

Situations and procedures

Permissibility for EU referendum campaigners

This document is for registered campaigners who want to know how to check permissibility of donations and loans at the referendum on the UK's membership of the EU.

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Translations and other formats

For information on obtaining this publication in another language or in a large-print or Braille version please contact the Electoral Commission:

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Terms and expressions we use

We use '**must**' when we refer to a specific legal or regulatory requirement. We use '**should**' for items we consider to be minimum good practice, but which are not legal requirements. You do not have to follow this guidance, but if you do, you will normally be doing enough to comply with the law.

Our approach to enforcement

The Commission regulates political funding and spending in a way that is effective, proportionate and fair. We are committed to providing those we regulate with a clear understanding of their regulatory obligations through our guidance documents and advice service. If you are unsure of how any of the rules apply to you, please call us for advice. We are happy to help, so please get in touch.

We use advice and guidance proactively in order to secure compliance. And we take enforcement action, using our investigatory powers and sanctions, where it is necessary and proportionate to do so in order to meet our enforcement aims and objectives.

If you do not comply with legal or regulatory requirements you or your organisation may be subject to civil or criminal sanctions. You can find more information about the Commission's approach to enforcement at www.electoralcommission.org.uk/party-finance/enforcement

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Permissibility for EU referendum campaigners

This document explains:

How campaigners can check if a donor or lender is permissible at the referendum on the United Kingdom's membership of the European Union.

The document covers:

- Who is a permissible donor or lender
- How to make checks on permissibility
- What you need to record

Related documents:

- [Permissibility for Northern Ireland political parties at the EU Referendum](#)
- [Pre-poll reporting for EU referendum campaigners](#)
- [Donations for EU referendum campaigners](#)
- [Loans for EU referendum campaigners](#)

Expert papers

- [Splitting spending](#)
- [Valuing auction prizes](#)

Summary

Donations and loans to registered campaigners at the referendum on the UK's membership of the EU are regulated under the Political Parties, Elections and Referendums Act 2000 (PPERA) as amended by the European Union Referendum Act 2015.

Donations can only be accepted and loans entered into when they come from certain sources, mainly UK and Gibraltar-based.

This guidance explains how to check if you can accept a donation or enter into a loan from a particular source, and tells you the information you need to record and report.

The information you record will help you complete your return to us after the referendum.

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Introduction

Under PPERA, we have certain statutory responsibilities in relation to the referendum on the UK's membership of the EU.

Our objectives for the referendum are:

- it should be well-run and produce results that are accepted
- there should be integrity and transparency of campaign funding and spending

The guidance reflects the rules in PPERA as amended by the European Union Referendum Act 2015. The Act has been brought fully into force. The Act provides that the government may make changes to the rules in regulations. If this happens, we will update our guidance and webpages with the changes.

The Act does not specify the length of the designation period, the length of the referendum period or the dates on which those periods will start. The government must make regulations that set out the length of the referendum period and the start date. We will update our [website](#) when these regulations are made.

The rules are different for political parties in Northern Ireland. You can find more information in our guidance [Permissibility for Northern Ireland political parties at the EU Referendum](#).



For more information on the referendum period and the designation period, see these documents:

- [Campaigning and registering for EU referendum campaigners.](#)
- [Designation process for the EU Referendum](#)

Checking permissibility

Before a registered referendum campaigner, or an organisation or individual intending to register as a campaigner, accepts any donation of more than £500 or enters into a loan of more than £500, they must take all reasonable steps to:

- make sure they know the identity of the true source
- check that the source is permissible

In this guidance, we use 'donor' to refer to both donors and lenders.

What is a donation?

A donation is money, goods, property or services which is given:

- towards your campaign spending
- without charge or on non-commercial terms, and
- has a value of over £500

Some examples of donations include:

- a gift of money or other property
- sponsorship of an event or publication
- subscription or affiliation payments
- free or specially discounted use of property, or facilities, for example the free use of an office

Under PPERA, anything with a value of £500 or less is not a donation.

For more information, see these documents:

- [Donations for EU referendum campaigners](#)
- [Loans for EU referendum campaigners](#)

For more information on campaign spending and referendum periods, see this document:

- [Campaigning and registering for EU referendum campaigners.](#)

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What is a loan?

Under PPERA, there are rules on who can lend money or give credit or security to you in connection with your spending on referendum campaigning.

In our guidance, we refer to all transactions of this type as 'loans'. The following transactions are covered by the rules:

- loans of money
- credit facilities, such as credit cards and overdrafts
- securities or guarantees for a campaigner's obligations to someone else

Under PPERA, any loan with a value of £500 or less is not a loan.

Who is responsible for checking permissibility?

Registered campaigners must appoint and register a 'responsible person' with us. If you are a UK-registered political party, your registered treasurer will automatically be your 'responsible person'. If you are an individual campaigner you will be the 'responsible person'.

You cannot act as responsible person for more than one campaigner.

The responsible person is legally responsible for making sure that the campaigner complies with the rules. This includes maintaining suitable systems to ensure that donations and loans are dealt with correctly.

Other officers within the organisation should give relevant information to the responsible person if reasonably required to do so.

For information on returning loans see:

- [Loans for EU referendum campaigners](#)

How long do you have to check permissibility?

As soon as you receive a donation, you must make sure you know who the donor is, and start checking their permissibility. You have 30 days to decide whether to accept or refuse the donation and to return the donation if the source is impermissible.

You must complete permissibility checks on lenders **before** entering into a loan.

Even if you have made a permissibility check in connection with an earlier donation or loan from the same source, you must make a fresh check for each subsequent donation.

If a lender to a registered campaigner isn't permissible or they become impermissible at any point during the loan period, the transaction is void.

You should keep a record of all your permissibility checks to show that you have followed the rules.

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What is a permissible source?

A permissible source is:

- an individual registered on a UK electoral register, including overseas electors and those leaving bequests
- an individual registered on the Gibraltar electoral register including those leaving bequests
- a UK-registered company which is incorporated in the EU and carries on business in the UK
- a Gibraltar-registered company which is incorporated in the EU and carries on business in Gibraltar
- a UK-registered or Gibraltar-registered trade union
- a UK-registered or Gibraltar-registered building society
- a UK-registered limited liability partnership which carries on business in the UK
- a Gibraltar-registered limited liability partnership which carries on business in Gibraltar
- a UK-registered friendly, industrial, provident or building society
- a UK-based unincorporated association that carries on the majority of its business or other activities in the UK
- a Gibraltar-based unincorporated association that carries on the majority of its business or other activities in Gibraltar
- a body incorporated by Royal Charter
- a UK-based charitable incorporated organisation
- a Scottish partnership which carries on business in the UK

For information on permissibility for political parties in Northern Ireland see:

- [Permissibility for Northern Ireland political parties at the EU Referendum](#)

You can also accept donations, but not loans, from certain types of trust. If you receive a donation from a trust, please contact us for further advice.

Only designated lead campaigners and political parties can accept donations from a UK or Gibraltar-registered political parties.

Although you can legally accept donations from charities as long as they are also permissible donors, charities are not usually allowed to make political donations under charity law. If you know that a donor is a charity, you should make sure that they get advice from the Charity Commission for England and Wales, Office of the Scottish Charity Regulator or the Charity Commission for Northern Ireland before they make the donation.

How do you return a donation?

If you know who the donor is, you must return it to them within 30 days of receiving the donation.

If the donation is from an unidentified source (for example, an anonymous £600 cash donation), you must return it within 30 days of receiving the donation to:

- the person who transferred the donation to you; or
- the financial institution used to transfer the donation

If you cannot identify either, you must send the donation to the Electoral Commission. We will pay it into the Government's Consolidated Fund.

If any interest has been gained on the donation before you return it, your organisation can keep it. This is not treated as a donation and it does not need to be reported

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How to check if an individual is permissible



What makes an individual permissible?

Individuals must be on a UK electoral register or on the Gibraltar electoral register at the time of the donation or loan. This includes overseas electors.

How do you check permissibility?

You can use the electoral register to check if an individual is permissible. Registered campaigners are entitled to a free copy of the full electoral register.

You should contact the Electoral Registration Officer in writing at the relevant local council for your copy, explaining that you are asking for it as a registered referendum campaigner.

You can find information about checking permissibility of individuals in Gibraltar in our guidance [Gibraltar and the EU referendum](#).

You must check the register and updates carefully to make sure that the person is on the register on the date you enter into the loan, or on which you received the donation.

In special circumstances, people have an anonymous registration. If a donor is anonymously registered, you must provide a statement that you have seen evidence that the individual has an anonymous entry on the register.

If you are an unregistered campaigner, you can check an individual's permissibility by contacting the relevant Electoral Registration Officer and purchasing a copy of the register.

You must only use the register for checking if a donor is permissible, or for referendum purposes i.e. campaigning. You must not pass it on to anyone else.

What do you need to record?

You must record:

- the full name of the donor
- the address as it is shown on the electoral register, or if the person is an overseas elector, their home address

You may find it helpful to note the person's electoral number, as a record of your check.

Any person found breaching the restrictions on use of the electoral register could face a fine of up to £5,000.

How to check if a company is permissible

What makes a company a permissible donor?

A company is permissible if it is:

- registered as a company at Companies House
- incorporated in a Member State of the EU, and
- carrying on business in the UK and/or Gibraltar

You must be sure that the company meets all three criteria.

How do I check company registration and EU incorporation?

You should check the register at Companies House, using the online service at www.gov.uk/companies-house within the UK or contact Companies House Gibraltar.

You should look at the full register entry for the company.

To check that the company is permissible, you need to look at its registered number. Some companies will have a number only. Other companies have a letter as a prefix to the number.

The table below shows you if a company with a particular prefix is permissible, as long as it is also carrying on business in the UK and/or Gibraltar.

| Prefix letter | Is it permissible? |
|------------------|---|
| None | Yes |
| NI, SC | Yes |
| FC, NF, SF | Yes, if 'country of origin' on the register entry is an EU Member State |
| OC, SO, NC | Yes, as a limited liability partnership – see separate section below |
| IP, SP, NP, NO | Maybe – see industrial and provident societies in the 'Other types of donor' section on page 18 |
| RC, SR, NR | Maybe – you should check with Companies House |
| Any other prefix | No |

To check whether a company is incorporated in a Member State of the EU, you should check the European Business Register using the free company search function at www.gbrdirect.eu.

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How do you check if the company is carrying on business in the UK and/or Gibraltar?

You must be satisfied that the company is carrying on business in the UK and/or Gibraltar. The business can be non-profit-making.

Even if you have direct personal knowledge of the company, you should check the Companies House UK or Companies House Gibraltar register to see if:

- the company is in liquidation, dormant, or about to be struck off
- the company's accounts and annual return are overdue

A company may still be carrying on business if it is in liquidation, dormant or late in filing documents, but you should make extra checks to satisfy yourself that this is the case.

For any company, you should consider looking at:

- the company's website
- relevant trade, telephone directories or reputable websites
- the latest accounts filed at Companies House

If you are still not sure if the company is carrying on business in the UK and/or Gibraltar, you should ask for written confirmation of its business activities from the company's directors.

What do you need to record?

You must record:

- the name as it is shown on the register
- the company's registered office address
- the registered company number

Limited liability partnerships

What makes a limited liability partnership a permissible donor?

A limited liability partnership (LLP) is a permissible donor if it is:

- registered as an LLP at Companies House
- carrying on business in the UK and/or Gibraltar

How do you check permissibility?

You should check the register at Companies House, using the online service at www.gov.uk/companies-house within the UK or contact Companies House Gibraltar.

You need to look at the LLP's registered number. Only numbers beginning with OC, SO or NC are permissible LLPs.

You can find more information in the previous section 'How do you check if the company is carrying on business in the UK and/or Gibraltar?' on the previous page.

What do you need to record?

You must record:

- the name as it is shown on the register
 - the LLP's registered office address
-

Unincorporated associations

What makes an unincorporated association a permissible donor?

An unincorporated association is a permissible donor if:

- the main office is in the UK and/or Gibraltar
- it is carrying on business or other activities in the UK and/or Gibraltar

How do you check permissibility?

There is no register of unincorporated associations. Permissibility is a matter of fact in each case.

In general, an unincorporated association often has:

- an identifiable membership, and
- rules or a constitution, and
- a separate existence from its members

For example, members' clubs are sometimes unincorporated associations.

You must check the main office is in the UK and/or Gibraltar.

If you are not sure that an association meets the criteria, you should consider whether the donation is actually from individuals within it (rather than the association) or if someone within the association is acting as an agent for others.

If you think this is the case, you must check the permissibility of all individuals who have contributed more than £500 and treat them as the donors.

If a UK based unincorporated association makes political donations amounting to more than £25,000 in a calendar year, you should make them aware that they have to report this to us. See our website or call us for more information.

You can find more information on carrying on business in the previous section 'How do you check if the company is carrying on business in the UK and/or Gibraltar?' on page 14.

If you would like more guidance on permissibility and unincorporated associations, please contact us.

What do you need to record?

You will need to record:

- the name of the unincorporated association
 - the unincorporated association's main office address
-

Other types of donor

The table below shows how you can check permissibility for other types of donor in the UK.

| Type of donor | Requirement | Where to check |
|---|---|---|
| Trade union | Listed as a trade union by the Certification Officer | The Certification Officer http://www.certoffice.org |
| Building society | A building society within the meaning of the Building Societies Act 1986 | The Financial Conduct Authority https://mutuals.fsa.gov.uk/ |
| Friendly/ industrial provident society | Registered under the Friendly Societies Act 1974 or the Industrial and Provident Societies Act 1965 | The Financial Conduct Authority https://mutuals.fsa.gov.uk/ |
| A charitable incorporated organisation in the UK | Registered under the Charities Act 2011 | The Charity Commission www.charitycommission.gov.uk |
| A body incorporated by the Royal Charter | Petition to the Sovereign in Council | The Privy Council www.privycouncil.independent.gov.uk/royal-charters/chartered-bodies |
| A Scottish partnership that carries on business in the UK | Registered under the Partnership Act 1890 | Companies House www.gov.uk/companies-house |

For information on checking permissibility of other donors in Gibraltar see our guidance [Gibraltar and the EU referendum](#).

What records do you need to keep?

Donations you have accepted

If you accept a donation over £500, the following details must be recorded:

- the donor's name and address
- if the donor is a company, their registered company number
- the amount or nature and the value of the donation
- the date on which the donation was accepted

For more information, see these documents:

- [Donations for EU referendum campaigners](#)
- [Loans for EU referendum campaigners](#)
- [Pre-poll reporting for EU referendum campaigners](#)

Loans you have accepted

If you enter into a loan over £500, the following details must be recorded:

- the nature of the transaction – whether it is a loan or credit facility
- the full name and address of the lender
- if the lender is a company, their registered company number
- the value of the loan
- the date the loan was entered into
- the date the loan is due to be repaid or a statement that it is indefinite, or otherwise how the date will be determined under the agreement
- if the loan ended, the date it ended
- the rate of interest – or how the rate will be determined under the agreement, or a statement that no interest is payable
- whether the agreement contains a provision that enables outstanding interest to be added to sum owed
- whether or not any security has been given for the loan

You must record the donor's address as it is shown on the relevant statutory register. If the donor is an overseas elector, you must record their home address. This is because no address will appear on the electoral register.

If the donor is an unincorporated association, you should record the main office address. This is because there is no register of unincorporated associations to refer to.

You should also record these details of any donations accepted before the campaigner is registered.

You should keep a record of all your permissibility checks to show that you have followed the rules.

What do you do if you receive an impermissible donation?

If you receive a donation from an impermissible source the following details must be recorded:

- the name and address of the donor
- the amount of the donation or its nature and its value
- the manner in which the donation was made
- the date you received the donation
- the date when, and the manner in which, you dealt with the donation (such as by returning it)

You should also record these details of any impermissible donations accepted before you registered with us.

What do you do if you have an impermissible loan?

If a lender to a registered campaigner isn't permissible or they become impermissible at any point during the loan period, the transaction is void. It has no legal effect and you must pay back anything you owe to the lender, together with any interest you owe. You must therefore continue to check the permissibility of the lender throughout the term of the loan.

If you have entered into a loan from an impermissible lender, you must let us know as soon as you become aware the lender is impermissible.

For further information on impermissible donations see:

- [Donations for EU referendum campaigners](#)

 Important

How we can help

You can find more information in the guidance documents we have suggested in this document, or you can view our full range of guidance and up-to-date resources on our website.

If it's easier, you can also contact us on one of the phone numbers or email addresses below. We are here to help, so please get in touch.

Call us on:

- England: 0333 103 1928
pef@electoralcommission.org.uk
- Scotland: 0333 103 1928
infoscotland@electoralcommission.org.uk
- Wales: 0333 103 1929
infowales@electoralcommission.org.uk
- Northern Ireland: 0333 103 1928
infonorthernireland@electoralcommission.org.uk

Visit us at www.electoralcommission.org.uk

We welcome feedback on our guidance – just email us at:
pef@electoralcommission.org.uk