

Political donations in Northern Ireland

Frequently asked questions

Q1. When do the new controls on donations come into force?

From 1 November 2007 donations to registered political parties and regulated donees in Northern Ireland will be controlled for the first time. In advance of this date all those affected by the new controls will need to prepare for their implementation. We are making information available to assist with implementation.

Q2. What is being controlled from November 1 2007?

Political parties registered in Northern Ireland and regulated donees will only be allowed to accept donations from certain sources, and new reporting requirements for donations received will be introduced. Donations will not be allowed from sources outside the UK, except from Irish citizens and some bodies in Ireland that meet certain conditions.

Q3. Who will be affected by the new controls on donations?

The new controls apply to parties registered in the Northern Ireland register and to regulated donees, i.e. those who are either members of registered political parties, holders of relevant elective office or members associations. Members associations are organisations wholly or mainly made up of members of a single political party but which are not part of the party. Donations to regulated donees are controlled only when they are offered in connection with the donee's political activities. Separate guidance for regulated donees will be available from us in autumn 2007.

Donations to candidates fall outside the new controls and continue to be covered by the Representation of the People Act 1983.

Q4. Do I have to do anything in advance of November 1 2007?

Yes, political parties should ensure they are ready to implement the controls by putting in place systems to check the permissibility of donations received from 1 November 2007, and to record and report relevant donations to us. We are preparing information to assist parties in implementing the controls which will be available in September.

Q5. What will the role of the Electoral Commission be in regulating the new regime?

We are required to verify information submitted to us about the donations received by Northern Ireland parties and regulated donees. We must keep information contained in donation reports confidential unless we believe the donation was received from an impermissible or unidentifiable donor.

Q6. Why is a new system to control donations in Northern Ireland being introduced now?

Part 4 of the Political Parties, Elections and Referendums Act 2000 (PPERA) was disappplied in relation to Northern Ireland in 2000 due to political circumstances which existed at the time.

A Government consultation on the issue of political donations in Northern Ireland was launched in 2005. This culminated in measures contained in the Northern Ireland (Miscellaneous Provisions) Act 2006 stating that the disapplication could come to an end on 31 October 2007.

Q7. Why are donations to parties in Northern Ireland treated differently from those in Great Britain and how long will this last?

This is in recognition of the unique place of Ireland in the political life of Northern Ireland.

It is also to balance greater transparency and accountability in the regulation of donations in Northern Ireland against the fear of intimidation of donors.

The information contained in donation reports received in the first three years will be kept confidential. We are confident that full and public disclosure of political donations will be achievable when the prescribed period comes to an end in October 2010 and donations received from that point forward will be able to be reported in the public domain.

Q8. What is a donation?

The definition of a donation includes a gift of money or other property, sponsorship, subscription fees paid to the political party or payments from certain public funds such as Policy Development Grants.

Q9. Are any payments, services etc NOT regarded as a donation to my party?

Certain payments and services that are provided to political parties are not treated as donations. These payments/services are:

- any payment made by or on behalf of the European Parliament for the purpose of assisting members of the Parliament to perform their functions as members

- the transmission by a broadcaster, free of charge, of a party political broadcast or a referendum campaign broadcast (within the meaning of Section 127 of PPERA)
- any other facilities provided as a result of any right conferred on a party or candidate at an election or a referendum, for example free postal facility
- the provision by an individual of their own services provided voluntarily and in their own time, for example a party member campaigning at weekends
- any interest accruing from an impermissible donation
- any contribution of £200 or less

Q10. Are there any restrictions on who may make a donation to my party?

Yes, donations of more than £200 can only be accepted from permissible sources. See list of permitted donors. In addition, a donation of more than £200 cannot be accepted if the donation is from a source that cannot be identified (e.g. a cash donation of £250 given to a party anonymously).

Q11. Who are permitted donors?

Northern Ireland parties and regulated donees may accept donations from permissible sources in both the UK and Ireland. Parties and regulated donees will no longer be able to accept donations over £200 from overseas sources.

Permissible donors are:

- an individual registered in a UK electoral register (including bequests)
- a UK registered company which is incorporated within the European Union and carries on business in the UK
- a UK registered political party
- a UK registered trade union
- a UK registered building society
- a UK registered limited liability partnership that carries on business in the UK
- a UK registered friendly, industrial or provident society
- a UK based unincorporated association that carries on business or other activities in the UK
- an Irish citizen (including bequests)
- an Irish registered company
- an Irish registered political party
- an Irish registered trade union
- an Irish registered building society
- an Irish registered limited liability partnership
- an Irish registered friendly, industrial or provident society
- an Irish based unincorporated association that carries on business or other activities wholly or mainly in Ireland and has its main office there
- certain kinds of trust

Q12. What about donations from outside the UK?

Parties and regulated donees will no longer be able to accept donations over £200 from sources outside the UK, with the following exceptions:

- an Irish citizen (including bequests)
- an Irish registered company
- an Irish registered political party
- an Irish registered trade union
- an Irish registered building society
- an Irish registered limited liability partnership
- an Irish registered friendly, industrial or provident society
- an Irish based unincorporated association that carries on business or other activities wholly or mainly in Ireland and has its main office there
- certain kinds of trust

Donations of more than £200 from other sources outside the UK are not permitted. Transferring a donation to an agent rather than directly to a party must not be used as an attempt to evade the controls on permissibility (if the original source of the donation is someone other than the individual or organisation that transfers the donation to the party, the individual or organisation making the transfer is acting as an agent for the original donor).

Q13. Who is responsible for checking the permissibility of donations?

Before accepting a donation, it is the legal responsibility of the party, in particular the treasurer, to check that the donation is permissible. Impermissible donations must be returned to the donor within 30 days. If the donor cannot be identified the donation must be returned to a financial institution from which it came or else sent to us. Otherwise the party will be deemed to have accepted the donation. Therefore parties must have procedures in place to check permissibility within 30 days of receiving a donation.

Q14. How do I check that a donation is permissible?

In order to identify whether or not a donor is permissible, parties must confirm that the individual or organisation making the donation is registered in the UK or meets the relevant criteria for donations from Irish sources. Detailed guidance on permissibility checks will be made available to parties during September.

Q15. Can a party on the Northern Ireland register donate to a party on the Great Britain register?

No. Political parties on the Northern Ireland register cannot donate to political parties on the Great Britain register. However, individuals or companies in Northern Ireland can donate directly to Great Britain parties.

Q16. What documentary evidence do I need to support the permissibility of an Irish citizen donor?

In respect of each donation from an Irish citizen reported to the Electoral Commission, the party will need to supply a certified copy of one of the following documents:

- the donor's Irish passport
- the donor's Irish certificate of nationality
- the donor's Irish certificate of naturalisation

In most cases, we envisage that it will be up to the donor to obtain the certified copy, not the party. Certified copies may be requested from the Department of Foreign Affairs of Ireland in Dublin or any Irish embassy or consulate worldwide.

The Commission considers it best practice for parties to obtain a certified copy of one of the documents above before accepting any donation over £200.

Q17. To whom in my party should donations be made?

A donation to your party may be given or transferred to any of the following:

- your party, or the central organisation of your party, if your party has Accounting Units (AUs)
- one of your party's AUs
- any officer, member, trustee or agent of your party in his/her official capacity. **Note** - a donation to a member or officer of your party for use otherwise than on the business of the party (e.g. in assisting him/her in standing for an internal election) is not a donation to your party. However, separate controls apply to such donations – see question below on regulated donees).

Q18. What if the donation is £200 or less?

Gifts of £200 or less are not regulated by the new rules, and there is no requirement for parties to check the permissibility of individuals or organisations making gifts of this size. However, parties should be aware of circumstances in which it appears that a donor may be attempting to evade the regulatory framework, for example where multiple donations of £199 are received in similar circumstances from what appears to be the same source. In cases of doubt, parties should contact us or return the relevant donation.

Q19. What if my party receives an anonymous donation, or a donation from a donor whose true identity is not known?

If your party is unable to find out the identity of a donor it must return the

donation to one of the below within 30 days of the date of receipt of the donation:

- the person who transmitted it (other than the donor) if the identity of that person is known
- if it is apparent that the donor has used any facility provided by an identifiable financial institution in connection with the donation, it should be returned to that institution
- in any other case the donation should be sent to our Principal Finance Officer (cheque or postal order made payable to the "Electoral Commission"), together with an explanation of the circumstances. We will then surrender the donation to the Consolidated Fund.

Q20. Do I have to report ALL donations received to the Electoral Commission?

No, only relevant donations must be reported each quarter by the registered party treasurer, this means donations of over £1,000 received by an accounting unit and donations of £5,000 received by the central party. These limits apply whether the donation is made in a single sum or in aggregate over a calendar year. We will provide a form to use when making the return.

The first return, covering the period 1 November – 31 December 2007, must be made to us by 30 January 2008. Returns will be due every three months thereafter.

Q21. Do registered accounting units have to report donations directly to the Electoral Commission, separately from the central party?

No, but accounting units must record all donations received of £200 or more and pass details on to the registered party treasurer for inclusion in the quarterly return made by the party.

Q22. Do I have to make a report to the Electoral Commission even if the party receives no donations?

Yes, a return must be made each quarter even if no relevant donations have been received. Once a party has submitted four consecutive quarterly nil returns, they are exempt from further reporting until they have a reportable donation.

Q23. Will the Electoral Commission keep information in donation returns confidential?

Permissible donations reported to us will not be published and will be entirely confidential. The confidentiality will last, in the first instance, for donations reported for three years, but may be extended by the Secretary of State. The only exception to this is where a donation has been accepted from an impermissible or unidentifiable source. Should this happen we are obliged to publish the details of the donations, excluding the name of the donor.

Q24. Do the new controls cover loans to political parties, as in Great Britain?

No, loans to political parties are not currently regulated. We are consulting with registered political parties as to whether parties would sign a letter of undertaking agreeing not to take out loans from sources that would be impermissible donors. Any letter of undertaking would apply until such time as the Northern Ireland Office brings forward legislation on loans. We are not asking parties to record or report any loans entered into during this period but recommend that they develop systems for recording loans.

Q25. I am a member of a registered political party, a holder of relevant elective office or a members association. Where can I find information on the extent to which the rules apply to me?

We are preparing information for regulated donees in Northern Ireland which we will place on our website in due course. We also intend to communicate directly with MLAs, MPs, and MEPs.

Q26 Where can I find more detailed information about the new rules?

We are developing guidance for political parties and expect to publish this in September. Guidance for regulated donees will follow. Please check our website for updates.

All political parties registered in Northern Ireland have received an invitation to attend a training seminar on the new donations controls, to be held in September. Check with your registered party treasurer for details.

The following links may also be useful:

- The Political Parties, Elections and Referendums Act 2000
- Northern Ireland (Miscellaneous Provisions) Act 2006
- The Political Parties, Elections and Referendums Act 2000 (Northern Ireland Political Parties) Order 2007