. For example, the costs in relation to the police area count should be claimed under head I. The other expenses of the PARO (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 the relevant form.

## 8. Summary of accounts – Form A

### Purpose of form

8.1 The summary of accounts form is the master document which both summarises the amounts claimed and confirms that the accounts are true and accurate.

### What you can claim

8.2 It contains the totals carried forward from the accompanying **forms E to K** and takes account of the amounts already received as initial and/or further advances. It therefore 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. This information is useful to us when we analyse the overall cost of the PCC election.

### How to fill in the form

8.3 The Maximum recoverable amount from the Charges Order must be entered as shown on **Form A**, this will provide you with a comparison as to whether your claim is overspent.

8.4 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 (the accompanying documents will reveal those details). An explanation of an overall **overspend** should be explained in the comments section of Form A. Each specific overspend will need to be justified carefully in the accompanying documentation, and agreed with – or notified to - the ECU in advance wherever possible (see paragraphs 6.21 – 6.27).

8.5 In explaining an overspend you should 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 poll, for example, what you have done to check that it is not excessive for example by getting three quotes or showing it is a sole supplier; and
- why all the costs were necessary and reasonable for the effective and efficient conduct of the poll

8.6 You will need to update the figures on the number of voters and postal/proxy voters. The overall number of voters is the same as that used for other 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 11-day deadline for registration.

8.7                               Once you have satisfied yourself, as PARO and / or LRO, 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 indeed correct. It is in law a personal responsibility and you will be held to account for any inaccuracies or discrepancies.

8.8                               PAROs / LROs should therefore sign the declaration personally. Although it is not usual, however, there may be circumstances where the PARO / LRO is not available to sign the accounts off in person. In such exceptional circumstances it may be acceptable for a deputy “with full powers” (see paragraphs 4.8 to 4.10) to sign the declaration on behalf of the PARO / LRO. 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.

## 9. Returning Officers' services – Form E

### Purpose of form

9.1 PAROs and LROs will be able to recover an amount for their specified services (as opposed to their expenses). This is also known as the “personal fee”. The Charges Orders set out a maximum recoverable amount for the services specified.

9.2 **Payment for a Returning Officer's services will on this occasion be made on submission of accounts.** I.e. it should be paid into Returning Officer's personal accounts just before the claim is submitted and not before. It will be reimbursed when the claim is settled.

9.3 The usual practice at elections is for PAROs and LROs to appoint deputies to act on their behalf and in some circumstances the Returning Officer may choose to allocate all or part of his or her personal fee to any deputies. Where that is the case, suitably signed supporting vouchers or receipts should be submitted which provide details of the basis on which any amount has been paid.

### What you can claim

9.4 **PARO fees.** PARO are entitled to recover for their services at the PCC election a flat rate of no more than £8,000. **The maximum recoverable amount for the services specified cannot be exceeded** (although there is of course nothing to prevent them claiming less). The flexibility given to PAROs and LROs 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.

9.5 **LRO fees.** LROs are entitled to recover for his or her services at a PCC election a sum of £475 for every 10,000 electors in that area on a pro rata basis (that is, electorate as at 1st December 2011 ÷ 10,000 x £475). Where the figure produced by that calculation is below £2,500, however, the LRO will be entitled to a minimum of £2,500.

9.6 **Fees when elections are combined.** Where the poll at the PCC election is combined with the polls at any other elections, this amount will be increased by 11% in recognition of the increased complexity involved in administering more than one election at one time. Responsibility for paying this increased amount (but not the fee itself) is split between those responsible for the polls which are to be combined. For example, if the PCC election is combined with a local election, both the Home Office and the Local Authority would pay 5.5% of the increase, For the avoidance of doubt this increase does not apply to the fees of PAROs.

9.7 **Deputies.** You can make payments from your personal fee to deputies. **However, to reiterate from (paragraph 4.11) there is no mechanism under the fees and charges order for a deputy returning officer to be paid a fee from the specified expenses.**

9.8 **Superannuation.** Returning officers fees are not pensionable for PCC elections. This follows a consultation on the pensionability of returning officer fees. A document outlining the rationale and change was sent to PAROs on the 13 September 2012.

### How the amounts are calculated

9.9 The Charges Order provides for PAROs to recover a standard amount for their services as the tasks undertaken by PAROs 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 PAROs, regardless of the number of local voting areas or the electorate in their areas. Each PARO will therefore be entitled to recover for their services at the PCC election a flat rate of no more than £8,000.

9.10 The Charges Order provides for LROs 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 election 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 LROs undertake, whatever the size of their voting area.

Cost item	Basis of calculation
1. PARO fees	£8,000 flat fee
2. LRO fees	electorate as at 1st December 2011 ÷ 10,000 x £475 minimum of £2500
3. Increase for combination	increase rates of pay at 2 by 11%
4. Superannuation	not payable for PCC elections

### How to fill in the form

9.11 The amount for the services of the PARO in the voting area which is the subject of the claim should be recorded on the form in the relevant box under Head E1.

9.12 It is not sufficient to make a payment to the PARO before the rest of the accounts are finalised without providing a detailed justification for that payment. The claim form (**Form E**) has a space for this information to be included.

9.13 For the purposes of transparency it would also be helpful to have a brief outline of the activities which you (as the PARO and / or LRO) undertook for the conduct of the poll, which should be outlined in explanatory box 2 on **Form E**.

## 10. Polling station costs – Form F

### Purpose of form

10.1 **Form F** documents the costs of staffing, equipping and running the polling stations. It breaks out the costs by asking you to account for each head using annexes **A, B, C-E**. The costs on this form must, wherever possible, relate to those for polling stations only.

### What you can claim

10.2 The flexibility given to PAROs and LROs to allow them to pay more for some functions and less for others within the maximum recoverable amount for expenses applies to the polling station costs on **form F**. For details of the assumptions for these heads of expenditure see paragraph 10.31.

10.3 Where two or more polls are combined, we will only settle claims for the costs of providing polling stations that are divided equally between the number of polls combined on that day. This applies to all costs under this head except those for equipment (the contribution for which has already been taken into account) and printing of ballot papers.

10.4 **Changes to figures.** If the number of polling stations has changed due to a polling station review, since you notified us in January 2012, we will only settle those costs where you have notified us of the changes before the election and on the basis of a satisfactory justification being provided of why that is a reasonable. See paragraph 7.31 about polling station ratios and the Electoral Commission's assumptions.

10.5 **Staff costs (Heads F1-F5).** The head F3, 'Supervising Officer', is intended to cover staff who act as Polling Station Inspectors, as well as any other ancillary staff employed on activities attributable to setting up and managing polling stations.

10.6 If you have increased the number of supervising officers or polling clerks we will only settle those costs on the basis of a satisfactory justification of why that is a reasonable and necessary cost. See paragraph 7.31 about polling station ratios and the Electoral Commission's assumptions.

10.7 If staff are paid through a payroll system, you must ensure that special arrangements are made to exclude National Insurance contributions, which are not payable in respect of the election.

10.8 You can make an additional payment to staff to account for combination (head F4). In areas where some - but not all - polling stations feature combination, these amounts are payable only in those polling stations.



10.9                   **Training (Head F6).** 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**).

10.10                  **Accommodation (Head F7 and F8).** Schools and some other public buildings should be available to returning officers free of charge, with the exception of maintenance (heating and lighting) costs.

10.11                  **November polling day.** The Home Office will fund claims for lighting and signs outside the polling station only where they can be shown to be reasonable and necessary. For example, polls open and close during hours of darkness in May as well as November, a claim will need to justify why any additional signs are needed for visibility.

10.12                  We recommend that returning officers assess the requirements for their polling stations individually. We will not be funding blanket claims for equipment or heating without any assessment taking place on whether those polling stations required it specifically. While we do not require details to be provided for individual polling stations, we will need evidence to be provided which shows that you have considered them. Whilst we do not need a detailed breakdown of the facilities in each polling station you should be evidence the steps which you have taken to identify any special arrangements which need to be put in place to allow for a particular polling station to be used on 15 November.

10.13                  We also highly recommend that you prepare your staff for the conditions they can expect as they would on any other work day, for example ensuring that they have appropriate clothes and refreshments with them. We will not fund requests for blankets or torches for all polling stations. If there is an emergency, we expect that supervising officers will be able to take mitigating actions.

10.14                  It is the Local Authorities responsibility to ensure that the roads approaching the polling station are gritted and lit, we will only fund grit and lighting off the road where you provide evidence that this was strictly necessary for the poll and where the associated costs were reasonable.

10.15                  **Equipment (Head F10).** You cannot claim for the full cost of equipment which may also be used at other elections – just the proportion of their cost for this PCC election and in this voting area. To do this you must take into account the value of the equipment on an annual basis, or the annual depreciation value. Invoices and other vouchers should be retained for future claims. See paragraphs 7.6 to 7.24 for more details on how to account for the use of equipment.

10.16                  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 – 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) with your claim.

10.17 The Home Office recognise the need for tactile voting devices to be produced specifically for the PCC elections and will look to reimburse the associated costs. We expect returning officers to have sought to purchase these as cheaply as possible, including buying them regionally. We expect unused tactile voting devices to be retained for use at future PCC elections.

10.18 Any costs associated with mobile phones – either reimbursement of the costs of calls on personal mobile telephones or the costs of hiring them – should be included here under polling station equipment (see paragraph 7.25).

10.19 **Ballot papers (Head F11).** For the purposes of these calculations, and in accordance with usual practice, it has been assumed that the printing of ballot papers will be undertaken by the LRO, even though the PARO has the power to arrange this themselves. Claims for reimbursement of ballot paper printing expenses should therefore be made by LROs. Should a central ballot paper printing contract have been entered into, however, by the PARO, or by a group of LROs, arrangements should be made for the bill to be paid and claimed for locally, or for an internal reimbursement arrangement to be set up.

10.20 The costs, for instance, of the production and printing of ballot papers under Head F11 should relate to those for polling station ballot papers only (and not to those for postal voting). In most cases these costs should be possible to identify separately simply by dividing the ballot paper costs in the same ratio of polling station voters to postal voters.

10.21 Where a single contract has been entered into for ballot paper and postal ballot pack production, you should require the contractor, as part of the contract, to identify the costs separately so that they can be accounted for appropriately.

10.22 **Exclusions.** As outlined in paragraph 7.29, there are some examples of items that we have not funded in recent elections and these apply for PCC elections too. A selection of the ones relevant to polling stations costs include:

- 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
- floral / shrub or other decorations
- payment for employment of health and safety officers to undertake checks of premises and equipment
- Standby costs (staff, venue, generators etc.)
- Flags on polling stations

- Standby Polling staff;
- Resurfacing of roads
- Routine Hotel Accommodation and Taxi costs

## **How the amounts have been calculated**

10.23 The amounts allocated for combination, travel and subsistence, accommodation costs, preparation and transport of equipment, cost of equipment, printing ballot papers and increase for outer London areas are based on the actual costs from the 2009 European Parliamentary and 2010 UK Parliamentary elections.

10.24 For the purposes of these calculations we have assumed an average of 1.8 Poll Clerks per polling station. An amount has also been included in the calculations for Supervising Officers at a rate of one for every ten polling stations, and at the same rate of pay as Presiding Officers.

10.25 On average, accounting for inflation, returning officers have been paying £8 on travel and subsistence. If, in your area, you need to pay officers more to reimburse them for their travel and you can show that the amount you have paid is reasonable and necessary, then you can exceed this assumption.

10.26 The increase for combined polls reflects the extra payments traditionally made to staff for the increased complexity of conducting the polls where they are combined. The increase is at the same rate as the similar increase for LROs services. Both the payments made to staff and the increases are divided equally between the numbers of polls being combined.

10.27 The calculations from the last two elections suggest that 11% is the average additional funding needed for areas with combined elections. As outlined above, where extra costs are clearly necessary, unavoidable and their cost cannot be absorbed by savings elsewhere, there is flexibility for additional funds to be made available.

10.28 Accommodation costs are split into separate categories – for permanent and temporary polling stations. This recognises the increased use in some areas of temporary accommodation – usually Portakabins or other temporary structures – following polling station reviews. It also recognises the increased costs associated with hiring and supporting these structures.

10.29 The figures for polling station equipment may still seem low in comparison to the actual costs of polling screens, ballot boxes, etc, but it does not represent the total cost. See paragraphs 7.6 to 7.24 for an explanation of how we treat equipment costs.

10.30 It has been assumed that ballot papers will be printed at a rate of 100% of the registered electorate, though of course the decision

UNCLASSIFIED

about how many ballot papers to print will be for the LRO to make (and pursuant to any direction they receive from the PARO).

10.31 The costs of providing polling stations have been calculated using the following formulae:

<b>Cost item</b>	<b>Basis of calculation</b>
Head F1 - Presiding Officers	number of polling stations x rate of pay of £195
Head F2 - Poll clerks	number of polling stations x 1.8 x rate of pay of £115
Head F3 - Supervising Officers	number of polling stations ÷ 10 x rate of pay of £195
Head F4 - Increase for combination	Increase rates of pay at 1 to 3 by 11%
Head F5 - Travel and subsistence	number of staff x average cost of £8 per person
Head F6 - Receiving training	number of staff x average cost of £50 per person
Head F7 - Accommodation costs – permanent stations (including heat, light, adapting building, etc)	number of permanent polling stations x average cost of £130
Head F8 - Accommodation costs – temporary stations (including heat, light, adapting building, etc)	number of temporary polling stations x average cost of £1,108
Head F9 - Preparation and transport of equipment	number of polling stations x average cost of £57
Head F10 - Cost of equipment (polling screens, ballot boxes, tactile voting device, stationery, etc)	number of polling stations x average cost of £37  annual value = $\frac{\text{cost} - \text{scrap value}}{\text{useful life}}$
Head F11 - Printing ballot papers	electorate x £0.0685
Increase for outer London Returning areas	increase 1 – 9 by 44%
Reduction for combined poll	reduce total of 1 – 9 and 12 - 13 by the proportion of the poll attributable to other polls (e.g. 50% if two polls, 0.66% if three polls etc)

## How to fill in the form

### Form F

10.32 The total amounts for each head of expenditure calculated on the supporting forms should be transferred to the relevant line at part 2 of **form F** and totalled. This total can then be transferred to the appropriate line in form A.

10.33 You should also state at part 3 of **form F**, where polls have been combined, the extent of the combination, (whole or part of the voting area, how many polls have been taken together and the number of polling stations affected). Also include overall numbers of polling stations and the staff involved.

10.34 Where there are combined costs the accounts will need to show a correct attribution of the costs according to each poll being taken together, and we would therefore expect your claim to be correspondingly reduced. We will require an explanation if it is not attributed in this way, in explanatory box 3.

10.35 As noted in paragraph 10.4 if you have increased the number of polling stations or staff you will need to inform us in explanatory box 3. You should explain what other options were available and why the additional polling stations/ supervisory staff/poll clerks are a reasonable and necessary cost.

### Form F, Annex A

10.36 Each of the payments to staff must be accounted for under the appropriate head of expenditure, which corresponds to the table at paragraph 10.31. Thus payments to Presiding Officers is Head F1, those to Poll Clerks is Head F2, those to Supervising Officers is head F3 and so on.

10.37 If you prefer to pay staff with a combined amount covering wages, travel, allowances, etc you may do so, as long as the payments are accounted for under the appropriate head of expenditure.

10.38 The voucher must clearly show the amount being claimed per head and individual's payments must be listed separately and not as a grand total/lump sum unless your poll is uncombined and 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.

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

10.40 It will not be necessary to include increases for outer London areas separately on the form or in the spreadsheet. Instead the

actual amounts paid to staff in these areas should be listed on the accompanying form.

10.41 Please see payroll requirements above (**page 13**) for more information. The supporting payroll documentation should clearly identify staff and the duties performed, as well as provide evidence of payment to the person concerned.

10.42 When completing your claim form, we also require you to provide details of any individual who has received a payment across each of the heads in excess of £2500. This should include a breakdown of the tasks which were performed and the rate which they were paid at.

### **Form F, Annex B**

10.43 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. **Booking slips for polling stations will not be sufficient.**

### **Form F, Annex C-E**

10.44 Other polling station 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.

10.45 Please check these are paid invoices or signed vouchers and are cross referenced accurately to the numbers on the form.

10.46 Your claim should make clear how you have arrived at the annual 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 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 one when making a new one at a future date. Other invoices or other supporting evidence, for instance for storage costs, should also be submitted and listed on this form.

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

## 11. Postal voting costs – Form G

### Purpose of form

11.1 **Form G** documents the costs of preparing postal voting packs, sending them and opening and checking the returned forms. It breaks out the costs by asking you to account for each head using annexes **A, B-G**. The costs on this form must, wherever possible, relate to those for postal voting only.

### What you can claim

11.2 The flexibility given to PAROs and LROs to allow them to pay more for some functions and less for others within the maximum recoverable amount for expenses applies to the postal voting costs on **form G**. For details of the assumptions for these heads of expenditure see paragraph 11.32.

11.3 Funding has been allocated for a separate issue of postal votes and where Returning Officers feel that it is a necessity they will be able to claim for them. But where combined issue is possible, that should be the preferred option, both for elector convenience and to achieve savings since it represents good practice. Where combination takes place, costs should be apportioned as necessary between the relevant elections, including for example apportionment of costs of postage for combined ballot packs, costs of returned postal votes, and the cost of checking postal vote identifiers.

11.4 **Changes to figures.** 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.

11.5 **Staff costs (Head G1 and G2).** If staff are paid through a payroll system, you must ensure that special arrangements are made to exclude National Insurance contributions, which are not payable in respect of the election.

11.6 We do not allow an additional payment to staff to account for the complexity of combination, unlike for polling station costs.

11.7 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).

11.8 **Training (Head G3).** 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**).

11.9 **Postage (Head G5 and G6).** You can claim for the VAT on the delivery costs under heads 5 and 6, Postal voting postage costs – outward and inward, as returning officers now have to pay this.

11.10 **Accommodation cost (Head G7).** You can claim for the accommodation costs of preparing ballot packs. We will only reimburse LROs for the use of local authority accommodation if there is usually a charge for using the rooms and if the amount which you are looking to claim is consistent or below the rate usually charged.

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

11.12 **Equipment (Head G8).** You can claim for the costs of the annual IT licence fee in the year in which there is a PCC election, and to contribute to the costs of any necessary hardware in the way outlined in paragraphs 7.6 to 7.24. However, as with polling station equipment, they are not intended to cover the whole costs of postal voting processing equipment and the associated IT; they represent the taxpayer's contribution to those costs for this election in that Returning area.

11.13 Typically, PVI 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.

11.14 Where polls are combined, any extra equipment needs which arise from the additional burden imposed by the other election(s) are not attributable to the PCC election.

11.15 The Home Office will be prepared to contribute up to half the cost of the annual licence fee payable in the year of the PCC election, on the basis that the licence fee is also payable for other elections (such as local casual vacancies) in that year.

11.16 **Postal vote “sweeps” costs (Head G9).** You can claim the cost of the licence for Royal Mail sweeps, but not the sweeps themselves. We have asked Royal Mail to do a national final day sweep for postal votes in their mail centres. This has been paid for centrally. The Royal Mail has implemented a new licensing scheme meaning each local authority returning officer will need to apply for a licence at £598 + VAT.

11.17 Sweeps will pick all postal vote envelopes at mailcentres and will therefore pick up any postal votes for combined polls. Some of those votes will be in the same envelopes as the election postal ballots where there is combined issue and some will be separate. The cost for a sweep is a set fee per mail centre and is not impacted by the number of papers or polls,



therefore we think it reasonable for Home Office monies to cover this cost as sweeps are being run nationally regardless. Any collection of papers for other polls taking place on the day will be an unavoidable by-product of these arrangements and it is not possible to separate out the benefits to different polls.

11.18 **Managed services.** It should be noted that where a “ballot managed service” is used, the Home Office will only reimburse the costs which would have been incurred if the service had been provided in house. See paragraph 7.30 for more on outsourcing. This most notably 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.

11.19 **Exclusions.** As outlined in paragraph 7.29, there are some examples of items that we have not funded in recent elections and these apply for PCC elections too. A selection of the ones relevant to postal voting costs include:

- loss of revenue at venues which are used for postal vote opening
- payment for employment of health and safety officers to undertake checks of premises and equipment
- Standby costs (staff, venue, generators etc.)
- Rates of pay which are in excess of the rate for the job

## How the amounts have been calculated

11.20 In the calculation of staff costs, printing and stationery, postage - outward, postage – inward and accommodation, the expected number of postal votes is the number of postal votes in that voting area as collected by the Home Office in (January 2012). This number has been reduced in the staff costs of checking returned postal votes and inward postage to reflect the fact that return rates for postal voting run at around 75%. The number processable per hour in the staff costs has been calculated by using the real numbers from the 2009 European Parliamentary and 2010 UK Parliamentary elections. The calculations assume that Returning Officers will be checking 100% of personal identifiers accompanying returned postal votes.

11.21 The amount for training at has been calculated at 5% of the staff costs together.

11.22 As part of the printing and stationary costs, the average unit cost of printing a ballot pack (£0.74) has been estimated using figures from the 2009 European Parliamentary and 2010 UK Parliamentary elections. The postage rates for outward mail (Head G5) assume that ballot packs will be sent out by Returning Officers at business rates. The inward rate (Head G6) also assumes the use of business mail and a 75% return rate.

11.23 These rates reflect the rise in first class postage costs that were introduced by Royal Mail on 1 April 2012. Due to the varied prices

UNCLASSIFIED

of Business Mail, we have taken the average costs from the 2009 European Parliamentary and 2010 UK Parliamentary elections and uplifted them to take into account the prices increases which have been announced by the Royal Mail. Following the Postal Services Act last year, the assumptions relating to postage now include a 20% increase for VAT.

11.24 The costs in Heads G7 and G8 for accommodation and equipment have been calculated using figures from the 2009 European Parliamentary and 2010 UK Parliamentary elections plus inflation. They are related to the number of postal voters in the voting area and therefore the scale of the operation needed to process them.

11.25 Accommodation costs have been included because many Returning Officers report that the scale of any in-house ballot pack preparation arrangements and of the checking operation have made it necessary to hire additional dedicated accommodation. The figure included reflects the real costs from the 2009 European Parliamentary and 2010 UK Parliamentary elections plus an up rate for inflation.

11.26 Equipment costs are intended to cover any additional equipment required for this PCC election over and above what was provided for by the grants issued to local authorities in England and Wales were first introduced. 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 from the Cabinet Office budget and unrelated to the funds provided for this and other elections.

11.27 We recognise, however, that this equipment may now need some upgrading and that the level of demand for postal voting in 2012 may mean that further provision is necessary. We also recognise that the way that IT suppliers now structure their contracts means that one-off payments or grants do not necessarily meet administrators' needs.

11.28 As LROs and electoral administrators would of course need to have such contracts in place annually whether or not there was a general election. The licence fee has to be paid to enable any election to run – including, for instance, local casual vacancies.

11.29 The assumption for head G8 is therefore an estimate of the possible costs, averaged out across all authorities, and taking into account the amounts paid in grants for such items over the last five years. In light of the points at paragraphs 11.26 to 11.28 and the real costs of such equipment for the 2009 European Parliamentary and 2010 UK Parliamentary elections, we have uplifted the assumption rate to £1,798.

11.30 Combined and separate issue of postal votes. From the elector's point of view, where there are combined polls it is more convenient and less confusing to receive one postal ballot pack containing ballot papers for all the elections taking place that day and only one postal voting statement. Combining the postal voting process in this way reflects current good practice

amongst Returning Offices and an approach that puts the needs of the elector first.

11.31 We recognise, however, that the decision about whether to combine the postal vote issue where other elections are taking place is entirely for the individual Returning Officer for those elections. We have assumed, for the purposes of the calculations, that either separate or combined issue is possible. We have therefore made no reduction for combined issue of postal voting in any voting area in our calculations.

11.32 The costs of postal voting have been calculated using the following formulae:

Cost item	Basis of calculation
Head G1 - Staff costs – preparation and issue	Expected number of postal votes ÷ number processable per hour of 91 x hourly rate of £13.
Head G2 - Staff costs – opening and checking	Expected number of postal votes x 100 ÷ number processable per hour of 29 x hourly rate of £13
Head G3 - Receiving training	Amount at 1 and 2 x 5%
Head G4 - Printing and stationery	Expected number of postal votes x average unit cost of £0.74
Head G5 - Postage - outward	(Expected number of postal votes x postage rate of £0.38) + 20% VAT
Head G6 - Postage – inward	(Expected number of postal votes x 75% x postage rate of £0.41) + 20% VAT
Head G7 - Accommodation	£908 <sup>1</sup>
Head G8 - Equipment	£1,798 <sup>2</sup>
Head G9 - Postal vote “sweeps” costs (head G9)	Cost of Royal Mail licence at £598 + 20% VAT
Increase for outer London voting areas	Increase 1 – 3 and 7 by 20%

## How to fill in the form

### Form G

11.33 The total amounts for each head of expenditure calculated on the supporting forms should be transferred 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**.

11.34 You should also indicate at part 3 of **form G** where polls have been combined, the extent of the combination (whole or part of the voting area, how many polls have been taken together and where). Please also indicate here whether or not a combined postal ballot pack was issued and enter the total number of postal voters. Please also indicate the percentage of postal vote identifiers checked.

<sup>1</sup> Wrongly stated as per 10,000 voters in earlier guidance

<sup>2</sup> Wrongly stated as per 10,000 voters in earlier guidance

UNCLASSIFIED

11.35 Where there are combined costs the accounts will need to show a correct attribution of the costs according to each poll being taken together, and we would therefore expect your claim to be correspondingly reduced. We will require an explanation if it is not attributed in this way, in explanatory box 3.

11.36 As noted in paragraph 11.4 if you have increased the number of postal voters you will need to inform us in explanatory box 3.

**Form G, Annex A**

11.37 Each of the payments to staff must be accounted for under the appropriate head of expenditure which corresponds to the table at paragraph 11.32. 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.

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

11.39 The voucher must clearly show the amount being claimed per head and individual's payments must be listed separately and not as a grand total/lump sum unless each your poll is uncombined and 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.

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

11.41 It will not be necessary to include increases for outer London areas separately on the form or in the spreadsheet. Instead the actual amounts paid to staff in these areas should be listed on the accompanying form.

11.42 Please see payroll requirements above (page 13) for more information. The supporting payroll documentation should clearly identify staff and the duties performed, as well as provide evidence of payment to the person concerned.

11.43 When completing your claim form, we also require you to provide details of any individual who has received a payment across each of the heads in excess of £2500. This should include a breakdown of the tasks which were performed and the rate which they were paid at.

**Form G, Annexes B-G**

11.44 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

UNCLASSIFIED

G8 (equipment) - and supported by evidence, such as paid invoices or signed vouchers.

11.45 Please check these are paid invoices or signed vouchers and are cross referenced accurately to the numbers on the form.

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

11.47 Accommodation costs should also be shown with supporting evidence – once again, internal confirmation of the cost from internal Finance departments will be sufficient evidence where appropriate (Head G7).

11.48 Claims for costs of postal vote checking equipment or services over and above those already met by the taxpayer 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 paragraphs 7.6 to 7.24 for a detailed explanation). Care should be taken to ensure that only claims for costs relevant to the voting area are made.

11.49 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 new system is to introduce more transparency to the process of funding elections. 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. It should be noted that where a “ballot managed service” is used, the Home Office will only reimburse the costs which would have been incurred if the service had been provided in house. This most notably 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.

## 12. Poll card costs – Form H

### Purpose of form

12.1 **Form H** documents the costs of preparing and sending poll cards. It breaks out the costs by asking you to account for each head using annexes **A-D**. The costs on this form must, wherever possible, relate to those for poll cards only.

12.2 The Electoral Administration Act 2006 provided for the first time for every elector, including postal and proxy voters, to receive a poll card informing them of the arrangements which have been made for them to cast their vote. The arrangements have also been applied to the PCC elections.

12.3 Preparation of poll cards should not be an onerous or lengthy task and the figures in the table above reflect that. Most are now produced automatically and the process does not absorb a great deal of staff time or expertise.

### What you can claim

12.4 The flexibility given to PAROs and LROs to allow them to pay more for some functions and less for others within the maximum recoverable amount for expenses applies to the postal voting costs on **form H**. For details of the assumptions for these heads of expenditure see paragraph 12.16.

12.5 As with postal votes, and from the elector's point of view, where there are combined polls it is more convenient and less confusing to receive one poll card for all the electoral events taking place that day rather than separate ones for each. In areas where the PCC elections are combined with other polls issuing joint poll cards in this way reflects current good practice amongst LROs and other Returning Officers and an approach that puts the needs of the elector first.

12.6 **Changed figures.** If the number of registered voters has changed on the basis of the 2012 canvas, we will fund the additional costs above the calculations, but you will need to let us know what the revised figure is.

12.7 **Staff costs – preparation (Head H1).** If staff are paid through a payroll system, you must ensure that special arrangements are made to exclude National Insurance contributions, which are not payable in respect of the election.

12.8 We do not allow an additional payment to staff to account for combination.

12.9 You cannot claim for refreshments for staff when preparing or delivering poll cards. The emphasis is on you preparing staff for the working conditions they can expect.

12.10 **Equipment (Head H2).** You can claim for the costs of the annual IT licence fee in the year in which there is a PCC election, and to contribute to the costs of any necessary hardware in the way outlined in paragraphs 7.6 to 7.24. However, as with polling station equipment, they are not intended to cover the whole costs of poll card equipment and the associated IT; they represent the taxpayer's contribution to those costs for this election in that Returning area.

12.11 **Postage or delivery (Head H4).** It is clear from the average costs that many returning officers use business delivery rates or utilise hand delivery by casual staff. We will accept claims on either method.

12.12 **Exclusions.** As outlined in paragraph 7.29, there are some examples of items that we have not funded in recent elections and these apply for PCC elections too. For activities associated with the poll card process we reserve the right to refuse to pay rates of pay which are in excess of the rate for the job.

### **How the amounts have been calculated**

12.13 Based on the evidence from the 2009 European Parliamentary and 2010 UK Parliamentary elections, it should be possible for twenty poll cards to be produced a minute, or 1328 an hour, taking into account all the processes involved. The hourly rate represents a reasonable cost for this relatively low level activity and reflects the rates used for Poll Clerks and for staff issuing postal votes.

12.14 The equipment costs under Head H2 are included to cover any special software or other equipment required for the production of the cards, which should be minimal. The printing costs under Head H3 have been calculated by reference to costs recorded for previous elections. All of these assumptions have been uplifted to reflect the actual costs of issuing poll cards at the 2009 European Parliamentary and 2010 UK Parliamentary elections with an uplift included for inflation.

12.15 A legislative change to the Postal Service Act 2011 means that for the first time returning officers will have to pay Value Added Tax (VAT) on Royal Mail business products. This has been included in the delivery costs.

12.16 The costs of poll cards have been calculated using the following formulae:

Cost item	Basis of calculation
1. Staff costs – preparation	Electorate ÷ number processable per hour of 1328 x hourly rate of £13
2. Equipment costs	Average cost per 10,000 electors of £3
3. Printing	Average cost per card of £0.041
4. Postage / delivery	Electorate x postage rate of £0.26, uplifted by 20% to reflect VAT
5. Increase for outer London constituencies	Increase 1 by 20%

## Completing the Form

### Form H

12.17 The total amounts for each head of expenditure calculated on the supporting forms should be transferred 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**.

12.18 You should also indicate at part 3 of **form H** where polls have been combined, the extent of the combination (whole or part of the voting area, how many polls have been taken together and where). Please also indicate here whether or not a combined poll card was issued.

12.19 Where there are combined costs the accounts will need to show a correct attribution of the costs according to each poll being taken together, and we would therefore expect your claim to be correspondingly reduced. We will require an explanation if it is not attributed in this way, in explanatory box 3.

12.20 As noted in paragraph 12.6 if the number of registered electors has increased you will need to notify us in explanatory box 3.

### Form H, Annexes A-D

12.21 Payments to staff for the preparation of poll cards must be accounted for under Head H1. The voucher must clearly show the amount being claimed per head and individual's payments must be listed separately and not as a grand total/lump sum unless each your poll is uncombined and 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.

12.22 It will not be necessary to include increases for outer London areas separately on the form or in the spreadsheet. Instead the actual



amounts paid to staff in these areas should be listed on the accompanying form.

12.23 Please see payroll requirements above (page 13) for more information. The supporting payroll documentation should clearly identify staff and the duties performed, as well as provide evidence of payment to the person concerned.

12.24 When completing your claim form, we also require you to provide details of any individual who has received a payment across each of the heads in excess of £2500. This should include a breakdown of the tasks which were performed and the rate which they were paid at.

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

12.26 Any equipment costs should be listed and supported by appropriate invoices (Head H2). Claims for equipment should be made on the same basis as other equipment, taking into account its annual depreciation value (see paragraphs 7.6 to 7.24 for a detailed explanation).

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

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

12.29 Delivery of poll cards by hand, using staff employed especially for that purpose, is an option taken by many LROs. In such cases, you must account for the payments under Head H4, and observe the requirements for recording the payments mentioned at paragraphs 12.21 to 12.23.

## 13. Count costs – Form I

### Purpose of form

13.1 **Form I** documents the costs of staffing, equipping and running the count. It breaks out the costs by asking you to account for each head using annexes **A, B-E**. The costs on this form must, wherever possible, relate to those for the count only.

13.2 PCC elections will be run on the supplementary vote system where there will be roles for both the PARO and the LRO. LROs will run their voting area count (both for first and if required second preferences) and convey the total to a central point for collation by the PARO. Similar principles apply to both officers, however, and what follows applies equally.

### What you can claim

13.3 The flexibility given to PAROs and LROs to allow them to pay more for some functions and less for others within the maximum recoverable amount for expenses applies to the count costs on **form I**. For details of the assumptions for these heads of expenditure see paragraphs 13.33 and 13.38 for LRO and PARO assumptions respectively.

13.4 It should be noted that the verification costs included here take no account of combination of polls, where the cost will be shared. This therefore represents over-provision under this head. Where two or more polls are combined, only the costs of separating the ballot papers where a single ballot box has been used should be split.

13.5 **Staff costs (Head I1 to I3)**. The hourly rate of £13 takes account of the level of difficulty of the task and the possibility that it may require working anti-social hours. It is roughly equivalent to the rate paid to a Presiding Officer in a polling station. It will be open to the LRO to employ more or fewer staff to complete his or her count quickly or more slowly, bearing in mind the rest of his or her budget.

13.6 The head I2, 'Supervising Officer', is intended to cover staff who act as Polling Station Inspectors, as well as any other ancillary staff employed on activities attributable to setting up and managing polling stations.

13.7 If you have increased the number of supervising officers we will only settle those costs on the basis of a satisfactory justification of why that is a reasonable and necessary cost. See paragraph 7.31 about ratios and the Electoral Commission's assumptions.

13.8 If staff are paid through a payroll system, you must ensure that special arrangements are made to exclude National Insurance contributions, which are not payable in respect of the election.

13.9 We will not allow an additional payment to staff to account for combination.

13.10 **Training (Head I4).** 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**).

13.11 **Accommodation costs (Head I5).** Under the accommodation costs, we will allow for expenditure on light refreshments (for example tea / coffee and biscuits) for count staff. No other expenditure on refreshments will be allowed.

13.12 We also highly recommend that you prepare your staff for the conditions they can expect as they would on any other work day, for example ensuring that they have appropriate clothes and refreshments with them.

13.13 Accommodation costs are intended to cover rent for premises as well as such things as heating, lighting, caretaking, setting up and restoring 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 will, of course, expect LROs to make every effort to keep such costs as low as possible. It is hoped, too, that enough flexibility has been built into the system to allow savings elsewhere to compensate for any unexpected extra accommodation costs. If that is the case, or you anticipate it being so, you should contact the ECU in the first instance with an explanation of the difficulty as soon as possible.

13.14 **Equipment costs (Head I6).** You cannot claim for the full cost of equipment which may also be used at other elections – just the proportion of their cost for this PCC election and in this voting area. To do this you must take into account the value of the equipment on an annual basis, or the annual depreciation value. See paragraphs 7.6 and 7.24 for more details on how to account for it, particularly if it was purchased under a grant.

13.15 You can claim for the equipment costs of both hardware (such as Returning trays, tables, stationery items and similar special items necessary for this PCC election in particular and not already held) and the costs of any special software or IT support necessary for the processing or calculation of the results.

13.16 As outlined in paragraphs 7.6 to 7.24, section 7, the cost of equipment which is necessary for this election only (such as stationery, forms, etc) can be claimed in full. The cost of equipment which may be used for other 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 depreciation value, 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.

13.17 The Home Office will not pay for the purchase of brand new lap-top computers for this PCC election only, since such items could normally be provided from other sources and it is not reasonable for the taxpayer to subsidise the provision of lap-tops to local authorities for purposes other than this election.

13.18 Any costs associated with mobile phones – either reimbursement of the costs of calls on personal mobile telephones or the costs of hiring them – should be included under polling station equipment (see paragraphs 7.25).

13.19 **Transport (Head I7).** Transport costs 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 their final destination. It is also intended to cover any costs of transport of other equipment to and from the count centre.

13.20 **Security costs (head I8).** The amount allocated for security costs at Head I8 is intended to cover all the costs of security, including any costs for the police or other security personnel attending at 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.

13.21 **Outer London Weighting.** You can include increases for outer London weighting for staff, accommodation, transport and security costs, but not those for equipment, since these should be no different in outer London.

13.22 **Supplementary vote/second round.** As outlined in paragraphs 13.30 to 13.32, it is difficult to identify a common assumption for all counts. Therefore the assumptions allow you to spend up to 30 percent more, but we recognise this will vary. You should claim under the relevant head for the second round costs, if you think the additional costs will be significantly over the assumptions for any of these heads, please see paragraphs 6.21 onwards and contact ECU as soon as possible.

13.23 **LRO and PARO claims.** The costs of the verification and count will be allocated to all LROs in the fees and charges order, regardless of whether it is a local or central count. Where the PARO conducts the count centrally, they may want to pay for it wholly and claim for the entire cost, split the invoices between the LROs or have the LROs repay the relevant returning officer.

13.24 You have provided the Home Office with information on whether you are planning a central or local count, and ECU will have that information. However, if you are claiming for a count in its totality it would be helpful if you could contact ECU and let them know before the poll.

13.25 **Recounts.** Wherever possible, we will expect LROs to do their best to meet the costs of any recounts from within their overall

budgets, taking advantage of savings 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 fulfilled.

13.26                      Clearly it will not be practicable to inform us of a 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.

13.27                      **Exclusions.** As outlined in paragraph 7.29, there are some examples of items that we have not funded in recent elections and these apply for PCC elections too. A selection of the ones relevant to count costs include:

- purchase of mobile telephones (but see paragraphs 0 and 10.15)
- additional permanent lighting inside or outside polling places or count centres (though reasonable claims for temporary lighting may be considered)
- first aid kits
- 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
- 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 election process
- interpreters, such as in providing specialist translation services at polling stations or the count
- Legal services
- Standby costs (staff, venue, generators etc.)
- Consultancy fees (without prior agreement)
- Rates of pay which are in excess of the rate for the job
- Purchase of flat screen televisions, audio visual equipment or other similar items
- Resurfacing of roads
- Routine Hotel Accommodation and Taxi costs
- T-shirts for the count. (Bibs which could be used for more than one poll would be considered though).

13.28 As a matter of course we do not consider that there is a need to provide funding for contingency count venues. However, if you contact the Home Office via ECU with a good reason as to why a contingency count venue is required in addition to the main venue before booking it consideration will be given to reimbursing the costs.

### **How the amounts have been calculated**

13.29 Separate tables are provided below to identify the costs incurred by PAROs and LROs for this element of the poll.

13.30 The costs of the supplementary vote count are difficult to predict since there are a number of variables and the costs in different areas vary widely. The costs for the count have therefore been calculated using average costs for the various elements drawn from the 2009 European Parliamentary and 2010 UK Parliamentary elections. We have also looked at the cost of the count for Mayoral elections which are run under the same supplementary voting system as well as taken input from electoral administrators.

13.31 The assumptions for the count include an uplift on the standard allocation to take into account the second round based on data on the length of second round counts from the many Mayoral elections. We have looked at the data from recent Mayoral elections and after excluding those where there was no second round, the average proportion of ballots that went to a second round count is approximately 30 per cent. We have therefore applied this uplift to the staff, security and accommodation allocations as part of the LROs' calculations and to the staff and accommodation allocations for the PAROs' calculations.

13.32 The current calculations have been based on average turnout figures from past elections in each local authority area. This is on the basis that we cannot predict turnout for a new election. That figure is then used to calculate the number of person-hours required to complete the count.

### **LROs**

13.33 The staff costs for Head I1 and I2 are an attempt to quantify the time taken to verify, separate and count the number of ballot papers expected in a particular voting area. The expected turnout figure is divided by an estimated number of ballot papers processable every hour by a single counter. It is assumed that one member of staff should be able to carry out all the processes involved in verifying, separating and counting 100 ballot papers in an hour – that is just over 1.5 ballot papers a minute. Multiplying the product of this sum up by a reasonable hourly rate for counting staff gives a figure for the expected staffing cost of the count.

13.34 This hourly rate is for standard counting staff – supervisory staff are catered for in Head I2 and the allocated amount for them is calculated as a percentage of the total in Head I1. In this context, the term 'supervisory staff' is intended to include supervisory, IT or other ancillary staff.

13.35 The amounts allocated for travel and subsistence in relation to the count (in Head I3) and for receiving training for the count (in Head I4) are both calculated as a proportion of the amount in Head I1, since that is an indication of the number of hours the count should take and therefore the approximate number of staff needed for each area.

13.36 Accommodation costs in Head I5, equipment costs in Head I6, and transport costs in Head I7 have been calculated by reference to costs at the 2009 European Parliamentary and 2010 UK Parliamentary election.

13.37 The costs of the count have been calculated using the following formulae:

<b>Cost item</b>	<b>Basis of calculation</b>
Head I1 - Staff costs - including verification, separating and sorting ballot papers and counting	Expected turnout ÷ number of ballot papers processable per hour, per individual of 100 x hourly rate of £13
Head I2 - Staff costs – supervisory staff	Calculated at 41% of 1
Head I3 - Travel and subsistence	Increase 1 by 4%
Head I4 - Receiving training	Increase 1 by 10%
Head I5 - Accommodation - rent, light, heat, setting up costs light refreshments etc	Average cost per 10,000 electors of £231
Head I6 - Equipment costs	Average cost per 10,000 electors of £77
Head I7 - Transport	Average cost per 10,000 electors of £59
Head I8 - Security	£630 <sup>3</sup>
Increase for outer London constituencies	Increase 1 – 5 and 7 – 8 by 20%
Increase for second round	Increase 1-8 by 30%

## PAROs

13.38 PAROs can claim costs under these heads in addition to the flat rate expenses amount available to every PARO (see paragraph 7.44 to 7.47 and 14.28). They are intended to reflect the difference in costs that will be faced by those with a larger number of areas to administer at the count.

<sup>3</sup> Wrongly stated as per 10,000 voters in earlier guidance

Similar principles apply as to the LROs costs. The principle difference is that most costs are calculated in relation to the number of voting areas.

13.39 The following table contains, in a similar way, details of what has been allocated for the expenses of PAROs:

<b>Cost item</b>	<b>Basis of calculation</b>
1. Staff costs – PARO's staff	Number of voting areas in region x £36
2. Travel and subsistence	Increase Head I1 by 3 %
3. Accommodation – rent, light, heat, setting up costs etc	Average cost per Returning area of £123
4. Equipment costs	Average cost per Returning area of £116
5. Transport	Average cost per Returning area of £0
6. Security	Average cost per Returning area of £8
7. Increase for second round	Increase 1-6 by 30%

## Completing the form

### Form I

13.40 The total amounts for each head of expenditure calculated on the supporting forms should be transferred 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**.

13.41 Where polls have been combined and procedures at verification such as the separation of ballot papers are performed (the costs of which must be shared between the elections involved), that should be made clear and the appropriate adjustments made.

13.42 All PARO costs should be attributed to the appropriate head of expenditure described in this section.

### Form I, Annex A

13.43 Each of the payments to staff must be accounted for under the appropriate head of expenditure which corresponds to the table at paragraph 13.37. Thus payments for count staff should be included at Head I1, those for supervisory and ancillary staff (and PARO staff) at Head I2, those for travel and subsistence at Head I3 and for training at Head I4.



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

13.45 The voucher must clearly show the amount being claimed per head and individual's payments must be listed separately and not as a grand total/lump sum unless each your poll is uncombined and 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.

13.46 When completing your claim form, we also require you to provide details of any individual who has received a payment across each of the heads in excess of £2500. This should include a breakdown of the tasks which were performed and the rate which they were paid at.

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

13.48 It will not be necessary to include increases for outer London areas separately on the form or in the spreadsheet. Instead the actual amounts paid to staff in these areas should be listed on the accompanying form.

13.49 Please see payroll requirements above (page 13) for more information. The supporting payroll documentation should clearly identify staff and the duties performed, as well as provide evidence of payment to the person concerned.

### **Form I, Annexes B-E**

13.50 Other expenses – for accommodation (Head I5), equipment (Head I6), transport (Head I7) and security (Head I8) – should be recorded and the relevant supporting documentation supplied.

13.51 Claims for equipment should be made as detailed at paragraphs 7.6 to 7.24.

## 14. Other costs –Form J

### Purpose of form

14.1 Form J documents the other costs incurred in running PCC elections that do not fit under the other heads. It breaks out the costs using the Annex forms A, B-F.

14.2 There are a number of other miscellaneous costs which cannot be included elsewhere which will need to be allowed for and claimed by LROs and PAROs – this chapter deals with them. This includes the costs of providing (as opposed to receiving and attending) training.

14.3 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, or from those associated with another poll if they are combined.

14.4 PAROs should claim their expenses in relation to their particular functions under the appropriate heads of expenditure, where possible. So their expenses in running their own count proceedings, for example, should be made under head I. But they will have other expenses which do not fit under those headings and these should be included under this head. These costs are only available to PAROs.

### What you can claim

14.5 For details of the assumptions for these heads of expenditure see paragraphs 14.41 and 14.42.

14.6 **General Clerical and staff costs (Head J1 and J2).** You can claim 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 LROs. 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 PCC election tasks can be charged at overtime rates whenever they perform their duties.

14.7 You will have to explain why any individual has received more than £2500 in total across the claim too.

14.8 If staff are paid through a payroll system, you must ensure that special arrangements are made to exclude National Insurance contributions, which are not payable in respect of the election.

14.9 We will not allow an additional payment to staff to account for combination.

14.10 Increases for outer London constituencies cover staff costs alone and we will not fund claims against any other part of this head.

14.11 We also highly recommend that you prepare your staff for the conditions they can expect, for example ensuring that they have appropriate clothes and refreshments with them. We will not fund requests for refreshments under this head.

14.12 **Providing training (head J3).** It is clearly important that staff involved in delivering the poll are adequately trained, and training which is necessary for the efficient and effective conduct of the PCC election. Examples of such work may include, for example, training for polling station procedures, for postal vote issue and receipt, and for count work.

14.13 Training for tasks which are common to all elections (and which may therefore have been necessary anyway for local election duties, whether or not the polls are combined on this occasion) can only be funded in proportion to the extent that it applies to the PCC election. In other words, we may pay part of the cost of such training. We may pay up to half the cost of such training where it relates to more than one election.

14.14 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.

14.15 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 PCC election, the individual needs of the staff involved and so on. For example, a new member of staff who has never undertaken such duties will clearly need training. And where new processes are being introduced, experienced staff will also need training in those. But it would not, for instance, 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.

14.16 If the amount claimed substantially exceeds that allowed for, details of the reasoning for seeking reimbursement exceeding that amount must be given.

14.17 If there is combination, you must confirm that the training claimed for was necessary for the efficient and effective conduct of the PCC election, and indicate the proportion of the training which is attributable to the poll.

14.18 We understand a number of returning officers have already committed to training on the count under the supplementary vote system for PCC elections. Our intention has always been that we would follow funding practices for the European and Parliamentary Elections, including that for training. However, in light of the number of local authorities that have already been on or committed to training we will honour existing training plans where the returning officer can show that the cost was reasonable and necessary.

14.19 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 PCC election 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.

14.20                   **Materials and services (Head J4).** Where you have a claim against head J4 (materials and services), you should check whether they should be accounted for under other heads of expenditure (for example for polling station costs). 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.

14.21                   It should not normally be necessary to incur any bank charges, but some allowance has been made in the calculations based on averages in previous elections. LROs should of course make every effort to avoid incurring charges, or to negotiate a waiver or reduction.

14.22                   As outlined in paragraph 3.16, whilst we have not made any specific allowance for an internal bookkeeper in the fees and charges assumptions we will consider paying the costs under Head J4 (General Clerical) if the costs are reasonable and within your overall maximum recoverable amount see paragraph. Please contact the ECU for agreement before committing to using one. 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.

14.23                   **Textbooks.** In the past, the cost of one text book 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. But because any text book 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.

14.24                   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 (2010, 2009, 2005, 2004 and 2001) by that Returning Officer 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.

14.25                   **Translations (Head J7).** LROs in Wales can claim for the costs of translations where these are necessary (in Wales only). As you will be aware, we have provided full Welsh translations of all forms and notices. We would not usually fund other translations as full translations of electoral documents into other languages are already available free of charge from the Electoral Commission.

14.26 As outlined in paragraph 7.29, there are some examples of items that we have not funded in recent elections and these apply for PCC elections too.

## PAROs

14.27 PAROs can claim a standard amount, to a maximum of £10,000, for their expenses in addition to the costs of their specific functions which are calculated on a pro rata basis. This is on the basis that there is an irreducible core of activity which they all must undertake and which must be paid for, and a standard expense to cover the bulk of these costs is therefore appropriate. See paragraphs 7.44 to 7.47 for more information.

14.28 PAROs should claim their expenses, including those they are funding from the £10,000 the standard expense, under the appropriate heads of expenditure, where possible. The same principles apply as to what you can claim as for LROs.

14.29 **General Clerical and staff costs (Heads J1 and J2).** If PAROs are claiming for staff costs (deputies and general clerical) this is limited to any overtime which is worked in order to assist the PARO in his or her duties.

14.30 This can include project management expertise he or she wishes to employ, as well as the appointment of other specialists, or elections experts, but only subject to prior agreement being reached with the Home Office via ECU.

14.31 **Providing training (Head J3).** PAROs can claim for providing locally focussed training to the LROs in his or her region, including the costs of providing locally focussed training for trainers. However, the amounts allocated here are intended to cover only the additional cost of providing training which the Electoral Commission is unable to supply. They are 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.

14.32 **Translations (Head J7).** The duty on PAROs to check candidates' addresses against the requirements set out in the PCC Elections Order, includes checking that the candidate addresses are a direct translation in English and Welsh. Therefore, PAROs in Wales can claim for the costs of the Welsh translation needed.

14.33 **Legal Advice (Head J8).** As a PARO you can claim for internal legal advice on candidates' addresses from their local authority. There is a framework for accessing further legal advice in the run up to nominations closing and ahead of the deadline for submitting:

- Phase 1: PAROs assess candidate addresses against the criteria in the legislation and where they need legal assurance they use internal legal advisors;

- Phase 2: if there are concerns, they consult regional representative PAROs; and
- Phase 3: Where there are significant concerns after this, the regional rep will access counsel advice.

14.34 The criteria against making the decisions are set out in the legislation and Mark Heath has agreed, on behalf of SOLACE, to arrange counsel, specifically Tim Straker QC, to provide legal advice on these requirements.

14.35 Where you need internal legal advice, for example in the case of a challenge to your decision, that raise significant extra costs and where those extra costs are clearly necessary, unavoidable and their cost cannot be absorbed by savings elsewhere, there is flexibility for additional funds to be made available.

### **How the amounts have been calculated**

14.36 The costs under Head J1 (general clerical staff costs) are intended to cover all the general clerical costs associated with a PCC election which are not already covered elsewhere in the claim. These might include clerical costs in relation to issuing notices, responding to queries from electors, dealing with correspondence specific to the election, 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. The amount included has been calculated by drawing upon previous claims and from information provided by electoral administrators, and is proportionate to the number of electors in the voting area.

14.37 Head J2 is intended to cover the costs incurred by LROs and their staff in travel and subsistence in relation to the PCC election which cannot be attributed to any other head of expenditure. Again, it is related to the size of the area administered.

14.38 The costs of providing training are included in Head J3. This item is intended to cover the costs to the LRO 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 PCC election.

14.39 The amount allocated for providing training is £121 for every 10,000 electors and it is intended to cover all members of staff employed on polling station duties (that is all Presiding Officers, Poll Clerks and Supervising Officers), all members of staff employed in postal vote processing, and all members of staff employed at the count, as well as any training for more senior staff. The figure was arrived at after taking into account the costs of providing training for the 2009 European Parliamentary and 2010 UK Parliamentary elections.

14.40 The amounts allocated in 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. Once again, these may be difficult to identify separately, but they have been calculated using previous figures and are proportionate to the size of the electorate.

14.41 The costs allocated under this head have been calculated using the following formulae:

LROs

<b>Cost item</b>	<b>Basis of calculation</b>
Head J1 - General clerical staffing costs	Cost per elector of £0.0710
Head J2 - Travel and subsistence	Cost per electors of £0.0009
Head J3 - Providing training	Average cost per 10,000 electors of £121
Head J4 - Materials and services – stationery, printing, postage not covered elsewhere, telephone costs, bank charges, etc	Cost per elector of £0.0381
Head J5 – Nomination costs	Not applicable
Head J6 - Cost of translations (Wales only)	Average cost per voting area of £141
Head J7 – Legal Advice (PAROs only)	Not applicable
Increase for outer London constituencies	Increase 1 – 3 by 20%

## PAROs

14.42 The costs allocated under this head have been calculated using the following formulae:

<b>Cost item</b>	<b>Basis of calculation</b>
Head J1 – deputies and general clerical	Number of Returning areas x £270
Head J2 – Travel and subsistence	Amount at Head J1 x 10%
Head J3 – Providing training	Number of Returning areas x £65
Head J4 – Materials and services – stationery, printing, postage not covered elsewhere, telephone costs, bank charges, etc	Number of Returning areas x £15
Head J5 – Nomination costs – average cost per voting area	£100
Head J6 – Translation costs (Wales only)	£350
Head J7 – Legal Advice	£600

14.43 The costs in Head J1 (staff costs – deputies and general clerical) are intended to cover the appointment and payment of staff – particularly deputies – for any overtime which is worked in order to assist the PARO in his or her duties. The amount is calculated in proportion to the number of Returning areas in the region.

14.44 Travel and subsistence costs in Head J2 are intended to cover the costs incurred by both the PARO and any deputies (but not those of his or her LROs which are to be claimed in their own right). These are also based on costs which were incurred by Regional Returning Officers for the 2009 European Parliamentary elections.

14.45 Training costs in Head J3 are intended to cover the costs to the PAROs of providing any locally focussed training to the LROs in his or her region, including the costs of providing locally focussed training for trainers.



14.46 Head J4 covers various miscellaneous costs which might fall to the PARO and it is similar to the same head in the LRO's table. Once again, the cost is linked to the number of voting areas in the region.

14.47 Head J5 covers the cost of the nominations process which the PARO will be responsible for taking forward. The figures are based on the costs which Regional Returning Officers incurred at the 2009 European Parliamentary elections.

14.48 Any other miscellaneous costs which are not covered in paragraph '14.27' should be claimed under Head J wherever is most appropriate.

## Completing the form

### Form J

14.49 The total amounts for each head of expenditure calculated on the supporting forms should be transferred 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**.

14.50 Where there are combined costs the accounts will need to show a correct attribution of the costs according to each poll being taken together, and we would therefore expect your claim to be correspondingly reduced. We will require an explanation if it is not attributed in this way, in explanatory box 3.

### Form J, Annex A

14.51 As elsewhere, each of the payments to staff must be accounted for appropriately, in this case under Heads J1 (wages) and J2 (travel and subsistence).

14.52 Genuine overtime costs of staff may be claimed under this Head (and under other staff cost Heads), but only in cases where overtime has truly 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 PCC election 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.

14.53 If you prefer to pay staff with a combined amount covering wages and travel and subsistence, etc you may do so, as long as the payments are accounted for under the appropriate head of expenditure.

14.54 The voucher must clearly show the amount being claimed per head and individual's payments must be listed separately and not as a grand total/lump sum unless each your poll is uncombined and 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.

14.55 It will not be necessary to include increases for outer London areas separately on the form or in the spreadsheet. Instead the actual amounts paid to staff in these areas should be listed on the accompanying form.

14.56 Please see payroll requirements above (page 13) for more information. The supporting payroll documentation should clearly identify staff and the duties performed, as well as provide evidence of payment to the person concerned.

14.57 When completing your claim form, we also require you to provide details of any individual who has received a payment across each of the heads in excess of £2500. This should include a breakdown of the tasks which were performed and the rate which they were paid at.

### **Form J, Annexes B-F**

14.58 Other costs must also be shown on the form under the appropriate Heads – Head J3 (costs of providing training), Head J4 (costs of materials and services), Head J5 (nominations costs), Head J6 (translation costs) and J7 (legal advice) - and supported by evidence, such as paid invoices or signed vouchers.

14.59 When making a claim for reimbursement of training costs, LROs 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 PCC election, and indicate the proportion of the training which is attributable to the poll in explanatory box 2. If the amount claimed substantially exceeds that allowed for, details of the reasoning for seeking reimbursement exceeding that amount must be given, also in explanatory box 2.

14.60 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.

14.61 If claiming for legal advice under Head J7, i.e. from within the local authority, an internal invoice or confirmation of the cost from internal Finance departments will be sufficient evidence.

## 15. Encouraging Participation – Form K

### Purpose of form

15.1 **Form K** documents the costs of activities PAROs take to encourage participation in the PCC election. The costs on this form must, wherever possible, relate to those for awareness raising activities only.

15.2 Under the Police and Crime Commissioner Elections (Functions of Returning Officers) Regulations 2012, there is a requirement for returning officers to undertake activities as they feel appropriate to encourage participation in the PCC election. Recognising that this is the first time PCC elections have been held, we have made funding available for PAROs to use, in collaboration with LROs.

15.3 The funding is being provided on a trial basis to see whether it will help returning officers in encouraging participation for PCC elections. The position will be reviewed for future polls. It should also be noted that there is no intention to replicate these arrangements for the next European Parliamentary and UK Parliamentary general elections.

### What you can claim

15.4 The flexibility given to PAROs and LROs to allow them to pay more for some functions and less for others within the maximum recoverable amount for expenses does not apply to encouraging participation funding. For details of the assumptions for these heads of expenditure see paragraph 15.8.

15.5 The legislation sets out that PAROs must have regard to Electoral Commission guidance on raising awareness. The funds which the Home Office will refund should complement national campaigns, details of these campaigns were available through the Electoral Commission's PARO communications network.

15.6 As this is trial funding, we have not defined tightly how it can be spent. We know some PAROs are considering local websites, poster campaigns or newspaper advertising. We will consider funding all of these options and alternatives, provided that you can explain how this was expected to encourage participation, why it was reasonable cost for that item/contract and how it is in line with the Electoral Commission's guidance (as in paragraph 15.5).

15.7 We expect that PAROs will claim for these monies and we will only exceptionally consider claims from LROs if they can demonstrate this is through agreement with the PARO.

## How the amounts have been calculated

15.8 The encouraging participation head has been calculated using the following formula:

Cost item	Basis of calculation
1. Encouraging participation	Average cost per 10,000 electors of £55

## Completing the form

15.9 The costs incurred in encouraging participation must be shown on **Form K** - and supported by evidence, such as paid invoices or signed vouchers. You will also need to provide an account of how this meets the requirements set out in paragraph 15.6.

15.10 If this includes printing costs (specifically excluding costs relating to polling stations) those invoices should also be attached. Where printing has been sourced in-house, confirmation of the cost from internal Finance departments will be sufficient evidence.

## 16. Deposits – Form L

### Purpose of form

16.1 The National Audit office requires that money due to the Government in the form of deposits lost at elections needs to be recorded for accruals accounting purposes as soon as it is due. **Form L** is available to record this information.

16.2 Reminders about this will be issued shortly before the election, but you should be aware that you will be required to supply this information to a very tight timescale so that the debt to the Government can be recorded

### What you need to submit

16.3 Deposits are calculated on first preference votes (or votes if first past the post) under Schedule 3, paragraph 63 of the PCC Elections Order (see 2.8).

16.4 The ECU needs to be notified of what deposits are due to be returned as soon as possible after the election – no later than the working day after the results are declared. Confirmation about lost deposits from PAROs themselves – including nil returns – in form L will be required no later than the working day after the declaration of the result. It is not possible for the ECU to judge where deposits are forfeited and where not – only PAROs have the information to make that judgement, since published results vary and cannot necessarily be relied upon as being completely accurate.

### How to complete the form

16.5 You will need to enter the total number of votes cast and 5% of this figure into section 2. To provide the Home Office with assurance that all candidates deposits have been returned to us or the candidates as appropriate, please list all the candidates and the vote share.

16.6 The deposits themselves should be returned to ECU as soon as possible after the election, and in any case not later than two weeks after, Transfers of funds can be made either by BACS transfer or by cheque. The account details for BACS transfers are included on Form L and are also below.

16.7 The sort code is 08-33-00 and the account number is 12939673. The account name is PCC Elections and you should include “ECU” in the payment reference. Any cheques should be payable to PCC Elections and sent to the address on page 7 of this guidance.