

POLITICAL PARTIES, ELECTIONS AND REFERENDUMS ACT 2000

EXPLANATORY NOTES

THE ACT : OVERVIEW

Part I : The Electoral Commission

25. Part I of the Act contains twenty-one sections. Sections 1 to 3 and Schedules 1 and 2 establish the Electoral Commission and an oversight body, the Speaker's Committee. Section 4 establishes the Parliamentary Parties Panel. Sections 5 to 13 set out the Commission's general functions. These include the functions of reporting on elections and referendums, reviewing electoral law, allocating policy development grants to parties and promoting participation and understanding of our democratic systems of government. Sections 14 to 20 and Schedule 3 provide for the transfer to the Commission of the functions of the Parliamentary and Local Government Boundary Commissions.

Part II : Registration of political parties

26. Part II of the Act contains nineteen sections. These sections substantially re-enact, with modifications, the Registration of Political Parties Act 1998. Schedule 4 contains further details in respect of the registration of parties and alterations to the register.

Part III : Accounting requirements for registered parties

27. Part III contains nine sections. These set out requirements on political parties in respect of their accounting records and the preparation of annual statements of accounts. Schedule 5 modifies the accounting requirements contained in Part III to fit the circumstances of parties with separate 'accounting units'.

Part IV : Control of donations to registered parties and their members etc.

28. Part IV, which contains twenty-two sections, is divided into five Chapters. Chapter I (sections 50 to 53) defines donations for the purposes of this Part. Chapter II (sections 54 to 61) gives effect to the prohibition on foreign donations. Chapter III (sections 62 to 69 and Schedule 6) sets out the requirements as to the reporting of donations to the Electoral Commission. Chapter IV (section 70) makes special provision for Northern Ireland parties. Chapter V (section 71 and Schedule 7) controls donations to individual members of a political party, groups composed of party members and holders of elective office.

Part V : Control of campaign expenditure

29. This Part contains thirteen sections which, together with Schedules 8 and 9, place limits on the campaign expenditure which may be incurred by registered political parties. Four of these sections introduce a regime for the authorisation and payment of campaign expenditure and the settlement of claims. A further five sections provide for

the submission to the Electoral Commission of returns by parties as to their campaign expenditure, the auditing of such returns and their public inspection.

Part VI : Controls relating to third party national election campaigns

30. Part VI, which contains sixteen sections and Schedules 10 and 11, limits expenditure by third parties designed to promote or oppose the election of a political party or its candidates. The provisions are in many respects similar to those in Part V dealing with expenditure by political parties.

Part VII : Referendums

31. The four Chapters in Part VII, which contain twenty-nine sections and Schedules 12 to 15, set out the framework for the conduct of referendums. Chapter I (sections 101 to 110) provides for the registration of campaign organisations and for financial and other assistance to be given to designated umbrella organisations. This chapter also provides for a role for the Electoral Commission to comment on the intelligibility of a referendum question. Chapter II (sections 111 to 124) imposes financial controls on campaign organisations. Chapter III (sections 125 to 127) places controls on referendum publications by government and others. Chapter IV (sections 128 and 129) makes provision for the conduct of a referendum poll and for the counting of ballot papers.

Part VIII : Election campaigns and proceedings

32. Part VIII contains nine sections, and Schedules 16 to 18, which together make miscellaneous amendments to the Representation of the People Act 1983.

Part IX : Political donations and expenditure by companies

33. Part IX, which contains two sections and Schedule 19, amends the Companies Act 1985 so as to require companies to obtain prior shareholder consent for donations to registered parties and other political expenditure.

Part X : Miscellaneous and general

34. Part X contains twenty-three sections and Schedules 20 to 23. Sections 141 and 144 make further amendments to the Representation of the People Acts. Section 142 make pre-consolidation amendments to the European Parliamentary Elections Act 1978. Section 143 specifies details which must be included in election material published by or on behalf of political parties and third parties. Sections 145 to 148 make provision for enforcement of the Act by the Electoral Commission and the civil and criminal courts. Section 149 provides for the public inspection of registers, statements of accounts and expenditure returns held by the Electoral Commission. Sections 150 to 154 contain provisions relating to offences. Section 155 contains a power to vary the various monetary limits set out in the Act. Sections 156 to 163 and Schedules 21 to 23 include various supplementary provisions including transitional provisions for the transfer of parties' registration under the Registration of Political Parties Act 1998 to the new registers maintained by the Electoral Commission under Part II of this Act.