

Briefing note

Unincorporated associations

New responsibilities for you to tell the Electoral Commission about political contributions you make and gifts you receive

The Political Parties and Elections Act 2009 introduces reporting rules for unincorporated associations supporting political activities.

This briefing note provides guidance about the changes in the law.

Do the new rules apply to our organisation?

The new rules apply to unincorporated associations of two or more individuals. An unincorporated association can only make political contributions if it has a main office in the United Kingdom and carries out business, or other activities, mainly in the United Kingdom.

If your association is already reporting to us as a members association you do not need to report a second time as an unincorporated association, but you may still need to notify us about the political contributions you make.

When do we have to notify the Electoral Commission about the political contributions we make?

From **January 2010** you are under a duty to notify us if the political contributions you make over a calendar year are more than **£25,000**.

This means that you will need to notify us if your association makes either:

- a single political contribution of more than £25,000 or
- several contributions that add up to more than £25,000 in a calendar year – you only need to count contributions over £500 towards this total



The forms with integrated explanatory notes referred to in this guidance will be available from our website www.electoralcommission.org.uk from September 2009.

The date you make the single contribution, or the date multiple contributions total more than £25,000, is the contribution date.

In both cases you will need to notify us that the association has made political contributions within 30 days of the contribution date. You should use form UA1 (which will be available from our website from September 2009) to notify us.

A political contribution is:

- a donation or loan made to a registered political party
- a donation or loan made to a member of a registered political party
- a donation or loan made to an association comprising mainly of party members (a members association)
- a donation or loan made to a holder of a relevant elective office (such as a member of the House of Commons; or a member of one of the devolved legislatures)
- a donation made to a third party registered with us
- a donation made to a permitted participant in a referendum

You should read the explanatory notes that accompany form UA1 for more details on how the law defines donations and loans, which are generally valued at the market value.

When do we need to report the gifts¹ we receive to the Electoral Commission?

If you are notifying us of political contributions, then you must also report the gifts you have received before you made the political contributions.

You have 60 days from the contribution date to report this information to us. Reports of gifts received should be made on form UA2 (which will be available on our website from September 2009).

The report should include all gifts of more than £7,500 received by the association from the start of the previous calendar year until the contribution date. You do not need to report any gifts received before 21 July 2009.

If you have made political contributions, but did not receive any gifts in the specified period then you must report that you received no gifts in the period.

Are there other reporting responsibilities?

Once you have notified us about political contributions, then you must also begin to submit quarterly reports on any gifts of more than £7,500 that you receive after the contribution date. The report will need to include the details of the person or organisation that made the gift.

The first report should be submitted at the end of the same quarter in which the contribution date falls. Quarters end on the 31 March, 30 June, 30 September and the 31 December. Quarterly reporting should continue until the end of the next calendar year. Quarterly reports should be made using form UA3 (which will be available from our website from September 2009), which should be sent to us within 30 days of the end of the quarter.

If no gifts have been received in a quarter you should still submit a report stating that no gifts were received in the period. Please see the explanatory notes to form UA3 for more details about how to complete and submit this form.

Is there anything else we should know?

Declarations

An individual, who is authorised to represent the unincorporated association, will need to make a declaration on the notification, and also on any reports submitted to us. The declaration will state that everything in the notification or report is accurate, and that it complies with the law.

Offences

Unincorporated associations and the individuals authorised to make the declarations for the association should be aware that offences will be committed if:

1 Gifts will be defined by law that is not yet available. We will issue further guidance on gifts when this law is in place.

- the association fails to give a notification or fails to report to the Commission, without reasonable excuse, within the permitted period
- the association provides a notification or report that does not meet the reporting requirements set out by the law; or
- the authorised individual makes a false declaration

Register of recordable gifts to unincorporated associations

We will publish a register of the notifications made to us and the gifts reported by unincorporated associations. This register will not contain the home address of any individual.

If you report gifts to us but the notification has not been made, meaning you have no entry on the register, we will not include the identity of any individual making gifts unless we have first given that individual notice. Individuals will then have 45 days in which to make representations as to why their identity should not be included in the register.

Where can we get further advice?

If you have any questions about making political contributions and reporting the gifts received by unincorporated associations please contact us for further advice.

Further advice can be obtained from:

Party and Election Finance
The Electoral Commission
Trevelyan House
Great Peter Street
London SW1P 2HW

Tel: 020 7271 0616
Fax: 020 7271 0505
Email: pef@electoralcommission.org.uk
www.electoralcommission.org.uk

Or

The Electoral Commission
Scotland Office
38 Thistle Street
Edinburgh EH2 1EN

Tel: 0131 225 0200
Fax: 0131 225 0205
Email: infoscotland@electoralcommission.org.uk

The Electoral Commission
Wales Office
Caradog House
1–6 Saint Andrews Place
Cardiff CF10 3BE

Tel: 029 2034 6800
Fax: 029 2034 6805
Email: infowales@electoralcommission.org.uk

The Electoral Commission
Northern Ireland Office
Seatem House
28-32 Alfred Street
Belfast BT2 8EN

Tel: 028 9089 4020
Fax: 028 9089 4026
Email: infonorthernireland@electoralcommission.org.uk