

LORDS AMENDMENTS TO THE
ELECTORAL ADMINISTRATION BILL

[The page and line references are to HL Bill 58, the bill as first printed for the Lords.]

Clause 2

- 1 Page 2, line 39, leave out subsection (3) and insert –
 “() A CORE scheme may make such modifications of the regulations mentioned in subsection (2) in their application to a CORE keeper or the information kept by him as the Secretary of State thinks appropriate.”
- 2 Page 3, line 18, after “same” insert “redirection”
- 3 Page 3, line 20, after “once” insert “(other than as proxy)”
- 4 Page 3, line 45, at end insert –
 “(13) A redirection address is an address in respect of which the person is not registered.”

Clause 9

- 5 Page 6, line 22, leave out “more than one occasion” and insert “one or more occasions”

After Clause 12

- 6 Insert the following new Clause –

“Registration in pursuance of service declaration
(1) In section 15 of the 1983 Act (service declaration), after subsection (8) insert –
 “(9) The Secretary of State may by order provide that, in relation to the persons mentioned in section 14(1)(a) and (d), subsection (2)(a) above has effect as if for the period of 12 months there were substituted such other period (not exceeding five years) as he thinks appropriate.”

- (10) The power to make an order under subsection (9) is exercisable by statutory instrument, which may contain such incidental or consequential provision as the Secretary of State thinks appropriate.
- (11) No order may be made under subsection (9) unless—
- (a) the Secretary of State first consults the Electoral Commission, and
 - (b) a draft of the instrument containing the order is laid before, and approved by a resolution of, each House of Parliament.
- (12) If the period substituted by an order under subsection (9) is longer than the period for the time being in force, the longer period has effect in relation to any person who immediately before the order was made was entitled to remain in a register by virtue of subsection (2).”
- (2) In section 59 of that Act (supplemental provisions as to members of forces and service voters), for subsection (3) substitute—
- “(3) Arrangements must be made by the appropriate government department for securing that every person having a service qualification by virtue of paragraph (a) or (b) of section 14(1) above has (so far as circumstances permit) an effective opportunity of exercising from time to time as occasion may require the rights conferred on him by this Act in relation to—
- (a) registration in a register of electors (and in particular in relation to the making and cancellation of service declarations);
 - (b) the making and cancellation of appointments of a proxy;
 - (c) voting in person, by post or by proxy.
- (3A) Arrangements must be made by the appropriate government department for securing that such person receives such instructions as to the effect of this Act and any regulations made under it, and such other assistance, as may be reasonably sufficient in connection with the exercise by that person and any spouse or civil partner of that person of any rights conferred on them as mentioned above.
- (3B) In subsections (3) and (3A) “the appropriate government department” means, in relation to members of the forces, the Ministry of Defence, and in relation to any other person means the government department under which he is employed in the employment giving the service qualification.
- (3C) The Ministry of Defence must maintain, in relation to each member of the forces who provides information relating to his registration as an elector, a record of such information.
- (3D) The Ministry of Defence must make arrangements to enable each member of the forces to update annually the information recorded under subsection (3C).”
- (3) In section 59(4) of that Act, for “subsection (3)” substitute “subsections (3) and (3A)”.

Before Clause 13

7 Insert the following new Clause –

“Absent voting: personal identifiers

- (1) In paragraph 3 of Schedule 4 to the Representation of the People Act 2000 (application for absent vote for definite or indefinite period) –
 - (a) in sub-paragraph (1)(b), after “application” insert “contains the applicant’s signature and date of birth and”;
 - (b) in sub-paragraph (2)(c), after “application” insert “contains the applicant’s signature and date of birth and”;
 - (c) after sub-paragraph (7) insert –
 - “(8) The registration officer may dispense with the requirement under sub-paragraph (1)(b) or (2)(c) for the applicant to provide a signature if he is satisfied that the applicant is unable –
 - (a) to provide a signature because of any disability the applicant has,
 - (b) to provide a signature because the applicant is unable to read or write, or
 - (c) to sign in a consistent and distinctive way because of any such disability or inability.
 - (9) The registration officer must also keep a record in relation to those whose applications under this paragraph have been granted showing –
 - (a) their dates of birth;
 - (b) except in cases where the registration officer in pursuance of sub-paragraph (8) has dispensed with the requirement to provide a signature, their signatures.
 - (10) The record kept under sub-paragraph (9) must be retained by the registration officer for the prescribed period.”
- (2) In paragraph 4 of that Schedule (application for absent vote at particular election) –
 - (a) in sub-paragraph (1)(b), after “application” insert “contains the applicant’s signature and date of birth and”;
 - (b) in sub-paragraph (2)(c), after “application” insert “contains the applicant’s signature and date of birth and”;
 - (c) after sub-paragraph (4) insert –
 - “(5) The registration officer may dispense with the requirement under sub-paragraph (1)(b) or (2)(c) for the applicant to provide a signature if he is satisfied that the applicant is unable –
 - (a) to provide a signature because of any disability the applicant has,
 - (b) to provide a signature because the applicant is unable to read or write, or
 - (c) to sign in a consistent and distinctive way because of any such disability or inability.

- (6) The registration officer must keep a record of those whose applications under this paragraph have been granted showing—
- (a) their dates of birth;
 - (b) except in cases where the registration officer in pursuance of sub-paragraph (5) has dispensed with the requirement to provide a signature, their signatures.”
- (7) The record kept under sub-paragraph (6) must be retained by the registration officer for the prescribed period.”
- (3) In paragraph 7 of that Schedule (application for proxy postal vote)—
- (a) in sub-paragraph (5)(c), after “application” insert “contains the applicant’s signature and date of birth and”;
 - (b) after sub-paragraph (10) (as inserted by section 38(6)(b) of this Act) insert—
- “(11) The registration officer may dispense with the requirement under sub-paragraph (5)(c) for the applicant to provide a signature if he is satisfied that the applicant is unable—
- (a) to provide a signature because of any disability the applicant has,
 - (b) to provide a signature because the applicant is unable to read or write, or
 - (c) to sign in a consistent and distinctive way because of any such disability or inability.”
- (12) The registration officer must also keep a record in relation to those whose applications under sub-paragraph (4)(a) or (b) have been granted showing—
- (a) their dates of birth;
 - (b) except in cases where the registration officer in pursuance of sub-paragraph (11) has dispensed with the requirement to provide a signature, their signatures.
- (13) The record kept under sub-paragraph (12) must be retained by the registration officer for the prescribed period.”
- (4) After paragraph 7 of that Schedule insert—

“Provision of fresh signatures

- 7A (1) A person who remains on the record kept under paragraph 3(4) or 7(6) may, at any time, provide the registration officer with a fresh signature.
- (2) Anything required or authorised to be done for the purposes of any enactment in relation to a signature required to be provided in pursuance of this Schedule must be done in relation to a signature provided as mentioned in sub-paragraph (1) instead of in relation to a signature provided on any earlier occasion.

- 7B Regulations may make provision as to—
- (a) circumstances in which a registration officer may require a person who remains on the record kept under paragraph 3(4) or 7(6) to provide a fresh signature;
 - (b) the consequences of a person refusing or failing to comply with a requirement to provide a fresh signature.

Use of personal identifier information

- 7C The registration officer must either —
- (a) provide the returning officer for an election with a copy of the information contained in records kept by the registration officer in pursuance of paragraphs 3(9), 4(6) and 7(12) in relation to electors at the election, or
 - (b) give the returning officer access to such information.

- 7D Information contained in records kept by a registration officer in pursuance of paragraph 3(9), 4(6) or 7(12) may be disclosed by him (subject to any prescribed conditions) to—
- (a) any other registration officer if he thinks that to do so will assist the other registration officer in the performance of his duties;
 - (b) any person exercising functions in relation to the preparation or conduct of legal proceedings under the Representation of the People Acts;
 - (c) such other persons for such other purposes relating to elections as may be prescribed.”

- (5) The Secretary of State may by regulations make provision—
- (a) enabling the registration officer to require an existing absent voter to provide the registration officer with a signature and date of birth;
 - (b) as to the consequences of an existing absent voter refusing or failing in such circumstances as are prescribed to provide a signature and date of birth.
- (6) An existing absent voter is a person whose application under any of the following provisions of that Schedule has been granted before this section comes into force—
- paragraph 3(1) or (2);
 - paragraph 4(1) or (2);
 - paragraph 7(4).
- (7) The regulations—
- (a) may make different provision for different purposes;
 - (b) must be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament.
- (8) Nothing in this section or the amendments made by it has effect in relation to anything which is done only for the purposes of a local government election in Scotland.”

8 Insert the following new Clause—

“Registration: personal identifiers

- (1) The 1983 Act is amended as follows.

- (2) In section 10 (maintenance of registers: annual canvass), after subsection (4) insert—
- “(4A) Subject to subsection (4B) below, the information to be obtained by the use of such a form for the purpose of a canvass shall include—
- (a) the signature of each of the persons in relation to whom the form is completed, and
 - (b) the date of birth of each such person.
- (4B) The Chief Electoral Officer may dispense with the requirement mentioned in subsection (4A)(a) above in relation to any person if he is satisfied that it is not reasonably practicable for that person to sign in a consistent and distinctive way because of any incapability of his or because he is unable to read.”
- (3) In section 10A (maintenance of registers: registration of electors)—
- (a) after subsection (1B) insert—

“(1C) Subject to subsection (1D) below, an application for registration in respect of an address in England, Scotland or Wales shall include—

 - (a) the signature of each of the persons to whom the application relates, and
 - (b) the date of birth of each such person.

(1D) The Chief Electoral Officer may dispense with the requirement mentioned in subsection (4A)(a) above in relation to any person if he is satisfied that it is not reasonably practicable for that person to sign in a consistent and distinctive way because of any incapability of his or because he is unable to read.”;
 - (b) in subsection (5), at the beginning insert “Subject to subsection (5A) below,”;
 - (c) after subsection (5) insert—

“(5A) A person’s name is to be removed from the register in respect of any address if—

 - (a) the form mentioned in section 10(4) above in respect of that address does not include all the information relating to him required by section 10(4A) above; or
 - (b) the registration officer determines that he is not satisfied with the information relating to that person which was included in that form pursuant to that requirement.”;

(d) in subsection (6), after “above” insert “or his name is to be removed from it by virtue of subsection (5A) above,”; and

(e) in subsection (8), after “5” insert “, (5A)”.
- (4) In section 13A (alteration of registers), after subsection (2B) insert—
- “(2C) Subject to subsection (2D) below, an application for registration under subsection (1)(a) above in respect of an address in the United Kingdom shall include—
- (a) the signature of each of the persons to whom the application relates, and
 - (b) the date of birth of each such person.

- (2D) The Chief Electoral Officer may dispense with the requirement mentioned in subsection (4A)(a) above in relation to any person if he is satisfied that it is not reasonably practicable for that person to sign in a consistent and distinctive way because of any incapability of his or because he is unable to read.””

Clause 13

- 9 Leave out Clause 13

Clause 14

- 10 Leave out Clause 14

Clause 15

- 11 Leave out Clause 15

Clause 16

- 12 Leave out Clause 16

Clause 17

- 13 Leave out Clause 17

Clause 18

- 14 Leave out Clause 18

Clause 19

- 15 Page 17, line 41, leave out subsection (4)

Clause 20

- 16 Page 18, leave out lines 38 and 39 and insert “1 of the Local Governance (Scotland) Act 2004) is to be divided into two or more separate polling districts.”

Clause 27

- 17 Page 27, line 2, at end insert “, or”
18 Page 27, line 5, leave out from “relates” to end of line 8

Clause 29

- 19 Page 31, line 14, leave out ““during the relevant period”” and insert ““after he becomes a candidate at that election””
20 Page 31, line 35, leave out from beginning to end of line 16 on page 32 and insert—
““(8) For the purposes of subsection (1), expenditure incurred before the date when a person becomes a candidate at the election is to be treated as having been incurred after that date if it is incurred in connection with any thing which is used or takes place after that date.””

Clause 31

- 21 Page 32, line 42, leave out “subsections (2) and (3)” and insert “subsection (2)”
- 22 Page 33, line 2, leave out “during the relevant period” and insert “after the date when he becomes a candidate at the election”
- 23 Page 33, leave out lines 3 to 5
- 24 Page 33, leave out lines 12 to 29
- 25 Page 33, line 36, leave out “other than a by-election”
- 26 Page 33, line 40, leave out “and subsection (2) above”

Clause 33

- 27 Page 37, line 21, leave out from “may” to end of line 23 and insert “attend”
- 28 Page 37, line 29, leave out from beginning to end of line 1 on page 38
- 29 Page 38, line 3, leave out “subsection (5)” and insert “this section”
- 30 Page 38, line 26, leave out “apply for permission to”
- 31 Page 38, line 27, leave out from “any” to end of line 29 and insert “of the following”
- 32 Page 38, line 35, leave out from beginning to end of line 6 on page 39
- 33 Page 39, line 22, leave out from beginning to “attend” in line 31
- 34 Page 39, line 32, leave out “at the place in question”
- 35 Page 39, line 42, leave out from beginning to end of line 4 on page 40
- 36 Page 40, line 5, leave out “subsection (4)” and insert “this section”
- 37 Page 40, leave out lines 8 and 9
- 38 Page 40, line 18, leave out from “application” to “may” in line 33 and insert “the organisation may nominate members who”
- 39 Page 40, line 34, leave out “at the place in question” and insert –
 “() The Commission, in granting an application under this section, may specify a limit on the number of observers nominated by the organisation who may attend, at the same time, specified proceedings by virtue of this section.”
- 40 Page 41, leave out lines 1 to 12
- 41 Page 41, line 13, leave out “subsection (4)” and insert “this section”
- 42 Page 41, leave out lines 15 and 16
- 43 Page 41, line 16, at end insert –

“6DA Attendance and conduct of observers

- (1) A relevant officer may limit the number of persons who may be present at any proceedings at the same time in pursuance of section 6C or 6D.

- (2) If a person who is entitled to attend any proceedings by virtue of section 6C or 6D misconducts himself while attending the proceedings, the relevant officer may cancel the person's entitlement.
- (3) Subsection (2) does not affect any power a relevant officer has by virtue of any enactment or rule of law to remove a person from any place.
- (4) A relevant officer is –
 - (a) in the case of proceedings at a polling station, the presiding officer;
 - (b) in the case of any other proceedings at an election, the returning officer;
 - (c) in the case of any other proceedings at a referendum, the relevant counting officer (within the meaning of section 6A);
 - (d) such other person as a person mentioned in paragraph (a), (b) or (c) authorises for the purposes of the proceedings mentioned in that paragraph.”

44 Page 41, leave out lines 30 to 37 and insert –

- “(c) give guidance to relevant officers (within the meaning of section 6DA) as to the exercise of the power conferred by subsection (1) of that section;
- (d) give guidance to such officers as to the exercise of the power mentioned in subsection (2) of that section as it relates to a person having the permission mentioned in subsection (1) of that section;
- (da) give guidance to such officers as to the exercise of any power under any enactment to control the number of persons present at any proceedings relating to an election or referendum as it relates to a person having such permission;”

45 Page 42, line 4, leave out “or 6D” and insert “6D or 6DA”

46 Page 42, leave out line 7 and insert –

- “(c) relevant officers (within the meaning of section 6DA);”

Clause 35

47 Page 43, line 22, leave out “(da) (inserted by section 14(3)(b))” and insert “(d)”

48 Page 43, line 24, leave out “(db)” and insert “(da)”

49 Page 43, leave out line 35

After Clause 35

50 Insert the following new Clause –

“Photographs on ballot papers: piloting

- (1) This section applies if a local authority makes a proposal that an order be made under subsection (2) applying to particular local government elections held in its area.
- (2) The Secretary of State may by order (a pilot order) make provision for the purposes of enabling ballot papers issued at such local government elections as are specified in the order to contain photographs of the candidates.

- (3) A pilot order may include such provision modifying or disapplying any enactment as the Secretary of State thinks is necessary or expedient for the purposes of the order.
- (4) The Secretary of State must not make a pilot order unless he first consults the Electoral Commission.
- (5) A pilot order may make provision implementing the local authority's proposal—
 - (a) without modification, or
 - (b) with such modifications as the Secretary of State and the local authority agree between them.
- (6) If the Secretary of State makes a pilot order—
 - (a) he must send a copy of it to the local authority and to the Electoral Commission, and
 - (b) the local authority must publish the order in their area in such manner as they think fit.
- (7) A pilot order may be amended or revoked by a further order.
- (8) The Secretary of State may reimburse a returning officer for any expenditure necessarily incurred by him in consequence of the making of a pilot order.
- (9) A local authority is—
 - (a) in England, a county council, a district council, a London borough council or the Greater London Authority;
 - (b) in Wales, a county council or a county borough council.
- (10) In this section—
 - (a) “local government election” must be construed in accordance with section 203(1) of the 1983 Act;
 - (b) a reference to the area of a local authority must be construed in accordance with the definition of “local government area” in that subsection.”

51 Insert the following new Clause—

“Evaluation of pilots under section (*Photographs on ballot papers: piloting*)

- (1) After any elections specified in a pilot order have taken place, the Electoral Commission must prepare a report on the operation of the order.
- (2) The report must contain, in particular—
 - (a) a description of the way in which the provision made by the order differed from the provisions which would otherwise have applied to the election or elections;
 - (b) a copy of the order;
 - (c) an assessment of the success or otherwise of the order in assisting voters to make informed decisions at the election or elections in question;
 - (d) an assessment of the success or otherwise of the order in encouraging voting at the election or elections in question;
 - (e) an assessment of whether the procedures provided for in the order operated satisfactorily.

- (3) An assessment under subsection (2)(c) must include a statement of whether, in the opinion of the Commission, the inclusion of photographs on the ballot paper –
 - (a) assisted voters in marking their papers with a vote for a candidate (or with votes for candidates) for whom they had decided to vote on grounds other than the candidates' appearance;
 - (b) resulted in voters being influenced (or more influenced) by the appearance of candidates in deciding for whom to vote.
- (4) An assessment under subsection (2)(d) must include a statement of whether, in the opinion of the Commission, the turnout of voters was higher than it would have been if the order had not applied.
- (5) An assessment under subsection (2)(e) must include a statement of –
 - (a) whether the candidates and their agents found the procedures provided for in the order easy to use;
 - (b) whether the returning officer found those procedures easy to administer;
 - (c) whether those procedures had any effect on the incidence of malpractice (whether or not amounting to an offence) in connection with elections;
 - (d) the amount of any increase attributable to those procedures in the resources applied by the authority concerned to the election or elections.
- (6) In making an assessment under subsection (2)(c), (d) or (e), the Commission must also apply such other criteria as are specified in the order in relation to that assessment.
- (7) The local authority must give the Commission such assistance as the Commission may reasonably require in connection with the preparation of the report.
- (8) The assistance may include –
 - (a) making arrangements for ascertaining the views of electors about the operation of the provisions of the order;
 - (b) reporting to the Commission allegations of electoral offences or other malpractice.
- (9) The Commission must, before the end of the period of three months beginning with the date of the declaration of the result of the election or elections in question, send a copy of the report –
 - (a) to the Secretary of State, and
 - (b) to the local authority.
- (10) The local authority must publish the report in their area in such manner as they think fit.
- (11) In this section “pilot order” and “the local authority” must be construed in accordance with section (*Photographs on ballot papers: piloting*.)”

52 Insert the following new Clause –

“Revision of electoral provisions in the light of pilot schemes

- (1) This section applies if the Secretary of State thinks, in the light of a report made under section (*Evaluation of pilots under section (Photographs on ballot*

papers: piloting)) on the operation of a pilot order under section (*Photographs on ballot papers: piloting*), that it would be desirable for provision similar to that made by the order to apply generally, and on a permanent basis, in relation to –

- (a) parliamentary elections;
 - (b) local government elections in England and Wales;
 - (c) any description of election falling within paragraph (a) or (b).
- (2) The Secretary of State may by order make provision for the purposes of enabling ballot papers issued at such elections (mentioned in subsection (1)) as are specified in the order to contain photographs of the candidates.
 - (3) The Secretary of State must not make an order under subsection (2) unless he first consults the Electoral Commission.
 - (4) An order under subsection (2) may –
 - (a) include such provision modifying or disapplying any enactment as the Secretary of State thinks is necessary or expedient for the purposes of the order;
 - (b) create or extend the application of an offence.
 - (5) An order under subsection (2) must not create an offence punishable –
 - (a) on conviction on indictment, with imprisonment for a term exceeding one year;
 - (b) on summary conviction, with imprisonment for a term exceeding 51 weeks or with a fine exceeding the statutory maximum.
 - (6) The power to make an order under subsection (2) is exercisable by statutory instrument, but no such order may be made unless a draft of the instrument containing the order has been laid before and approved by a resolution of each House of Parliament.
 - (7) The reference to local government elections must be construed in accordance with section (*Photographs on ballot papers: piloting*).
 - (8) If an order under subsection (2) is made before the date of commencement of section 281(5) of the Criminal Justice Act 2003, then in relation to any offence committed before that date the reference in subsection (5)(b) to 51 weeks must be taken to be a reference to six months.
 - (9) In its application to Scotland and Northern Ireland, the reference in subsection (5)(b) to 51 weeks must be taken to be a reference to six months.”

53 Insert the following new Clause –

“Certain voters entitled to vote in person

- (1) Schedule 4 of the Representation of the People Act 2000 (absent voting in Great Britain) is amended as follows.
- (2) After paragraph 2(5) insert –
 - “(5A) Nothing in the preceding provisions of this paragraph applies to a person to whom section 7 of the 1983 Act (mental patients who are not detained offenders) applies and who is liable, by virtue of any enactment, to be detained in the mental hospital in question, whether he is registered by virtue of that provision or not; and such a person may vote –

- (a) in person (where he is granted permission to be absent from the hospital and voting in person does not breach any condition attached to that permission), or
 - (b) by post or by proxy (where he is entitled as an elector to vote by post or, as the case may be, by proxy at the election).”
- (3) In paragraph 2(6), omit paragraph (a) and the “or” following it.
- (4) This section does not apply to local government elections in Scotland (within the meaning of the 1983 Act).”

Clause 36

- 54 Page 45, line 3, leave out “Subsection (2) below applies” and insert “Subsections (2) and (2A) below apply”
- 55 Page 45, line 8, leave out from “document” to end of line 14 and insert “must, as he thinks appropriate, give or display or otherwise make available in such form as he thinks appropriate—
- (a) the document in Braille;
 - (b) the document in languages other than English;
 - (c) graphical representations of the information contained in the document;
 - (d) other means of making the information contained in the document accessible to persons who might not otherwise have reasonable access to the information.
- (2A) The person required or authorised to give or display the document must also, as he thinks appropriate, make available the information contained in the document in such audible form as he thinks appropriate.”
- 56 Page 45, line 15, leave out “Subsection (2) above does” and insert “Subsections (2) and (2A) above do”

Clause 37

- 57 Page 46, line 11, leave out “may” and insert “must”
- 58 Page 46, line 16, at end insert—
- “() the directions or guidance in any other form (including any audible form).”
- 59 Page 46, line 18, at end insert “and for stating the date of birth of the elector or proxy (as the case may be)”

Clause 44

- 60 Page 54, line 22, leave out paragraph (d)

Clause 49

- 61 Page 57, line 10, leave out “five” and insert “12”
- 62 Page 57, line 45, leave out “five” and insert “12”
- 63 Page 58, line 40, leave out “five” and insert “12”

Clause 59

- 64 Page 63, line 22, leave out “member of the House of Commons” and insert “holder of a relevant elective office unless he is not a member of a registered party and is either –
- (a) a member of the Scottish Parliament, or
 - (b) a member of a local authority in Scotland.”
- 65 Page 63, line 25, leave out “member of the House of Commons” and insert “holder of the relevant elective office”
- 66 Page 63, line 30, leave out “member of the House of Commons” and insert “holder of a relevant elective office”
- 67 Page 63, line 31, leave out “House of Commons” and insert “relevant body”
- 68 Page 63, line 32, leave out “member” and insert “holder of the office”
- 69 Page 63, line 38, at end insert –
- “ (3) In sub-paragraph (1)(a) a relevant body is –
- (a) if the holder of a relevant elective office is a member of a body mentioned in paragraphs (a) to (f) of paragraph 1(8), that body;
 - (b) if the holder of a relevant elective office is the Mayor of London, the London Assembly;
 - (c) if the holder of a relevant elective office is an elected mayor within the meaning of Part 2 of the Local Government Act 2000, the local authority of which he is the mayor.”
- 70 Page 63, line 40, leave out “members of the House of Commons” and insert “the holders of a relevant elective office”
- 71 Page 64, line 2, leave out “members” and insert “holders of relevant elective office”
- 72 Page 64, line 2, at end insert –
- “(5) In subsection (4) references to the holder of a relevant elective office must be construed in accordance with Schedule 7 to the 2000 Act.”

After Clause 60

- 73 Insert the following new Clause –

“Regulation of loans etc

- (1) After Part 4 of the 2000 Act insert –

“PART 4A

REGULATION OF LOANS AND RELATED TRANSACTIONS

71F Regulated transactions

- (1) In this Part, a reference to a regulated transaction must be construed in accordance with this section.
- (2) An agreement between a registered party and another person by which the other person makes a loan of money to the party is a regulated transaction.

- (3) An agreement between a registered party and another person by which the other person provides a credit facility to the party is a regulated transaction.
- (4) Where—
 - (a) a registered party and another person (A) enter into a regulated transaction of a description mentioned in subsection (2) or (3) or a transaction under which any property, services or facilities are provided for the use or benefit of the party (including the services of any person), and
 - (b) A also enters into an arrangement whereby another person (B) gives any form of security (whether real or personal) for a sum owed to A by the party under the transaction mentioned in paragraph (a),the arrangement is a regulated transaction.
- (5) An agreement or arrangement is also a regulated transaction if—
 - (a) the terms of the agreement or arrangement as first entered into do not constitute a regulated transaction by virtue of subsection (2), (3) or (4), but
 - (b) the terms are subsequently varied in such a way that the agreement or arrangement becomes a regulated transaction.
- (6) References in subsections (2) and (3) to a registered party include references to an officer, member, trustee or agent of the party if he makes the agreement as such.
- (7) References in subsection (4) to a registered party include references to an officer, member, trustee or agent of the party if the property, services or facilities are provided to him, or the sum is owed by him, as such.
- (8) Except so far as the contrary intention appears, references to a registered party in the context of—
 - (a) the making of a loan to a registered party,
 - (b) the provision of a credit facility to a registered party, or
 - (c) a sum being owed by a registered party,must, in the case of a party with accounting units, be construed as references to the central organisation of the party or any of its accounting units.
- (9) A reference to a connected transaction is a reference to the transaction mentioned in subsection (4)(b).
- (10) In this section a reference to anything being done by or in relation to a party or a person includes a reference to its being done directly or indirectly through a third person.
- (11) A credit facility is an agreement whereby a registered party is enabled to receive from time to time from another party to the agreement a loan of money not exceeding such amount (taking account of any repayments made by the registered party) as is specified in or determined in accordance with the agreement.
- (12) An agreement or arrangement is not a regulated transaction—

- (a) to the extent that in accordance with any enactment a payment made in pursuance of the agreement or arrangement falls to be included in a return as to election expenses in respect of a candidate or candidates at a particular election, or
 - (b) if its value is not more than £200.
- (13) The Secretary of State may, by order, specify circumstances or any description of circumstances in which an agreement or arrangement falling within any of subsections (2) to (5) is not a regulated transaction.

71G Valuation of regulated transaction

- (1) The value of a regulated transaction which is a loan is the value of the total amount to be lent under the loan agreement.
- (2) The value of a regulated transaction which is a credit facility is the maximum amount which may be borrowed under the agreement for the facility.
- (3) The value of a regulated transaction which is an arrangement by which any form of security is given is the contingent liability under the security provided.
- (4) For the purposes of subsections (1) and (2), no account is to be taken of the effect of any provision contained in a loan agreement or an agreement for a credit facility at the time it is entered into which enables outstanding interest to be added to any sum for the time being owed in respect of the loan or credit facility, whether or not any such interest has been so added.

71H Authorised participants

- (1) A registered party must not—
 - (a) be a party to a regulated transaction to which any of the other parties is not an authorised participant;
 - (b) derive a benefit in consequence of a connected transaction if any of the parties to that transaction is not an authorised participant.
- (2) This section does not apply to a regulated transaction if it was entered into before the commencement of section (*Regulation of loans etc*) of the Electoral Administration Act 2006.
- (3) In this Part, an authorised participant is a person who is a permissible donor within the meaning of section 54(2).
- (4) The Secretary of State may, by order, specify circumstances or any description of circumstances in which a person who is not a permissible donor is to be treated as an authorised participant.

71I Regulated transaction involving unauthorised participant

- (1) This section applies if a registered party is a party to a regulated transaction in which another participant is not an authorised participant.
- (2) The transaction is void.
- (3) Despite subsection (2)—

- (a) any money received by the registered party by virtue of the transaction must be repaid by the treasurer of the party to the person from whom it was received, along with interest at such rate as is determined in accordance with an order made by the Secretary of State;
 - (b) that person is entitled to recover the money, along with such interest.
- (4) If—
 - (a) the money is not (for whatever reason) repaid as mentioned in subsection (3)(a), or
 - (b) the person entitled to recover the money refuses or fails to do so,the Commission may apply to the court to make such order as it thinks fit to restore (so far as is possible) the parties to the transaction to the position they would have been in if the transaction had not been entered into.
- (5) An order under subsection (4) may in particular—
 - (a) where the transaction is a loan or credit facility, require that any amount owed by the registered party be repaid (and that no further sums be advanced under it);
 - (b) where any form of security is given for a sum owed under the transaction, require that security to be discharged.
- (6) In the case of a regulated transaction where a party other than a registered party—
 - (a) at the time the registered party enters into the transaction, is an authorised participant, but
 - (b) subsequently, for whatever reason, ceases to be an authorised participant,the transaction is void and subsections (3) to (5) apply with effect from the time when the other party ceased to be an authorised participant.
- (7) This section does not apply to a regulated transaction if it was entered into before the commencement of section (*Regulation of loans etc*) of the Electoral Administration Act 2006.

71J Guarantees and securities: unauthorised participants

- (1) This section applies if—
 - (a) a registered party and another person (A) enter into a transaction of a description mentioned in section 71F(4)(a),
 - (b) A is party to a regulated transaction of a description mentioned in section 71F(4)(b) (“the connected transaction”) with another person (B), and
 - (c) B is not an authorised participant.
- (2) Section 71I(2) to (5) applies to the transaction mentioned in subsection (1)(a).
- (3) The connected transaction is void.
- (4) Subsection (5) applies if (but only if) A is unable to recover from the party the whole of the money mentioned in section 71I(3)(a) (as

applied by subsection (2) above), along with such interest as is there mentioned.

- (5) Despite subsection (3), A is entitled to recover from B any part of that money (and such interest) that is not recovered from the party.
- (6) Subsection (5) does not entitle A to recover more than the contingent liability under the security provided by virtue of the connected transaction.
- (7) In the case of a connected transaction where B—
 - (a) at the time A enters into the transaction, is an authorised participant, but
 - (b) subsequently, for whatever reason, ceases to be an authorised participant,
 subsections (2) to (6) apply with effect from the time when B ceased to be an authorised participant.
- (8) This section does not apply to a regulated transaction if it was entered into before the commencement of section (*Regulation of loans etc*) of the Electoral Administration Act 2006.
- (9) If the transaction mentioned in section 71F(4)(a) is not a regulated transaction of a description mentioned in section 71F(2) or (3), references in this section and section 71I(2) to (5) (as applied by subsection (2) above) to the repayment or recovery of money must be construed as references to (as the case may be)—
 - (a) the return or recovery of any property provided under the transaction,
 - (b) to the extent that such property is incapable of being returned or recovered or its market value has diminished since the time the transaction was entered into, the repayment or recovery of the market value at that time, or
 - (c) the market value (at that time) of any facilities or services provided under the transaction.

71K Transfer to unauthorised participant invalid

If an authorised participant purports to transfer his interest in a regulated transaction to a person who is not an authorised participant the purported transfer is of no effect.

71L Offences relating to regulated transactions

- (1) A registered party commits an offence if—
 - (a) it enters into a regulated transaction of a description mentioned in section 71F(2) or (3) in which another participant is not an authorised participant, and
 - (b) an officer of the party knew or ought reasonably to have known of the matters mentioned in paragraph (a).
- (2) A person commits an offence if—
 - (a) he is the treasurer of a registered party,
 - (b) the party enters into a regulated transaction of a description mentioned in section 71F(2) or (3) in which another participant is not an authorised participant, and
 - (c) he knew or ought reasonably to have known of the matters mentioned in paragraph (b).

- (3) A registered party commits an offence if—
 - (a) it enters into a regulated transaction of a description mentioned in section 71F(2) or (3) in which another participant is not an authorised participant,
 - (b) no officer of the party knew or ought reasonably to have known that the other participant is not an authorised participant, and
 - (c) as soon as practicable after knowledge of the matters mentioned in paragraph (a) comes to the treasurer of the party he fails to take all reasonable steps to repay any money which the party has received by virtue of the transaction.
- (4) A person who is the treasurer of a registered party commits an offence if—
 - (a) the party enters into a regulated transaction of a description mentioned in section 71F(2) or (3) in which another participant is not an authorised participant,
 - (b) subsection (2)(c) does not apply to him, and
 - (c) as soon as practicable after knowledge of the matters mentioned in paragraph (a) comes to him he fails to take all reasonable steps to repay any money which the party has received by virtue of the transaction.
- (5) A registered party commits an offence if—
 - (a) it benefits from or falls to benefit in consequence of a connected transaction to which any of the parties is not an authorised participant, and
 - (b) an officer of the party knew or ought reasonably to have known of the matters mentioned in paragraph (a).
- (6) A person commits an offence if—
 - (a) he is the treasurer of a registered party,
 - (b) the party benefits from or falls to benefit in consequence of a connected transaction to which any of the parties is not an authorised participant, and
 - (c) he knew or ought reasonably to have known of the matters mentioned in paragraph (b).
- (7) A registered party commits an offence if—
 - (a) it is a party to a transaction of a description mentioned in section 71F(4)(a),
 - (b) it benefits from or falls to benefit in consequence of a connected transaction to which any of the parties is not an authorised participant,
 - (c) no officer of the party knew or ought reasonably to have known of the matters mentioned in paragraphs (a) and (b), and
 - (d) as soon as practicable after knowledge of the matters mentioned in paragraphs (a) and (b) comes to the treasurer of the party he fails to take all reasonable steps to pay to any person who has provided the party with any benefit in consequence of the connected transaction the value of the benefit.

- (8) A person who is the treasurer of a registered party commits an offence if—
- (a) the party is a party to a transaction of a description mentioned in section 71F(4)(a),
 - (b) the party benefits from or falls to benefit in consequence of a connected transaction to which any of the parties is not an authorised participant,
 - (c) subsection (6)(c) does not apply to him, and
 - (d) as soon as practicable after knowledge of the matters mentioned in paragraphs (a) and (b) comes to him he fails to take all reasonable steps to pay to any person who has provided the party with any benefit in consequence of the connected transaction the value of the benefit.
- (9) A person commits an offence if he—
- (a) knowingly enters into, or
 - (b) knowingly does any act in furtherance of,
- any arrangement which facilitates or is likely to facilitate, whether by means of concealment or disguise or otherwise, the participation by a registered party in a regulated transaction with a person other than an authorised participant.
- (10) It is a defence for a person charged with an offence under subsection (2) to prove that he took all reasonable steps to prevent the registered party entering the transaction.
- (11) It is a defence for a person charged with an offence under subsection (6) to prove that he took all reasonable steps to prevent the registered party benefiting in consequence of the connected transaction.
- (12) A reference to a registered party entering into a regulated transaction includes a reference to any circumstances in which the terms of a regulated transaction are varied so as to increase the amount of money to which the party is entitled in consequence of the transaction.
- (13) A reference to a registered party entering into a transaction in which another participant is not an authorised participant includes a reference to any circumstances in which another party to the transaction who is an authorised participant ceases (for whatever reason) to be an authorised participant.
- (14) This section does not apply to a transaction which is entered into before the commencement of section (*Regulation of loans etc*) of the Electoral Administration Act 2006.

71M Quarterly reports of regulated transactions

- (1) The treasurer of a registered party must, in the case of each year, prepare a report under this subsection in respect of each of the following periods—
- (a) January to March;
 - (b) April to June;
 - (c) July to September;
 - (d) October to December.

- (2) The reports prepared under subsection (1) for any year must, in the case of each authorised participant who enters into or is party to a regulated transaction with the party in that year, comply with—
- (a) the following provisions of this section so far as they require any such transaction to be recorded in such a report;
 - (b) section 71N so far as it requires any changes in relation to any such transaction to be so recorded.
- (3) In this section—
- “transaction report” means a report prepared under subsection (1);
 - “reporting period”, in relation to such a report, means the period mentioned in any of paragraphs (a) to (d) of that subsection to which the report relates;
 - “relevant transaction”, in relation to an authorised participant and a year, means a regulated transaction entered into by the participant and the registered party in that year;
 - “relevant benefit”, in relation to any person and any year, means—
 - (a) a relevant donation within the meaning of section 62(3) accepted by the party from that person as a donor, or
 - (b) a relevant transaction entered into by the party and that person as a participant,and a relevant benefit accrues when it is accepted (if it is a donation) or entered into (if it is a transaction).
- (4) Where no previous relevant benefit or benefits has or have been required to be recorded under this subsection or section 62(4), a relevant transaction must be recorded—
- (a) if the value of the transaction is more than £5,000, or
 - (b) if the aggregate amount of it and any other relevant benefit or benefits is more than £5,000.
- (5) A transaction to which subsection (4) applies must—
- (a) if it falls within paragraph (a) of that subsection, be recorded in the transaction report for the reporting period in which the transaction is entered into, or
 - (b) if it falls within paragraph (b) of that subsection, be recorded (together with any other relevant transaction or transactions included in the aggregate amount mentioned in that paragraph) in the transaction report for the reporting period in which the benefit which causes that aggregate to be more than £5,000 accrues.
- (6) Where any previous relevant benefit or benefits has or have been required to be recorded under subsection (4) or section 62(4), a relevant transaction must be recorded at the point when a relevant transaction falling within subsection (7) has been entered into—
- (a) since the benefit or benefits required to be recorded under that provision, or
 - (b) if any relevant benefit or benefits has or have previously been required to be recorded under this subsection or section 62(6), since the benefit or benefits last required to be so recorded.

- (7) A relevant transaction falls within this subsection –
- (a) if the value of the transaction is more than £1,000, or
 - (b) if, when it is added to any other relevant benefit or benefits accruing since the time mentioned in subsection (6)(a) or (b), the aggregate amount of the benefits is more than £1,000.
- (8) A transaction to which subsection (6) applies on any occasion must –
- (a) if it is the only benefit required to be recorded on that occasion, be recorded in the transaction report for the reporting period in which it is entered into, or
 - (b) in any other case be recorded (together with any other relevant transaction or transactions included in the aggregate amount mentioned in subsection (7)) in the transaction report for the reporting period in which the benefit which causes that aggregate amount to be more than £1,000 accrues.
- (9) A transaction report must also record any regulated transaction which is entered into by the party and a person who is not an authorised participant and is dealt with during the reporting period in accordance with section 71I or 71J.
- (10) If during any reporting period no transactions have been entered into by the party which, by virtue of the preceding provisions of this section, are required to be recorded in the transaction report for that period, the report must contain a statement to that effect.
- (11) Where a registered party is a party with accounting units, subsections (2) to (10) apply separately in relation to the central organisation of the party and each of its accounting units –
- (a) as if any reference to the party were a reference to the central organisation or (as the case may be) to such an accounting unit; but
 - (b) with the substitution, in relation to such an accounting unit, of “£1,000” for “£5,000” in each place where it occurs in subsections (4) and (5).
- (12) However, for the purposes of subsections (2) to (9) in their application to the central organisation and any year by virtue of subsection (10), any transaction –
- (a) which is entered into by an authorised participant and any of the accounting units during that year, but
 - (b) which is not required to be recorded under subsection (4) or (6) (as they apply by virtue of subsection (11)) as a transaction entered into by the accounting unit,
- must be treated as a transaction entered into by the authorised participant and the central organisation.
- (13) Schedule 6A has effect with respect to the information to be given in transaction reports.

71N Changes to be recorded in quarterly reports

- (1) If during any reporting period, in the case of any recorded transaction –

- (a) another authorised participant becomes party to the transaction (whether in place of or in addition to any existing participant),
 - (b) there is any change in the details given in relation to the transaction in pursuance of paragraph 5, 6 or 7 of Schedule 6A, or
 - (c) the transaction comes to an end,
- the change must be recorded in the transaction report for that period.
- (2) For the purposes of subsection (1)(c), a loan comes to an end if—
 - (a) the whole debt (or all the remaining debt) is repaid;
 - (b) the creditor releases the whole debt (or all the remaining debt);and in such a case the transaction report must state how the loan has come to an end.
 - (3) A transaction report must also record any change by which a person who is not an authorised participant becomes party to the transaction (whether in place of or in addition to any existing participant) and in consequence of which the transaction is dealt with in accordance with section 71I or 71J.
 - (4) If during any reporting period there have been no changes (as mentioned in subsection (1) or (3)) to any recorded transaction, the report must contain a statement to that effect.
 - (5) A recorded transaction, in relation to a reporting period, is a regulated transaction which is or has been recorded in a transaction report for that or a previous reporting period.
 - (6) Where a registered party is a party with accounting units, subsections (1) to (5) apply separately in relation to the central organisation of the party and each of its accounting units; and the reference in subsection (5) to a transaction report for a previous reporting period is a reference to a report prepared in relation the central organisation or accounting unit, as the case may be.
 - (7) In this section, “reporting period” and “transaction report” have the meanings given in section 71M.

71O Existing transactions

- (1) This section applies in relation to the first report prepared under section 71M(1) by the treasurer of a party which, at the date on which that section comes into force, is a registered party.
- (2) Sections 71M and 71N have effect, in the case of a person (whether or not an authorised participant) who is a party to an existing transaction, as if—
 - (a) that transaction had been entered into in the reporting period to which the report relates;
 - (b) any change (as mentioned in section 71N(1) or (3)) to the transaction had occurred during that period;
 - (c) references in section 71M to a relevant benefit did not include references to a relevant donation.

- (3) An existing transaction is a regulated transaction which, at the date on which section 71M comes into force, has not come to an end for the purposes of section 71N(1)(c).

71P Exemption from requirement to prepare quarterly reports

- (1) This section applies if each of four consecutive transaction reports prepared by the treasurer of a registered party in pursuance of subsection (1) of section 71M contains –
- (a) in the case of a party without accounting units, a statement under subsection (9) of that section and a statement under subsection (4) of section 71N, or
 - (b) in the case of a party with accounting units, statements under each of those subsections in relation to the central organisation of the party and each of its accounting units.
- (2) The treasurer is not required to prepare any further transaction reports in pursuance of subsection (1) of section 71M until –
- (a) a recordable transaction is entered into by the registered party, or
 - (b) a recordable change is made to a recorded transaction.
- (3) A recordable transaction is a transaction which is required to be recorded by virtue of any of subsections (4) to (8) of section 71M (including those subsections as applied by subsection (10) of that section).
- (4) A recordable change is a change which is required to be recorded by virtue of subsection (1) of section 71N (including that subsection as applied by subsection (6) of that section).
- (5) If a recordable transaction is entered into or a recordable change is made, nothing in this section affects the operation of section 71M or 71N in relation to –
- (a) the reporting period in which the recordable transaction is entered into or the recordable change is made, or
 - (b) any subsequent reporting period which falls before the time (if any) when this section again applies in relation to the party.
- (6) In this section –
- “transaction report” and “reporting period” have the same meaning as in section 71M;
 - “recorded transaction” has the same meaning as in section 71N.

71Q Weekly transaction reports during general election periods

- (1) Subject to section 71R, the treasurer of a registered party must, in the case of any general election period, prepare a report under this subsection in respect of each of the following periods –
- (a) the period of seven days beginning with the first day of the general election period,
 - (b) each succeeding period of seven days falling within the general election period, and
 - (c) any final period of less than seven days falling within that period.

- (2) In this section –
 - “weekly report” means a report prepared under subsection (1);
 - “reporting period”, in relation to such a report, means the period mentioned in any of paragraphs (a) to (c) of that subsection to which the report relates.
- (3) The weekly report for any reporting period must record each regulated transaction which has a value of more than £5,000 entered into during that period –
 - (a) by the party (if it is not a party with accounting units), or
 - (b) by the central organisation of the party (if it is a party with accounting units).
- (4) If during any reporting period no transactions falling within subsection (3) have been entered into as mentioned in that subsection, the weekly report for that period must contain a statement to that effect.
- (5) Schedule 6A has effect with respect to the information to be given in weekly reports.
- (6) The weekly report for any reporting period must also record any change (as mentioned in section 71N(1) or (3)) during that period to a regulated transaction recorded –
 - (a) by the party (if it is not a party with accounting units), or
 - (b) by the central organisation of the party (if it is a party with accounting units).
- (7) For the purposes of subsection (6), a transaction is recorded by a party or the central organisation of a party if it is or has been recorded in –
 - (a) a transaction report prepared under section 71M(1), or
 - (b) a weekly report prepared for that or a previous reporting period falling within the general election period.
- (8) If during any reporting period there have been no changes falling within subsection (6), the weekly report for that period must contain a statement to that effect.
- (9) In this section and section 71R “general election period” has the meaning given in section 63.

71R Exemptions from section 71Q

- (1) Section 71Q(1) does not apply in relation to a registered party in respect of a general election period if the party has made an exemption declaration under section 64 which covers the general election in question.
- (2) In its application (in accordance with subsection (1)) in relation to section 71Q, section 64 is to be read subject to the following modifications –
 - (a) the reference in subsection (5) to section 63 is to be read as a reference to section 71Q;
 - (b) subsection (6) is omitted.

71S Submission of transaction reports to Commission

- (1) A transaction report under section 71M must be delivered to the Commission by the treasurer of the party in question within the period of 30 days beginning with the end of the reporting period to which it relates.
- (2) A transaction report under section 71Q must be delivered to the Commission by the treasurer of the party in question—
 - (a) within the period of 7 days beginning with the end of the reporting period to which it relates, or
 - (b) if that is not possible in the case of any party to which section 71Q applies by virtue of section 64(5) (as applied by section 71R), within the period of 7 days beginning with the first day on which the party has a candidate at the election in question.
- (3) If a transaction report under section 71M or 71Q states that the registered party has seen evidence of such description as is prescribed by the Secretary of State in regulations that an individual participant has an anonymous entry in the electoral register (within the meaning of the Representation of the People Act 1983), the report must be accompanied by a copy of the evidence.
- (4) The treasurer of a registered party commits an offence if he fails to comply with the requirements of subsection (1) or (2) in relation to a transaction report.
- (5) The treasurer of a registered party also commits an offence if he delivers a transaction report to the Commission which does not comply with any requirements of this Part as regards the recording of transactions, or changes to transactions, in such a report.
- (6) Where a person is charged with an offence under this section, it shall be a defence to prove that he took all reasonable steps, and exercised all due diligence, to ensure that any such requirements were complied with in relation to transactions entered into by the party, or changes to transactions made, during the relevant reporting period.
- (7) Where the court is satisfied, on an application made by the Commission, that any failure to comply with any such requirements in relation to—
 - (a) any transaction entered into by a registered party, or
 - (b) any change made to a transaction to which the registered party is a party,was attributable to an intention on the part of any person to conceal the existence or true value of the transaction, the court may make such order as it thinks fit to restore (so far as is possible) the parties to the transaction to the position they would have been in if the transaction had not been entered into.
- (8) An order under subsection (7) may in particular—
 - (a) where the transaction is a loan or credit facility, require that any amount owed by the registered party be repaid (and that no further sums be advanced under it);
 - (b) where any form of security is given for a sum owed under the transaction, or the transaction is an arrangement by

which any form of security is given, require that the security be discharged.

- (9) The reference in subsection (2) to a party having a candidate at an election must be construed in accordance with section 64(9).

71T Declaration by treasurer in transaction report

- (1) Each transaction report under section 71M or 71Q must, when delivered to the Commission, be accompanied by a declaration made by the treasurer which complies with subsection (2), (3) or (4).
- (2) In the case of a report under section 71M (other than one making a nil return), the declaration must state that, to the best of the treasurer's knowledge and belief –
- (a) all the transactions recorded in the report were entered into by the party with authorised participants,
 - (b) during the reporting period no transaction has been entered into by the party which is required to be recorded in the report but is not so recorded,
 - (c) during the reporting period no change has been made to a regulated transaction which is required to be recorded in the report but is not so recorded, and
 - (d) during the reporting period the party has not entered into any regulated transaction with a person or body other than an authorised participant.
- (3) For the purposes of subsection (2) a return under section 71M makes a nil return if it contains such a statement as is mentioned in subsection (9) of that section and a statement as is mentioned in subsection (4) of section 71N; and in the case of such a report the declaration must state that, to the best of the treasurer's knowledge and belief –
- (a) those statements are accurate, and
 - (b) during the reporting period the party has not entered into any regulated transaction with a person or body other than an authorised participant.
- (4) In the case of a report under section 71Q, the declaration must state that, to the best of the treasurer's knowledge and belief –
- (a) no transaction has been entered into by the party, or (if section 71Q(3)(b) applies) by its central organisation, during the reporting period which is required to be recorded in the report but is not so recorded, and
 - (b) no change has been made to a regulated transaction during the reporting period which is required to be recorded in the report but is not so recorded.
- (5) A person commits an offence if he knowingly or recklessly makes a false declaration under this section.

71U Weekly donation reports in connection with elections other than general elections

- (1) The Secretary of State may, after consulting the Commission and all registered parties, by order make provision for –
- (a) sections 71Q and 71R, together with Schedule 6A,

- (b) sections 71S and 71T, and
- (c) section 147 so far as applying in relation to section 71S(1) or (2),

to apply in relation to the specified election period in the case of one or more relevant elections with such modifications as are specified in the order.

- (2) In this section “specified election period” and “relevant election” have the meanings given in section 67.

71V Register of recordable transactions

- (1) The Commission must maintain a register of all transactions (and all changes) reported to them under this Part.
- (2) The register must be maintained by the Commission in such form as they may determine and must contain the following details in the case of each such transaction –
 - (a) the value of the transaction;
 - (b) (subject to subsection (3)) such other details as have been given in relation to the transaction in pursuance of any of paragraphs 2 to 7 of Schedule 6A;
 - (c) the relevant date for the transaction within the meaning of paragraph 8 of that Schedule.
- (3) The details required by virtue of subsection (2) do not include, in the case of any transaction entered into by an authorised participant who is an individual, the individual’s address.
- (4) Where –
 - (a) any transaction or transactions is or are reported to the Commission under this Part, or
 - (b) any change or changes is or are so reported to them,
 they must cause the details mentioned in subsection (2) to be entered or, as the case may be, changed in the register in respect of the transaction or transactions as soon as is reasonably practicable.

71W Proceedings under sections 71I and 71S

- (1) This section has effect in relation to proceedings on applications under sections 71I(4) and 71S(7).
- (2) The court is –
 - (a) in England and Wales, the county court;
 - (b) in Scotland, the sheriff, and the proceedings are civil proceedings;
 - (c) in Northern Ireland, the county court.
- (3) The standard of proof is that applicable to civil proceedings.
- (4) An order may be made whether or not proceedings are brought against any person for an offence under section 71L, 71S or 71T.
- (5) An appeal against an order made by the sheriff may be made to the Court of Session.
- (6) Rules of court may make provision –

- (a) with respect to applications or appeals from proceedings on such applications;
- (b) for the giving of notice of such applications or appeals to persons affected;
- (c) for the joinder, or in Scotland sisting, of such persons as parties;
- (d) generally with respect to procedure in such applications or appeals.

(7) Subsection (6) does not affect any existing power to make rules.

71X Construction of Part 4A

- (1) In this Part—
 - “authorised participant” must be construed in accordance with section 71H;
 - “connected transaction” has the meaning given by section 71F(9);
 - “credit facility” has the meaning given by section 71F(11);
 - “regulated transaction” must be construed in accordance with section 71F.
- (2) For the purposes of any provision relating to the reporting of transactions, anything required to be done by a registered party in consequence of its being a party to a regulated transaction must also be done by it, if it is a party to a transaction of a description mentioned in section 71F(4)(a), as if it were a party to the connected transaction.”
- (2) In section 147 of that Act (civil penalty for failure to deliver documents etc), after subsection (1)(c) insert—
 - “(ca) the requirements of section 71S(1) or (2) are not complied with in relation to any transaction report relating to a registered party;”.
- (3) In section 149 of that Act (inspection of Commission’s registers etc), after subsection (1)(b) insert—
 - “(ba) section 71V;”.
- (4) In section 156(4) of that Act (provision about subordinate legislation)—
 - (a) after paragraph (d) insert—
 - “(da) section 71F(13),
 - (db) section 71H(4),
 - (dc) section 71U(1);”;
 - (b) after paragraph (h) insert—
 - “(ha) paragraph 9 of Schedule 6A;”.
- (5) After Schedule 6 to that Act (details to be given in donation reports) insert—

“SCHEDULE 6A

DETAILS TO BE GIVEN IN TRANSACTION REPORTS

Preliminary

- 1 (1) In this Schedule—

- (a) “quarterly report” means a report required to be prepared by virtue of section 71M;
- (b) “weekly report” means a report required to be prepared by virtue of section 71Q;

and “recordable transaction”, in relation to a quarterly or weekly report, means a transaction required to be recorded in that report.

- (2) References in this Schedule to a registered party must, in the case of a party with accounting units, be read as references to the central organisation of the party.

Identity of authorised participants: quarterly reports

- 2 (1) In relation to each recordable transaction, a quarterly report must give the following information about each authorised participant (other than the registered party deriving the benefit of the transaction) that is required by any of sub-paragraphs (2) to (10).
- (2) In the case of an individual the report must give his full name and –
 - (a) if his address is, at the date the transaction is entered into, shown in an electoral register (within the meaning of section 54), that address, and
 - (b) otherwise, his home address (whether in the United Kingdom or elsewhere).
- (3) Sub-paragraph (2) applies in the case of an individual who has an anonymous entry in an electoral register (within the meaning of the Representation of the People Act 1983) as if for paragraphs (a) and (b) there were substituted “state that the registered party has seen evidence of such description as is prescribed by the Secretary of State in regulations that the individual has an anonymous entry in an electoral register (within the meaning of the Representation of the People Act 1983)”.
- (4) In the case of a company falling within section 54(2)(b) the report must give –
 - (a) the company’s registered name,
 - (b) the address of its registered office, and
 - (c) the number with which it is registered.
- (5) In the case of a registered party the report must give –
 - (a) the party’s registered name, and
 - (b) the address of its registered headquarters.
- (6) In the case of trade union falling within section 54(2)(d) the report must give –
 - (a) the name of the union, and
 - (b) the address of its head or main office,

as shown in the list kept under the Trade Union and Labour Relations (Consolidation) Act 1992 or the Industrial Relations (Northern Ireland) Order 1992.
- (7) In the case of a building society within the meaning of the Building Societies Act 1986 the report must give –

- (a) the name of the society, and
 - (b) the address of its principal office.
- (8) In the case of a limited liability partnership falling within section 54(2)(f) the report must give –
- (a) the partnership’s registered name, and
 - (b) the address of its registered office.
- (9) In the case of a friendly or other registered society falling within section 54(2)(g) the report must give –
- (a) the name of the society, and
 - (b) the address of its registered office.
- (10) In the case of an unincorporated association falling within section 54(2)(h) the report must give –
- (a) the name of the association, and
 - (b) the address of its main office in the United Kingdom.

Identity of authorised participants: weekly reports

- 3 (1) In relation to each recordable transaction, a weekly report must give all such details of the name and address of each authorised participant (other than the registered party deriving the benefit from the transaction) as are for the time being known to the party.
- (2) In the case of a participant who is an individual having an anonymous entry in an electoral register (within the meaning of the Representation of the People Act 1983) instead of giving details of the address of the individual the party must state that it has seen evidence of such description as is prescribed by the Secretary of State in regulations that the individual has such an entry.

Identity of unauthorised participants

- 4 In relation to each recordable transaction to which a person who is not an authorised participant is a party, a quarterly or weekly report must give –
- (a) the name and address of the person;
 - (b) the date when, and the manner in which, the transaction was dealt with in accordance with subsections (3) to (5) of section 71I or those subsections as applied by section 71I(6) or 71J(2).

Details of transaction

- 5 (1) In relation to each recordable transaction a report must give the following details about the transaction.
- (2) A quarterly or weekly report must give the nature of the transaction (that is to say, whether it is a loan, a credit facility or an arrangement by which any form of security is given).
- (3) A quarterly or weekly report must give the value of the transaction (determined in accordance with section 71G) or, in

- the case of a credit facility or security to which no limit is specified, a statement to that effect.
- (4) A quarterly or weekly report must give the relevant date for the transaction (determined in accordance with paragraph 8).
 - (5) If the requirement to record the transaction arises only because the value of the transaction has, for the purposes of section 71M(4) or (6), been aggregated with the value of any relevant donation or donations (within the meaning of section 62), a quarterly report must contain a statement to that effect.
 - (6) A quarterly report must –
 - (a) state whether the transaction was entered into by the registered party or any accounting unit of the party, or
 - (b) in the case of a transaction to which section 71M(12) applies, indicate that it is a transaction which falls to be treated as made to the party by virtue of that provision.
- 6
- (1) In relation to each recordable transaction of a description mentioned in section 71F(2) or (3), a quarterly or weekly report must give the following details about the transaction.
 - (2) The report must give –
 - (a) the date when the loan is to be repaid or the facility is to end (or a statement that the loan or facility is indefinite), or
 - (b) where that date is to be determined under the agreement, a statement of how it is to be so determined.
 - (3) The report must give –
 - (a) the rate of interest payable on the loan or on sums advanced under the facility (or a statement that no interest is payable), or
 - (b) where that rate is to be determined under the agreement, a statement of how it is to be so determined.
 - (4) The report must state whether the agreement contains a provision which enables outstanding interest to be added to any sum for the time being owed in respect of the loan or credit facility.
 - (5) The report must state whether any form of security is given in respect of the loan or the sums advanced under the facility.
- 7
- (1) In relation to each recordable transaction of a description mentioned in section 71F(4)(b), a quarterly or weekly report must give the following details about the transaction.
 - (2) The report must –
 - (a) if the transaction mentioned in section 71F(4)(a) is a regulated transaction, identify that transaction by reference to the transaction report in which it is recorded;
 - (b) in any other case, give a description of the principal features of that transaction.
 - (3) Where the security given consists in or includes rights over any property, the report must state the nature of that property.

- (4) The report must—
- (a) if the person giving the security receives from the registered party any consideration for giving the security, give a statement of that consideration;
 - (b) in any other case, state that no such consideration is received.
- 8 (1) For the purposes of paragraph 5(4) as it applies to a quarterly report, the relevant date for a transaction is—
- (a) if the transaction is within section 71M(4)(a) or (7)(a), the date when the transaction was entered into by the party or the accounting unit;
 - (b) if the transaction is within section 71M(4)(b) or (7)(b), the date when the party or the accounting unit entered into the transaction which caused the aggregate amount in question to be more than the limit specified in that provision.
- (2) For the purposes of paragraph 5(4) as it applies to a weekly report, the relevant date for a transaction is the date when the transaction was entered into by the party or its central organisation as mentioned in section 71Q(3).

Other details

- 9 (1) The Secretary of State may by order amend paragraphs 2 to 7 so as to vary the details which a quarterly or weekly report must give about a transaction.
- (2) The Secretary of State must not make an order under subparagraph (1) unless he first consults the Commission.”
- (6) In Schedule 20 to that Act (penalties), after the entry relating to section 71E(5) (as inserted by paragraph 2 of Schedule 1 to the Northern Ireland (Miscellaneous Provisions) Act 2006) insert—

“Section 71L(1) (registered party entering into regulated transaction with unauthorised participant)	On summary conviction: statutory maximum
	On indictment: fine
Section 71L(2) (treasurer of party entering into regulated transaction with unauthorised participant)	On summary conviction: statutory maximum or 12 months
	On indictment: fine or 1 year
Section 71L(3) (party liable if treasurer fails to repay money obtained under regulated transaction with unauthorised participant)	On summary conviction: statutory maximum

Section 71L(4) (treasurer failing to repay money obtained under regulated transaction with unauthorised participant)	On indictment: fine On summary conviction: statutory maximum or 12 months
Section 71L(5) (party benefiting from connected transaction to which an unauthorised participant is a party)	On indictment: fine or 1 year On summary conviction: statutory maximum
Section 71L(6) (treasurer of registered party which benefits from connected transaction to which an unauthorised participant is a party)	On indictment: fine On summary conviction: statutory maximum or 12 months
Section 71L(7) (party liable if treasurer fails to repay benefit obtained in consequence of security given by unauthorised participant)	On indictment: fine or 1 year On summary conviction: statutory maximum
Section 71L(8) (treasurer failing to repay benefit obtained in consequence of security given by unauthorised participant)	On indictment: fine On summary conviction: statutory maximum or 12 months
Section 71L(9) (facilitating a regulated transaction involving unauthorised participant)	On indictment: fine or 1 year On summary conviction: statutory maximum or 12 months
Section 71S(4) (failure to deliver transaction reports to Commission within time limits)	On indictment: fine or 1 year On summary conviction: Level 5
Section 71S(5) (failure to comply with requirements for recording transactions in transaction report)	On summary conviction: statutory maximum or 12 months

Section 71T(5) (making a false declaration about transaction report)

On indictment: fine or 1 year

On summary conviction: statutory maximum or 12 months

On indictment: fine or 1 year”.

- (7) Part 5A of Schedule 1 amends the 2000 Act for the purpose of controlling loans and certain other transactions involving individuals and members associations.”

74 Insert the following new Clause –

“Regulation of loans: power to make provision for candidates, third parties and referendums

- (1) The Secretary of State may by order make in relation to a relevant matter such provision as he thinks appropriate which corresponds to or is similar to any provision of Part 4A of or Schedule 7A to the 2000 Act (the relevant transaction provisions).
- (2) A relevant matter is a loan, credit facility or any form of security (whether real or personal) which benefits –
 - (a) a candidate at an election;
 - (b) a recognised third party;
 - (c) a permitted participant in a referendum.
- (3) An order under this section may –
 - (a) amend or repeal any enactment (whenever passed);
 - (b) create an offence corresponding or similar to any offence created by the relevant transaction provisions;
 - (c) confer power on the Secretary of State to make provision by order corresponding to any such power in the relevant transaction provisions;
 - (d) make different provision for different purposes;
 - (e) make such supplemental, incidental, consequential, transitional or savings provision as the Secretary of State thinks necessary or expedient in connection with the order.
- (4) An order under this section which confers power to make an order by virtue of subsection (3)(c) must require the order –
 - (a) to be made by statutory instrument;
 - (b) not to be made unless a draft of the instrument containing the order has been laid before and approved by resolution of each House of Parliament.
- (5) Subsection (4) does not apply to any power to make provision determining a rate of interest.
- (6) The power to make an order under this section is exercisable by statutory instrument.
- (7) No such order may be made unless a draft of the instrument containing the order has been laid before and approved by resolution of each House of Parliament.

- (8) In this section –
- “candidate” has the same meaning as in Part 2 of the 1983 Act;
 - “credit facility” must be construed in accordance with section 71F(11) of the 2000 Act;
 - “election” has the same meaning as in section 202 of the 1983 Act;
 - “permitted participant” has the same meaning as in Part 7 of the 2000 Act;
 - “recognised third party” has the same meaning as in Part 6 of that Act.
- (9) An order under this section must not make provision which is within the legislative competence of the Scottish Parliament.
- (10) Subsection (9) does not apply to provision made by virtue of subsection (3)(e).”

75 Insert the following new Clause –

“Regulation of loans etc: Northern Ireland

- (1) The Secretary of State may, after consulting the Electoral Commission, by order make provision relating to regulated transactions, controlled transactions or relevant matters which corresponds to or is similar to any provision (“relevant provision”) relating to donations for political purposes which is made by, or which may be made under, the Northern Ireland (Miscellaneous Provisions) Act 2006 (“the 2006 Act”).
- (2) But if a relevant provision has effect, or would have effect, subject to a temporal limitation, a provision of an order under this section which corresponds to or is similar to the relevant provision must be subject to the same temporal limitation.
- (3) An order under this section may in particular –
- (a) amend, repeal or revoke any provision made by or under an Act of Parliament or Northern Ireland legislation (whenever passed or made);
 - (b) create an offence corresponding or similar to any offence relating to donations for political purposes created by the 2006 Act;
 - (c) confer power on the Secretary of State to make provision by order corresponding or similar to any such power relating to donations for political purposes conferred by the 2006 Act;
 - (d) make different provision for different purposes;
 - (e) make such supplemental, incidental, consequential, transitional or savings provision as the Secretary of State thinks necessary or expedient in connection with the order.
- (4) An order under this section which confers power to make an order by virtue of subsection (3)(c) must require the order –
- (a) to be made only after consulting the Electoral Commission;
 - (b) to be made by statutory instrument; and
 - (c) not to be made unless a draft of the instrument containing the order has been laid before and approved by a resolution of each House of Parliament.
- (5) The power to make an order under this section is exercisable by statutory instrument.

- (6) No such order may be made unless a draft of the instrument containing the order has been laid before and approved by a resolution of each House of Parliament.
- (7) In this section –
- “regulated transaction” has the same meaning as in Part 4A of the 2000 Act (see section 71F of that Act);
 - “controlled transaction” has the same meaning as in Schedule 7A to that Act (see paragraphs 1 and 2 of that Schedule);
 - “relevant matter” has the same meaning as in section (*Regulation of loans: power to make provision for candidates, third parties and referendums*) of this Act (see subsection (2) of that section).”

Clause 66

76 Page 69, line 5, leave out “may” and insert “must”

After Clause 68

77 Insert the following new Clause –

“Pre-consolidation amendments

- (1) The Secretary of State may by order make such amendments of the enactments relating to the representation of the people as in his opinion facilitate or are otherwise desirable in connection with the consolidation of some or all of those enactments.
- (2) The enactments relating to the representation of the people are –
- (a) the Representation of the People Act 1983;
 - (b) the Representation of the People Act 1985;
 - (c) the Representation of the People Act 1989;
 - (d) the Representation of the People Act 1993;
 - (e) the Representation of the People Act 2000;
 - (f) the Electoral Administration Act 2006;
 - (g) the Elections (Northern Ireland) Act 1985;
 - (h) the Electoral Fraud (Northern Ireland) Act 2002;
 - (i) the Northern Ireland (Miscellaneous Provisions) Act 2006;
 - (j) an enactment referring to any enactment falling within paragraphs (a) to (i).
- (3) An order under this section must not come into force unless an Act consolidating the enactments amended by the order (with or without other enactments relating to the representation of the people) has been passed.
- (4) An order under this section must not come into force until immediately before that Act comes into force.
- (5) Subsection (6) applies if the provisions of that Act come into force at different times.
- (6) So much of an order under this section as amends an enactment repealed and re-enacted by a provision of that Act comes into force immediately before that provision.

- (7) An order under this section must not be made unless the Secretary of State first consults the Electoral Commission.
- (8) An order under this section must be made by statutory instrument, but no such order may be made unless a draft of the statutory instrument containing the order has been laid before, and approved by a resolution of, each House of Parliament.
- (9) An order under this section must not make any provision which would, if it were included in an Act of the Scottish Parliament, be within the legislative competence of that Parliament.”

78 Insert the following new Clause –

“Legal incapacity to vote

Abolition of common law incapacity: mental state

- (1) Any rule of the common law which provides that a person is subject to a legal incapacity to vote by reason of his mental state is abolished.
- (2) Accordingly, in section 202(1) of the 1983 Act (general provisions as to interpretation), in the definition of “legal incapacity” after “addition” insert “, where applicable,”.
- (3) And in section 10(1) of the Elected Authorities (Northern Ireland) Act 1989 (c. 3) (interpretation), in the definition of “legal incapacity” omit the words “or of any subsisting provision of the common law”.

Clause 72

79 Page 71, line 28, leave out paragraph (h)

80 Page 72, line 3, leave out subsection (5)

Clause 73

81 Page 72, line 12, leave out paragraph (b)

Schedule 1

82 Page 75, line 29, at end insert –

“() In rule 29 (equipment of polling stations), in paragraph (3)(c) for “names of” substitute “entries relating to”.

83 Page 76, line 16, leave out “not” and insert “also”

84 Page 84, line 35, leave out “has permission to attend granted under” and insert “is entitled to attend by virtue of”

85 Page 85, line 15, leave out “have permission to attend granted under” and insert “are entitled to attend by virtue of”

86 Page 85, line 25, leave out “has permission to attend granted under” and insert “is entitled to attend by virtue of”

87 Page 87, line 35, at end insert –

“Assistance for persons with disabilities

- 64A In rule 35 of Schedule 5 (votes marked by presiding officer) –
- (a) in paragraph (1)(a) for “physical cause” substitute “disability”;
 - (b) after paragraph (5) insert –
 - “(6) In this rule and in rule 36, reference to disability, in relation to voting, includes a short term inability to vote.”
- 64B In rule 36 of that Schedule (voting by persons with disabilities), in paragraph (1) –
- (a) in sub-paragraph (a) for “physical incapacity” substitute “disability”;
 - (b) for “other incapacity” substitute “other disability”.
- 64C In rule 41 of that Schedule (procedure on close of poll), in paragraph (1)(f) for ““physical incapacity”” substitute ““disability””.
- 64D In the Appendix of Forms in that Schedule, in Note number 2 to the Form of declaration to be made by the companion of a voter with disabilities for “incapacity” substitute “disability”.
- 88 Page 88, line 11, leave out sub-paragraph (3)
- 89 Page 88, line 17, leave out first “In”
- 90 Page 88, line 17, after “elections)” insert “is amended as follows.
- (2) ”
- 91 Page 88, line 21, at end insert –
- “() In paragraph (1B) –
 - (a) omit “and” after paragraph (a);
 - (b) after sub-paragraph (b) insert –
 - “(c) the postal voting statement also states the date of birth of the elector or proxy (as the case may be), and
 - (d) in a case where steps for verifying the date of birth and signature of an elector or proxy have been prescribed, the returning officer (having taken such steps) verifies the date of birth and signature of the elector or proxy (as the case may be).”
- 92 Page 89, line 11, column 2, at end insert –
- | | |
|--|--|
| | “(c) At an election held in Northern Ireland, “What is your date of birth?”” |
|--|--|
- 93 Page 89, leave out line 12

94 Page 91, line 22, at end insert –

“Assistance for persons with disabilities

- 71A In section 202 (general provisions as to interpretation), in subsection (1) after the definition of “Common Council” insert –
 ““disability”, in relation to doing a thing, includes a short term inability to do it;”.
- 71B In rule 38 of Schedule 1 (votes marked by presiding officer), in paragraph (1)(a) for “physical cause” substitute “disability”.
- 71C In rule 39 of that Schedule (voting by persons with disabilities), in paragraph (1) –
 (a) in sub-paragraph (a) for “physical incapacity” substitute “disability”;
 (b) for “other incapacity” substitute “other disability”.
- 71D In rule 43 of that Schedule (procedure on close of poll), in paragraph (1)(f) for ““physical incapacity”” substitute ““disability””.
- 71E In the Appendix of Forms in that Schedule, in Note number 2 to the Form of declaration to be made by the companion of a voter with disabilities for “incapacity” substitute “disability”.”

95 Page 91, line 22, at end insert –

“Tendered ballot papers

- (1) Rule 40 of that Schedule (tendered ballot papers) is amended as follows.
- (2) After paragraph (1ZE) (inserted by section 38(2)) insert –
 “(1ZF) A person to whom a ballot paper is not delivered under paragraph (3) of rule 35 following his unsatisfactory answer to the question at entry 1(c) in the table in paragraph (1) of that rule shall, if he satisfactorily answers any other questions permitted by law to be asked at the poll, nevertheless be entitled, subject to the following provisions of this rule, to mark a ballot paper (in these rules referred to as “a tendered ballot paper”) in the same manner as any other voter.”
- (3) In paragraph (3) at the end insert “and the voter must sign the list opposite the entry relating to him”.

96 Page 91, line 25, leave out “in pursuance of permission granted under” and insert “by virtue of”

97 Page 91, line 30, leave out “has permission to attend granted under” and insert “is entitled to attend by virtue of”

98 Page 91, line 35, at end insert –

- “(4) In paragraph (4) for “A candidate’s spouse or civil partner” substitute “One other person chosen by the candidate”.”

99 Page 92, line 2, leave out “have permission to attend granted under” and insert “are entitled to attend by virtue of”

100 Page 92, leave out lines 12 to 19 and insert –

“(2) In paragraph (2)(b) for “their spouses or civil partners” substitute “one other person chosen by each of them”.

(3) After paragraph (2)(d) insert –

“(e) persons who are entitled to attend by virtue of any”

101 Page 92, line 22, leave out sub-paragraph (3)

102 Page 93, line 8, leave out sub-paragraph (3)

103 Page 94, line 24, at end insert –

“PART 5A

CONTROL OF LOANS ETC TO INDIVIDUALS AND MEMBERS ASSOCIATIONS

86A The 2000 Act is amended in accordance with paragraphs 86B to 86E.

86B After section 71X (inserted by section (*Regulation of loans etc*) of this Act) insert –

“71Y Control of loans etc: individuals and members associations

Schedule 7A, which makes provisions for controlling loans and certain other transactions to individual members of registered parties, associations of such members, and certain elected office holders, shall have effect.”

86C After Schedule 7 insert –

“SCHEDULE 7A

CONTROL OF LOANS ETC TO INDIVIDUALS AND MEMBERS ASSOCIATIONS

Operation and construction of Schedule

- 1 (1) This Schedule has effect for controlling loans and certain other transactions where one of the parties to the transaction is –
 - (a) a member of a registered party,
 - (b) a members association, or
 - (c) the holder of a relevant elective office.
- (2) The following provisions have effect for the purposes of this Schedule.
- (3) References to a controlled transaction must be construed in accordance with paragraph 2.
- (4) A reference to a connected transaction is a reference to a controlled transaction falling within paragraph 2(3)(b).
- (5) A regulated participant is –
 - (a) a member of a registered party;
 - (b) a members association;
 - (c) the holder of a relevant elective office, whether or not he is a member of a registered party.
- (6) A credit facility is an agreement whereby a regulated participant is enabled to receive from time to time from another party to the agreement a loan of money not exceeding

such amount (taking account of any repayments made by the regulated participant) as is specified in or determined in accordance with the agreement.

- (7) References to each of the following must be construed in accordance with Schedule 7 –
- (a) the political activities of a party member or a members association;
 - (b) members association;
 - (c) relevant elective office;
 - (d) the responsible person (in relation to a members association), as if for the reference in paragraph 1(9)(b) of that Schedule to donations there were a reference to receipts from controlled transactions.
- (8) This Schedule does not have effect in relation to –
- (a) a member of the Scottish Parliament, or
 - (b) a member of a local authority in Scotland, if he is not also a member of a registered party.

Controlled transaction

- 2 (1) An agreement between a regulated participant and another person by which the other person makes a loan of money to the regulated participant is a controlled transaction if the use condition is satisfied.
- (2) An agreement between a regulated participant and another person by which the other person provides a credit facility to the regulated participant is a controlled transaction if the use condition is satisfied.
- (3) Where –
- (a) a regulated participant and another person (A) enter into a controlled transaction of a description mentioned in sub-paragraph (1) or (2) or a transaction under which any property, services or facilities are provided for the use or benefit of the regulated participant (including the services of any person),
 - (b) A also enters into an arrangement where a third person (B) gives any form of security (whether real or personal) for a sum owed to A by the regulated participant under the transaction mentioned in paragraph (a), and
 - (c) the use condition is satisfied,
- the arrangement is a controlled transaction.
- (4) An agreement or arrangement is not a controlled transaction –
- (a) to the extent that in accordance with any enactment a payment made in pursuance of the agreement or arrangement falls to be included in a return as to election expenses in respect of a candidate or candidates at a particular election, or
 - (b) if its value is not more than £200.

- (5) Anything given or transferred to an officer, member, trustee or agent of a members association in his capacity as such (and not for his own use or benefit) is to be regarded as given or transferred to the association (and references to money or any other benefit received by a regulated participant accordingly include, in the case of a members association, money or any other benefit so given or transferred).
- (6) The use condition is that the regulated participant intends at the time he enters into a transaction mentioned in sub-paragraph (1), (2) or (3)(a) to use any money or benefit obtained in consequence of the transaction in connection with relevant political activities.
- (7) For the purposes of sub-paragraph (6), it is immaterial that only part of the money or benefit is intended to be used in connection with relevant political activities.
- (8) Relevant political activities are—
 - (a) if the regulated participant is a member of a regulated participant, any of his political activities as a member of the party;
 - (b) if the regulated participant is a members association, any of its political activities;
 - (c) if the regulated participant is a holder of a relevant elective office, any of his political activities.
- (9) The Secretary of State may, by order, specify circumstances or any description of circumstances in which an agreement or arrangement falling within any of sub-paragraphs (1) to (3) is not a controlled transaction.

Valuation of controlled transactions

- 3 (1) The value of a controlled transaction which is a loan is the value of the total amount to be lent under the loan agreement.
- (2) The value of a controlled transaction which is a credit facility is the maximum amount which may be borrowed under the agreement for the facility.
- (3) The value of a controlled transaction which is an arrangement by which any form of security is given is the contingent liability under the security provided.
- (4) For the purposes of sub-paragraphs (1) and (2), no account is to be taken of the effect of any provision contained in a loan agreement or an agreement for a credit facility at the time it is entered into which enables outstanding interest to be added to any sum for the time being owed in respect of the loan or credit facility, whether or not any such interest has been so added.

Authorised participants

- 4 (1) A regulated participant must not—
 - (a) be a party to a controlled transaction to which any of the other parties is not an authorised participant;

- (b) derive a benefit in consequence of a connected transaction if any of the parties to that transaction is not an authorised participant.
- (2) This paragraph does not apply to a controlled transaction if it was entered into before the commencement of section (*Regulation of loans etc*) of the Electoral Administration Act 2006.
- (3) In this Schedule, an authorised participant is a person who is a permissible donor within the meaning of section 54(2).
- (4) The Secretary of State may, by order, specify circumstances or any description of circumstances in which a person who is not a permissible donor is to be treated as an authorised participant.

Controlled transaction involving unauthorised participant

- 5 (1) This paragraph applies if a regulated participant is a party to a controlled transaction in which another participant is not an authorised participant.
- (2) The transaction is void.
- (3) Despite subsection (2)–
 - (a) any money received by the regulated participant by virtue of the transaction must be repaid by the regulated participant to the person from whom it was received, along with interest at such rate as is determined in accordance with an order made by the Secretary of State;
 - (b) that person is entitled to recover the money, along with such interest.
- (4) If–
 - (a) the money is not (for whatever reason) repaid as mentioned in subsection (3)(a), or
 - (b) the person entitled to recover the money refuses or fails to do so,

the Commission may apply to the court to make such order as it thinks fit to restore (so far as is possible) the parties to the transaction to the position they would have been in if the transaction had not been entered into.
- (5) In the case of a controlled transaction where a party other than a regulated participant–
 - (a) at the time the regulated participant enters into the transaction, is an authorised participant, but
 - (b) subsequently, for whatever reason, ceases to be an authorised participant,

the transaction is void and subsections (3) to (4) apply with effect from the time when the other party ceased to be an authorised participant.
- (6) This paragraph does not apply to a controlled transaction if it was entered into before the commencement of section

(*Regulation of loans etc*) of the Electoral Administration Act 2006.

Guarantees and securities: unauthorised participants

- 6 (1) This section applies if—
 - (a) a regulated participant and another person (A) enter into a transaction of a description mentioned in paragraph 2(3)(a),
 - (b) A is party to a controlled transaction of a description mentioned in section 2(3)(b) (“the connected transaction”) with another person (B), and
 - (c) B is not an authorised participant.
- (2) Paragraph 5(2) to (4) applies to the transaction mentioned in sub-paragraph (1)(a).
- (3) The connected transaction is void.
- (4) Sub-paragraph (5) applies if (but only if) A is unable to recover from the regulated participant the whole of the money mentioned in section 2(3)(a) (as applied by sub-paragraph (2) above), along with such interest as is there mentioned.
- (5) Despite sub-paragraph (3), A is entitled to recover from B any part of that money (and such interest) that is not recovered from the regulated participant.
- (6) Sub-paragraph (5) does not entitle A to recover more than the contingent liability under the security provided by virtue of the connected transaction.
- (7) In the case of a connected transaction where B—
 - (a) at the time A enters into the transaction, is an authorised participant, but
 - (b) subsequently, for whatever reason, ceases to be an authorised participant,sub-paragraphs (2) to (6) apply with effect from the time when B ceased to be an authorised participant.
- (8) This paragraph does not apply to a regulated transaction if it was entered into before the commencement of section (*Regulation of loans etc*) of the Electoral Administration Act 2006.
- (9) If the transaction mentioned in section 71F(4)(a) is not a regulated transaction of a description mentioned in section 71F(2) or (3), references in this section and section 71I(2) to (5) (as applied by subsection (2) above) to the repayment or recovery of money must be construed as references to (as the case may be)—
 - (a) the return or recovery of any property provided under the transaction,
 - (b) to the extent that such is incapable of being returned or recovered or its market value has diminished since the time the transaction was entered into, the repayment or recovery of the market value at that time, or

- (c) the market value (at that time) of any facilities or services provided under the transaction.

Transfer to unauthorised participant invalid

- 7 If an authorised participant purports to transfer his interest in a controlled transaction to a person who is not an authorised participant the purported transfer is of no effect.

Offences

- 8 (1) An individual who is a regulated participant commits an offence if—
- (a) he enters into a controlled transaction of a description mentioned in paragraph 2(1) or (2) in which another participant is not an authorised participant, and
 - (b) he knew or ought reasonably to have known that the other participant was not an authorised participant.
- (2) A responsible person of a members association commits an offence if—
- (a) the association enters into a controlled transaction of a description mentioned in paragraph 2(1) or (2) in which another participant is not an authorised participant, and
 - (b) he knew or ought reasonably to have known of the matters mentioned in paragraph (a).
- (3) An individual who is a regulated participant commits an offence if—
- (a) he enters into a controlled transaction of a description mentioned in paragraph 2(1) or (2) in which another participant is not an authorised participant,
 - (b) sub-paragraph (1)(b) does not apply to him, and
 - (c) as soon as practicable after knowledge that the other participant is not an authorised participant comes to him he fails to take all reasonable steps to repay any money which he has received by virtue of the transaction.
- (4) A responsible person of a members association commits an offence if—
- (a) the association enters into a controlled transaction of a description mentioned in paragraph 2(1) or (2) in which another participant is not an authorised participant,
 - (b) sub-paragraph (2)(b) does not apply to him, and
 - (c) as soon as practicable after knowledge of the matters mentioned in sub-paragraph (a) comes to him he fails to take all reasonable steps to repay any money which the association has received by virtue of the transaction.
- (5) An individual who is a regulated participant commits an offence if—

- (a) he benefits from or falls to benefit in consequence of a connected transaction to which any of the parties is not an authorised participant, and
 - (b) he knew or ought reasonably to have known that one of the other parties was not an authorised participant.
- (6) A responsible person of a members association commits an offence if—
 - (a) the association benefits from or falls to benefit in consequence of a connected transaction to which any of the parties is not an authorised participant, and
 - (b) he knew or ought reasonably to have known of the matters mentioned in paragraph (a).
- (7) An individual who is a regulated participant commits an offence if—
 - (a) he is a party to a transaction of a description mentioned in paragraph 2(3)(a),
 - (b) he benefits from or falls to benefit in consequence of a connected transaction to which any of the parties is not an authorised participant,
 - (c) sub-paragraph (5)(b) does not apply to him, and
 - (d) as soon as practicable after knowledge comes to him that one of the parties to the connected transaction is not an authorised participant he fails to take all reasonable steps to repay to any person who has provided him with any benefit in consequence of the connected transaction the value of the benefit.
- (8) A responsible person of a members association commits an offence if—
 - (a) the association is a party to a transaction of a description mentioned in paragraph 2(3)(a),
 - (b) the association benefits from or falls to benefit in consequence of a connected transaction to which any of the parties is not an authorised participant,
 - (c) sub-paragraph (6)(b) does not apply to him, and
 - (d) as soon as practicable after knowledge comes to him that one of the parties to the connected transaction is not an authorised participant he fails to take all reasonable steps to repay to any person who has provided the association with any benefit in consequence of the connected transaction the value of the benefit.
- (9) A person commits an offence if he—
 - (a) knowingly enters into, or
 - (b) knowingly does any act in furtherance of,any arrangement which facilitates or is likely to facilitate, whether by means of concealment or disguise or otherwise, the participation by a regulated participant in a controlled transaction with a person other than an authorised participant.

- (10) It is a defence for a person charged with an offence under subparagraph (2) to prove that he took all reasonable steps to prevent the members association entering into the transaction.
- (11) It is a defence for a person charged with an offence under subparagraph (6) to prove that he took all reasonable steps to prevent the members association benefiting in consequence of the connected transaction.
- (12) A reference to a regulated participant entering into a controlled transaction includes a reference to any circumstances in which the terms of a controlled transaction are varied so as to increase the amount of money to which the regulated participant is entitled in consequence of the transaction.
- (13) A reference to a regulated participant entering into a transaction in which another participant is not an authorised participant includes a reference to any circumstances in which another party to the transaction who is an authorised participant ceases (for whatever reason) to be an authorised participant.
- (14) This paragraph does not apply to a transaction which is entered into before the commencement of section (*Regulation of loans etc*) of the Electoral Administration Act 2006.

Transaction reports: transactions with authorised participants

- 9 (1) A regulated participant must prepare a report under this paragraph in respect of each controlled transaction entered into by him which is a recordable transaction.
- (2) For the purposes of this paragraph a controlled transaction is a recordable transaction –
 - (a) if the value of the transaction is more than £5,000 (where the regulated participant is a members association) or £1,000 (in any other case); or
 - (b) if the aggregate value of it and any other controlled benefit or benefits accruing to the regulated participant –
 - (i) from the same person and in the same calendar year, and
 - (ii) in respect of which no report has been previously made under this paragraph,
 is more than £5,000 (where the regulated participant is a members association) or £1,000 (in any other case).
- (3) A controlled benefit is –
 - (a) a controlled donation within the meaning of paragraph 1(3) of Schedule 7;
 - (b) a controlled transaction.
- (4) A controlled benefit which is a controlled donation accrues –
 - (a) from the permissible donor (within the meaning of section 54(2)) who made it, and
 - (b) when it is accepted by the donee.

- (5) A controlled benefit which is a controlled transaction accrues—
 - (a) from any authorised participant who is a party to it, and
 - (b) when it is entered into.
- (6) For the purposes of this paragraph, if—
 - (a) the value of a controlled transaction as first entered into is such that it is not a recordable transaction, but
 - (b) the terms of the transaction are subsequently varied in such a way that it becomes a recordable transaction, the regulated participant must be treated as having entered into a recordable transaction on the date when the variation takes effect.
- (7) A regulated participant must deliver the report prepared in accordance with sub-paragraph (1) to the Commission within the period of 30 days beginning with—
 - (a) if sub-paragraph (2)(a) applies, the date on which the transaction is entered into;
 - (b) if sub-paragraph (2)(b) applies, the date on which the benefit which causes the aggregate amount to exceed £5,000 or (as the case may be) £1,000 accrues.
- (8) Each report prepared in accordance with sub-paragraph (1) must—
 - (a) give the name and address of the regulated participant; and
 - (b) if he is the holder of a relevant elective office, specify the office in question.
- (9) Each such report must also give—
 - (a) such information as is required to be given, in the case of a report prepared in accordance with section 71M, by virtue of paragraphs 2 and 5(2) and (3) of Schedule 6A;
 - (b) in relation to a controlled transaction of a description mentioned in paragraph 2(1) or (2) above, such information as is required to be given, in the case of a report prepared in accordance with that section, by virtue of paragraph 6 of that Schedule;
 - (c) in relation to a controlled transaction of a description mentioned in paragraph 2(3)(b) above, such information as is required to be given, in the case of a report prepared in accordance with that section, by virtue of paragraph 7 of that Schedule;
 - (d) the date on which the transaction is entered into;
 - (e) such other information as is required by regulations made by the Commission.
- (10) In the application of paragraphs 2, 5(2) and (3), 6 and 7 of Schedule 6A in accordance with sub-paragraph (9) above—
 - (a) any reference to a recordable transaction within the meaning of that Schedule must be construed as a

- reference to a recordable transaction within the meaning of this paragraph;
- (b) any reference to section 71G or section 71F(4)(a) must be construed as a reference to paragraph 3 above or paragraph 2(3)(a) above;
 - (c) any reference to a regulated transaction or a registered party within the meaning of that Schedule must be construed as a reference to a controlled transaction or a regulated participant within the meaning of this paragraph;
 - (d) any reference to a transaction report within the meaning of that Schedule must be construed as a reference to a report under this paragraph.

Transaction reports: transactions with unauthorised participants

- 10 (1) A regulated participant must –
- (a) prepare a report under this paragraph in respect of each controlled transaction entered into by him and falling within paragraph 5 or 6(1)(b); and
 - (b) deliver the report to the Commission within the period of 30 days beginning with the date when the transaction was dealt with in accordance with that paragraph.
- (2) Each such report must –
- (a) give the name and address of the regulated participant;
 - (b) if he is the holder of a relevant elective office, specify the office in question.
- (3) Each such report in respect of a transaction falling within paragraph 5 must also give –
- (a) the name and address of the unauthorised participant;
 - (b) the nature of the transaction (that is to say, whether it is a loan or a credit facility);
 - (c) the value of the transaction or, in the case of a credit facility to which no limit is specified, a statement to that effect;
 - (d) the date on which the transaction was entered into and the date when, and manner in which, it was dealt with in accordance with paragraph 5;
 - (e) such other information as is required by regulations made by the Commission.
- (4) Each such report in respect of a transaction falling within paragraph 6(1)(b) must also give –
- (a) the name and address of the unauthorised participant;
 - (b) the value of the transaction or, in the case of a security to which no limit is specified, a statement to that effect;
 - (c) a description of the principal features of the transaction mentioned in paragraph 6(1)(a);
 - (d) where the security given consists in or includes rights over any property, the nature of that property;

- (e) the date on which the transaction was entered into and the date when, and manner in which, it was dealt with in accordance with paragraph 6;
- (f) such other information as is required by regulations made by the Commission.

Transaction reports: changes to recorded transactions

- 11 (1) A regulated participant must –
 - (a) prepare a report under this paragraph in respect of each change to a recorded transaction; and
 - (b) deliver the report to the Commission within the period of 30 days beginning with the date on which the change takes effect.
- (2) A recorded transaction is a transaction recorded in a report under paragraph 9.
- (3) There is a change to a recorded transaction if –
 - (a) another authorised participant becomes party to the transaction (whether in place of or in addition to any existing participant),
 - (b) there is any change in the details given in relation to the transaction in pursuance of paragraph 9(9), or
 - (c) the transaction comes to an end.
- (4) For the purposes of sub-paragraph (3)(c), a loan comes to an end if –
 - (a) the whole debt (or all the remaining debt) is repaid;
 - (b) the creditor releases the whole debt (or all the remaining debt).
- (5) There is also a change to a recorded transaction if a person who is not an authorised participant becomes party to the transaction (whether in place of or in addition to any existing participant).
- (6) Each report prepared in accordance with sub-paragraph (1) must –
 - (a) give the name and address of the regulated participant; and
 - (b) if he is the holder of a relevant elective office, specify the office in question.
- (7) Each such report must also give –
 - (a) details of the change;
 - (b) the date on which the change takes effect;
 - (c) in the case of a change falling within sub-paragraph (5), the date when and the manner in which the transaction was dealt with in accordance with paragraph 5 or 6;
 - (d) such other information as is required by regulations made by the Commission.

Offence of failing to deliver transaction report

- 12 (1) Where a report required to be delivered to the Commission under paragraph 9(1), 10(1) or 11(1) is not delivered by the end of the period of 30 days mentioned in paragraph 9(7), 10(1) or 11(1) –
- (a) the regulated participant, or
 - (b) (if a members association) the responsible person,
- is guilty of an offence.
- (2) If such a report is delivered to the Commission which does not comply with any requirements of paragraph 9, 10 or 11 as regards the information to be given in such a report –
- (a) the regulated participant, or
 - (b) (if a members association) the responsible person,
- is guilty of an offence.
- (3) Where a person is charged with an offence under this paragraph, it shall be a defence to prove that he took all reasonable steps, and exercised all due diligence, to ensure that any requirements –
- (a) as regards the preparation and delivery of a report in respect of the transaction in question, or
 - (b) as regards the information to be given in the report in question,
- as the case may be, were complied with in relation to that transaction or report.
- (4) Where the court is satisfied, on an application made by the Commission, that any failure to comply with any such requirements in relation to any transaction entered into by a regulated participant was attributable to an intention on the part of any person to conceal the existence or true value of the transaction, the court may make such order as it thinks fit to restore (so far as is possible) the parties to the transaction to the position they would have been in if the transaction had not been entered into.
- (5) An order under sub-paragraph (4) may in particular –
- (a) where the transaction is a loan or credit facility, require that any amount owed by the regulated participant be repaid (and that no further sums be advanced under it);
 - (b) where any form of security is given for a sum owed under the transaction, or the transaction is an arrangement by which any form of security is given, require that the security be discharged.

Declaration in transaction report

- 13 (1) Each report under paragraph 9 or 10 must, when delivered to the Commission, be accompanied by a declaration made by –
- (a) the regulated participant, or
 - (b) (if a members association) the responsible person,
- which complies with sub-paragraph (2) or (3).

- (2) In the case of a report under paragraph 9, the declaration must state that, to the best of the declarant's knowledge and belief, any transaction recorded in the report as having been entered into by the regulated participant was entered into with an authorised participant.
- (3) In the case of a report under paragraph 10, the declaration must state that, to the best of the declarant's knowledge and belief, the transaction recorded in the report as having been entered into by the regulated participant has been dealt with in accordance with paragraph 5 or 6.
- (4) A person commits an offence if he knowingly or recklessly makes a false declaration under this paragraph.

Existing transactions

- 14 (1) Paragraphs 9 to 11 have effect in relation to existing transactions as they have effect in relation to transactions entered into after the date on which those paragraphs come into force, except that—
 - (a) references in paragraph 9 to a controlled benefit do not include references to a controlled donation;
 - (b) in paragraph 9(2)(b)(i) the words “and in the same calendar year” are omitted;
 - (c) the requirement in paragraph 9(7), 10(1)(b) or 11(1)(b) is a requirement to deliver the report within the period of 60 days beginning with the date on which that provision comes into force.
- (2) An existing transaction is a controlled transaction which, at the date on which paragraphs 9 to 11 come into force, has not come to an end for the purposes of paragraph 11(3)(c).

Register of recordable transactions

- 15 (1) Section 71V applies in relation to transactions reported to the Commission under this Schedule (“relevant transactions”) as it applies to transactions reported to them under Part 4A of this Act.
 - (2) But in its application in accordance with sub-paragraph (1), section 71V(2) has effect in relation to a relevant transaction as if (instead of requiring the register to contain the details mentioned in paragraphs (a) to (c) of that subsection) it required the register to contain such details as have been given in relation to the transaction in pursuance of paragraph 9(8) and (9), 10(2), (3) and (4) or 11(6) and (7).
- 16 (1) Paragraph 9 does not apply to holders of relevant elective office.
 - (2) Sub-paragraph (2) applies in relation to transactions in which a holder of a relevant elective office is a participant if—
 - (a) the relevant body has in place arrangements requiring the holder of the office to report such transactions, and

- (b) the Commission think that the arrangements correspond to the requirements of paragraph 9.
- (3) The Commission must make such arrangements as they think appropriate corresponding to section 71V (subject to such modifications as may be prescribed by the Secretary of State in regulations) to maintain a register of such information as they receive relating to such transactions.
- (4) In sub-paragraph (2)(a) a relevant body is –
 - (a) if the holder of a relevant elective office is a member of a body mentioned in paragraphs (a) to (f) of paragraph 1(8) of Schedule 7, that body;
 - (b) if the holder of a relevant elective office is the Mayor of London, the London Assembly;
 - (c) if the holder of a relevant elective office is an elected mayor within the meaning of Part 2 of the Local Government Act 2000, the local authority of which he is the mayor.
- (5) For the purposes of sub-paragraph (1) it is immaterial whether the transaction is entered into by the holder of the office in that capacity or in his capacity as a member of a registered party.

Proceedings under paragraphs 5 and 12

- 17 (1) This paragraph has effect in relation to proceedings on applications under paragraphs 5(4) and 12(4).
- (2) The court is –
 - (a) in England and Wales, the county court;
 - (b) in Scotland, the sheriff, and the proceedings are civil proceedings;
 - (c) in Northern Ireland, the county court.
 - (3) The standard of proof is that applicable to civil proceedings.
 - (4) An order may be made whether or not proceedings are brought against any person for an offence under paragraph 8 or 12(1) or (2).
 - (5) An appeal against an order made by the sheriff may be made to the Court of Session.
 - (6) Rules of court may make provision –
 - (a) with respect to applications or appeals from proceedings on such applications;
 - (b) for the giving of notice of such applications or appeals to persons affected;
 - (c) for the joinder, or in Scotland sisting, of such persons as parties;
 - (d) generally with respect to procedure in such applications or appeals.
 - (7) Sub-paragraph (6) does not affect any existing power to make rules.”

86D In section 156(4) (provision about subordinate legislation), after paragraph (i) insert—
 “(ia) paragraph 2(9) or 4(4) of Schedule 7A,”.

86E In Schedule 20 (penalties), after the entry relating to paragraph 14(5) of Schedule 7 insert—

“Paragraph 8(1) of Schedule 7A (individual regulated participant knowingly enters controlled transaction with unauthorised participant)

On summary conviction: statutory maximum or 12 months

On indictment: fine or 1 year

Paragraph 8(2) of Schedule 7A (responsible person of members association which enters controlled transaction with unauthorised participant)

On summary conviction: statutory maximum or 12 months

On indictment: fine or 1 year

Paragraph 8(3) of Schedule 7A (individual regulated participant failing to repay money obtained under controlled transaction with unauthorised participant)

On summary conviction: statutory maximum or 12 months

On indictment: fine or 1 year

Paragraph 8(4) of Schedule 7A (responsible person failing to repay money obtained by members association under controlled transaction with unauthorised participant)

On summary conviction: statutory maximum or 12 months

On indictment: fine or 1 year

Paragraph 8(5) of Schedule 7A (regulated participant knowingly benefits from connected transaction involving unauthorised participant)

On summary conviction: statutory maximum or 12 months

On indictment: fine or 1 year

Paragraph 8(6) of Schedule 7A (responsible person of members association which knowingly benefits from connected transaction involving unauthorised participant)	On summary conviction: statutory maximum or 12 months
	On indictment: fine or 1 year
Paragraph 8(7) of Schedule 7A (individual regulated participant failing to repay value of benefit obtained in consequence of connected transaction involving unauthorised participant)	On summary conviction: statutory maximum or 12 months
	On indictment: fine or 1 year
Paragraph 8(8) of Schedule 7A (responsible person failing to repay value of benefit obtained by members association in consequence of connected transaction involving unauthorised participant)	On summary conviction: statutory maximum or 12 months
	On indictment: fine or 1 year
Paragraph 8(9) of Schedule 7A (facilitating controlled transaction involving unauthorised participant)	On summary conviction: statutory maximum or 12 months
	On indictment: fine or 1 year
Paragraph 12(1) of Schedule 7A (failure to deliver transaction report to Commission within time limit)	On summary conviction: Level 5
Paragraph 12(2) of Schedule 7A (failure to comply with requirements for recording transactions on transaction reports)	On summary conviction: statutory maximum or 12 months
	On indictment: fine or 1 year
Paragraph 13(4) of Schedule 7A (making a false declaration about a transaction report)	On summary conviction: statutory maximum or 12 months
	On indictment: fine or 1 year

- 86F (1) The Secretary of State must not make an order under section 72 for the purposes of paragraph 16 of Schedule 7A to the 2000 Act (as inserted by paragraph 86C) as it applies to the holders of a relevant elective office unless he is informed by the Commission that they are satisfied that they will receive the information mentioned in paragraph 16(2) of that Schedule (as so inserted) in relation to such holders of relevant elective office.
- (2) In sub-paragraph (1) references to the holder of a relevant elective office must be construed in accordance with Schedule 7 to the 2000 Act.”
- 104** Page 94, line 32, leave out “114” and insert “114A”
- 105** Page 94, line 32, at end insert –
- “88A In section 10 (maintenance of registers: annual canvass), in subsection (4B) for “any incapacity” substitute “blindness or any other disability”.
- 88B In section 10A (maintenance of registers: registration of electors), in subsection (1B) for “any incapacity” substitute “blindness or any other disability”.”
- 106** Page 98, line 30, at end insert –
- “114A The amendments made by paragraphs 93, 94, 96, 99 and 101 do not apply to a local government election in Scotland.”
- 107** Page 98, line 31, at end insert –
- “114B In section 6 of the Representation of the People Act 1985 (absent vote at parliamentary elections for an indefinite period), in subsection (2)(b) for “physical incapacity” substitute “disability”.”
- 108** Page 98, line 32, leave out “the Representation of the People Act 1985” and insert “that Act”
- 109** Page 99, line 15, at end insert –
- “() In paragraph 3(3)(b) after “by reason of” insert “blindness or other disability or, in the case of local government elections in Scotland, by reason of”.”
- 110** Page 99, line 21, at end insert –
- “ In section 3 (appointment of Electoral Commissioners and Commission chairman), in subsection (4)(d) after sub-paragraph (iii) insert “, or
- (iv) been named as a participant in the register of recordable transactions reported under Part 4A.””
- 111** Page 99, line 21, at end insert –
- “ In section 24 (office-holders to be registered), in subsection (4), for paragraph (a) substitute –
- “(a) with the provisions of Parts 3, 4 and 4A (accounting requirements and control of donations, loans and certain other transactions)”.”
- 112** Page 99, line 21, at end insert –
- “ In section 27 (financial structure of registered parties: accounting units), in subsection (2)(a) for “Parts III and IV” substitute “Parts 3, 4 and 4A”.”

113 Page 99, line 34, at end insert –

- “ (1) Section 50 (definition of donations for the purposes of Part 4) is amended as follows.
- (2) In subsection (2), omit paragraph (e).
- (3) In subsection (4) –
- (a) omit paragraph (a);
 - (b) in the words following paragraph (b), omit “the loan or”.

114 Page 99, line 36, at end insert –

- “ (1) Section 53(4) (value of donations) is amended as follows.
- (2) For “section 50(2)(e) or (f)” substitute “section 50(2)(f)”.
- (3) In paragraph (a) –
- (a) omit “the loan or”;
 - (b) omit sub-paragraph (i) and the “or” following it.”

115 Page 99, line 39, at end insert –

- “ (1) Section 62 (quarterly donation reports) is amended as follows.
- (2) After subsection (3) insert –
- “(3A) “Relevant benefit”, in relation to any person and any year, means –
- (a) a relevant donation accepted by the party from that person as a donor, or
 - (b) a relevant transaction within the meaning of section 71M(3) entered into by the party and that person as a participant;
- and a relevant benefit accrues when it is accepted (if it is a donation) or entered into (if it is a transaction).”
- (3) In subsection (4) –
- (a) for “donation or donations” (in both places) substitute “benefit or benefits”;
 - (b) after “this subsection” insert “or section 71M(4)”;
 - (c) in paragraph (b) for “donations” substitute “benefits”.
- (4) In subsection (5), in paragraph (b) –
- (a) for “as part of” substitute “together with any other relevant donation or donations included in”;
 - (b) for “donation” (in the second place) substitute “benefit”;
 - (c) for “is accepted” substitute “accrues”.
- (5) In subsection (6) –
- (a) for “donation or donations” (in the first four places) substitute “benefit or benefits”;
 - (b) after “subsection (4)” (in the first place) insert “or section 71M(4)”;
 - (c) in paragraph (a), for “subsection (4)” substitute “that provision”;
 - (d) in paragraph (b), after “this subsection” insert “or section 71M(6)”;

- (e) for the words following paragraph (b) substitute “any relevant donation falling within subsection (6A)”.
- (6) After subsection (6) insert—
 - “(6A) A relevant donation falls within this subsection—
 - (a) if it is a donation of more than £1,000, or
 - (b) if, when it is added to any other relevant benefit or benefits accruing since the time mentioned in subsection (6)(a) or (b), the aggregate amount of the benefits is more than £1,000.”
- (7) In subsection (7)(a), for “donation” (in the first place) substitute “benefit”.
- (8) In subsection (7)(b)—
 - (a) for “as part of” substitute “together with any other relevant donation or donations included in”;
 - (b) for “that subsection” substitute “subsection (6A)”;
 - (c) for “donation” (in the second place) substitute “benefit”;
 - (d) for “is accepted” substitute “accrues”.

116 Page 99, line 42, at end insert—

- “ (1) Section 146 (supervisory powers of Commission) is amended as follows.
- (2) In subsection (7) after paragraph (a) (before “or”) insert—
 - “(aa) a regulated participant (or former regulated participant),”.
- (3) In subsection (8), after paragraph (a) (before “or”) insert—
 - “(aa) such information or explanations relating to the income and expenditure of regulated participants in connection with the political activities as the Commission reasonably require for the purpose of monitoring compliance on the part of regulated participants with the requirements imposed on them by or by virtue of Schedule 7A,”.
- (4) In subsection (9), after the definition of “regulated donee” insert—
 - “regulated participant” and “political activities” in relation to a regulated participant must be construed in accordance with Schedule 7A;”.
- (1) Section 148(6) (general offences) is amended as follows.
- (2) In paragraph (a), after “donee” insert “regulated participant”.
- (3) In paragraph (b), after sub-paragraph (ii) insert—
 - “(iia) a regulated participant which is a members association,”.
- (4) In paragraph (c), after sub-paragraph (iii) insert—
 - “(iia) in relation to a regulated participant which is a members association, the person responsible for the purposes of Schedule 7A,”.
- (5) After paragraph (d) insert—

“(da) “regulated participant” has the same meaning as in Schedule 7A;”.”

117 Page 99, line 42, at end insert –

“ In Schedule 1 (the Electoral Commission), in paragraph 3(3) (term of office etc of Electoral Commissioners) after paragraph (c) insert –
 “(ca) he is named as a participant in the register of recordable transactions reported under Part 4A;”.”

118 Page 99, line 42, at end insert –

“ In Schedule 6, after paragraph 5 insert –

“Application of reporting requirement

5A If the requirement to record the donation arises only because the value of the donation has, for the purposes of section 62(4) or (6), been aggregated with the value of any relevant transaction or transactions (within the meaning of section 71M), a quarterly report must contain a statement to that effect.””

119 Page 100, line 2, at end insert –

“() In paragraph 2 –
 (a) in sub-paragraph (1), omit paragraph (d);
 (b) in sub-paragraph (3), omit paragraph (a);
 (c) in sub-paragraph (3) omit “the loan or”.”

120 Page 100, line 4, at end insert –

“() In paragraph 5(4) –
 (a) for “2(1)(d) or (e)” substitute “2(1)(e)”;
 (b) in paragraph (a) omit “the loan or”;
 (c) in paragraph (a) omit sub-paragraph (i) and “or” following it”.

121 Page 100, line 4, at end insert –

“() In paragraph 10, for sub-paragraphs (1) and (2) substitute –

“(1) A regulated donee must prepare a report under this paragraph in respect of each controlled donation accepted by the donee which is a recordable donation.

(1A) For the purposes of this paragraph a controlled donation is a recordable donation –

- (a) if it is a donation of more than £5,000 (where the donee is a members association) or £1,000 (in any other case);
- (b) if, when it is added to any other controlled benefit or benefits accruing to the donee –
 - (i) from the same person and in the same calendar year, and
 - (ii) in respect of which no report has been previously made under this paragraph,

the aggregate amount of the benefits is more than £5,000 (where the donee is a members association) or £1,000 (in any other case).

- (1B) A controlled benefit is –
- (a) a controlled donation;
 - (b) a controlled transaction within the meaning of paragraph 2 of Schedule 7A.
- (1C) A controlled benefit which is a controlled donation accrues –
- (a) from the permissible donor who made it, and
 - (b) when it is accepted by the donee.
- (1D) A controlled benefit which is a controlled transaction accrues –
- (a) from any authorised participant (within the meaning of paragraph 4(3) of Schedule 7A) who is a party to it, and
 - (b) when it is entered into;
- and paragraph 9(6) of Schedule 7A applies for the purposes of paragraph (b) above.
- (2) A regulated donee must deliver the report prepared by virtue of sub-paragraph (1) to the Commission within the period of 30 days beginning with –
- (a) if sub-paragraph (1A)(a) applies, the date of acceptance of the donation;
 - (b) if sub-paragraph (1A)(b) applies, the date on which the benefit which causes the aggregate amount to exceed £5,000 or (as the case may be) £1,000 accrues.”
- () In that paragraph, in each of sub-paragraphs (6) and (7) –
- (a) after “In the case of” insert “a controlled benefit which is”;
 - (b) for “sub-paragraph (2)(b)” substitute “sub-paragraph (1A)(b)”;
 - (c) for “by the same permissible donor” substitute “from the same person”.
- () In paragraph 12(1), for “that provision” substitute “paragraph 10(2) or 11(1)”.

122 Page 100, line 9, at end insert –

“European Parliament (Representation) Act 2003 (c. 7)

In section 12 of the European Parliament (Representation) Act 2003 –

- (a) in subsection (3) after paragraph (b) insert –
 - “(ba) the regulation of loans or credit facilities which benefit, or any form of security (whether real or personal) which benefits, registered parties in Gibraltar or their members or officers;”;
- (b) in subsection (4), before the definition of “donation” insert –

““credit facilities” must be construed in accordance with section 71F(11) of the Political Parties, Elections and Referendums Act 2000;”.

Schedule 2

123 Page 101, leave out line 25

- 124** Page 101, line 47, at end insert –
 “Elected Authorities (Northern Ireland) Act 1989 (c. 3) In section 10(1), in the definition of “legal incapacity”, the words “or of any subsisting provision of the common law”.”
- 125** Page 101, line 49, column 2, at end insert –
 “In Schedule 4, paragraph 2(6)(a) and “or” following it.”
- 126** Page 101, line 50, column 2, at beginning insert –
 “Section 50(2)(e).
 In section 50(4), paragraph (a) and the words “the loan or”.”
- 127** Page 101, line 52, at end insert –
 “In section 53(4)(a), the words “the loan or”, sub-paragraph (i) and the “or” following that sub-paragraph.”
- 128** Page 102, line 6, column 2, at end insert –
 “() in paragraph 2, sub-paragraph (1)(d), sub-paragraph (3)(a) and, in sub-paragraph (3), the words “the loan or””
- 129** Page 102, line 8, column 2, at end insert –
 “() in paragraph 5(4)(a), the words “the loan or”, sub-paragraph (i) and the “or” following it”
- 130** Page 102, line 16, leave out “85(5)” and insert “85(2) to (5)”
- 131** Page 102, line 18, leave out “Sections 13 to 18”
- 132** Page 102, line 19, at end insert –
 “Note: The repeals relating to sections 74A(2), 75(1), 81, 90A, 90B and 119(2) of the 1983 Act do not have effect in relation to those provisions as they apply to a local government election in Scotland.”

LORDS AMENDMENTS TO THE
ELECTORAL ADMINISTRATION
BILL

*Ordered, by The House of Commons,
to be Printed, 8th June 2006.*

© Parliamentary copyright House of Commons 2006
*Applications for reproduction should be made in writing to the Copyright Unit,
Her Majesty's Stationery Office, St. Clements House, 2-16 Colegate, Norwich, NR3 1BQ*

PUBLISHED BY AUTHORITY OF THE HOUSE OF COMMONS
LONDON: THE STATIONERY OFFICE
Printed in the United Kingdom by
The Stationery Office Limited