

**From:** Natalie F. Syers  
**Sent:** 08 April 2010 15:37  
**To:** Esther Mckelvie  
**Subject:** FW: Confirmation/clarification - loans to candidates

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

From: Natalie F. Syers  
Sent: 08 April 2010 15:37  
To: 'chrisrose' [REDACTED]  
Subject: RE: Confirmation/clarification - loans to candidates

Dear Chris

Thanks for your email, and apologies for the delay in getting back to you, as I'm sure you can understand its incredibly busy at the moment.

Loans to candidates are not regulated and do not need to be accounted for on the expenses return, if they are provided on commercial terms. However, loans provided otherwise than on commercial terms may need to be accounted for if the donation aspect is over £50. Under Sch. 2A, para. 5 (4) of the Representation of the People Act 1983, the value of any donation occurring in this situation would be the saving made on the loan provided otherwise than on commercial terms in comparison to a loan on commercial terms.

So I can confirm that if a loan is provided to a candidate that is not on commercial terms, it is not the value of the loan itself that constitutes the donation, but the saving made. If this saving is over £50, it must be reported on the election expenses return, and the source of the loan must also be permissible.

Hope this helps.

Natalie

-----Original Message-----

From: chrisrose [REDACTED] [mailto:chrisrose [REDACTED]]  
Sent: 31 March 2010 14:07  
To: Natalie F. Syers  
Subject: Confirmation/clarification - loans to candidates

Dear Natalie,

I have just been talking to the Cambridge Agent (yes, them again) about loans to candidates. This is not an issue that has come up before in my party, so I'm not as on the ball with the law on this as I might be. I gather you have advised that these do not need to be recorded.

I note that PPERA 2000 has sections on both loans and donations to party members, but only a section on donations to candidates and not one on loans to them.

Can you confirm that candidates are not 'captured' within the section on loans to individual party members?

Further, the Commission's guide for General Election candidates and agents

(4.2) classes loans not on commercial terms, and that are over £50, as a donation, in which case my view would be that they must be recorded in the Return of Expenses in the same way. I am assuming that the £50 threshold applies to the value of the loan itself, and not just the notional value of a loan that could arise out of a saving on commercial interest rates.

Thanks for your attention.

Chris Rose. Green Party National Election Agent.