

FAIRNESS FOUNDATION CALL FOR EVIDENCE RESPONSE: REPRESENTATION OF THE PEOPLE BILL COMMITTEE

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Background

1. The Fairness Foundation is a registered charity that works to build a fairer economy and society. Our vision is a Britain where everyone has the 'fair necessities', made possible by building a vision about what such a country might look like. We work with partner organisations to advocate a narrative of fairness and persuade policymakers of the need to achieve fairness by reducing extreme levels of socio-economic inequality.
2. This briefing focuses on the case for **introducing a cap on all political donations** in the Representation of the People Bill.

Wealth Inequality and democracy

3. According to our research, the absolute wealth gap between the richest and poorest 10% grew by 54% between 2011 and 2021, from £7.5 trillion to £11.5 trillion. Research has also shown that the size of the absolute wealth gap in the UK is now second only to the USA among OECD countries. As we outline in the Wealth Gap Risk Register, these extreme socio-economic inequalities have serious consequences for our democracy and are undermining the health of our electoral system as a whole.
4. Firstly, extreme wealth inequality is undermining the principle of equal participation in our democracy. There is an abundance of research which suggests that people with less wealth in the UK are more likely to believe they have no political influence and are much less likely to vote and participate in politics. For example, the turnout gap at the 2024 general election between homeowners and renters was almost 20 percentage points, while the difference between these groups in terms of people registered to vote was 33 percentage points. This difference in participation threatens to undermine the faith of ordinary people in our democratic system and compromises the health of our electoral system.
5. Secondly, political equality, or 'fair treatment' is one of the five components of our definition of fairness, the 'fair necessities'. 'Fair treatment' describes the idea that everyone should be able to exercise an equal say in the decisions made in their names. Yet extreme wealth and income inequality distort that basic principle of fairness, by providing a route for the most affluent people to disproportionately influence politics at the highest levels. In 2023, 2/3 of all private donations to political parties came from just 19 sources, sums of money which allow donors to attend exclusive meetings and enjoy special access. Indeed, research from Transparency International UK has shown that political donors made up over 1 in 5 individuals who were appointed to the House of Lords between 2013 and 2023. This access and influence disproportionately afforded to the wealthiest in our society violates the core fairness underpinning our democracy.
6. Thirdly, this system distorts the policymaking process itself, and risks tipping the balance of decisions in favour of wealthy donors and against the common good, further undermining the health of our electoral process. Last year, a report by Spotlight on Corruption examined who achieved access to ministers, senior officials and special advisers in six government departments responsible for economic decision-making, by reviewing data on meetings, hospitality and secondments between January 2019 and September 2024. The ratio of business and commercial stakeholders getting meetings compared to civil society and consumer groups was 23 to one. Just 2.3% of stakeholders who met with ministers and senior officials in the Treasury were from civil society or consumer groups prior to the last election. Other organisations have cited the perceived victory by lobbying efforts in relation to recent decisions on the taxation of carried interest. This unfettered ability of the wealthy violates the most fundamental principles of democracy by giving disproportionate political access and influence to those with the deepest pockets, contributing to the lowest ever levels of public trust, and pushing more

voters into zero-sum thinking that the system is inherently rigged against them, further undermining the health of our democracy. Indeed, complexity scientist Peter Turchin has argued in his book *End Times*, that the United States is already a plutocracy, and has cited evidence of the impact of wealthy vested interests on US policymaking over decades. In an event with the Fairness Foundation, Turchin argued that the UK is not far behind.

7. In the context of the health of our democracy, it is also worth noting that polling suggests that the public is extremely concerned about the influence of the wealthy on politics. In February 2026, the Fairness Foundation conducted polling which found that over half (53%) of Britons think that inequalities of political influence are at least a moderate problem in the UK today, with 27% describing these as a big problem and only 7% considering such inequalities not a problem at all. Similarly, our research in January 2025 with Opinium found that 63% of Britons think that the very rich have too much influence on politics (compared to 40% who think the same about businesses and religious organisations, and 38% for international organisations like the EU and UN). The view that the very rich have too much influence on UK politics was most widely held by people who voted Lib Dem at the 2024 general election (78%), followed by Labour (67%), Reform (65%) and Conservative (56%).

The case for domestic political donation caps

8. There is therefore a strong case to address the perverse influence of unchecked big money in politics, including by introducing a cap on domestic political donations. We were encouraged by the recommendation of the Rycroft Review for an annual cap on political donations from British voters living abroad, and the adoption of that recommendation by the Government. We believe that the same logic applies to donations made by those living in the UK, ensuring that all UK voters enjoy political equality in our democratic system.
9. It has been well-documented that a cap on political donations has been recommended by the independent Hayden Phillips Review and the Committee on Standards in Public Life, which said:

“We do not think that the piecemeal changes made since the 2000 [Political Parties, Elections and Referendums] Act, which leave the basic framework intact, are enough. We believe there is a compelling case for more radical reform.”

10. The public strongly supports the introduction of political donation caps. Polling from Transparency International UK has revealed that 67% of voters say there should be a cap of £50,000 or less- or no private donations at all, with 84% believing that wealthy individuals using political donations to advance their interests. According to other polling from Campaign Group 38 Degrees, a cap on political donations is supported by a clear majority (60%) of the public, including half of Reform UK voters. A petition to cap all donations to a reasonable amount garnered almost 150,000 signatures in July 2025. The proposal has also previously enjoyed wide cross-party support. As former Prime Minister John Major has said:

“Is political funding corrupted if – with no qualifications other than money – donors receive honours or preferential access to Ministers? Should political donations be capped to protect against undue influence? I believe the answer is – yes.”

11. Finally, caps on political donations have been introduced in a range of other comparator nations, such as in Australia, where donation caps of \$50,000 AUD will be introduced from July 2026. In Canada, as of 2025 individuals are permitted to donate up to CA \$1,750 per annum, while in France, donations are capped to €7,500 per year. The UK is therefore an international outlier in its lack of a cap on individual domestic political donations. The UK previously co-sponsored a UN resolution which urged state parties to “consider limitations on donations...with a view to combatting corruption” in December 2025.

Other measures to improve the health of our democracy

12. The case to introduce political donation caps for domestic electors is therefore inarguable and could help to restore some trust and faith in our democratic system. We would also support steps to lower national spending limits in line with the recommendations of the Committee on Standards in Public Life.
13. Furthermore, we would also like to suggest that bolder measures to reduce wealth inequality would also help to address its harmful effects on democracy and restore faith in the basic democratic promise. In the [Wealth Gap Risk Register](#), we have identified three ways in which central government can act to this inequality. While not of immediate relevance to this Bill, we hope that they add useful context to the work of the Committee:
 - a) **Address the distribution of wealth.** As our research has [evidenced](#), the UK's tax system under-taxes income from wealth compared to income from work. There are a range of straightforward ways to tax wealth more fairly and effectively, such as equalising tax rates on capital gains with tax rates on employment income. Other proposals look to redress the under-taxing of wealth in order to address tackle wealth inequality, include a separate tax on stocks of (as opposed to incomes from or transfers of) wealth. While a one-off wealth tax could be justified as a response to a particular crisis, it would only temporarily reduce wealth inequality. An annual progressive wealth tax could be justified on the basis that it would permanently limit wealth inequality, but public and political support would need to be won, with a concerted effort to ensure that it was well designed and implemented.
 - b) **Share wealth more broadly.** Wealth concentration in the UK has been facilitated by an economic system that often incentivises and rewards the extraction of value from existing financial and corporate wealth, rather than encouraging the creation of new economic value. In our recent [research](#), we have explored public instincts to these different forms of wealth-building, finding strong public support for entrepreneurship, but majority opposition across all voting blocs for more extractive and exploitative forms of wealth-building. Mechanisms to prevent this, such as public wealth funds, would ensure that income-generating assets are shared more equitably, allowing all citizens to benefit from economic development. These funds would provide access to investment returns for everyone and mitigate the effects of differential returns, where the wealthy enjoy superior rates of return compared to average savers, exacerbating existing inequalities. Other approaches include strengthening trade unions so that workers get a higher share of corporate profits in the form of wages.
 - c) **Reduce the negative impacts of wealth inequality.** Many European countries have substantial safeguards to reduce the salience and importance of wealth in everyday life, such as more equitable education systems, better universal public services (such as childcare and social care), and a more effective welfare state. For example, the German sociologist Jens Beckert has [described](#) how Germany has instituted a range of policies to reduce the impact and importance of wealth inequality.

Endnote

14. This short briefing focuses on the case for the introduction of a cap on domestic political donations. We hope it is of use to the Committee's deliberations and would be happy to discuss these matters further with the Committee if requested.