

SCHEDULES

SCHEDULE 4

CONTROL OF DONATIONS TO ACCREDITED CAMPAIGNERS

PART 1

INTRODUCTION AND INTERPRETATION

Operation of Schedule and meaning of “accredited campaigner” and “relevant donation” etc

- 1 (1) This Schedule has effect for controlling relevant donations to accredited campaigners who—
- (a) are not registered parties, or
 - (b) are registered parties but are minor parties.
- (2) In this Schedule, “accredited campaigner” has the same meaning as in Schedule 3 (see Part 5 of that Schedule) but does not include an accredited campaigner that is a registered party unless it is a minor party.
- (3) In this Schedule, “relevant donation”, in relation to an accredited campaigner, means a donation to the accredited campaigner for—
- (a) the purpose of meeting petition expenses incurred by or on behalf of the accredited campaigner, or
 - (b) the purpose of securing that petition expenses are not so incurred.
- (4) A donation is to be taken to be for the purpose mentioned in sub-paragraph (3)(a) or (b) if, having regard to all the circumstances, it must reasonably be assumed to be for that purpose.
- (5) For the meaning of “donation” see paragraphs 2 to 4.
- (6) In this Schedule—
- “minor party” and “registered party” have the same meaning as in PPERA 2000 (see section 160(1) of that Act);
 - “petition expense” has the same meaning as in Schedule 3 (see Part 4 of that Schedule);
 - “responsible person” means the person determined in accordance with paragraph 21 of that Schedule.

Donations: general rules

- 2 (1) In this Schedule, “donation”, in relation to an accredited campaigner, means—
- (a) a gift to the accredited campaigner of money or other property,
 - (b) sponsorship provided in relation to the accredited campaigner (see paragraph 3),

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- (c) money spent by a person other than the accredited campaigner in paying petition expenses where—
 - (i) the petition expenses were incurred by or on behalf of the accredited campaigner, and
 - (ii) the payments are out of the person’s own resources (with no right to reimbursement by the accredited campaigner),
- (d) money lent to the accredited campaigner otherwise than on commercial terms,
- (e) the provision, otherwise than on commercial terms, of property, services or facilities for the use or benefit of the accredited campaigner (including the services of a person), or
- (f) in the case of an accredited campaigner other than an individual, a subscription or other fee paid for affiliation to, or membership of, the accredited campaigner.

But this sub-paragraph is subject to the exceptions in paragraph 4.

- (2) In sub-paragraph (1)(a), “gift” includes a transfer of money or other property where—
 - (a) the transfer is in pursuance of a transaction or arrangement involving the provision by or on behalf of the accredited campaigner of any property, services or facilities or other consideration of monetary value, and
 - (b) the total value in monetary terms of the consideration so provided is less than the value of the money, or the market value of the property, transferred.
- (3) Where, by virtue of sub-paragraph (1)(c), money spent constitutes a donation to an accredited campaigner, the accredited campaigner is treated as receiving an equivalent amount on the date on which the money is paid to the creditor in respect of the expenses in question.
- (4) In determining—
 - (a) for the purposes of sub-paragraph (1)(d) whether money lent to an accredited campaigner is lent otherwise than on commercial terms, or
 - (b) for the purposes of sub-paragraph (1)(e) whether property, services or facilities provided for the use or benefit of an accredited campaigner is or are provided otherwise than on commercial terms,
 regard is to be had to the total value in monetary terms of the consideration provided by or on behalf of the accredited campaigner in respect of the loan or the provision of the property, services or facilities.
- (5) Where, apart from this sub-paragraph, anything would be a donation—
 - (a) by virtue of sub-paragraph (1)(b), and
 - (b) by virtue of any other provision of this paragraph,
 sub-paragraph (1)(b) applies in relation to it to the exclusion of the other provision of this paragraph.
- (6) A reference in this Schedule—
 - (a) to property being transferred to the accredited campaigner includes property being transferred to any officer, member, trustee or agent of the accredited campaigner in his or her capacity as such, or
 - (b) to property, services or facilities being provided for the use or benefit of the accredited campaigner, includes property, services or facilities being

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provided for the use or benefit of any officer, member, trustee or agent of the accredited campaigner in his or her capacity as such.

- (7) In this paragraph—
- (a) references to a thing being given or transferred include its being given or transferred indirectly through a third person, and
 - (b) “gift” includes bequest.
- (8) For the purposes of this Schedule it is immaterial whether a donation is made or received in the United Kingdom or elsewhere.

Sponsorship

- 3 (1) For the purposes of this Schedule sponsorship is provided in relation to an accredited campaigner if—
- (a) money or other property is transferred to the accredited campaigner or to any person for the benefit of the accredited campaigner, and
 - (b) the purpose (or one of the purposes) of the transfer is (or, having regard to all the circumstances, must reasonably be assumed to be)—
 - (i) to help the accredited campaigner with meeting, or to meet, to any extent, defined expenses incurred or to be incurred by or on behalf of the accredited campaigner, or
 - (ii) to secure that, to any extent, defined expenses are not incurred by or on behalf of the accredited campaigner.
- (2) “Defined expenses” means expenses in connection with—
- (a) a conference, meeting or other event organised by or on behalf of the accredited campaigner,
 - (b) the preparation, production or dissemination of any publication by or on behalf of the accredited campaigner, or
 - (c) study or research organised by or on behalf of the accredited campaigner.
- (3) But the following do not constitute sponsorship for the purposes of this Schedule—
- (a) the making of a payment in respect of a charge for admission to a conference, meeting or other event;
 - (b) the making of a payment in respect of the purchase price of, or any other charge for access to, any publication;
 - (c) the making of a payment in respect of the inclusion of an advertisement in any publication where the payment is made at a commercial rate.
- (4) The Minister may by regulations amend sub-paragraph (2) or (3).
- (5) Before making regulations under this paragraph the Minister must consult the Electoral Commission.
- (6) Regulations under this paragraph are subject to affirmative resolution procedure.
- (7) In this paragraph “publication” means a publication made available in any form and by any means (whether or not to the public or any section of the public).

Payments etc not to be regarded as donations

- 4 (1) In this Schedule “donation” does not include—

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- (a) a donation as described in paragraph 2(1)(a) to (f)—
 - (i) whose amount, where the donation is of money, is £500 or less, or
 - (ii) whose value (as determined in accordance with paragraph 5), where the donation is not of money, is £500 or less,
 - (b) the provision by an individual of his or her own services where the services are provided voluntarily in his or her own time and free of charge,
 - (c) interest accruing to an accredited campaigner in respect of a donation which is dealt with by the accredited campaigner in accordance with paragraph 14(2) or 15(2) (duty to return donations from impermissible or unidentifiable donors), or
 - (d) a grant provided out of public funds.
- (2) “Provided out of public funds” has the same meaning as in PPERA 2000 (see section 160(4) of that Act).

Value of donations

- 5 (1) This paragraph has effect for the purposes of this Schedule.
- (2) The value of a donation within paragraph 2(1)(a) is the value of the money or the market value of the property.
- (3) But where that provision applies by virtue of paragraph 2(2), the value of the donation is the difference between—
- (a) the value of the money, or the market value of the property, and
 - (b) the total value in monetary terms of the consideration provided by or on behalf of the accredited campaigner.
- (4) The value of a donation within paragraph 2(1)(b) is—
- (a) the value of the money transferred as mentioned in paragraph 3(1), or
 - (b) the market value of the property so transferred;
- and accordingly the value in monetary terms of any benefit conferred on the person providing the sponsorship in question is to be disregarded.
- (5) The value of a donation within paragraph 2(1)(d) is the difference between—
- (a) the total value in monetary terms of the consideration that would have had to be provided by or on behalf of the accredited campaigner in respect of the loan if the loan had been made on commercial terms, and
 - (b) the total value in monetary terms of the consideration (if any) actually provided by or on behalf of the accredited campaigner in respect of the loan.
- (6) The value of a donation within paragraph 2(1)(e) is the difference between—
- (a) the total value in monetary terms of the consideration that would have had to be provided by or on behalf of the accredited campaigner in respect of the provision of the property, services or facilities if the property, services or facilities had been provided on commercial terms, and
 - (b) the total value in monetary terms of the consideration (if any) actually provided by or on behalf of the accredited campaigner in respect of the provision of the property, services or facilities.
- (7) Where a donation within paragraph 2(1)(d) or (e) confers an enduring benefit on the donee over a particular period, the value of the donation—

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- (a) is to be determined at the time the donation is received, and
- (b) must be determined by reference to the total benefit accruing to the donee over that period.

Meaning of “permissible donor”

- 6 (1) In this Schedule “permissible donor” means—
- (a) a registered party (other than a Gibraltar party whose entry in the register includes a statement that it intends to contest one or more elections to the European Parliament in the combined region),
 - (b) an individual who is registered in an electoral register,
 - (c) a company incorporated in the United Kingdom or another member State that is registered under the Companies Act 2006 and carries on business in the United Kingdom,
 - (d) a trade union entered in the list kept under the Trade Union and Labour Relations (Consolidation) Act 1992 or the Industrial Relations (Northern Ireland) Order 1992 (S.I. 1992/807 (N.I. 5)),
 - (e) a building society (within the meaning of the Building Societies Act 1986),
 - (f) a limited liability partnership, registered under the Limited Liability Partnerships Act 2000, that carries on business in the United Kingdom,
 - (g) a friendly society registered under the Friendly Societies Act 1974, a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014 or a society registered (or deemed to be registered) under the Industrial and Provident Societies Act (Northern Ireland) 1969 (c. 24 (N.I.)), or
 - (h) an unincorporated association of two or more persons that is not within any of the preceding paragraphs but carries on business or other activities wholly or mainly in the United Kingdom and whose main office is there.
- (2) But “permissible donor” does not include, in relation to a recall petition in respect of an MP for a constituency in Great Britain, a party registered in the Northern Ireland register maintained by the Electoral Commission under Part 2 of PPERA 2000 (registration of political parties).
- (3) In relation to a donation in the form of a bequest, sub-paragraph (1)(b) has effect as if it referred to an individual who was, at any time within the period of 5 years ending with the date of his or her death, registered in an electoral register.
- (4) In this paragraph “an electoral register” means—
- (a) a register of parliamentary or local government electors maintained under section 9 of the Representation of the People Act 1983,
 - (b) a register of relevant citizens of the European Union prepared under the European Parliamentary Elections (Franchise of Relevant Citizens of the Union) Regulations 2001 (S.I. 2001/1184), or
 - (c) a register of peers prepared under regulations under section 3 of the Representation of the People Act 1985.

Return of donations

- 7 References in this Schedule to returning a donation (however expressed) include returning an equivalent amount or, where the donation is not of money, returning an amount equivalent to the value of the donation.

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Power to alter certain financial limits

- 8 (1) The Minister may by regulations amend any of the following provisions so as to substitute a different amount for the amount for the time being mentioned in the provision—
- (a) paragraph 4(1)(a)(i) or (ii) (amount at or below which donation is to be disregarded);
 - (b) paragraph 12(2) (amount above which donations made on behalf of other persons are treated as separate donations).
- (2) Before making regulations under this paragraph the Minister must consult the Electoral Commission.
- (3) Regulations under this paragraph are subject to affirmative resolution procedure.
- (4) Sub-paragraphs (2) and (3) do not apply where the Minister considers that the substitution is expedient in consequence of changes in the value of money.