

RECALL OF MPS ACT 2015

EXPLANATORY NOTES

COMMENTARY ON SECTIONS (AND SCHEDULES)

Schedule 4: Control of donations to accredited campaigners

89. *Schedule 4* sets out the controls that apply to relevant donations to accredited campaigners who are not registered parties or who are registered parties but are minor parties (“registered party” and “minor party” have the same meaning as in PPERA). Donations to registered parties that are not minor parties will be reported as part of, and in line with, their reporting obligations under Part 4 of PPERA.
90. *Part 1* sets out the general rules relating to donations and defines a donation as: a gift of money or other property; sponsorship; money spent on the accredited campaigner’s petition expenses with no right to reimbursement from them; money lent, property services or facilities provided other than on commercial terms; or, where the accredited campaigner is not an individual, a subscription or fee paid for affiliation or membership. The Schedule sets out the definitions of, and the rules that apply to, each of these forms of donation, as well as how their value is to be calculated. It is immaterial whether a donation is made or received in the United Kingdom or elsewhere.
91. *Paragraph 4* sets out that donations do not include: a donation the amount or value of which is £500 or less; a grant from public funds; an individual providing services voluntarily in his or her own time and free of charge or interest that accrues to an accredited campaigner as a result of impermissible donations or donations from unidentifiable donors that are returned within 30 days.
92. *Paragraph 6* defines a “permissible donor” as: a registered party; an individual who is on the electoral register; a registered company incorporated in the United Kingdom or another member state but which conducts its business in the United Kingdom; a trade union entered in lists contained under relevant legislation set out in the Schedule; a building society; a limited liability partnership that is registered and conducts its business in the United Kingdom; a friendly society or a society that is registered under relevant legislation set out in the Schedule; or an unincorporated association of two or more people that carries on its business or activities wholly or mainly in the United Kingdom and the main office of which is in the United Kingdom.
93. A 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 (which relates to the registration of political parties). This is necessary because Northern Ireland political parties can accept donations from citizens of the Republic of Ireland and other sources in the Republic of Ireland. *Paragraph 8* provides a power to the Minister by regulations – following consultation with the Electoral Commission - to alter the amount below which a donation is to be disregarded and the amount above which donations made on behalf of other persons are treated as separate donations.
94. *Part 2* of Schedule 4 sets out controls on donations. It prohibits the acceptance of donations from impermissible or unidentifiable donors. It also describes when

*These notes refer to the Recall of MPs Act 2015 (c.25)
which received Royal Assent on 26 March 2015*

donations will be treated as having been received or not received from permissible donors. An exempt trust donation (defined in [paragraph 11](#)) is treated as having been received from a permissible donor whereas a donation from a trustee of any property is not (unless the donation is sent on behalf of beneficiaries who are permissible donors).

95. [Part 2](#) also sets out the rules that apply to donations that are made on behalf of others ([paragraph 12](#)). Each individual contribution that is over £500 is treated as a separate donation. Offences are committed if the person making the donation on behalf of another fails (without reasonable excuse) to comply with the rules relating to making information available to the responsible person in compliance with the provisions in Schedule 5 that relate to recall petition returns.
96. [Paragraph 13](#) places a duty upon an accredited campaigner to take immediate reasonable steps to verify the identity of a donor if he or she receives a donation that is not immediately refused.
97. A duty is also placed upon an accredited campaigner to return donations from impermissible donors within 30 days of receipt of the donation. If this is not complied with, an offence is committed by both the accredited campaigner and the responsible person, although it is a defence to show that reasonable steps were taken to verify the donor's identity and that the person who is charged believed that the donor was permissible ([paragraph 14](#)).
98. In addition, a duty is placed on accredited campaigners to return donations from unidentifiable donors. The donation must be returned within 30 days of receipt of it and an offence is committed by the accredited campaigner and the responsible person if this is not done. If the identity of the individual or the facility that transmitted the donation cannot be established, then the donation must be returned to the Electoral Commission, which is obliged to pay it into the Consolidated Fund ([paragraph 15](#)).
99. [Paragraph 16](#) sets out the circumstances in which donations are treated as having been accepted or received. A donation that is received by an accredited campaigner that is not returned within 30 days of receipt is treated as having been accepted.
100. The courts can, following an application from the Electoral Commission, order the forfeiture of a donation from an impermissible or unidentifiable donor (with the amount paid into the Consolidated Fund). The Schedule sets out the appeal process against such an order and gives the power to make supplementary court rules relating to forfeiture.
101. The Schedule sets out the circumstances in which a person commits an offence if that person evades the restrictions on donations and it applies certain provisions of PPERA to offences under Schedule 4 more generally.