



Northern  
Ireland  
Office



The Electoral Office for  
Northern Ireland

# Chief Electoral Officer (NI) Framework Document

Revised: October 2022

## **CONTENTS**

<b>SECTION</b>	<b>PAGE</b>
<b>INTRODUCTION &amp; BACKGROUND</b>	<b>3</b>
<b>PURPOSE, AIMS AND DUTIES</b>	<b>4</b>
<b>GOVERNANCE AND ACCOUNTABILITY</b>	<b>5</b>
<b>ROLE OF THE DEPARTMENT</b>	<b>5</b>
<b>GOVERNANCE STRUCTURE</b>	<b>8</b>
<b>MANAGEMENT AND FINANCIAL RESPONSIBILITIES</b>	<b>9</b>
<b>FINANCIAL REPORTING AND MANAGEMENT INFORMATION</b>	<b>13</b>
<b>AUDIT</b>	<b>14</b>
<b>REVIEWS AND WINDING UP ARRANGEMENTS</b>	<b>15</b>
<b>APPENDIX 1 - General Guidance</b>	<b>17</b>
<b>APPENDIX 2 – NIO Delegation Letter</b>	<b>18</b>

## **INTRODUCTION AND BACKGROUND**

### **1. Purpose of document**

1.1 This framework document has been agreed between the Northern Ireland Office (NIO) and the Chief Electoral Officer for Northern Ireland (CEO) in accordance with HM Treasury's handbook *Managing Public Money* (MPM) as updated from time to time and has been approved by HM Treasury.

1.2 It sets out the broad governance framework within which the CEO and the NIO will operate. It also sets out the CEO's core responsibilities, describes the governance and accountability framework that applies between the roles of the NIO, CEO and other parties as relevant and sets out how the day-to-day relationship works in practice including in relation to governance and financial matters.

1.3 The document does not convey any legal powers or responsibilities but both parties agree to operate within its terms.

1.4 Copies of the document and any subsequent amendments have been placed in the libraries of both Houses of Parliament and made available to members of the public on the Electoral Office for Northern Ireland (EONI) website and GOV.UK.

1.5 This framework document should be reviewed and updated at least every 3 years and immediately after any review of the CEO's status, unless there are exceptional reasons that render this inappropriate that have been agreed with HM Treasury and the Principal Accounting Officer of the NIO. The latest date for review and updating of this document is 31 October 2025.

### **2. Objectives**

2.1 The NIO and the CEO share the common objective to ensure effective administration of the electoral system in Northern Ireland. To achieve this, the CEO and the NIO will work together in recognition of each other's roles and areas of expertise, providing an effective environment for the CEO to achieve their objectives and statutory duties through the promotion of partnership and trust.

### **3. Classification**

3.1 The CEO has been classified as a central government entity by the ONS/HMT Classifications Team.

3.2 The CEO has been administratively classified by the Cabinet Office as a Statutory Office Holder.

## **PURPOSES, AIMS AND DUTIES**

### **4. Purposes**

4.1 The CEO is a Crown appointment, independent of Government in their interpretation and administration of electoral law. They are responsible for administering the electoral system in Northern Ireland, which has different arrangements to elsewhere in the United Kingdom. They are assisted by the staff of the Electoral Office for Northern Ireland (EONI), the administrative structure created to support the CEO in the discharge of their duties<sup>1</sup>.

### **5. Powers and Duties**

5.1 The CEO is appointed by the Secretary of State for Northern Ireland under Section 14 of the Electoral Law Act (NI) 1962 as amended by Article 6 of Electoral Law (NI) Order 1972, the Northern Ireland (Modification of Enactments No 1) Order 1973 and Sections 8 and 9 of the Miscellaneous Provisions (NI) Act 2006.

5.2 The CEO's statutory duties include:

- acting as registration officer for all constituencies in Northern Ireland;
- acting as returning officer for all elections and referenda in Northern Ireland;
- acting as Petition Officer for all recall petitions in Northern Ireland;
- acting as an assessor to the Boundary Commission for Northern Ireland, to the district Electoral Areas Commissioner and to the Local Government Boundaries Commissioner;
- furnishing an annual report on the performance of his / her duties to the Secretary of State;
- making recommendations to the Secretary of State in relation to holding of a canvass in accordance with section 10ZA of the Representation of the People Act 1983; and
- leadership and management of the Electoral Office for Northern Ireland (EONI)

### **6. Aims**

6.1 The work of the CEO supports delivery of the NIO's *Governance* outcome which aims to ensure that governance in Northern Ireland is responsive, transparent and able to deliver effective public service.

---

<sup>1</sup> The EONI has no separate persona and in practice will act on behalf of the CEO under their delegated authority.

## **GOVERNANCE AND ACCOUNTABILITY**

### **7. Governance and Accountability**

7.1 The CEO shall operate corporate governance arrangements that, as far as is practicable, and in the light of other provisions of this framework document or as otherwise may be mutually agreed, accord with good corporate governance practice and applicable regulatory requirements and expectations.

7.2 In particular (but without limitation) the CEO should:

- comply with the principles and provisions of the Corporate Governance in Central Government Departments Code of Good Practice (as amended and updated from time to time) to the extent appropriate and in line with their statutory duties or specify and explain any non-compliance in its annual report;
- comply with *Managing Public Money*;
- have regard to any relevant Functional Standards, in particular those concerning Finance, Commercial and Counter Fraud, as appropriate; and
- take into account the codes of good practice and guidance set out in **Appendix 1** of this framework document, as they apply to ALBs.

7.3 In line with *Managing Public Money* Annex 3.1, the CEO shall provide an account of corporate governance in their annual report to Parliament.

## **ROLE OF THE DEPARTMENT**

### **8. The Responsible Minister**

8.1 The Secretary of State for Northern Ireland, is accountable to Parliament for all matters concerning the CEO.

8.2 The Secretary of State has no role in relation to the exercise by the CEO of their statutory powers, however, the CEO is legally obliged under Section 9(1) of the Northern Ireland (Miscellaneous Provisions) Act 2006, to submit an annual report to the Secretary of State, who is required by statute to lay a copy of the report before Parliament. The Secretary of State is assisted in these duties by the Minister of State.

### **Appointment of the Chief Electoral Officer**

8.3 The CEO is appointed by the Secretary of State for Northern Ireland under Section 14 of the Electoral Law Act (NI) 1962 as amended by Article 6 of Electoral Law (NI) Order 1972, the Northern Ireland (Modification of Enactments No 1) Order 1973 and Sections 8 and 9 of the Miscellaneous Provisions (NI) Act 2006. This appointment is subject to the Public Appointments Order in Council and as such must comply with the Governance Code on Public Appointments.

## **9. The NIO Principal Accounting Officer**

9.1 The Principal Accounting Officer (PAO) is the Permanent Secretary of the NIO.

### **Principal Accounting Officer's specific accountabilities and responsibilities**

9.2 The PAO is accountable to Parliament for the financial management of all monies voted to the Department including monies made available to the CEO.

9.3 To that end, the PAO requires assurance that:

- the financial and other management controls applied by the NIO to the CEO are appropriate and sufficient to safeguard public funds;
- arrangements are in place for the effective monitoring of such controls; and
- the CEO has systems of internal control that provide assurance regarding equality, probity and good financial and information management.

9.4 The PAO via, the sponsorship team, is also responsible for:

- agreeing an appropriate budget for the CEO for the operation of the Electoral Office in light of the NIO's overall public expenditure priorities and ensure that it is achieving value for money (funding for the delivery of elections is subject to separate legislation and funding);
- supporting the development of positive and effective working relationships between the CEO and the NIO, ensuring that the stewardship relationship is tailored and proportionate to the needs of both organisations;
- periodically, and at such frequency as is proportionate to the level of risk, carry out an assessment of the risks both to the NIO and CEO in line with the wider departmental risk assessment process;
- informing the CEO of relevant new or revised government policies in a timely manner; and
- raising any concerns with the CEO, requiring explanations and assurances that appropriate action has been taken.

## **10. The Role of the NIO Sponsorship Team**

10.1 The senior sponsor in the NIO is the Deputy Director of the Constitution and Rights Group and is the primary contact for the CEO. The sponsor is the main source of advice and support to the Secretary of State on the discharge of their responsibilities in respect of the CEO. They also support the PAO on their responsibilities toward the CEO. The sponsor oversees the working relationship between the NIO and the CEO and, with other NIO teams, secures the necessary financial, management and operational information required to monitor the CEO's performance.

10.2 The senior sponsor and sponsor team are supported in this role by other business areas within the NIO. The EONI's designated Finance Business Partner is

responsible for providing authoritative guidance on all budgetary and financial management matters.

10.3 In support of the PAO, the sponsor team will:

- monitor the activities of the CEO and keep abreast of management plans on a continuing basis through regular liaison between with the CEO;
- work with the CEO, and others as necessary to address in a timely manner any significant issues raised concerning finance or other resources; and
- inform the CEO of relevant departmental policies and procedures and changed to any procedures relating to financial, HR, and procurement management in a timely manner; advise as appropriate on their interpretation; and issue specific guidance to the CEO as necessary.

## **11. Resolution of disputes between the CEO and the NIO**

11.1 Any disputes between the NIO and the CEO will be resolved in as timely a manner as possible. The NIO and the CEO will seek to resolve any disputes through an informal process in the first instance. If this is not possible, then a formal process, overseen by the senior sponsor, will be used to resolve the issue. Failing this, the senior sponsor will ask the relevant policy director to oversee the dispute. They may then choose to ask the Permanent Secretary to discuss with the CEO, review the dispute and agree on a joint solution.

## **12. Freedom of Information Requests**

12.1 Where a request for information is received by either party under the Freedom of Information Act 2000 or the Data Protection Act 1998 or 2018, the party receiving the request will consult with the other party prior to any disclosure of information that may affect the other party's responsibility.

12.2 The EONI will maintain a central record of FOI and DPA requests received and answered. The NIO may require this information for inclusion in departmental statistical returns.

## **13. Reporting on legal risk and litigation**

13.1 The CEO shall notify the senior sponsor of the existence of any active litigation and any threatened or reasonably anticipated litigation. The parties acknowledge the importance of ensuring that legal risks are communicated appropriately to the sponsor in a timely manner.

13.2 In respect of each substantial piece of litigation involving the CEO, the parties should seek to agree a litigation protocol which will include specific provisions to ensure appropriate and timely reporting on the status of the litigation.

## **GOVERNANCE STRUCTURE**

### **14. The Chief Electoral Officer (CEO)**

14.1 The Chief Electoral Officer shall ensure the affairs of EONI are conducted with due probity in line with the requirements of Managing Public Money, the Financial Reporting Manual and any subsidiary rules and or regulations governing the expenditure in the NIO.

14.2 The CEO is personally responsible for safeguarding the public funds for which they have charge; for ensuring propriety, regularity, value for money in the handling of those public funds; and for the day-to-day operations and management of EONI. In addition, they should ensure that EONI as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management, that are set out in *Managing Public Money*. These responsibilities include the below and those that are set in the appointment letter issued by the NIO PAO.

### **Responsibilities of the Chief Electoral Officer**

14.3 The CEO has particular leadership responsibility for:

- ensuring that adequate internal controls are maintained, including effective measures against fraud and theft, and ensuring that any statutory or administrative requirements for the use of public funds are complied with;
- ensuring that all public funds are used for the purpose intended by Parliament, and that such monies, together with assets, equipment and staff, are used economically, efficiently and effectively;
- ensuring that they operate within the limits of their remit and any delegated authority agreed with the department or established in legislation and in accordance with any other conditions relating to the use of public funds and taking corrective action as necessary in response to potential overspends or other adverse financial risks
- preparing business plans and budgets
- keeping the sponsor team informed of progress in achieving objectives and how resources are being used to achieve those objectives;
- providing the NIO with timely forecasts and monitoring information on performance and finance and notifying it promptly if overspends or underspends against the allocated budget are likely or of any other significant management or financial problems;
- implementing risk management and other relevant financial or management guidance promulgated by HM Treasury, the Cabinet Office and the NIO;
- dealing with any complaints in line with best practice;
- ensuring that guidance has been issued to all staff on Data Handling arrangements. EONI senior staff will regularly monitor compliance; and



- ensuring that effective personnel management policies are maintained.

14.4 The CEO has responsibility to consult with the sponsor team and other relevant units within the NIO, and other sources of financial, procurement or other expertise within the Central Government as necessary to assist in the efficient, effective and expeditious pursuit of its duties.

## **Responsibilities to the NIO**

14.5 Responsibilities to the NIO include:

- producing a business plan that will be shared and discussed with the senior sponsor and should include outcomes relevant to the discharge of the CEO's functions, while recognising that the NIO has no role in respect of operational decisions taken in exercise of the CEO's statutory duties;
- submitting an annual report on the discharge of their functions to the Secretary of State who is required to lay a copy of the report before Parliament; and
- demonstrating that resources have been used effectively; and
- notifying the NIO in a timely fashion about any significant problems whether financial or otherwise.

## **15. Governance structure**

15.1 The CEO will set up a robust and proportionate governance structure that will ensure that effective arrangements are in place to provide assurance on risk management, governance and internal controls.

## **16. Role of the Electoral Office for Northern Ireland (EONI)**

16.1 The EONI exists to support the CEO in the discharge of their functions. It has no separate persona. In practice, the EONI will act on behalf of the CEO under their delegated authority.

## **MANAGEMENT AND FINANCIAL RESPONSIBILITIES**

### **17. Delegated Authorities**

17.1 The CEO's delegated authorities are set out in the delegation letter issued annually by the NIO PAO attached at **Appendix 2**. This delegation letter may be updated and superseded by later versions which may be issued by the sponsor department in agreement with HM Treasury.

17.2 In line with *Managing Public Money*, these delegations will be reviewed on an annual basis.

17.3 The CEO shall obtain the departments and where appropriate, HM Treasury's prior written approval before:

- entering into any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in CEO's annual budget as approved

by the NIO unless provided for in fees and charges legislation for a relevant election;

- incurring expenditure for any purpose that is or might be considered novel or contentious or which has or could have significant future cost implications;
- making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the NIO;
- making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of recourses required; and
- carrying out policies that go against the principles, rules, guidance and advice in *Managing Public Money*.

## **18. Spending Authority**

18.1 Once the budget has been approved by the NIO and subject to any restrictions set out in the delegation letter, or brought into force in relation to election charges expenditure, the CEO shall have authority to incur expenditure approved in the budget without further reference to the NIO on the following conditions:

- the CEO shall comply with the delegations set out in the delegation letter. These delegations shall not be altered without the prior agreement of the sponsor department and as agreed by HM Treasury and Cabinet Office as appropriate;
- the CEO shall comply with *Managing Public Money* regarding novel, contentious or repercussive proposals;
- inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes previously agreed; and
- the CEO shall provide the NIO with such information about its operations, performance, individual projects or other expenditure as it may reasonably require.

## **19. Banking and Managing Cash**

19.1 The CEO must maximise the use of publicly procured banking services (accounts with central government commercial banks managed centrally by Government Banking).

19.2 The EONI should only hold money outside Government Banking Service accounts where a good business case can be made for doing so and HM Treasury consent is required for each account to be established. Only commercial banks which are members of relevant UK clearing bodies may be considered for this purpose.

## **20. Procurement**

20.1 The CEO shall ensure its procurement policies are consistent with Government guidance, and comply with any relevant UK or international procurement, in particular the Public Contracts Regulations 2015, including *Annex 4.6 of Managing Public Money*, and NIO procurement guidelines and policies.

20.2 In procurement cases where the CEO is likely to exceed its delegated authority limit, approval for the specific planned purchase must be sought from the NIO Sponsor Team.

20.3 Goods, services and works should be acquired by competition. Proposals to let single tender or restricted contracts shall be limited and exceptional and a report explaining those exceptions should be sent to the NIO.

20.4 Procurement of works, equipment, goods, and services shall be based on, a full option appraisal and value for money.

20.5 The CEO shall:

- engage fully with NIO and government wide procurement initiatives that seek to achieve value for money from collaborative projects;
- comply with all relevant Procurement Policy Notes issued by Cabinet Office; and
- cooperate fully with initiatives to improve the availability of procurement data to facilitate the achievement of value for money.

## **21. Risk Management**

21.1 The CEO shall ensure that the risks that it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and develop a risk management strategy in accordance with the Treasury Guidance *Management of Risk: Principles and Concepts*

## **22. Counter Fraud and Theft**

22.1 The CEO should adopt and implement policies and practices to safeguard itself against fraud and theft.

22.2 The CEO should act in line with the guidance as issued by the Counter Fraud Function and in compliance with the procedures and considerations as set in *Managing Public Money Annex 4.9* and the Counter Fraud Functional Standard. It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter a contract or to provide grant or grant-in-aid.

22.3 The CEO should provide the NIO with an annual report on fraud and theft suffered by the CEO and notify the NIO of any unusual or major incidents as soon as possible. The CEO should also report detected loss from fraud, bribery, corruption and error alongside associated recoveries and prevented losses, to the counter fraud

centre of expertise in line with the agreed government definitions as set out in the Counter Fraud Functional Standard.

## **23. Staff Management**

23.1 The CEO may appoint such persons to the EONI to assist in the completion of their statutory duties and objectives. The CEO will have responsibility for the recruitment, retention and motivation of its staff. The broad responsibilities toward its staff are to ensure that:

- the rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued; appointment and advancement is based on merit; there is no discrimination against employees with protected characteristics;
- the level and structure of staffing, including grading and staff numbers are appropriate to its functions and the requirements of economy, efficiency and effectiveness;
- the performance of its staff at all levels is satisfactorily appraised and the statutory office holder performance measurement systems are reviewed from time to time;
- its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the statutory office holder's objectives;
- proper consultation with staff takes place on key issues affecting them;
- adequate grievance and disciplinary procedures are in place; and
- whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place.

## **Staff Costs**

23.2 The CEO has a responsibility to keep staffing levels in the EONI under review to ensure that the level and structure, including grading and staff numbers, are appropriate to the CEO's functions and the requirements of economy, efficiency and effectiveness. Subject to its delegated authorities, the CEO shall ensure that the creation of any additional posts does not incur forward commitments that will exceed its ability to pay for them or conflict with limitations of departmental staff complements.

## **Pay and conditions of service**

23.3 EONI staff, whether permanent or temporary, are subject to levels of remuneration and terms and conditions including superannuation approved by the NIO.

23.4 Terms and conditions, including pay arrangements for both full-time and part-time employees of the CEO will generally be aligned to the NICS; however, the CEO must seek NIO approval before implementing any proposed pay award which is being

applied to the NICS.

23.5 The current terms and conditions for staff of EONI are those set out in its Employee Handbook which should be provided to the department, together with any subsequent amendments.

### **Pensions, redundancy and compensation**

23.6 Staff employed by the CEO to work in the EONI shall normally be eligible for a pension by membership of the Northern Ireland Principal Civil Service Pension Scheme. Any proposals to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, require the approval of the NIO.

## **FINANCIAL REPORTING AND MANAGEMENT INFORMATION**

### **24. Budgeting Procedures**

24.1 Each year, in light of decisions by the department on the updated draft corporate plan, the department will send to the CEO:

- a formal statement of the annual budgetary provision allocated by the department, in light of competing priorities across the department and of any forecast income approved by the NIO; and
- a statement of any planned change in policies affecting the CEO.

24.2 The annual business plan will take account of both approved funding provision and any forecast receipts. It will include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any departmental funding and or other income over the year. These elements form part of the approved business plan for the year in question.

### **25. Grant-in-aid and any ring-fenced grants**

25.1 The CEO does not receive grant-in-aid. Expenditure by the CEO will be included in the NIO accounts reported to Parliament.

### **26. Annual Report and Accounts**

26.1 For financial accounting purposes, the CEO will not maintain or produce a separate set of accounting books and accounts, draw down grants or receive grant-in-aid. Expenditure by the CEO will be included in the NIO's reporting to Parliament. However, the CEO is legally obliged under Section 9(1) of the Northern Ireland (Miscellaneous Provisions) Act 2006, to submit an annual report to the Secretary of State, who is required by statute to lay a copy of the report before Parliament.

26.2 The annual report should:

- contain summary financial information giving a breakdown of expenditure which should be approved by the NIO before publication;
- provide information on performance and comply with any requirements set out in the founding legislation; and
- outline main activities and performance during the previous financial year and set out in summary form any forward plans.

## **27. Reporting Performance to the NIO**

27.1 The CEO shall produce a business plan that will be shared and discussed with the senior sponsor and should include key targets and milestones for the discharge of the CEO's functions. Performance against these targets should be included in the CEO's annual report that is presented to Parliament. All financial commitments contained in the business plan should be within the limits of the annual budget agreed with the NIO.

27.2 The CEO shall operate management information systems that enable them to review in a timely and effective manner the performance of EONI against the corporate and business plans. The CEO shall inform the sponsor department of any changes that make achievement of objectives more or less difficult.

27.3 The responsible minister and / or the PAO will meet with the CEO once a year.

## **28. Information Sharing**

28.1 The NIO has the right of access to all CEO records and personnel for any purpose including, for example, sponsorship audits and investigations.

28.2 The CEO shall provide the sponsor department with such information about EONI's operations, performance, individual projects or other expenditure as the sponsor department may reasonably require.

28.3 As a minimum, the CEO shall provide the department with information monthly that will enable the department satisfactorily to monitor:

- EONI Cash Management
- Forecast outturn by resource headings;
- other data required for the Online System for Central Accounting and Reporting (OSCAR);and
- data as required in respect of its compliance with any Cabinet Office Controls pipelines or required in order to meet any condition as set out in any settlement letter.

## **AUDIT**

### **29. Internal Audit**

29.1 The CEO will establish and maintain arrangements for internal audit of EONI in

accordance with the Public Sector Internal Audit Standards.

29.2 The NIO's internal audit service has a right of access to all documents prepared by the CEO's internal auditor, including where the service is contracted out. The CEO will inform the sponsor team where an audit is to be carried out and will provide the sponsor team with a copy of the internal audit reports

29.3 The CEO will ensure the NIO has the opportunity to contribute to the consideration of the responses to any recommendations which may have implications for the NIO before they are agreed by the CEO.

### **30. External Audit**

30.1 Current and Capital expenditure by the CEO forms part of the NIO's Core Resource and Capital expenditure respectively in the Departments reporting to Parliament.

30.2 The Comptroller and Auditor General (C&AG) audits the NIO's annual accounts and lays them before Parliament. The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the statutory office holder has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983.

30.3 The CEO will provide National Audit Office (NAO) access to all relevant documents required as part of the audit of the NIO's annual accounts. The NIO sponsor team will share any information relating to the CEO identified during the audit process.

## **REVIEWS AND WINDING UP ARRANGEMENTS**

### **31. Review of CEO's status.**

31.1 The UK Government has committed to review all non-departmental public bodies (NDPBs), executive agencies and non-ministerial departments at least once in the lifetime of each Parliament. As a Statutory Office Holder the CEO is outside of the scope of such reviews.

### **32. Arrangements in the event that the CEO is wound up**

32.1 The NIO shall put in place arrangements to ensure the orderly winding up for the CEO. In particular, it should ensure that the assets and liabilities of the CEO are passed to any successor organisation and accounted for properly. In the event there is no successor organisation, the assets and liabilities will revert to the NIO who will make arrangements for the effective winding-up and closing of accounts.

32.2 To this end, the NIO shall:

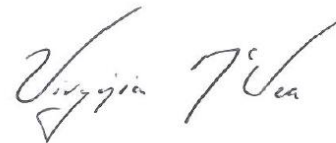
- have regard to Cabinet Office guidance on winding up of ALBs;

- ensure that procedures are in place in EONI to gain independent assurance on key transactions, financial commitments, cash flows and other information needed to handle the wind-up effectively and to maintain the momentum of work inherited by any residuary body; and
- specify the basis for the valuation and accounting treatment of CEO/EONI assets and liabilities

32.3 The CEO shall provide the department with full details of all agreements entered into. It should also pass to the NIO details of any other forms of claw-back due to the CEO.

**Signed on behalf of the NIO**

**Signed by the CEO**

.....

.....

**Date: 5/10/2022**

**Date: 28/09/22**

.....

.....



### GENERAL GUIDANCE

The Chief Electoral Office shall comply with the following general guidance documents:

- this document;
- [appropriate adaptations of sections of Corporate Governance in Central Government Departments: Code of Good Practice](#)
- [Managing Public Money \(MPM\)](#), issued by the HM Treasury:
- [Government Internal Audit Standards](#), issued by the Treasury
- [Management of Risk: Principles and Concepts](#)
- [Guide to Managing Fraud for Public Bodies](#)
- the Fees and Charges Guide, issued by the Treasury: Chapter 6 of MPM
- relevant Dear Accounting Officer letters
- Regularity and Propriety, issued by the Treasury
- other relevant instructions and guidance issued by the central departments provided they have been brought to their attention by the sponsor group
- recommendations made by the Public Accounts Committee, or by other Parliamentary authority, which have been accepted by the Government, and are relevant to the Secretariat, provided they have been brought to their attention by the sponsor group
- NIO Policies on the Provision and Receipt of Hospitality, Gifts and Events
- [NIO Information Assurance Policy](#)
- [NIO Information Security Policy](#)



**Permanent Secretary for  
Northern Ireland Office**  
1 Horse Guards London  
SW1 2HQ  
T: 020 7210 645

Erskine House, 20-32  
Chichester St,  
Belfast  
BT1 4GF  
T: 028 9016 0206  
E: [pusmail@nio.gov.uk](mailto:pusmail@nio.gov.uk)  
[www.gov.uk/nio](http://www.gov.uk/nio)  
Twitter @niopressoffice

19 May 2022

## **Delegated Authority Letter – Electoral Office for Northern Ireland**

Dear Virginia,

This letter sets out the Electoral Office for Northern Ireland delegated authorities and budget from the Northern Ireland Office for the 2022/23 financial year. It should be read in conjunction with the Settlement Letter you received following the conclusion of Spending Review 2021 (dated 17th December 2021). In addition, I attach a formal delegation letter in line with HMT guidelines at Annex 2.

Where applicable this letter supersedes any relevant content in your Framework Document, which will now be renewed as necessary by your sponsor team.

It also sets out the Electoral Office for Northern Ireland responsibilities in regards to how these funds are used and your necessary responsibilities to me as the departmental Principal Accounting Officer.

As the Principal Accounting Officer, I am pleased to confirm that your agreed budget for 2022/23, as per your SR21 Settlement Letter, is:

- RDEL 2022/23: £2,074,999
- CDEL 2022/23: £0
- Electoral Management System (EMS) 2022/23: £508,501

It is your responsibility to manage within the budget allocation and to meet your corporate objectives and targets where appropriate.

The Electoral Office for Northern Ireland is responsible for ensuring that all spend is in accordance with the principles of HM Treasury's *Managing Public Money* and complies with the HM Treasury *Consolidated Budgeting Guidance*.

Your new delegated authority limit is £150,000 excluding VAT. Any transactions greater than this require NIO approval in advance, before spend is made. The Electoral Office for Northern Ireland can set delegation authority limits to named individuals within your organisation subject to recording these limits and meeting the requirements of the National Audit Office (NAO). You are also the authorised signatory for third party contracts for goods and services that have an estimated contract value within the limits of your budget delegation and comply with Government Spending Controls.

The budget is set for the year. Your NIO Sponsorship Team and your NIO Finance Business Partner will provide support to you and your team throughout the financial year, and will meet with you regularly to review progress against budget allocations and forecasts and discuss adherence to your responsibilities - including compliance with Government Spending Controls. Progress against your budget is reported to me as the Principal Accounting Officer on a monthly basis.

Formal financial reviews will be held at M3 and M6, led by the NIO Finance Team. If it is evident that your budget is not being spent as planned, as Principal Accounting Officer I reserve the right to redirect elements of your budget to areas of greatest financial need across the NIO Group. In this eventuality, this will be discussed with you.

There will also be a new six monthly formal review meeting with the NIO Finance Director. Further details regarding this, including your broader responsibilities, are set out in Annex 1.

Please inform your NIO Sponsorship Team and the NIO Finance Business Partner at the earliest opportunity if there are any unforeseen events or changes that impact your financial position.

I would be grateful if you could respond to me by email within ten working days to confirm that you are content that you have adequate arrangements in place to provide assurance for the responsibilities as set out in this delegation letter.

Please contact your NIO Finance Business Partner) and NIO Sponsorship Team in the first instance if you have any questions regarding this delegation letter.

Yours sincerely,



Madeleine Alessandri  
**Permanent Secretary**  
**Northern Ireland Office**

## Annex 1

### Electoral Office for Northern Ireland Responsibilities

#### Managing your budget

1. As a budget holder, you are responsible for living within your budget and achieving value for money in compliance with HMT's *Managing Public Money*.

2. Your organisation is required to submit the following Management Information to NIO Finance Team on the 3<sup>rd</sup> working day of each month:

- Monthly journals - with supporting documentation
- Accruals and prepayments - with supporting documentation. If there is a nil return please complete the return stating this.
- Bank reconciliations
- Regular review of staff access and permissions on Account NI
- Cash requirements to inform the monthly cash forecast
- At year end, provide year-end documentation, calculation, information and evidence as requested by NIO/EY for preparation of year end ARA and audit files.

3. Please note that requests for journals, accruals, and prepayments will not be accepted and actioned by Finance if:

- They are below £500 per transaction (including any applicable VAT)
- Supporting documentation is not provided
- They are submitted beyond the deadline

4. You should ensure your organisation has sufficient resource (with cover arrangements) in managing your budget, including knowledge of Account NI to access financial data.

Monthly reviews will be undertaken by the NIO Finance Business Partner to review in year spending and to scrutinise forecasts. Significant deviations from year to date spend and/or full year forecasts from the budget allocation at the mid-year point must be supported by a recovery plan showing how spend will be brought back in line with budgets. This will be followed by subsequent check-ins with your Finance Business Partner to discuss any developments or changes to your position since the mid-year review.

5. Performance against budgets this year may impact budgetary decisions during the year and in subsequent years.

6. You are responsible for ensuring that policy or operational proposals which will significantly impact the Northern Ireland Office resources or balance sheet (novel, contentious or repercussive items) are approved by your NIO Sponsorship Team and NIO Finance Business Partner before submitting advice to the NIO Permanent Secretary.

7. There are rules and restrictions regarding switches between expenditure categories:

- (i) Switches from (a) Resource into Capital (b) Admin into Programme require approval from the NIO. Your Finance Business Partner must be consulted prior to switches being proposed;

(ii) Any switches can only be approved by the NIO and HMT through the parliamentary Estimates process at the start of the financial year and at Supplementary Estimates (November / December of each year); and

(ii) Switches from (a) Capital into Resource and from (b) Programme into Admin are not permitted, in line with HMT's *Consolidated Budgeting Guidance*.

### **Special Payments**

8. The EONI must comply with HMT's *Managing Public Money* (Annexes 4.10 - 4.14) guidance in relation to special payments (including special severance payments), overpayments, losses and write offs, gifts, remedy payments and consolatory payments (£500+). Approval from the NIO Finance Business Partner is required prior to making an offer of a special payment.

9. All payments regardless of value require NIO approval if they are deemed novel, contentious or potentially repercussive. If you have any of these, please discuss with your NIO Sponsorship Team and NIO Finance Business Partner at the earliest opportunity.

### **Procurement Rules**

10. Subject to the value and category of the procurement, different procurement routes are required under Procurement Central Limits :

i) Up to £5k - Bodies must demonstrate that VFM is secured.

ii) £5k to £30k - Bodies must seek a minimum of two (2) tenders.

iii) £30k to EU threshold – Advertise on eSourcingNI through CPD.

Above EU Thresholds – EU Directives apply, and must advertise in the Official Journal of the European Union (OJEU).

11. You must follow your own internal policies for spend approval and contract signature as well as ensuring that you are compliant with Government Spend Controls.

12. You must maintain effective oversight of the following activity and should engage with NIO for guidance if required prior to undertaking any of the following:

i) Procuring goods and services with an estimated contract value above £5,000 (excl. VAT)

ii) Varying an existing contract either by term, value or scope

iii) If you wish to award a contract with a value over £5,000 without competition (Direct Award/Single Tender). This should only be done in exceptional circumstances and will require prior legal approval.

iv) For any pro-bono, zero charge or trial contracts

v) If the services procured must commence before a contract has been signed and awarded. This should only be done in exceptional circumstances.

13. Where there is an operational emergency, and EONI are unable to conduct the procurement process in accordance with CPD guidance in the necessary time frame, EONI may source external procurement support. This should only be done in exceptional circumstances and be approved by your NIO Finance Business Partner in advance.

## **Government Spend Controls**

14. Spend in the following categories are subject to Government Spending Controls and may require prior approval from the Cabinet Office. Guidance on gaining Approvals can be obtained at the following link:

<https://www.gov.uk/government/publications/cabinet-office-controls-version-6>

- Commercial activity, including dispute disclosure
- Consultancy and professional services (including legal)
- Property, including facilities management
- Grants
- Digital and technology, including identity assurance
- Advertising, marketing and communications
- Learning and development (Civil Service Learning)
- Redundancy and compensation
- External recruitment

15. You must use centrally established and managed corporate contracts where possible where they already exist. These are designed to achieve the best VFM and include favourable terms & conditions.

16. You must first satisfy yourself that interim staff coming to work for your organisation for a temporary period will be meeting their tax and national insurance commitments. To do this, you must formally assess whether appointees are within scope of the Intermediaries (IR35) Regulations.

## **Commercial Pipeline**

17. You are responsible for ensuring that an up-to-date commercial pipeline is maintained, and all planned spend with a third party is recorded; a contract (including variations and extensions) should only be signed if there is a corresponding pipeline entry.

18. Your commercial pipeline should be maintained in line with the standard government template and should be shared with the NIO Finance Business Partner on a quarterly basis and on an ad-hoc basis as requested.

## **Contract Management**

19. Appropriate rigour should be applied to this part of the procurement lifecycle to ensure contracts deliver the value that was originally intended. You are accountable for the effective contract management and delivery of procured services. This includes; ensuring all contracts have named contract managers who are appropriately accredited (or working towards) under the GCO's Contract Management Capability Programme and are actively managing the contracts, including tracking and reporting KPIs and SLAs on any Gold level contracts within your portfolio.

20. At the business case stage, contracts must be tiered (Gold/Silver/Bronze) in accordance with the Contract Tiering Tool guidance and contract management plans produced and maintained in line with prevailing guidance as appropriate for the tier level.

21. Details of live contracts (including KPIs where applicable) should be shared with the NIO when requested.

## **Contract Publication**

22. All contracts with a value of over £10k are legally required to be published on Contracts Finder once awarded, and all contracts with a value over £118k are required to be published on Find a Tender.

## **Prompt Payment Policy**

23. The government commitment is to pay 90% of undisputed and valid invoices from Small and Medium Enterprises (SMEs) within 5 days and 100% of all undisputed and valid invoices to be paid within 30 days. Government departments are required to publish their performance (including its ALBs) against these payment targets on a quarterly basis on gov.uk. This is therefore a collective responsibility and your organisation must ensure it processes invoices in a timely and efficient manner.

## **Risk and assurance**

24. You are responsible for ensuring an effective risk management system is in place to address risks to delivery of the EONI objectives.

25. You will report at six monthly intervals to your Sponsorship Team in identifying, assessing, managing and escalating operational risks and in providing an assurance that an effective risk management system is in place and operating to a common standard, including cyber security. This is done via the stewardship statement process.

## **Propriety & Ethics**

26. You have an obligation to disclose conflicts or potential/perceived conflicts of interest and take all reasonable steps to prevent conflicts of interest giving rise to material or perceived risks.

27. Officials within the Electoral Office for Northern Ireland must not abuse their position by making use of privileged information for personal advantage or to help others to personally gain.

28. When considering whether to accept offers of gifts or hospitality, you must be confident that it involves no reasonable suspicion that personal judgement, impartiality or integrity has been compromised.

29. You must submit to the Permanent Secretary's Office if you or any of your staff are leaving EONI and taking any form of full, part-time or fee paid employment falling within the scope of the Business Appointment Rules. Whilst these rules are drafted and labelled for the attention of UKG Civil Servants, your organisation must comply with the spirit of these rules whatever the status of employees.

30. All business appointments must be reviewed by your Leadership Team, and, where applicable in line with your internal processes, your Audit and Risk Committee, to ensure mitigations are discussed and in place for leavers in line with Departmental practice.

## **Counter fraud responsibilities**

31. You have a responsibility for managing fraud within your organisation by acting in accordance with the Civil Service Code, Managing Public Money and the Government Counter Fraud Functional Standard ensuring:

- (i) Accountabilities and responsibilities for managing fraud, bribery and corruption risk are defined across all levels of the organisation;

(ii) Employees have the skills, awareness and capability to protect the organisation against fraud, bribery and corruption;

(iii) Controls are in place to mitigate fraud, bribery and corruption risks and are regularly reviewed to meet evolving threats;

(iv) A counter fraud, bribery and corruption strategy is in place and approved by the organisation's board or executive risk committee; and

(v) Risk assessments are undertaken for new projects or areas of spend. Appropriate funding should be set aside for fraud and compliance activities from the outset.

32. You should promote a counter-fraud culture within your organisation. This includes highlighting to staff members the appropriate process to report concerns about actual, attempted or suspected fraud in line with whistleblowing legislation.



## Annex 2 - formal HM Treasury delegation letter



**Permanent  
Secretary for  
Northern Ireland  
Office**  
1 Horse Guards  
London  
SW1 2HQ  
T: 020 7210 645

Erskine House, 20-32  
Chichester St,  
Belfast  
BT1 4GF  
T: 028 9016 0206  
E: [pusmail@nio.gov.uk](mailto:pusmail@nio.gov.uk)  
[www.gov.uk/nio](http://www.gov.uk/nio)  
Twitter  
[@niopressoffice](https://twitter.com/niopressoffice)

19 May 2022

### **Delegated Authority Letter – Electoral Office for Northern Ireland**

Dear Virginia,

I am writing to set out the Electoral Office for Northern Ireland updated delegated spending authorities. This supersedes all previous communication on delegated authorities, and includes the arrangements for approving:

- new policy proposals and announcements;
- projects and programmes; and
- internal funding allocations

HM Treasury approval for expenditure is one aspect of the convention whereby the Treasury controls all other departments in matters of finance and public expenditure on behalf of Parliament. Formally, Treasury consent is required for all expenditure or resource commitments. In practice, the Treasury delegates to departments the authority to enter into commitments and to spend within predefined limits without specific prior approval from the Treasury (with certain exceptions). Such delegated authorities strike a balance between the Treasury's need for control in order to fulfil its responsibilities to Parliament and the department's freedom to manage within its agreed budget limits and Parliamentary provision. Annex 2.2 of *Managing Public Money* sets this out in further detail.

The delegated authorities set out in this letter give the Electoral Office for Northern Ireland standing authorisation to commit resources or incur expenditure without specific prior approval from the Northern Ireland Office in specific areas and within specific limits. Where expenditure does not fall within these delegations, Northern

Ireland Office consent will be necessary. Details of these delegated authorities are set out in Annex A, alongside a list of the categories of spending which always require Northern Ireland Office approval. These include proposals for expenditure which is novel and contentious, or could cause repercussions elsewhere in the public sector. Expenditure slotting into any of these categories requires Northern Ireland Office consent. If no delegation is set out specifically in the letter, then the delegation is nil and Northern Ireland Office consent will need to be sought. Where appropriate Northern Ireland Office will liaise with HMT in order to seek their approval. Programme specific delegations are also set out in Annex A.

This delegation letter commences from the date of this letter and will be reviewed on annual basis by the Northern Ireland Office. The letter should be read in conjunction with other guidance setting out the parameters of departmental spending authority, such as *Managing Public Money*. Any questions on the contents of this letter should be referred to your Body's sponsor Team in the Northern Ireland Office.

### **New policy proposals and announcements**

New policy proposals and announcements with financial implications must be cleared with the Northern Ireland Office when:

- they are outside your delegated authorities;
- they are included within the list of categories of spending which always require HM Treasury approval (via NIO);
- they are to be submitted to the Cabinet or a Ministerial committee for collective approval.

Cost estimates must be provided to the Northern Ireland Office with an identification of how the costs will be met, including cost impacts for other departments. Except where specifically agreed with the Northern Ireland Office, Arm's Length Bodies are expected to submit a business case using the techniques set out in the Green Book, including cost-benefit analysis, to appraise and evaluate policy announcements and proposals, as well as projects and programmes.

Where proposals with financial implications are to be submitted to the Cabinet or a Ministerial committee for collective approval, Northern Ireland Office approval must be secured well in advance. Where the NIO (on behalf of the Electoral Office for Northern Ireland) and Treasury cannot agree in advance, any proposal for collective ministerial consideration must record the Treasury's position in terms which are acceptable to the Treasury. Cabinet Committees will not sign-off policy proposals with public expenditure implications unless Treasury ministers are content. Issues will be referred to the Prime Minister, if necessary, for decision, or to Cabinet if the Prime Minister so decides.

### **Project and programme spending**

#### **When approval is required**

Projects and programmes require Northern Ireland Office approval where they exceed, or are likely to exceed, the Arm's Length Body delegated authorities. The need for Northern Ireland Office approval extends to the renewal of existing projects and programmes where significant changes are being proposed as well as new projects and programmes. For clarification, Northern Ireland Office approval must be sought where multiple contracts tendered for a programme would, in aggregate, take expenditure over a given delegation limit; contracts must not be broken down in order

to avoid the need for Northern Ireland Office approval. It will also be appropriate to seek Northern Ireland Office consent where additional contracts in relation to a programme of activity raise the expenditure above the delegation limit.

Where expenditure is or is likely to be beyond the Arm's Length Body delegated authorities, Northern Ireland Office approval (who will seek Treasury approval) must be given at a minimum at each key stage of the project or programme under the Five Case Model, as set out in the Green Book supplementary business case guidance:

- initial approval at the Strategic Outline Case (SOC) phase;
- approval at the Outline Business Case (OBC) phase, before going out to the market or tender;
- approval at the Full Business Case (FBC) phase before any spending is committed. In the case of projects and programmes procured under the competitive dialogue process, approval is required before close of dialogue; further approval is then required at the FBC stage for any substantive changes since close of dialogue.

Additionally, for major projects as defined by the 'Treasury approvals process' guidance, the following apply:

- NIO, through HM Treasury and the Infrastructure & Projects Authority (IPA) will agree with the Arm's Length Body a set of milestones as part of the project's Integrated Assurance and Approval Plan (IAAP). The Treasury reserves the right to add further approval milestones where necessary;
- the Arm's Length Body must continue to provide the NIO, who will provide Treasury and the Infrastructure & Projects Authority (IPA) with details of projects and programmes after FBC approval until the project or programme is operational, including on project performance, cost and time envelope, on a quarterly basis. This information will be collected via the IPA's Government Major Project Portfolio (GMPP); and
- the Arm's Length Body is required to share its post-implementation review for each project with NIO, who will share with HM Treasury and the IPA.

Where this is not the case, or where the Electoral Office for Northern Ireland does not accept IPA recommendations, the NIO, and Treasury will consider withholding funding until it is satisfied the recommendations have been properly implemented or considered.

## **Project reporting**

In addition to setting delegated limits, we are also maintaining lower disclosure thresholds for projects and programmes as set out in Annex A.

To facilitate effective Northern Ireland Office and Treasury oversight and knowledge of Arm's Length Body spending, and Cabinet Office oversight of delivery risk and capability, the Electoral Office for Northern Ireland is required, on a quarterly basis, to provide the Northern Ireland Office, and relevant IPA contact, with information on projects whose whole life costs fall outside, or are likely to fall outside, delegated authorities or exceed disclosure thresholds. The quarterly GMPP process provides the primary means of collecting the information, which includes:

- project summary;
- the lifecycle stage, the next significant milestone, and when that is likely to take place;
- annual project costs and whole life costs, in government budgeting terms;

- where appropriate, the NPV of the project or programme;
- delivery confidence;
- the relative priority of the project in the department's project portfolio;
- the future timetable; and
- where applicable, the date and amount of any existing approval from HM Treasury.

The Northern Ireland Office and Treasury will normally only approve projects and programmes outside delegated authorities where Arm's Length Bodies comply with this and associated processes to prioritise and rank their portfolio(s).

This process includes all initiatives outside delegated authorities or above disclosure thresholds, including:

- those that are identified within your Arm's Length Bodies as in development, as well as serious options where project or programme initiation is envisaged; and

For any new initiative which is:

- likely to fall outside the relevant delegated authorities; or
- requires specific functional input or technical expertise (e.g. finance; digital; infrastructure; construction etc); or
- is novel, contentious, or is expected to lead to ministerial announcement

You are asked to engage the relevant Northern Ireland Office sponsor at the outset to determine the degree of challenge and whether the initiative and proposed delivery approach would benefit from Major Project status or IPA support. IPA and Treasury engagement in an initiative's transition from policy to delivery should be as early as possible and should not rely on the more formal quarterly cycle. As set out in the Electoral Office for Northern Ireland most recent Spending Review settlement letter and if needed, there will be a quarterly meeting between the Electoral Office for Northern Ireland and The Northern Ireland Office, who will liaise with the relevant Treasury spending team, and IPA contact where such matters should be formally discussed. In addition, the Treasury should be kept informed on a regular basis of details of planned savings measures, especially where they are novel or contentious. This communication will come from The Northern Ireland Office on behalf of the Electoral Office for Northern Ireland.

### **Spending commitments beyond Spending Review settlement**

In line with *Managing Public Money*, any new spending proposal which would entail contractual commitments to significant levels of spending in future years for which plans have not been set must be approved by the Northern Ireland Office. If necessary the NIO will seek Treasury approval. In addition, the Northern Ireland Office requires Arm's Length Bodies to report on a quarterly basis on the total amount of capital spending which has been committed per financial year beyond the current Spending Review settlement. This applies to capital spending beyond 2022-25. If the Northern Ireland Office has concerns about the level of commitments that have built up, it may require all spending proposals committing money beyond the current Spending Review settlement to have NIO approval, regardless of the level of spending involved.

### **Process for obtaining approval**

Before any expenditure outside the delegated authorities is submitted by the Arm's Length Body to NIO for formal approval, it should already have passed the highest level of scrutiny within the body, which as a minimum will require sign-off by the

Principal Accounting Officer (PAO), Finance Director, or other official with full delegated powers. Expenditure submitted to the Treasury via NIO for approval should also have been signed-off by the relevant minister within the Northern Ireland Office (excepting cases related to special payments). Where the PAO assesses that a ministerial direction will likely be needed in relation to the expenditure, the reasons for this should be discussed with Treasury. No direction should be sought in advance of obtaining Northern Ireland Office approval for the expenditure.

### **Policy proposals and projects**

Applications for approval should be submitted to the NIO, who will liaise with HMT spending team, and will then communicate in writing whether approval has been granted. Projects outside delegated authority will be scrutinised through the Treasury Approval Point process, or the Major Projects Review Group for Government's largest and riskiest projects and programmes. You will normally receive a response within 28 days of the business case formally being received.

### **Cabinet Office controls**

The Cabinet Office will continue to operate a subset of spending controls on behalf of the Treasury. They apply to the following types of expenditure:

- Advertising, marketing, and communications;
- Commercial activity, including dispute disclosure;
- Consultancy and professional services;
- Digital and technology, including identity assurance;
- Grants;
- Property, including facilities management;
- External recruitment;
- Learning and development (Civil Service Learning); and
- Redundancy and compensation.

Detailed guidance on their operation and requirements is available at: <https://www.gov.uk/government/publications/cabinet-office-controls>.

The controls apply to your arms-length body, unless exempted. Following a review, most spending control exemptions have been withdrawn or updated (details are set out at Annex B).

Your arms-length body is required to develop and share spending 'pipelines' containing information on proposed commercial procurement, digital and technology, and property spending for at least the next 18 months (publishing commercial procurement pipelines). As well as meeting this requirement your staff should also continue to produce other business cases and seek other NIO consent, (who will seek Treasury and Cabinet Office consent) as required. As it constitutes a delegation from NIO, Treasury consent, spending without the required Cabinet Office approval, or without meeting the conditions set for delegated or Cabinet Office approval, may be considered irregular. The PAO must notify the NIO, (who will notify the Cabinet Office and HM Treasury) as soon as you become aware of a breach of spending controls, and the National Audit Office (NAO) may also need to be informed.

Arm's Length Body also needs to seek NIO approval for redundancy schemes where these fall outside delegated authorities, including where this involves a request to draw

down funding ring-fenced for redundancy costs in the Spending Review. HM Treasury and Cabinet Office are jointly reviewing the operation of these controls and will notify NIO who will notify the Electoral Office for Northern Ireland of further changes.

In addition, please also note the Cabinet Office Guidance on the use of Settlement Agreements, Special Severance Payments, and Confidentiality Clauses on Termination of Employment. As of 1 February 2015 Accounting Officers are required to seek the prior approval of the Secretary of State for Northern Ireland Office for any use of a confidentiality clause and then the approval of the Minister for the Cabinet Office in specified criteria, one of which is a proposed payment of £100,000 or more (at any grade).

### **Special payments**

Certain categories of transaction require distinct treatment, including special payments, overpayments, losses & write-offs, gifts, and remedy payments. Annexes 4.10 to 4.14 of *Managing Public Money* contain guidance on these categories and the circumstances under which NIO and Treasury approval must be sought. The NIO will liaise with HM Treasury on behalf of the Electoral Office for Northern Ireland.

You should note that all severance payments outside of normal statutory or contractual requirements require NIO approval (who will seek Treasury approval) and, unless separately agreed with the Treasury Officer of Accounts (TOA), any consolatory payment of above £500 also requires NIO approval (who will seek Treasury approval) (further detail set out in annex C). In addition, all payments, regardless of value, require NIO approval (who will seek Treasury approval) if they are novel, contentious, or repercussive (paragraph 2.3.4 of *Managing Public Money*). Annex A of this letter contains further detail on the delegations relating to special payments, overpayments, losses & write-offs, gifts, and remedy payments.

### **Contingent Liabilities**

NIO consent (who will seek HM Treasury consent) must be sought for all contingent liabilities that are novel, contentious, or repercussive, before they are agreed. In addition, where such proposed contingent liabilities have maximum exposure of £3 million or more, a completed Contingent Liability approval framework checklist must be submitted to the NIO and onward to Treasury alongside the request for approval. This process is also required for remote contingent liabilities. The NIO will liaise with HM Treasury on behalf of the Electoral Office for Northern Ireland.

### **New Services and Sole Authority**

NIO agreement (who will seek HM Treasury agreement) is also needed to introduce new services on the sole authority of the Supply and Appropriations Acts. New services can never be introduced on a permanent footing without legislation, but there is a temporary services derogation that may be used for services lasting no more than two years in total. Using this derogation requires agreement from the Treasury through NIO.

## **Fees and Charges**

NIO agreement (who will seek HM Treasury agreement) is needed to introduce or modify fees and charges schemes and for any proposal to retain fee and charge income to finance expenditure. The NIO will liaise with HM Treasury on behalf of the Electoral Office for Northern Ireland.

## **Banking and Cash Management**

The Electoral Office for Northern Ireland must maximise the use of publicly procured banking services (accounts with commercial banks managed centrally by Government Banking). Arm's Length Bodies should only hold funds outside of the Exchequer where a good business case can be made for doing so. It should also be noted that specific NIO agreement (who will seek HM Treasury agreement) to each commercial account is required before it is established. Further details are set out in the Banking and managing cash annex of *Managing Public Money*. This also provides guidance on banking policy. As a matter of good financial management, the Electoral Office for Northern Ireland should never go overdrawn.

As part of its delegated authority, the Electoral Office for Northern Ireland should plan its own cash management efficiently. Arm's Length Bodies must support central cash management processes through forecasting of their cashflow via the cash management scheme as set out in guidance on OneFinance and *Managing Public Money*. This captures Arm's Length Bodies inflows and outflows at the point they leave the department's group of accounts within the exchequer.

For effective cash management it is important to distinguish cash flow from accrued budgets. Cash flow should be profiled for each day to inform Exchequer Funds and Accounts (EFA) of the Exchequer's demand for cash and expectations of income on a daily, weekly and monthly basis. The Debt Management Office (DMO) relies on the accuracy of this information to minimise the risks and cost of managing the government's overall cash position daily, and therefore the earliest possible communication with EFA on changes to cash flow is essential.

## **Sharing information with NIO and HM Treasury**

To support the effective monitoring of spend, and to inform decision making, Arm's Length Bodies must provide NIO, with robust spending and forecasting information, and share data to demonstrate whether priority outcomes are being achieved and contribution to key government objectives. NIO will share with HM Treasury as appropriate.

## **Review of delegated authorities**

The Electoral Office for Northern Ireland delegated authorities will be reviewed by the Northern Ireland Office on at least an annual basis, beginning from the date of this letter. That means that your delegations will be reviewed by **31<sup>st</sup> March 2023**. Notwithstanding these regular reviews, the NIO reserves the right to withdraw, reduce, or amend these delegated authorities. Before doing this, the NIO will set out its reasons for making the changes and give The Electoral Office for Northern Ireland the opportunity to comment.

## **Change of Circumstances**

For the avoidance of doubt, where there are material changes to the key metrics (e.g. cost base, forecast benefits, delivery schedule) of a programme, The Electoral Office for Northern Ireland should consult the NIO for its view on whether the considerations that led to approval should be revisited, and if fresh consent for the continuation of funding should be sought. Failure to do so may lead the NAO to regard spending following the identification of the material change of circumstances, benefits, or costs as irregular.

## **Change control procedure**

Where The Electoral Office for Northern Ireland delegated authorities are amended a fresh delegation letter must be issued immediately to record this change. If a new delegation letter is not issued within 14 days of the change then it will lapse, and The Electoral Office for Northern Ireland delegation limits will be as in the unamended letter.



### **ANNEX 3: DETAIL OF THE ELECTORAL OFFICE FOR NORTHERN IRELAND DELEGATED AUTHORITIES**

The Electoral Office for Northern Ireland delegated authorities are set out below. Notwithstanding these delegations, certain categories of spending proposal override any delegated authority and must be submitted to NIO for onward submission to HM Treasury. These are proposals which:

- could create pressures leading to a breach in Departmental Expenditure Limits, administration costs limits, or Estimates provision;
- would entail contractual commitments to significant levels of spending in future years for which plans have not been set;
- could set a potentially expensive precedent;
- could cause significant repercussions for others;
- require primary legislation;
- are novel and contentious; or
- Where Treasury consent is a statutory requirement.

In addition:

- The Electoral Office for Northern Ireland will always act within the rules of *Managing Public Money*;
- The Arm's Length Body will abide by any specific agreements reached with NIO and Treasury Ministers or officials during Spending Review discussions or otherwise;
- If spending falls under more than one category of delegation, the lower delegated limit applies.

The delegated authorities for The Electoral Office for Northern Ireland are set out in the following table:

Notes:

1. Approval is required if spending falls outside one or more of the applicable delegated limits. Spending should be measured on a whole life cost basis except where this is not sensible, for example for ongoing annual commitments.
2. This includes all new projects and proposals/announcements, even when they are part of a larger programme or payment that was provided for as part of a Spending Review or other NIO written approval (who will seek Treasury written approval) and that are not covered by prior written approval from the NIO/Treasury.
3. This also includes renewal of existing projects and programmes where significant changes are being proposed.
4. Costs are on current net present value accruals basis.
5. Where relevant, when comparing costs against delegated limits, non-recoverable VAT will count towards the delegated limit (recoverable VAT will not).
6. The cost is the sum of all payments committed to a body, organisation or individual from a single programme over its lifetime (i.e. costs should not be "unbundled" to fall below the delegation).

Nature of delegation		Delegated limit	Disclosure threshold
Novel, contentious, or repercussive spend. This includes where commitments are made that may give rise to such spend in future i.e. novel guarantees, indemnities and contingent liabilities, novel financing techniques, significant departures from standard departmental terms and conditions.		Nil	Nil
Projects and programs, and announcements and policy proposals with a defined timeline	Resource	£150,000	£150,000
	Capital	£150,000	£150,000
Announcements and policy proposals creating ongoing expenditure	Resource and Capital	£150,000	£150,000
Spending commitments beyond the current Spending Review settlement	Resource and Capital	£150,000	£150,000

Administrative expenditure	N/A	£150,000	£150,000
Stock write-offs and impairments	Equipment, SOSP, IS/IT etc.	£150,000	£150,000
Claims waived or abandoned	Any	£150,000	£150,000
Special payments	All special payments (save special severance payments) are included in this category. This includes extra-contractual payments involving departmental default made on appropriate legal or other professional advice, ex-gratia compensation payments made on appropriate legal or other professional advice, extra-statutory payments, and extra-regulatory payments. Managing Public Money should be consulted for appropriate guidance. For the avoidance of doubt these limits can be taken to exclude reasonable costs agreed or estimated and confirmed as reasonable by appropriate legal advice.	£150,000	£150,000
Consolatory payments (ex-gratia payments to individuals in respect of incidents which do not involve financial loss and there is no legal redress available)		£500	£500

Special severance payments, including PILON and CILON, outside of normal statutory or contractual requirements.		Nil	Nil
Other	Charitable grants	Nil	Nil
	Subsidies	Nil	Nil
	Guarantees, indemnities, and loans	Nil	Nil
	Gifts	Nil	Nil
	Losses waived/abandoned claims, write offs: third party is solvent	Nil	Nil
	Losses waived/abandoned claims, write offs: third party is insolvent	Nil	Nil

#### **ANNEX 4: CABINET OFFICE CONTROLS**

Controls requirements for the Northern Ireland Office and its arms-length and central government bodies.

<b>Body</b>	<b>Exempt status</b>	<b>Thresholds</b>	<b>Review date</b>	<b>Other conditions</b>
Northern Ireland Office and ALBs	Not exempt	As per guidance		

## ANNEX 5: EXPLANATORY NOTE ON HM TREASURY APPROVAL IN RESPECT OF CONSOLATORY PAYMENTS

### Summary

The Electoral Office for Northern Ireland will through NIO seek Treasury approval for any consolatory payment which is over £500, or which is novel, contentious, or repercussive, or which is outside the delegated authority limit for ex-gratia payments agreed with Treasury. There are some exceptions, which are given below.

### Definition

Consolatory payments are ex gratia payments made to individuals by organisations in respect of incidents which do not involve financial loss, e.g. stress, inconvenience, embarrassment etc. They are a form of special payment, as defined by *Managing Public Money* (annex 4.13 – Special Payments).

### Guidelines

Due to the size of the amounts involved, NIO/Treasury approval is not required for any payment up to £500, which is not novel, contentious, or repercussive, and which is within the delegated authority limit for ex-gratia payments.

Given that there is no measure of financial loss in assessing consolatory payments, any such payment over £500 is liable to be novel and contentious by its nature and as such would require NIO/ Treasury approval in most cases, even if the level of payment is within the delegated authority limit for ex gratia payments for the department or agency concerned.

### Exceptions

The following exceptions to these guidelines apply **if and only if** the proposed payment is not novel, contentious or repercussive, and is within the delegated authority limit for ex gratia payments for the department or agency concerned.

- NIO/ Treasury approval is **not** required if a department is in a position to offer to settle a case which would otherwise be determined by the courts (e.g. a personal injury case), and the legal assessment is that the department is likely to lose the case and the proposed consolatory payment is less than the amount the court is likely to award.
- NIO/ Treasury approval is **not** required for cases where an arbiter which has legal authority has made a recommendation for payment. The Parliamentary and Health Service Ombudsman (PHSO) is an example of such an arbiter.
- NIO/ Treasury approval is **not** required if the proposed payment is above £500 but below a limit agreed bilaterally between the department and the Treasury in the context of an independent case examiner (ICE) within the department having made a formal determination of the appropriate level of compensatory payment.

An example of this is the Department for Work and Pensions, which has an ICE which carries out this role. The Treasury has agreed a threshold of £1,000 with the Department for consolatory payments assessed by the ICE.

## **Process**

Submissions for Treasury approval in respect of consolatory payments should be made through the usual NIO contacts, who will liaise with contacts in Treasury spending teams. As appropriate, the HMT spending teams will consult the Treasury Officer of Accounts team (TOA).

We would normally expect a fairly short business case, setting out the circumstances of the maladministration, the level of payment proposed, and justification for the level of payment.

## **Principles**

Given the absence of measurable financial loss in such cases, the NIO/ Treasury seeks to strike a balance between ensuring appropriate levels of scrutiny and avoiding disproportionately heavy clearance procedures for very low value cases.

In accordance with Managing Public Money, Treasury approval is required for any payment which is novel, contentious or repercussive, or which is outside the delegated authority limit for ex gratia payments agreed with NIO/ Treasury. Treasury approval will be sought by NIO on behalf of the Electoral Office for Northern Ireland.