

From: Graham Gibbens, Chairman of the Electoral and Boundary Review Committee

Geoff Wild, Director of Governance & Law and County Returning Officer

To: Electoral and Boundary Review Committee – 1 April 2014

Subject: 2013 County Council Election Accounts

Classification: Unrestricted

Summary: This report confirms the current status of the District Council's Accounts for the County Council Elections in May 2013 and includes an analysis of the cost.

1. Introduction

(1) The County Returning Officer (CRO) instigated a root and branch review of election planning, processes, finance and documentation in the run up to the May 2013 elections in response to a number of recommendations arising from previous elections. These recommendations were put into effect and resulted in a rigorous process with improved control for the 2013 election.

(2) Clear instructions were issued to the District Councils at various trigger points in the run up to the election which resulted in the smooth running of the election.

(3) In line with previous audit recommendations detailed cost estimates for the County Council election were received from the District Councils in March 2013.

(4) The County Council provided 11 of the District Councils with an advance of 75% of estimated costs up front and one Council with an advance of 60% of their costs (because of the late submission of their final accounts in 2009). The proportions of these advance payments were in line with Electoral Commission guidance.

(5) For all District Councils the remainder of the actual costs were then claimed back from the County Council on submission of a completed claim form and supporting documentation following the Elections. The deadline for submission of completed Election Accounts and evidence of spend to the CRO was 1 November 2013. All Election Accounts were received by the deadline. The District Councils were made aware that their Election Accounts would be audited by an external audit company, which has now been completed, resulting in the production of clear evidence of spend and accurate claims from the districts.

2. Auditing of Election Accounts

(1) The CRO agreed that following previous audit recommendations the Election Accounts should be audited before the final balance was paid to the District Councils. KCC did not have the resources available to undertake this work so Deloitte and Touche Public Sector Internal Audit Ltd were commissioned to complete this audit review at a cost of £9,600.

(2) The aim of the audit was to provide assurance that the electoral accounts submitted to the County Council by the District Councils provided a full and accurate record of expenditure, were in line with the agreed scale of fees and charges and were supported by relevant supporting documentation.

(3) Deloitte's have now completed their audit review of all the District Councils' election accounts.

(4) Deloitte's raised a number of potential issues in relation to the above accounts which were all investigated and clarified with the District Councils before any final payments were made.

(5) Deloitte's made four recommendations for improvement, none of which were high priority and identified the following key themes from their review:

(a) Attendance records should be submitted with returns to confirm that officers attended relevant training and completed their designated responsibilities.

(b) Account returns should be signed and dated by the Deputy Returning Officer to confirm the accuracy of submissions

(c) All entries should be submitted in gross and all return entries should take into account previous VAT audit recommendations that have been made.

(d) All transactions included in the returns should be evidenced by supporting invoices or alternative documentation where appropriate.

(6) The CRO has accepted all of these recommendations and the relevant documentation and processes will be amended accordingly for the 2017 County Council Elections.

3. Spend Analysis 2012/13

(1) The below table shows a breakdown of the final costs of the County Council Elections in May 2013

Authority	Initial claim estimate	Initial advance paid	Final claim figure inc DRO fees, superannuation costs and recharge for use of core staff	Final claim % variation of initial claim	Balance Due
Ashford	£165,000.00	£115,500.00	£155,409.80	94%	£39,909.80
Canterbury	£150,000.00	£113,250.00	£159,741.34	106%	£46,491.34
Dartford	£160,256.00	£120,192.00	£140,792.61	88%	£20,600.61
Dover	£155,000.00	£115,000.00	£152,523.97	98%	£37,523.97
Gravesham	£124,387.00	£93,305.25	£121,682.81	98%	£28,377.56
Maidstone	£236,308.73	£149,224.50	£188,041.48	80%	£38,816.98
Sevenoaks	£130,000.00	£90,000.00	£136,652.38	105%	£46,652.38
Shepway	£151,035.70	£91,000.00	£135,741.60	90%	£44,741.60
Swale	£105,000.00	£78,750.00	£123,013.21	117%	£34,263.21
Thanet	£141,419.61	£106,064.71	£139,318.30	99%	£33,253.59
TMBC	£135,000.00	£100,000.00	£134,018.53	99%	£34,018.53
Tunbridge Wells	£95,000.00	£83,250.00	£104,873.71	110%	£21,623.71
£1,982,000.00	£1,748,407.04		£1,691,809.74		£426,273.28
Combined Budget for elections in 2012/13 and 2013/14	Total cost of initial claim		Final Cost to KCC		Balance due

(2) The total available budget for elections on 1 April 2013 was £1.982m. As can be seen from the above table, the final cost of the County Council Elections was £1.692m, which has, therefore, resulted in an underspend compared to the available budget of **£290k**. However, there were two by-elections that took place towards the end of 2012 but the accounts for those two by-elections were not submitted for payment until the autumn of 2013. This has reduced the underspend to **£223k**

Background Documents:

- (i) **Report of the Head of Democratic Services to the Electoral and Boundary Review Committee on the County Council Elections (23 September 2013)**

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