

From the Director's desk

This will be my final update letter to you all. After more than 5 years at the Commission, I will be leaving for new pastures. The Commission has significantly developed its role as the regulator of party and election finance, working with those we regulate to ensure high rates of compliance and taking proportionate action when non-compliance has occurred. It is with particular pleasure therefore that I can let you know that all parties filed their quarter 1 returns on time this January, with more parties using PEF Online for filing their returns than ever before. I am delighted to be handing over to the new Director of Party and Election Finance, Peter Horne, who is looking forward to meeting as many of you as possible and will welcome your feedback and comments on our work.



Compliance: changes to party details and impermissible donations

We are pleased that compliance has continued to improve over the last year and is consistently high. There are two areas where we have noticed that further improvements can be made and these areas will be a particular focus of our compliance activities over the coming months.

It is a legal requirement to notify the Commission of any changes in your party details within deadlines set by the law. It is important that you update your party details within these time limits as part of transparency – so that members of the public can identify and contact parties and also so that the Commission can contact you. You can notify us of changes through PEF online:

<http://www.electoralcommission.org.uk/party-finance/PEF-online-registers> or by filling in the relevant form which can be found at the bottom of the page on our website: <http://www.electoralcommission.org.uk/guidance/resources-for-those-we-regulate/parties/registering-and-maintaining-a-party>.

It is an offence to accept impermissible donations and the Commission can seek forfeiture of a sum equivalent to any impermissible donations accepted. We will also

look at whether sanctions for the associated offence of failing to return impermissible donations within the appropriate timescale should be issued in addition to forfeiture. Guidance on donations can be found at:

<http://www.electoralcommission.org.uk/guidance/resources-for-those-we-regulate/parties/donations-and-loans>.

We take enforcement action in accordance with our enforcement policy, only where we consider it proportionate to do so. I encourage all parties to review their processes in these areas and to make any necessary changes. Please do contact the Commission if you need further advice or guidance.

Statement of Accounts – deadline approaching

For parties and accounting units **with income or expenditure below £250k** the time is fast approaching for you to submit your accounts to the Commission. You can find the guidance on how to use our standard format of accounts, as well as templates to submit to the Commission, on our website. We also have a spread sheet tool on our website that will produce your statement of accounts once you have entered all your party transactions: <http://www.electoralcommission.org.uk/guidance/resources-for-those-we-regulate/parties/statements-of-accounts>.

An increasing number of registered parties now use PEF Online. You can complete and submit your accounts electronically using PEF Online without the need to supply paper copies. We have produced a 'how to' guide to help you submit your statement of account online and this will be available on our website next week. If you would like to register as a PEF Online user, please contact the Commission on 0207 271 0616 or at pef@electoralcommission.org.uk and staff will be happy to guide you through the process.

Calendar

We have produced a 2013 calendar with all the reporting dates on it. You can download and print it out here:

http://www.electoralcommission.org.uk/data/assets/pdf_file/0015/153060/2013_EC_statutory_return_dates.pdf

Publishing Statement of Accounts and Returns Data

As you will be aware, we publish PDF copies of statement of accounts (SOA) on our website. Last year, we published the first set of SOAs on our online register, PEF Online. At the end of March this year we will be re-publishing historical SOAs on PEF Online, alongside headline figures on income, expenditure, assets and liabilities to make them more accessible.

We will also be improving the format of our current data on candidate spending and donations. All our data for candidate returns will be available in one place on our website and will include the publication of some new information, such as headline

spending and donation figures for the 2004 London Mayoral elections and UK Parliamentary by-elections since 2008.

We expect that the main users of this re-formatted and newly published data will be academics and students but it is also sometimes used by media outlets. Therefore I thought it would be helpful to inform you of our publication plans in advance.

Improving the rules

The Commission has carried out a regulatory review of the law on party and election finance. The project has been focused on exploring parties' and the Commission's decade-long experience of the system. It aims to identify ways to make the current regime more effective and proportionate.

The Electoral Commission Board agreed the project's conclusions in December last year. Our policy team will now undertake some additional testing and refining of the recommendations, in discussion with parties and others, before publishing a report later this year. If you would like to see an early preview of the review's recommendations, and contribute to testing the proposals, please contact Kate Engles. Kate's contact details are kengles@electoralcommission.org.uk or 0207 271 0627. Otherwise, please look out for the report of the review's conclusions later this year.



Lisa Klein
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