

# **TRANSPARENCY OF LOBBYING, NON-PARTY CAMPAIGNING AND TRADE UNION ADMINISTRATION ACT 2014**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 2 – Non-Party Campaigning Etc.**

##### ***Section 33 and Schedule 4: Reporting of donations to recognised third parties***

105. This section inserts new sections 95A to 95F into PPERA. The new sections impose requirements on those recognised third parties (and their responsible persons) which receive reportable donations in the relevant period, to prepare a quarterly report on donations, which they are obliged to submit to the Electoral Commission within 30 days of the end of the reporting period. There are additional requirements for more frequent reporting during a general election period.
106. New section 95A provides for the responsible person for the recognised third party to provide a quarterly donation report for each reporting period which falls within the regulated period for UK Parliamentary General elections. Subsection (4) of new section 95A states that the quarterly report must comply with the requirements of the new Schedule 11A and must include all details of all accepted donations of more than £7,500, as well as any donation which, when added to other donations from the same source during the regulated period for UK Parliamentary General elections, brings the amount up to more than £7,500. Subsequent accepted donations from the same source must be reported if more than £1,500 (either alone or in aggregate).
107. New section 95A(6) provides for quarterly reports to be delivered to the Electoral Commission within 30 days of the end of the reporting period to which it relates. The quarterly return must be accompanied by a declaration signed by the responsible person stating that all reportable donations accepted by the recognised third party are from permissible donors.
108. In accordance with new section 95A(10), a recognised third party will not have to provide a quarterly report to the Electoral Commission where they do not accept, or deal with (that is refuse, or reject as impermissible), any reportable donations during that quarter.
109. The provisions of new section 95A do not extend to a party which is registered with the Electoral Commission (other than a minor party) or to a recognised Gibraltar third party.
110. New section 95B provides for the responsible person for the recognised third party to provide weekly donation reports for each period of 7 days falling within the period beginning with the date on which Parliament is dissolved and ending with the date of poll for the UK Parliamentary General election. New section 95B states that the weekly

- report must comply with the requirements of the new Schedule 11A and must include all donations of £7,500 or more.
111. New section 95B(7) provides for weekly reports to be delivered to the Electoral Commission within 7 days of the end of the reporting period to which it relates.
  112. In accordance with new section 95B(9), a recognised third party will not have to provide a weekly report to the Electoral Commission where they do not receive any reportable donations during the reporting period.
  113. The provisions of new section 95C do not extend to a party which is registered with the Electoral Commission (other than a minor party) or to a recognised Gibraltar third party.
  114. New section 95C provides for the related offences to which a responsible person of a recognised third party may be subject.
  115. New section 95D provides for a court, on an application made by the Electoral Commission, to require the forfeiture of a relevant donation by a recognised third party.
  116. New section 95E provides for supplementary provisions to new sections 95A to 95D. New section 95E provides that where a recognised third party's notification under section 88(1) of PPERA lapses during the regulated period (and it therefore ceases to be a "recognised" third party), it must still provide reports under new sections 95A or 95B which cover the period during which the notification lapses and any previous reporting periods falling within the regulated period. If a recognised third party's notification lapses at, or after the end of the regulated period, the recognised third party must still provide reports as required under new sections 95A or 95B for that period.
  117. New section 95F provides that the Electoral Commission must make quarterly and weekly reports available for public inspection, but ensuring that these documents do not include the donor's address if the donor is an individual. The Electoral Commission may destroy these reports or return them to the recognised third party after a period of 2 years beginning with the date when the report was received by the Electoral Commission.
  118. *Subsection (3)* amends section 149 of PPERA so that it applies to the quarterly and weekly reports which are open to inspection under new section 95F in the same way as it applies to other documents which the Electoral Commission are required to make available for inspection.
  119. *Subsection (4)* amends section 155 of PPERA to include new section 95B and Schedule 11A, in the list of provisions to which *subsection (4)* of section 155 applies. The effect is that in each Parliament the Secretary of State or Lord President of the Council must make an order changing the £7,500 and £1,500 figures specified in new section 95B and Schedule 11A to take account of inflation or lay a statement before Parliament explaining why no order is being made.
  120. *Subsection (5)* amends Schedule 1 to PPERA to ensure that an Electoral Commissioner will cease to be a Commissioner should they appear as a donor to a recognised third party in a quarterly or weekly report.
  121. *Subsection (6)* amends the heading in Part 3 of Schedule 11 to PPERA to "Reporting of donations in section 96 return".
  122. *Subsection (7)* inserts a new Schedule 11A into PPERA. Part 1 of the new Schedule 11A sets out various definitions which apply for the purposes of the Schedule.
  123. Part 2 of the new Schedule 11A deals with quarterly reports. It provides that quarterly reports must contain a statement about each reportable donation of a substantial value accepted by the third party during the reporting period. The statement must contain details about the donor, the date the donation was accepted, where the donation is not money, the nature of the donation and its value and any other information required by regulations made by the Electoral Commission. Paragraph 4 of new Schedule 11A

defines when a donation is "of a substantial value" i.e. donations of more than £7,500 (either alone or in aggregate) from the same donor which are accepted during the regulated period; and subsequent donations accepted from the same donor in later reporting periods which are more than £1,500 (either alone or in aggregate). Provision is made in paragraph 2(2) of new Schedule 11A to ensure that where an individual who has an anonymous entry in the electoral register is a donor, their name is not to be provided in any quarterly report. The report must also include a statement of the total value of all reportable donations not of a substantial value which are accepted during the reporting period.

124. Part 2 of the new Schedule 11A also sets out the details which must be included in a quarterly report of reportable donations from impermissible or unidentifiable donors dealt with during the reporting period. Paragraph 5 of new Schedule 11A provides that the quarterly report must include details of the name and address of the donor (where the donor is identifiable), the amount of the donation (where the donation is not money, the nature and value of the donation), the date the donation was received and the date and manner in which the donation was dealt with in accordance with section 56(2) of PPERA.
125. Part 3 of the new Schedule 11A deals with weekly reports. It states that weekly reports must contain a statement recording the appropriate details in relation to each substantial donation received by a recognised third party during that period. Appropriate details to be included within the weekly report include information about the donor, where the donation is money, the amount of the donation, where the donation is not money, the nature of the donation and its value, the date the donation was received and any other information required by regulations made by the Electoral Commission.