

Evidence to the Public Bill Committee for the Representation of the People Bill

Dr Sam Power, University of Bristol

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Dr Sam Power is a leading authority on political financing and was expert advisor to the Committee on Standards in Public Life's 2021 review of electoral regulation. Alongside this he regularly consults on good practice in the design of political finance across the world. Most recently he has worked with electoral management bodies and civil society organisations in Ireland, Montenegro, Moldova, Mongolia and North Macedonia. He is author of *Party Funding and Corruption* and in 2026 co-published a report with the International Institute for Democracy and Electoral Assistance titled *Harnessing Artificial Intelligence to Enhance Political Finance Oversight*. He has previously given oral evidence on matters related to political financing and electoral regulation to the Public Administration and Constitutional Affairs Committee, the Levelling Up, Housing and Communities Committee and the Joint Committee on the National Security Strategy.

EXECUTIVE SUMMARY

The below evidence is structured in two parts: 1) suggested amendments to the Representation of the People Bill as it was laid, 2) recommendations surrounding areas in which the Representation of the Bill is silent. This executive summary is a restatement of these suggested amendments and recommendations.

1. Amendments to the Bill as laid

Risk assessment for donations to registered parties

- The Representation of the People Bill should be amended such that thresholds for conducting enhanced risk assessments align with the pre-existing reporting thresholds each regulated entity has.
- The Representation of the People Bill should be amended to clarify specific risk factors of political exposed people/donors and specific types of currency (e.g. crypto and gold bullion).
- The Representation of the People Bill should be amended so that the Secretary of State does not have the power to override/modify the guidance produced by the Electoral Commission. The Electoral Commission guidance should be laid before the Speaker's Committee for approval in the same way the Commission's budget is.

Donations by companies and LLPs

- The Representation of the People Bill should be amended so that the revenue test is removed and instead the CSPL's profit after tax metric is used.
- The Representation of the People Bill should be amended so that the limit (whether revenue or profit after tax) operates as a hard cap as opposed to operating per regulated entity.
- Section 54G of the Representation of the People Bill should be amended so that the significant control test can only be amended after a consultation by the Electoral Commission, and on approval from the Speaker's Committee.

Reforms to the Electoral Commission

- Schedule 19D of the Representation of the People Bill should be amended so that the explicit statutory gateway gives the Electoral Commission the power to both disclose and receive information to the stated bodies.
- The maximum fines available to the Electoral Commission should be placed on the face of the Representation of the People Bill as opposed to being left to a statutory instrument and should revert to the CSPL recommendation of £500,000 or 4% of campaign spending (whichever is higher).

2. Matters on which the Bill is silent

Cryptocurrencies

- There should be an immediate ban on cryptocurrency donations.
- Given the heightened risk of crypto allowing for the bunching of donations under the legal threshold of £500 to conduct checks, this should be reduced to £50 (to match the candidate regime).
- There should be an Electoral Commission led review into what resources would be needed to effectively regulate cryptocurrency, and the feasibility of a Commission sanctioned ‘permissible coin’ which meets the promise of greater transparency.

Overseas voters

- Overseas voters wishing to be considered a permissible donor should also be a UK-registered taxpayer and have submitted at least one non-zero tax return in the two years prior to making the donation.

An annual cap on donations

- An immediate ‘democracy backstop’ annual donation limit of £1 million should be placed on all donations.
- The Electoral Commission should be tasked with undertaking a detailed review which models how low a limit can feasibly be set which does not require the need for additional state funding. This limit should be brought to the Speaker’s Committee and the Ethics and Integrity Commission for consultation and be set in place prior to the next general election.

Thresholds for the publication of donations

- The threshold for reporting of donations to political parties should be lowered from £11,180 to the candidate threshold of £2,230.
- The threshold for conducting permissibility checks on donations to political parties should be lowered from £500 to £50 (in line with the candidate regime).

Expenditure limits

- Expenditure limits should be lowered to (at least) the pre-2023 limit and the power of the Secretary of State to raise spending limits should be repatriated to the Electoral Commission.
- Work should also be conducted so that by the next general election expenditure limits will apply annually.

Standardised accounting

- Political parties should be mandated to provide annual accounting returns in a standardised format.

- Political parties should be mandated to use the Electoral Commission's political finance online tool when submitting election spending returns.
- Political parties should be mandated to provide standardised invoices of election spend, and where it is not possible to do so populate a secondary platform with the pertinent information.
- The Electoral Commission should be given funding to experiment with and embed AI tools in their everyday practice of oversight and analysis.

Updating spending categories

- The Electoral Commission should be given the power to review and change spending categories without the need for primary legislation in consultation with the Speaker's Committee and the Ethics and Integrity Commission.

PART ONE: AMENDMENTS TO THE BILL AS LAID

Given my area of expertise my evidence to the Public Bill Committee is centred solely around **Part 4** and **Part 5** of the Representation of the People Bill.

1. Risk assessment for donations to registered parties

Section 58 outlines the provisions for so-called know-your-donor requirements on political donations and loans. This is a welcome step, but there are several areas which require a slightly closer reading at this stage:

1. It appears that the threshold for conducting the enhanced risk assessment is £11,180 across all regulated entities. This risks creating unnecessary confusion among regulated entities who operate with different disclosure thresholds (for example candidates must report donations at £2,230).
2. The risk factors that must be taken into account are: i) the type of person from whom the donation is received, ii) their donation history, iii) the type of donation, iv) the amount, v) other factors which may be considered relevant. It would be preferable if risk factor i) was clearer that they 'type of person' relates specifically to whether that person can be classified as a politically exposed person. It would be preferable if risk factor iii) clarified that certain types of donation (e.g. cryptocurrency and gold bullion) carry a higher risk factor and therefore required a more detailed risk assessment.
3. The legislation as written allows for the Secretary of State to modify the guidance provided by the Electoral Commission. This effectively makes the guidance from the Electoral Commission meaningless and undermines the independence of the Commission. The Secretary of State for Housing, Communities and Local Government was clear in the second reading debate that Commission independence was of central concern when announcing that the Strategy and Policy Statement would be repealed.¹ It would be preferable if the power of the Secretary of State to amend guidance was removed.

Summary

- The Representation of the People Bill should be amended such that thresholds for conducting enhanced risk assessments align with the pre-existing reporting thresholds each regulated entity has.
- The Representation of the People Bill should be amended to clarify the specific risk factors of political exposed people/donors and specific types of currency (e.g. crypto and gold bullion).
- The Representation of the People Bill should be amended so that the Secretary of State does not have the power to override/modify the guidance produced by the Electoral Commission. The Electoral Commission guidance should be laid before the Speaker's Committee for approval in the same way the Commission's budget is.

¹ HC Deb, [2 March 2026](#), col. 629.

2. Donations by companies and LLPs

Section 60 outlines the new regulations on donations from companies and LLPs which have long been a loophole under which foreign money can enter UK politics. The Representation of the People Bill will place a limit on company donations applied based on revenue and per regulated entity/recipient (e.g. if company revenue is £1 million a company is limited to donating £1 million per candidate and per party) as opposed to operating as a hard limit (e.g. if revenue is £1 million a company is limited to donating £1 million annually).²

1. The Committee on Standards in Public Life (CSPL) produced a detailed Regulating Election Finance report in 2021 in which they recommended that company donations should not exceed net profits after tax generated in the UK within the preceding two years.³ The profit-after-tax test is a better measure of true income/engagement in carrying on business in the UK.
2. The Electoral Commission have raised concerns that the limit on company donations being applied per regulated entity (as opposed to operating as a hard cap) means that “the only limit to a company’s ability to donate would be the number of different donees it can find which will accept its money”.⁴ Caps are more effective when they operate across the board (i.e. as hard caps).⁵
3. Section 54G gives the Secretary of State the power to revise the significant control test for companies and LLPs. This is dangerous and leaves the significant control test at the whim of a future Secretary of State. We saw during the last Government that secondary instruments were applied which had a material effect on the financing of politics where parliamentary scrutiny (at the very least) would have been preferable.⁶

Summary

- The Representation of the People Bill should be amended so that the revenue test is removed and instead the CSPL’s profit after tax metric is used.
- The Representation of the People Bill should be amended so that the limit (whether revenue or profit after tax) operates as a hard cap as opposed to operating per regulated entity.
- Section 54G of the Representation of the People Bill should be amended so that the significant control test can only be amended after a consultation by the Electoral Commission, and on approval from the Speaker’s Committee.

² Electoral Commission, [Media briefing: Representation of the People Bill](#), 2026.

³ Committee on Standards in Public Life, [Regulating Election Finance](#), 2021, pg. 11.

⁴ Electoral Commission, [Media briefing: Representation of the People Bill](#), 2026.

⁵ Sam Power, [Party Funding and Corruption](#), 2020.

⁶ Transparency International UK, [Making elections more expensive is a bad idea](#), n.d.

3. Reforms to the Electoral Commission

Schedule 19D states a range of police forces, prosecuting authorities, parliamentary bodies and officers and other regulators to which the Electoral Commission may disclose information. This is, as the explanatory notes state ‘an explicit statutory gateway’. It is, however, a one-way gateway. The Electoral Commission has long advocated for the power to both share, but also request, information outside of an investigation to better conduct their investigative and oversight functions.⁷ The explanatory notes to the Representation of the People Bill also state that the maximum fine for the Electoral Commission will be increased to £500,000, though via secondary legislation, and this falls short of the CSPL recommendation of £500,000 or 4% of campaign spending (whichever is higher).⁸

Summary

- Schedule 19D of the Representation of the People Bill should be amended so that the explicit statutory gateway gives the Electoral Commission the power to both disclose and receive information to the stated bodies.
- The maximum fines available to the Electoral Commission should be placed on the face of the Representation of the People Bill as opposed to being left to a statutory instrument and should revert to the CSPL recommendation of £500,000 or 4% on campaign spending (whichever is higher).

⁷ Electoral Commission, [Digital campaigning: Increasing transparency for voters](#), 2018, p. 20.

⁸ Committee on Standards in Public Life, [Regulating Election Finance](#), 2021, pg. 16.

PART TWO: MATTERS ON WHICH THE BILL IS SILENT

1. Cryptocurrencies

There are any number of ways by which cryptocurrencies highlight weaknesses in our electoral architecture and leave the UK vulnerable to foreign interference. Three main issues are: 1) cryptomixers can supercharge the ability to hide the initial source of funds; 2) the Electoral Commission lack the capacity to regulate cryptocurrency; 3) AI can be used to split large donations into hundreds (or thousands) of relatively small ones (which fall under the legal threshold to conduct checks).⁹ Transparency concerns around crypto were raised by the Secretary of State for Housing, Communities and Local Government, Steve Reed, during the second reading of the Representation of the People Bill.¹⁰

There are several arguments against placing a ban on cryptocurrency donations. The least compelling of these is that “it would be undemocratic to tell somebody that wants to donate to a campaign or party that they are not allowed to use a certain type of payment”.¹¹ This would be more persuasive if all legal tender was accepted in every shop or payment station across the UK. I cannot pay in cryptocurrency at my local Sainsbury’s, nor can I pay in cash at my local coffee shop.

Better arguments have been made by the International Institute for Democracy and Electoral Assistance that if cryptocurrencies are “designed with an open ledger and allow for the identity of the people involved to be tracked, [they] could facilitate the work of oversight agencies”.¹² Similarly, Natasha Powell (Kraken Digital Asset Exchange) suggested to the Joint Committee on the National Security Strategy that “if we consider political donations high-risk transactions, we can deploy a full and aggressive suite of control mechanisms to address these risks”.¹³

Cryptocurrency, then, if well regulated by an Electoral Commission with increased capacity and provided in a specific form that does not allow privacy tokens and mixers/tumblers, could provide an equally (or more) transparent form of financing and allowing for regulators to work backwards through the chain to assess ‘true’ provenance of funds. However, with the system as it stands, this is unlikely.

Summary

- There should be an immediate ban on cryptocurrency donations.
- Given the heightened risk of crypto allowing for the bunching of donations under the legal threshold of £500 to conduct checks, this should be reduced to £50 (to match the candidate regime).

⁹ House of Commons Library, ‘[Cryptocurrency donations in UK politics](#)’, 2025.

¹⁰ HC Deb, [2 March 2026](#), col. 629.

¹¹ Ian Taylor, ‘[Joint Committee on the National Security Strategy: Oral Evidence](#)’, 2025, pg. 16.

¹² International Institute for Democracy and Electoral Assistance, ‘[Cryptocurrencies and Political Finance](#)’, 2019.

¹³ Natasha Powell, ‘[Joint Committee on the National Security Strategy: Oral Evidence](#)’, 2026, pg. 17.

- There should be an Electoral Commission led review into what resources would need to effectively regulate cryptocurrency, and the feasibility of a Commission sanctioned ‘permissible coin’ which meets the promise of greater transparency.

2. Overseas voters

The Elections Act 2022 abolished the 15-year limit on the right of British citizens living overseas to vote in UK parliamentary elections. This means that British citizens living overseas can register on the electoral roll “for as long as they live overseas” and are a permissible source of donations.¹⁴ This, as argued by Lord Khan of Burnley (Labour), dangerously weakens the restrictions on overseas political donations and may allow for foreign money to enter the UK electoral marketplace.¹⁵

It is also challenging for the Electoral Commission to validate whether a donor from overseas is a British national, and therefore permissible. The Commission has stated in a letter to the Joint Committee on the National Security Strategy that close to a third of impermissible donations in 2024/2025 were from those with an overseas address.¹⁶ There is also an open question about the extent to which those who have long been expatriated from the UK could, and should, be considered ‘permissible’ donors.

Summary

- Overseas voters wishing to be considered a permissible donor should also be a UK-registered taxpayer and have submitted at least one non-zero tax return in the two years prior to making the donation.

3. An annual cap on donations

The Representation of the People Bill limits the amount that corporations can donate to UK politics and provides for a UK-based ownership test. However, it falls short of placing an annual upper limit on individual or institutional donations in UK politics. Donations caps were considered by the Committee on Standards in Public Life (CSPL) in 1998 in its Fifth Report, which became the basis for the Political Parties, Elections and Referendums Act 2000 (PPERA).¹⁷

The CSPL ultimately chose not to recommend a cap because they believed that their proposals for disclosure of donations and for limits on expenditure “should remove the need for any cap on donations” because collectively those measures would “contain the ‘arms race’ between the main

¹⁴ House of Commons Library, ‘[Overseas voters](#)’, 2025.

¹⁵ House of Commons Library, ‘[Foreign political donations in the UK](#)’, 2025.

¹⁶ Joint Committee on the National Security Strategy, ‘[Letter to Vijay Rangarajan](#)’, 2026, pg. 6.

¹⁷ House of Commons Library, ‘[Political financing: Donations, loans and state funding](#)’, 2025.

parties, which has come to characterise the election scene and to impel the search for donations in recent years”.¹⁸

Following the uprating of the expenditure limits in 2023, the 2024 election was the most expensive since the 1997 general election (reaching £94.5 million). So-called “mega-donors” in the UK are growing in prominence and evidence from the USA shows what happens if these trends are allowed to continue unchecked.¹⁹ In 2008 donors giving over \$1 million made up 4% of all funds to the Republican Party, in 2024 that figure was 56%.²⁰ Indeed, in 2024 the top 0.01% of donors made up over 50% of all campaign funds across the presidential election cycle, with the top 400 donors accounting for over 75% of all money raised.²¹

The logic underpinning PPERA no longer holds. Subsequent reviews have suggested caps ranging from £10,000 (CSPL, 2011) to £50,000 (Hayden Phillips, 2007).²² And, in fact the Conservatives, Labour and the Liberal Democrats all committed to including a cap on donations in both their 2010 and 2015 manifestos.²³ Cross party talks on capping donations have traditionally fallen due to a failure to agree on whether trade unions are included in the cap, and the need to introduce further state funding to make up for the shortfall in income.²⁴

Money is essential to the functioning of a democracy so a cap should not prevent the free exchange of ideas, debate and policy that flows from it. However, state funding is unpopular and remains politically unpalatable.²⁵ Therefore, a cap on donations should be found which negates the need for further state funding.

Summary

- An immediate ‘democracy backstop’ annual donation limit of £1 million should be placed on all donations.
- The Electoral Commission should be tasked with undertaking a detailed review which models how low a limit can feasibly be set which does not require the need for additional state funding. This limit should be brought to the Speaker’s Committee and the Ethics and Integrity Commission for consultation and be set in place prior to the next general election.

4. Thresholds for the publication of donations

In 2023, the Government uprated the reporting thresholds for donations to political candidates (from £1,500 to £2,230) and for political parties (from £7,500 to £11,180) via statutory instrument. Beyond

¹⁸ Committee on Standards in Public Life, ‘[The Funding of Political Parties in the United Kingdom](#)’, 1998, pg. 80.

¹⁹ Sam Power, ‘[Reform’s £9m gift and the rise of the political mega-donor](#)’, 2025,

²⁰ Sam Power, ‘[Bold ideas for electoral reform: A ‘democracy backstop’ to protect elections](#)’, 2025.

²¹ As above.

²² House of Commons Library, ‘[Political financing: Donations, loans and state funding](#)’, 2025.

²³ Sam Power, *Party Funding and Corruption*, 2020.

²⁴ Sam Power, ‘[The British party funding regime at a critical juncture? Applying new institutional analysis](#)’, *Politics*, 2017.

²⁵ Sam Power, ‘[Political Financing](#)’, in *The Oxford Handbook of Electoral Integrity*, 2025.

this being to bring these figures in line with inflation, there is little good justification to have donation thresholds that are this high, especially given that the logic of our political finance system is built on the principles of a high degree of transparency and regulating expenditure. Indeed, £11,180 is a higher figure than the £10,000 recommended in the CSPL's 2011 review, *Ending the Big Donor Culture*, as an annual cap.²⁶

If we consider a range of peer countries, this is the highest threshold by some margin: Canada (c. £110), Denmark (c. £2,345), Ireland (c. £525), Netherlands (c. £880), New Zealand (c. £670) and the USA (c. £150). A close comparator is Australia where the threshold was c. £9,100, although this was changed as a part of the Electoral Legislation Amendment (Electoral Reform) Act 2025 so as of 1 July 2026 the new threshold will be c. £2,600.²⁷

There are good reasons to have a donations threshold, and one that is not too low. In an increasingly polarised world, privacy is important. Academics in the USA, for example, have discussed with me the unease they feel about names of donors above the relatively small threshold of £150 being publicly available. This is especially in a country they perceive as experiencing democratic backsliding, with a president that has a track record of pursuing politicised actions against perceived (or actual) political opponents.

However, there is little justification to have a threshold that is as high as this. Not only is the UK outside of the regulatory norm, but £11,180 is a higher threshold for reporting than many countries have as a threshold for an annual cap on donations. There is, therefore, a good case for aligning the threshold for both political parties and candidates (and subsequently lowering the level at which permissibility checks have to be conducted).

Summary

- The threshold for reporting of donations to political parties should be lowered from £11,180 to the candidate threshold of £2,230.
- The threshold for conducting permissibility checks on donations to political parties should be lowered from £500 to £50 (in line with the candidate regime).

5. Expenditure limits and annual caps on spending

The same statutory instrument outlined above raised a party's spending limit from £19.5m (if candidates were stood in all 650 constituencies) to £35.1m (if candidates are stood in all 650 constituencies).²⁸ This was, alongside an uprating of the constituency spending limits, justified as rising in line with inflation.

²⁶ Committee on Standards in Public Life, ['Political Party Finance: Ending the Big Donor Culture'](#), 2011.

²⁷ All data accurate as reported by the [International Institute for Democracy and Electoral Assistance Political Finance Database](#) (and currency converted in GBP 1 March 2026).

²⁸ Transparency International, [Making elections more expensive is a bad idea](#), n.d.

In its 1998 review the CSPL recommended expenditure caps (which were subsequently enacted), they said “without doubt parties’ belief that elections can only be won by the expenditure (mainly on advertising) of vast sums of money has given rise to something of an arms race. This in turn has put enormous pressure on party fundraisers to devise innovative ways of attracting donations. The result has been the well-publicised, very large donations to both main political parties and also the development of strategies – such as the fundraising dinner attended by senior party figures – which together give credibility to accusations that money buys access to politicians.”²⁹

In 1999, when publishing the (draft) Political Parties and Elections Bill and white paper, Jack Straw said, that expenditure limits were forwarded to avoid “an arms race in spending between the parties” and that “limits should be set at a level substantially below the amounts spent by the two main parties in 1997.”³⁰

Several reviews since PPERA have recommended lowering the cap on expenditure.³¹ To my knowledge none have (or had) recommended raising the spending limits. Given that the Conservative Party raised expenditure limits concurrently to passing an Elections Act with measures that its own former minister described as “gerrymandering” – and that Conservatives could (usually) reasonably be said to gain from being able to spend more at an election – it is hard to justify the expenditure limits being as high as they are.³² The underpinning logic of PPERA no longer holds. Limits should be reduced to the pre-2023 level and, if caps on donations are not introduced, reduced further still such that they achieve their stated aim.

Spending limits also operate on the flawed assumption that politics only happens at election times. However, in the unregulated period parties are free to spend as much as they like on things like A/B testing, the purchase of personal data, consultants and conducting strategic research. There is very little control on any of this (party or third party) until the final 12 months and, even then, the only real limits kick in six weeks prior to polling day. This means that a party “can essentially build and test an entire campaign architecture well before any meaningful scrutiny applies.”³³

In a letter to the Joint Committee of the National Security Strategy dated 5 February 2026, Chief Executive of the Electoral Commission Vijay Rangarajan said, “significant further work would be needed to establish a proportionate regulatory regime covering the period between elections. However, given what we have seen internationally on foreign influence operations being set up well before any election, it would be well worth starting that analysis.”³⁴

²⁹ Committee on Standards in Public Life, [‘The Funding of Political Parties in the United Kingdom’](#), 1998, pg. 1.

³⁰ HC Deb, [27 July 1999](#), col 134.

³¹ House of Commons Library, [‘Political financing: Donations, loans and state funding’](#), 2025.

³² BBC News, [‘Local elections 2023: Voter ID backfired on Tories, says Rees-Mogg’](#), 2023.

³³ Sam Power and Katharine Dommett, [‘Why Labour’s Elections Bill Misses the Point’](#), *Political Insight*, 2025, pg. 29.

³⁴ Joint Committee on the National Security Strategy, [‘Letter to Vijay Rangarajan’](#), 2026, pg. 11.

Summary

- Expenditure limits should be lowered to (at least) the pre-2023 limit and the power of the Secretary of State to raise spending limits should be repatriated to the Electoral Commission (in consultation with the Speaker’s Committee and the Ethics and Integrity Commission).
- Work should also be conducted so that by the next general election expenditure limits will apply annually.

6. Standardised accounting returns

Party law represents a fine balance between preventing wrongdoing and encouraging party activity which is, at its fundament, a democratic good. As the CSPL suggested in their 2021 review of election finance regulation, “campaigning is largely carried out by volunteers and the complexity of the administrative burden, combined with the level of personal legal risk involved, may deter people from volunteering and participating.”³⁵

However, lax regulation of political parties has led to significant deficiencies in our system of transparency which, alongside expenditure limits, is the guiding principle of our approach to regulating political finance.³⁶ For example, whilst the Electoral Commission provides for a standard means of providing annual accounts, I have seen no evidence that political parties in fact use this template.³⁷ If accounts are not meaningful it can be hard to trace exactly how money is being raised and spent. This lack of clarity has led to questions being asked about so-called ‘black holes’ in party accounts.³⁸

A lack of standardisation also makes it incredibly hard for the Electoral Commission to analyse spending returns from general elections. This is because the largest parties have up to six months from polling day to provide a report, but there are no rules about the way in which this information should be provided. Through meetings with Commission backroom staff, I have found that they would like parties to use their political finance online portal, but parties are not required to. Parties provide expenditure information in any manner of ways leading to significant amounts of data triaging that must happen after the six month return window has elapsed.

The party spending returns for the 2024 general election were only published a year after the election itself.³⁹ This prevents meaningful oversight of electoral activity, especially given that there is a statute of limitations of one year for police to investigate election related offences (which prevented an

³⁵ Committee on Standards in Public Life, [Regulating Election Finance](#), 2021, pg. 31.

³⁶ Sam Power, Katharine Dommert, Andrew Barclay, Amber McIntyre, ‘[Public understanding of electoral spending: evaluating UK transparency mechanisms](#)’, *Representation*, 2023.

³⁷ Electoral Commission, [Guidance on submitting your statements of accounts](#), n.d.

³⁸ Rafe Uddin and Dan McCrum, ‘[Reform had £7mn ‘black hole’ in 2019 election](#)’, 2024.

³⁹ House of Commons Library, ‘[Party spending in the 2024 general election](#)’, 2025.

investigation into potential overspending in 2024).⁴⁰ In its 2021 review, the CSPL found that the UK lagged far behind peer countries in terms of how quickly election spending information was released.⁴¹

I have spent the past three years conducting research into how (even relatively rudimentary) AI tools could be used to enhance the oversight capabilities of electoral commissions across the world.⁴² If data was presented in a standardised way, using a mandated submission point, data could be made available much more quickly (and in close to real-time). Simple and well-established techniques such as machine reading and natural language processing could be used. They could spot errors and flag potential non-compliance to Electoral Commission investigatory teams. Invoices could also be read, approved and auto-sorted on submission (or rejected in a manner akin to renewing a passport).⁴³

In a landmark study, the German academic Karl-Heinz Nassmacher argued that one of the most important elements of the ‘magic quadrangle’ which makes up a successful political finance regime is “professional accounting by volunteer and party workers”.⁴⁴ If political parties were meaningfully compelled to do this in the UK, it would improve our system of oversight and transparency immeasurably.⁴⁵

Summary

- Political parties should be mandated to provide annual accounting returns in a standardised format.
- Political parties should be mandated to use the Electoral Commission’s political finance online tool when submitting election spending returns.
- Political parties should be mandated to provide standardised invoices of election spend, and where it is not possible to do so populate a secondary platform with the pertinent information.
- The Electoral Commission should be given funding to experiment with and embed AI tools in their everyday practice of oversight and analysis.

7. Updating the spending categories

Political parties are currently required, under PPERA, to file their spending returns under nine broad categories (such as ‘overheads and general administration’, ‘advertising’ and ‘unsolicited material to electors’).⁴⁶ These do not adequately reflect modern campaign practices and academics have called for

⁴⁰ BBC News, [‘Farage will not face police inquiry into spending’](#), 2025.

⁴¹ Committee on Standards in Public Life, ‘Regulating Election Finance’, 2021, pg. 85

⁴² Sam Power and Gilsun Jeong, [‘Harnessing artificial intelligence to enhance political finance oversight’](#), 2026.

⁴³ Sam Power and Katharine Dommett, [‘Why Labour’s Elections Bill Misses the Point’](#), *Political Insight*, 2025, pg. 29.

⁴⁴ Sam Power, [‘The Transparency Paradox: Why Transparency Alone Will Not Improve Campaign Regulations’](#), 2020.

⁴⁵ Katharine Dommett and Sam Power, [‘Monitoring digital election campaigns: Assessing the transparency ecosystem in the United Kingdom’](#), *Politics*, 2024.

⁴⁶ Sam Power, [‘If Not Now, When? The Case for Urgent Reform of the UK’s Political Finance Laws’](#), *Political Insight*, 2025, pg. 38.

a review of the spending categories used in returns for party spending as they “do not provide a full picture of election activity, particularly as it relates to data-driven campaigning”.⁴⁷

In their review of the 2024 general election, the Electoral Commission said, “the broad categories of expenditure offer an indication of what campaigners spent their money on. But they do not provide a detailed breakdown of specific types of expenditure. For example, there is no specific legal category for digital campaigning. Spending on such campaign activity is reported under the existing broad categories. The current spending categories should be revised to provide electors with more useful information about what campaigners have spent money on”.⁴⁸

Summary

- The Electoral Commission should be given the power to review and change spending categories without the need for primary legislation in consultation with the Speaker’s Committee the Ethics and Integrity Commission.

⁴⁷ House of Commons Library, [‘Candidate spending in the 2024 general election’](#), 2025.

⁴⁸ Electoral Commission, [Report on campaign spending at the 2024 Parliamentary general election](#), 2025.