

On this page Why we investigate Who we investigate How and why we work with the police When we investigate The investigation process Concluding an investigation The sanctioning process Our sanctions First published: 9 December 2021 Last updated: 9 December 2021

Our role As the regulator of political finance in the UK, we ensure that parties and campaigners follow the law. If we believe that the law may have been broken we take action so that voters, parties and campaigners can be confident in the fairness of the system. There is more detail about investigations and sanctions in our Enforcement Policy . Why we investigate The Political Parties Elections and Referendums Act (PPERA) sets out the law and our role in enforcing it. We produce guidance, but Parliament makes the law. The law for parties covers: money spent on campaigning ahead of elections all donations and loans keeping registered party officer details up to date annual accounts For other campaigners, the controls are less wide-ranging but there are still legal obligations around financial transparency. We aim to ensure that: the law is followed all parties and campaigners abide by the financial rules voters can be confident in the integrity and transparency of party and election finance in the UK Where we do find offences have taken place, it is also important that voters know that there are consequences for those who break the law. Who we investigate We regulate the finances of registered political parties throughout the year, and non-party campaigners around general elections and elections to the devolved parliaments. We also regulate the donations made to regulated donees, which include: elected officials members of political parties members associations unincorporated associations that make donations totalling more than £25,000 a year to political parties At referendums, we regulate the finances of campaigners too. How and why we work with the police The Political Parties Elections and Referendums Act (PPERA) contains a wide range of offences, and as the regulator, we will investigate most offences and take appropriate action. However, the police can also investigate all PPERA offences if they choose to. A small number of offences can only be investigated by the police. We work closely with the police to ensure that potential offences are investigated, and that the appropriate action is taken. Occasionally, we may notify the police of offences if we do not have the power to take action, or we believe a police investigation is more suitable. Police investigations may lead to criminal prosecutions if appropriate. When we investigate We open investigations where we have reasonable grounds to suspect that an offence has occurred, and it is proportionate and in the public interest to investigate. We will always consider whether a situation can be resolved without the need of an investigation if that is more proportionate or in the public interest. To decide whether to open an investigation, we look at the evidence and circumstances as part of a process called an assessment. We consider a number of factors when deciding whether to open an investigation. These include, but are not limited to: the seriousness of the suspected offence the strength of the evidence the impact, including the deterrence effect on others, of an investigation and/or any sanction that might be imposed the compliance history of the person(s) who may have committed the suspected offence any steps already taken to rectify the breach The investigation process The purpose of an investigation is to establish whether or not the suspected offence has taken place, and if it has, who committed it. During an investigation, we gather evidence about potential offences from those we believe hold relevant information about what happened. When doing this, we actively look for evidence to prove or disprove our reasonable suspicion that an offence has occurred.

Evidence-gathering can take many forms, from asking people to provide information voluntarily, through to interviewing witnesses or suspects or requiring evidence to be provided to us. For example, we have the power to issue a legal notice to any person or organisation that we believe to hold relevant documents or information. That notice sets out what the recipient must supply us with and the deadline for doing so. Failure to comply with the notice is a criminal offence, and so is knowingly or recklessly providing false information to us during an investigation. Also, if someone doesn't comply with our notice, we can apply for a disclosure order from a court to gain the relevant information. The time it takes to complete an investigation varies on a case-by-case basis. It depends on a range of factors, such as the number and complexity of the potential offences, and the level of cooperation from those we're investigating or from witnesses. Our priority is always to conduct a fair and thorough investigation, and we always try to conclude investigations as quickly as possible. This is both in the public interest and the interests of those involved.

Concluding an investigation At the end of an investigation there are three possible outcomes:

- We are satisfied beyond reasonable doubt that an offence has been committed
- We are not satisfied beyond reasonable doubt that an offence has been committed
- We make no determination of offence.

This means that after opening the investigation, we decided that it was not in the public interest to continue the investigation, and decided to close it without making a determination of offence

The sanctioning process If we find an offence has been committed, we will consider whether a sanction is appropriate. Someone not involved in the investigation will make this decision. If we decide to impose sanctions, we issue an initial notice to the person we propose to sanction, setting out: our proposed sanction the reasons for it including the grounds for finding an offence the timeframe for the recipient to respond The person or organisation then has a period of time to make representations, either about the finding of offence, or the proposed sanction. After considering any representations, we take a final decision about the offence and the sanction. We may conclude that the offence did not take place, or we can change the level of any fine, or decide not to impose any sanction. If we remain satisfied that an offence was committed and a sanction is appropriate, we will issue a final notice. This sets out why the sanction was imposed, how and when to pay any fine or take any required action, and how to appeal to the court. We publish the outcome of every investigation, setting out what we found and whether a sanction was imposed. Where an investigation highlights important lessons for others about the law, or providing more details about it may strengthen confidence in the law being followed, we may choose to publish a report summarising the investigation.

Our sanctions A sanction could be a fine of between £200 and £20,000. Or we may require the person or organisations to improve their internal compliance procedures, spending money on internal improvements rather than on fines. This might involve:

- A compliance notice, where we set out the action that the person or organisation must take so that the breach of the law does not continue or recur.
- A restoration notice, where we set out the action that the person or organisation must take to restore the position, as far as possible, to what it would have been had no offence occurred.

Enforcement undertakings, where the person or organisation that has, or may have, committed offences, offers to take specific actions within an agreed timescale to prevent, as far as possible, any potential offences continuing or recurring. We then decide whether to accept the undertakings. If the people or organisations do not implement the requirements of compliance or restoration notices, or the elements of their undertakings within the agreed timeframe, we can issue further sanctions relating to

the offences.