

# Political Parties, Elections and Referendums Act 2000

## **2000 CHAPTER 41**

#### PART VIII

#### **ELECTION CAMPAIGNS AND PROCEEDINGS**

Control of election expenses

# 131 Election expenses incurred otherwise than by candidate

- (1) Section 75 of the Representation of the People Act 1983 (no election expenses to be incurred by persons other than candidate, election agent or persons authorised by him) shall be amended as follows.
- (2) In subsection (1)(ii) (exception for expenses not exceeding £5 in aggregate incurred by individual backer or disparager), for "not exceeding in the aggregate the sum of £5 which may be incurred by an individual and are not incurred in pursuance of a plan suggested by or concerted with others," there shall be substituted "incurred by any person which do not exceed in the aggregate the permitted sum (and are not incurred by that person as part of a concerted plan of action),".
- (3) After subsection (1) there shall be inserted—
  - "(1ZA) For the purposes of subsection (1)(ii) above, "the permitted sum" means—
    - (a) in respect of a candidate at a parliamentary election, £500;
    - (b) in respect of a candidate at a local government election, £50 together with an additional 0.5p for every entry in the register of local government electors for the electoral area in question as it has effect on the last day for publication of notice of the election;

and expenses shall be regarded as incurred by a person "as part of a concerted plan of action" if they are incurred by that person in pursuance of any plan or other arrangement whereby that person and one or more other persons

are to incur, with a view to promoting or procuring the election of the same candidate, expenses which (disregarding subsection (1)(ii)) fall within subsection (1) above."

- (4) At the end of subsection (1A) there shall be added "; and in the application of subsection (1ZA) above in relation to such an election the reference to the same candidate includes a reference to all or any of the candidates of the same registered political party."
- (5) Subsections (1B) and (1C) (special provision for Greater London Authority elections) shall be omitted.

# 132 Financial limits applying to candidates' election expenses

- (1) Section 76 of the Representation of the People Act 1983 (limitation of election expenses) shall be amended as follows.
- (2) For subsection (1) there shall be substituted—
  - "(1) The election expenses incurred by or on behalf of a candidate at an election must not in the aggregate exceed the maximum amount specified in subsection (2) below or, in the case of any of the Authority elections mentioned in subsection (2A)(a) to (c) below, the maximum amount prescribed by order under that subsection."
- (3) In subsection (1A) for the words from "subsection" onwards there shall be substituted "any election expenses incurred by or on behalf of any of those candidates must not in the aggregate exceed the maximum amount prescribed by order under subsection (2A) (d)."
- (4) After subsection (1A) there shall be inserted—
  - "(1B) Where any election expenses are incurred in excess of a maximum amount specified in subsection (2) above or prescribed by order under subsection (2A) above, any candidate or election agent who—
    - (a) incurred, or authorised the incurring of, the election expenses, and
    - (b) knew or ought reasonably to have known that the expenses would be incurred in excess of that maximum amount,

shall be guilty of an illegal practice."

- (5) In subsection (2), for paragraph (aa) (maximum amount in case of candidate at parliamentary by-election) there shall be substituted—
  - "(aa) for a candidate at a parliamentary by-election, £100,000;".
- (6) The amendments made by this section do not have effect in relation to local government elections in Scotland.

## 133 Power to vary provisions about election expenses

(1) For section 76A of the Representation of the People Act 1983 there shall be substituted—

# "76A Power to vary provisions about election expenses

- (1) The Secretary of State may by order made by statutory instrument vary any of the sums to which this section applies—
  - (a) where he considers that the variation is expedient in consequence of changes in the value of money, or
  - (b) in order to give effect to a recommendation of the Electoral Commission.
- (2) This section applies to any of the sums for the time being specified in—
  - (a) section 73(2) above;
  - (b) section 74(1)(a), (b), (c) or (d) above;
  - (c) section 75(1ZA) above; or
  - (d) section 76(2) above.
- (3) An order under subsection (1)(b) above shall be subject to annulment in pursuance of a resolution of either House of Parliament."
- (2) Section 76A of that Act, as substituted by subsection (1) above, shall be taken to be a pre-commencement enactment for the purposes of the Scotland Act 1998.

# 134 Meaning of "election expenses"

(1) After section 90 of the Representation of the People Act 1983 there shall be inserted—

# "90A Meaning of "election expenses"

- (1) In this Part of this Act "election expenses", in relation to a candidate at an election, means (subject to subsections (2) and (3) and sections 90B and 90C below) any expenses incurred in respect of—
  - (a) the acquisition or use of any property, or
  - (b) the provision by any person of any goods, services or facilities, which is or are used for the purposes of the candidate's election after the date when he becomes a candidate at the election.
- (2) Subsection (1) above applies whether the expenses are incurred before or after that date.
- (3) No election expenses shall be regarded as incurred, by virtue of subsection (1) or (2) above or sections 90B and 90C below, in respect of—
  - (a) the payment of any deposit required by rule 9 of Schedule 1 to this Act;
  - (b) the publication of any matter, other than an advertisement, relating to the election in—
    - (i) a newspaper or periodical,
    - (ii) a broadcast made by the British Broadcasting Corporation or by Sianel Pedwar Cymru, or
    - (iii) a programme included in any service licensed under Part I or III of the Broadcasting Act 1990 or Part I or II of the Broadcasting Act 1996;

- (c) the provision of any facilities provided in pursuance of any right conferred on candidates at an election by this Act other than facilities in respect of which expenses fall to be defrayed by virtue of sections 95(4) and 96(4) below;
- (d) the provision by any individual of his own services which he provides voluntarily in his own time and free of charge.
- (4) In this section and in sections 90B and 90C below "for the purposes of the candidate's election" means with a view to, or otherwise in connection with, promoting or procuring the candidate's election at the election.
- (5) For the purposes of this Part of this Act—
  - (a) election expenses are incurred by or on behalf of a candidate at an election if they are incurred—
    - (i) by the candidate or his election agent, or
    - (ii) by any person authorised by the candidate or his election agent to incur the expenses; and
  - (b) any reference to election expenses incurred by or on behalf of a candidate at an election includes expenses which are incurred as mentioned in paragraph (a)(i) or (ii) above before the date when he becomes a candidate at the election but which by virtue of subsection (1) and (2) above fall to be regarded as election expenses.
- (6) In this Part, and in Part III of this Act, any reference (in whatever terms) to promoting or procuring a candidate's election at an election includes doing so by prejudicing the electoral prospects of another candidate at the election.

## 90B Incurring of election expenses for purposes of section 90A

- (1) The election expenses which are to be regarded as incurred for the purposes of section 90A(1) above shall (subject to subsection (2) and section 90C below) be the actual expenses incurred in respect of the acquisition or use of the property, or (as the case may be) the provision of the goods, services or facilities mentioned in section 90A(1).
- (2) Where the property, goods, services or facilities mentioned in subsection (1) above is or are not used exclusively for the purposes of the candidate's election, the election expenses to be regarded as incurred for the purposes of section 90A(1) shall be such proportion of the expenses incurred in respect of their acquisition, use or provision (as the case may be) as is reasonably attributable to the use of the property or (as the case may be) the goods, services or facilities for the purposes of the candidate's election.

# 90C Property, goods, services etc. provided free of charge or at a discount

- (1) This section applies where, in the case of a candidate at an election—
  - (a) either—
    - (i) property or goods is or are transferred to the candidate or his election agent free of charge or at a discount of more than 10 per cent. of the market value of the property or goods, or

- (ii) property, goods, services or facilities is or are provided for the use or benefit of the candidate free of charge or at a discount of more than 10 per cent. of the commercial rate for the use of the property or for the provision of the goods, services or facilities, and
- (b) the property, goods, services or facilities is or are made use of by or on behalf of the candidate in circumstances such that, if any expenses were to be (or are) actually incurred by or on behalf of the candidate in respect of that use, they would be (or are) election expenses incurred by or on behalf of the candidate.
- (2) Where this section applies—
  - (a) an amount of election expenses determined in accordance with this section ("the appropriate amount") shall be treated, for the purposes of this Part of this Act, as incurred by the candidate, and
  - (b) the candidate's election agent shall make a declaration of that amount, unless that amount is not more than £50.

This subsection has effect subject to section 90A(3) above.

- (3) Where subsection (1)(a)(i) above applies, the appropriate amount is such proportion of either—
  - (a) the market value of the property or goods (where the property or goods is or are transferred free of charge), or
  - (b) the difference between the market value of the property or goods and the amount of expenses actually incurred by or on behalf of the candidate in respect of the property or goods (where the property or goods is or are transferred at a discount),

as is reasonably attributable to the use made of the property or goods as mentioned in subsection (1)(b) above.

- (4) Where subsection (1)(a)(ii) above applies, the appropriate amount is such proportion of either—
  - (a) the commercial rate for the use of the property or the provision of the goods, services or facilities (where the property, goods, services or facilities is or are provided free of charge), or
  - (b) the difference between that commercial rate and the amount of expenses actually incurred by or on behalf of the candidate in respect of the use of the property or the provision of the services or facilities (where the property, goods, services or facilities is or are provided at a discount),

as is reasonably attributable to the use made of the property, goods, services or facilities as mentioned in subsection (1)(b) above.

(5) Where the services of an employee are made available by his employer for the use or benefit of a candidate, then for the purposes of this section the commercial rate for the provision of those services shall be the amount of the remuneration and allowances payable to the employee by his employer in respect of the period for which his services are so made available (but shall not include any amount in respect of any contributions or other payments for which the employer is liable in respect of the employee).

(6) In this section "market value", in relation to any property or goods, means the price which might reasonably be expected to be paid for the property or goods on a sale in the open market; and paragraph 2(6)(a) of Schedule 2A to this Act shall apply with any necessary modifications for the purpose of determining, for the purposes of subsection (1) above, whether property or goods is or are transferred to a candidate or his election agent.

# 90D Modification of sections 90A to 90C in relation to election of London members of the London Assembly

- (1) Sections 90A to 90C above shall have effect, in their application in relation to candidates at an election of London members of the London Assembly at an ordinary election, subject to the following modifications.
- (2) In relation to any such candidates included in a list of candidates submitted by a registered political party in connection with the election—
  - (a) references to anything done by or on behalf of, or in relation to, a candidate at the election shall be construed as a reference to any such thing done by or on behalf of, or in relation to, all or any of the candidates on the list; and
  - (b) "for the purposes of the candidate's election" shall (instead of having the meaning given by section 90A(4) above) be construed as meaning with a view to, or otherwise in connection with promoting or procuring electoral success for the party, that is to say, the return at the election of all or any of the candidates on the list.
- (3) Section 90A above shall have effect with the substitution of the following subsection for subsection (5)—
- "(5) In this Part, and in Part III of this Act, any reference (in whatever form) to promoting or procuring a candidate's election at an election, or to promoting or procuring electoral success for a party, includes doing so by prejudicing the electoral prospects of other candidates or parties at the election.""
- (2) The amendment made by this section does not have effect in relation to local government elections in Scotland.

# 135 Meaning of "candidate"

(1) In section 118 of the Representation of the People Act 1983 (interpretation of Part II), for the definition of "candidate" there shall be substituted—

""candidate" shall be construed in accordance with section 118A below;".

(2) After section 118 of that Act there shall be inserted—

#### "118A Meaning of candidate

- (1) References to a candidate in this Part of this Act shall be construed in accordance with this section (except where the context otherwise requires).
- (2) A person becomes a candidate at a parliamentary election—
  - (a) on the date of—

- (i) the dissolution of Parliament, or
- (ii) in the case of a by-election, the occurrence of the vacancy, in consequence of which the writ for the election is issued if on or before that date he is declared by himself or by others to be a candidate at the election, and
- (b) otherwise, on the day on which he is so declared by himself or by others or on which he is nominated as a candidate at the election (whichever is the earlier).
- (3) A person becomes a candidate at an election under the local government Act—
  - (a) on the last day for publication of notice of the election if on or before that day he is declared by himself or by others to be a candidate at the election, and
  - (b) otherwise, on the day on which he is so declared by himself or by others or on which he is nominated as a candidate at the election (whichever is the earlier),

or, in the case of a person included in a list of candidates submitted by a registered political party in connection with an election of the London members of the London Assembly at an ordinary election, on the day on which the list is submitted by the party."

(3) The amendments made by this section do not have effect in relation to local government elections in Scotland.