



# Political Parties and Elections Act 2009

## 2009 CHAPTER 12

### PART 2

#### POLITICAL DONATIONS ETC AND EXPENDITURE

##### *Responsible persons and compliance officers*

#### 14 Control of donations to members associations: responsible persons

- (1) Schedule 7 to the 2000 Act (control of donations to members associations etc) is amended as set out in subsections (2) to (4).
- (2) In paragraph 1(9) (meaning of “the responsible person”), for paragraph (b) there is substituted—
  - “(b) otherwise, the person who is the responsible person by virtue of a notice in force under paragraph 1A.”
- (3) After paragraph 1 there is inserted—

##### *“Appointment of responsible person by members association with no treasurer*

- 1A (1) A members association which does not have a treasurer—
- (a) may appoint an individual to be the responsible person in relation to the association by giving notice to the Commission;
  - (b) shall do so within the period of 30 days beginning with the date on which the association—
    - (i) accepts a controlled donation which is a recordable donation for the purposes of paragraph 10, or
    - (ii) receives a controlled donation falling within paragraph 6(1)(a) or (b),if a notice under this sub-paragraph is not in force on that date.
- (2) A notice under sub-paragraph (1)—

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- (a) must be signed on behalf of the members association;
  - (b) must contain a statement signed by the individual to be appointed as the responsible person confirming that the individual is willing to be appointed.
- (3) A notice under sub-paragraph (1) must state—
- (a) the name and address of the members association;
  - (b) the full name of the individual to be appointed as the responsible person;
  - (c) the individual’s home address in the United Kingdom, or (if there is no such home address) the individual’s home address elsewhere.
- (4) Subject to the following provisions of this paragraph, a notice under sub-paragraph (1) (“the original notice”)—
- (a) shall be in force as from the date on which it is received by the Commission, but
  - (b) shall lapse at the end of the period of 12 months beginning with that date unless the members association or the responsible person gives the Commission a notice (a “renewal notice”) that they both wish the original notice to remain in force.
- (5) A renewal notice—
- (a) has the effect of extending the validity of the original notice for a further 12 months beginning with the time when it would otherwise have lapsed (whether under sub-paragraph (4)(b) or on the expiry of a previous extension under this sub-paragraph);
  - (b) must be received by the Commission during the period of one month ending at that time.
- (6) A renewal notice must either—
- (a) confirm that all the statements contained in the original notice, as it has effect for the time being, are accurate; or
  - (b) indicate that any statement contained in that notice, as it so has effect, is replaced by some other statement conforming with the relevant provision of sub-paragraph (3).

A renewal notice must be signed on behalf of the members association and by the responsible person.

- (7) The members association or the responsible person may, at any time after giving the original notice, give the Commission a notice (a “notice of alteration”) indicating that any statement contained in the original notice, as it has effect for the time being, is replaced by some other statement—
- (a) contained in the notice of alteration, and
  - (b) conforming with the relevant provision of sub-paragraph (3).

A notice of alteration takes effect on the day on which it is received by the Commission or (if later) on such date as may be specified in the notice.

- (8) A notice of alteration must be signed—
- (a) on behalf of the members association, and

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- (b) by the responsible person or, in the case of a notice substituting a different individual as the responsible person, by that individual.
- (9) A notice under sub-paragraph (1) that has been in force for at least 12 months ceases to have effect on receipt by the Commission of a notice terminating it (a “notice of termination”)—
  - (a) given by and signed on behalf of the members association, or
  - (b) given and signed by the responsible person.
- (10) On receipt of a notice of termination given by the members association or by the responsible person, the Commission must inform the other party as soon as is reasonably practicable (unless the notice was signed both on behalf of the members association and by the responsible person).
- (11) A reference in this paragraph to a notice being signed on behalf of a members association is to the notice being signed by the secretary of the association or by a person who acts in a similar capacity in relation to the association.
- (12) A notice under the Schedule 7A version of this paragraph also has effect as a notice under this paragraph.

The “Schedule 7A version” of this paragraph means this paragraph as it applies, in relation to controlled transactions, by virtue of paragraph 1(7A) of Schedule 7A.

#### *Offence of failing to comply with paragraph 1A*

- 1B A members association commits an offence if—
- (a) it is subject to the requirement in paragraph 1A(1)(b), and
  - (b) without reasonable excuse it fails to comply with the requirement.”
- (4) In paragraph 12 (offence of failing to deliver donation report), in sub-paragraph (1) and in sub-paragraph (2), for paragraphs (a) and (b) and the words following paragraph (b) there is substituted—
- “(a) in the case of a regulated donee other than a members association, the regulated donee is guilty of an offence;
  - (b) in the case of a members association, the association and the responsible person are guilty of an offence.”
- (5) In Schedule 20 to the 2000 Act the following entry is inserted at the appropriate place—

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“Paragraph 1B of Schedule 7 (failure by members association to comply with requirement to appoint responsible person)	On summary conviction: Level 5”.
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## **15 Control of donations to holders of elective office: compliance officers**

- (1) In Schedule 7 to the 2000 Act (control of donations to individuals etc), at the end there is inserted—

## “PART 7

### COMPLIANCE OFFICERS

#### **Functions and liabilities of compliance officers**

- 17 (1) A regulated donee who is the holder of a relevant elective office (the “office-holder”) may, by giving a notice to the Commission which complies with paragraph 18(1), appoint an individual as compliance officer for the office-holder.
- (2) Where a notice under this paragraph is for the time being in force—
- (a) any duty imposed on the office-holder by virtue of paragraph 8, or under paragraph 10, 11 or 13, may be discharged either by the office-holder or by the compliance officer;
  - (b) section 56(3), (3B) and (4) as applied by paragraph 8, and paragraph 12(1) and (2), apply to the compliance officer as well as the office-holder (so that either or both of them may be charged with any offence under those provisions);
  - (c) if the compliance officer makes a declaration under paragraph 13, paragraph 13(4) applies to the compliance officer instead of the office-holder.
- (3) The compliance officer for an office-holder cannot be guilty of an offence under paragraph 12(1) or (2) in respect of any controlled donation received by the office-holder at a time when the notice under this paragraph was not in force.
- (4) A person commits an offence if, at a time when a notice under this paragraph is in force in relation to an office-holder, the person knowingly gives the compliance officer any information relating to—
- (a) the amount of any controlled donation made to the office-holder, or
  - (b) the person or body making such a donation,
- which is false in a material particular.

#### **Notices of appointment, renewal, alteration and termination**

- 18 (1) A notice under paragraph 17—
- (a) must be signed by the office-holder, and
  - (b) must contain a statement signed by the individual to be appointed as compliance officer confirming that the individual is willing to be appointed.
- (2) A notice under paragraph 17 must state—
- (a) the full name of the office-holder,
  - (b) the relevant elected office that the person holds,
  - (c) the office-holder’s home address in the United Kingdom, or (if there is no such home address) the office-holder’s home address elsewhere, and

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- (d) if the office-holder is a member of a registered party, the party's registered name and the address of its registered headquarters.
- (3) A notice under paragraph 17 must also state—
- (a) the full name of the individual to be appointed as compliance officer,
  - (b) if the individual holds a relevant elected office, what that office is,
  - (c) the individual's home address in the United Kingdom, or (if there is no such home address) the individual's home address elsewhere, and
  - (d) if the individual is a member of a registered party, the party's registered name and the address of its registered headquarters.
- (4) Subject to the following provisions of this paragraph, a notice under paragraph 17 (“the original notice”)—
- (a) shall be in force as from the date on which it is received by the Commission, but
  - (b) shall lapse at the end of the period of 12 months beginning with that date unless the office-holder or the compliance officer gives the Commission a notice (a “renewal notice”) that they both wish the original notice to remain in force.
- (5) A renewal notice—
- (a) has the effect of extending the validity of the original notice for a further 12 months beginning with the time when it would otherwise have lapsed (whether under sub-paragraph (4)(b) or on the expiry of a previous extension under this sub-paragraph);
  - (b) must be received by the Commission during the period of one month ending at that time.
- (6) A renewal notice must either—
- (a) confirm that all the statements contained in the original notice, as it has effect for the time being, are accurate; or
  - (b) indicate that any statement contained in that notice, as it so has effect, is replaced by some other statement conforming with the relevant provision of sub-paragraph (2) or (3).

A renewal notice must be signed by the office-holder and the compliance officer.

- (7) The office-holder or the compliance officer may, at any time after giving the original notice, give the Commission a notice (a “notice of alteration”) indicating that any statement contained in the original notice, as it has effect for the time being, is replaced by some other statement—
- (a) contained in the notice of alteration, and
  - (b) conforming with the relevant provision of sub-paragraph (2) or (3).

A notice of alteration takes effect on the day on which it is received by the Commission or (if later) on such date as may be specified in the notice.

- (8) A notice of alteration must be signed—
- (a) by the office-holder, and

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- (b) by the compliance officer or, in the case of a notice substituting a different individual as the compliance officer, by that individual.
- (9) A notice under paragraph 17 ceases to have effect on receipt by the Commission of a notice terminating it (a “notice of termination”) given and signed by the office-holder or by the compliance officer.
- (10) On receipt of a notice of termination given by the office-holder or by the compliance officer, the Commission must inform the other party as soon as is reasonably practicable (unless the notice was signed both by the office-holder and by the compliance officer).

### **Register of compliance officers**

- 19 (1) The Commission shall maintain a register of all notices given to them under paragraph 17 which are for the time being in force.
  - (2) The register shall be maintained by the Commission in such form as they may determine and shall contain, in the case of each such notice, all the information contained in the notice as it has effect for the time being in accordance with paragraph 18.
  - (3) Where any notice is given to the Commission under paragraph 17 or sub-paragraph (4)(b) or (7) of paragraph 18, they shall cause all the information contained in the notice, or (as the case may be) any new information contained in it, to be entered in the register as soon as is reasonably practicable.
  - (4) The information to be entered in the register in respect of any individual shall, however, not include the individual’s home address.”
- (2) In Schedule 20 to the 2000 Act the following entry is inserted at the appropriate place—

“Paragraph 17(4) of Schedule 7 (knowingly giving compliance officer false information about donations)	On summary conviction in England and Wales or Scotland: statutory maximum or 12 months
	On summary conviction in Northern Ireland: statutory maximum or 6 months
	On indictment: fine or 1 year”.

### **16 Control of loans etc to members associations: responsible persons**

- (1) Schedule 7A to the 2000 Act (control of loans etc to members associations etc) is amended as follows.
- (2) In paragraph 1 (operation and construction of Schedule)—
  - (a) in sub-paragraph (7)(d), the words after “(in relation to a members association)” are omitted;
  - (b) after sub-paragraph (7) there is inserted—

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“(7A) Paragraphs 1A and 1B of Schedule 7 apply for the purposes of this Schedule, in relation to controlled transactions, as they apply for the purposes of that Schedule in relation to controlled donations.

(7B) Paragraph 1A(1)(b) of Schedule 7, as it applies by virtue of sub-paragraph (7A) above, has effect as if for sub-paragraphs (i) and (ii) there were substituted—

“(i) enters into a controlled transaction which is a recordable transaction for the purposes of paragraph 9 of Schedule 7A, or

(ii) enters into a controlled transaction falling within paragraph 5 or 6(1)(b) of that Schedule.”.

(7C) A notice under paragraph 1A of Schedule 7 also has effect as a notice under the Schedule 7A version of that paragraph.

The “Schedule 7A version” of paragraph 1A of Schedule 7 means that paragraph as it applies, in relation to controlled transactions, by virtue of sub-paragraph (7A) above.”

(3) In paragraph 12 (offence of failing to deliver transaction report), in sub-paragraph (1) and in sub-paragraph (2), for paragraphs (a) and (b) and the words following paragraph (b) there is substituted—

“(a) in the case of a regulated participant other than a members association, the regulated participant is guilty of an offence;

(b) in the case of a members association, the association and the responsible person are guilty of an offence.”

## **17 Control of loans etc to holders of elective office: compliance officers**

In Schedule 7A to the 2000 Act (control of loans etc to individuals etc), at the end there is inserted—

### *“Compliance officers*

18 (1) This paragraph applies where a regulated participant who is the holder of a relevant elective office (the “office-holder”) has given a notice to the Commission under paragraph 17 of Schedule 7 appointing an individual as compliance officer for the office-holder.

(2) Where the notice is for the time being in force—

(a) any duty imposed on the office-holder under paragraph 9, 10, 11 or 13 may be discharged either by the office-holder or by the compliance officer;

(b) paragraph 12(1) and (2) applies to the compliance officer as well as the office-holder (so that either or both of them may be charged with an offence under paragraph 12(1) or (2));

(c) if the compliance officer makes a declaration under paragraph 13, paragraph 13(4) applies to the compliance officer instead of the office-holder.

- (3) The compliance officer for an office-holder cannot be guilty of an offence under paragraph 12(1) or (2) in respect of any controlled transaction entered into by the office-holder at a time when the notice was not in force.”

**18 Person may not be “responsible person” for more than one third party**

- (1) Section 88 of the 2000 Act (third parties recognised for the purposes of Part 6 of that Act) is amended as follows.
- (2) In subsection (2)(a), after “(as defined by section 54(8))” there is inserted “who is not the responsible person in relation to another third party”.
- (3) After subsection (3) there is inserted—

“(3A) A notification given by a third party does not comply with the requirement in subsection (3)(b)(iii) or (c)(ii) (to state the name of the person who will be responsible for compliance) if the person whose name is stated is—

- (a) the responsible person in relation to another third party,
- (b) an individual who gives a notification under subsection (1) at the same time, or
- (c) the person whose name is stated, in purported compliance with the requirement in subsection (3)(b)(iii) or (c)(ii), in a notification given at the same time by another third party.

In this subsection “the person”, in relation to a notification to which subsection (3)(c) applies, is to be read as “the person or officer”.”

- (4) Where—
- (a) a third party gives a notification under section 88(4)(b) of the 2000 Act (“the renewal notification”) in respect of a notification under section 88(1) (“the original notification”) that was given before the commencement of this section, and
  - (b) the original notification contained a statement under section 88(3)(b)(iii) or (c)(ii) naming someone who, at the time when the renewal notification is given, is the responsible person in relation to another third party,

the renewal notification must indicate (under section 88(6)(b)) that the statement is replaced by a statement naming someone who is not the responsible person in relation to another third party.