Cleaning up politics

A three-step plan

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Autonomy Institute

The Autonomy Institute

Policy briefing

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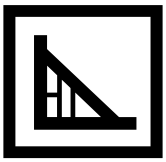

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Foreword from Neil Duncan-Jordan MP

The Labour Party has been defined by two historic missions: the redistribution of both wealth and power. The former has often received the most attention from Labour governments, so I welcome the publication of this report for its vital contribution to the debate on the latter. The difficulty of making a state built for, and by, established interests work for a Labour Party created to dislodge those interests is a recurring challenge for our all-too-rare Labour governments.

For a public who overwhelmingly believe politicians do not work in their interests, "he who has the gold makes the rules" is not just an old saying but a description of political reality. Year after year, election after election, people go out and vote for politicians to represent them, yet their household incomes shrink while the super-rich carry on getting richer.

Try as I might, I could not find any party manifestos over the past 40 years that promised to make the many poorer and a few better off, but that is what we've seen. Something is clearly broken. It is time to start looking at the process between what a party promises – affordable homes, higher wages or cheaper bills – and what actually happens. Scratch beneath the surface and you will find our politics is awash with corporate cash. Millions are thrown at political parties and MPs, not out of benevolence or civic conviction, but to secure political outcomes that make those wealthy enough to stump up the cash even richer at everyone else's expense.

£2,000-a-head dinners with government figures, sponsored breakfasts and drinks receptions, freebies on suits or concerts, and MPs like Nigel Farage cashing in by advertising gold and accepting millions in bungs from a crypto billionaire. This is how the rich flex their muscles over the direction of the country. Children in temporary accommodation can't foot the bill for a fancy dinner to get a Minister's ear, but the developers profiting from a broken housing market can – and they do.

In 2015, just 1% of private donations came from individuals or companies giving £1 million or more. By 2024, that figure had risen to more than a third. If this trend continues, more than half of all political donations will soon come from a handful of individuals, leaving elected politicians increasingly reliant on the patronage of a small elite. Wealthy individuals and companies will amass even more influence over the direction of our country, despite never having won a single vote.

Talking about how our democracy functions is in vogue right now. There is a microscope on a Westminster-centric way of doing politics, where certain communities are not listened to and for decades have been left behind. Redistributing power on the basis of place is one important side of the coin. Another is recognising that the flow of corporate cash into politics institutionalises inequality, giving those who can pay more of a say through access and influence than everyone else.

The recommendations put forward here by the Autonomy Institute are essential for rebuilding public trust and ending doubts about whether politicians work in the public interest or are “just in it for themselves”. They are also essential to building a more prosperous country. Whilst the richest will inevitably fight tooth and nail against urgent measures needed to improve living standards, these proposals would take one of their most powerful weapons out of their arsenal.

Introduction

Introduction: reform that costs nothing

New governments arrive with a stock of public goodwill, but one that can deplete quickly. The first hundred days of an administration are therefore when a Prime Minister can set the terms of the parliament to come – and the most powerful signals available in that window are often the ones that cost nothing.

The three reforms set out in this briefing do exactly that. None require new spending, a new agency or an extra line in a future budget. Each is a change to the rules that govern how money and influence move through Westminster, and each can be legislated for within the opening months of a new administration.

New polling conducted by More in Common for Transparency International UK found that more than four in five Britons (83%) believe wealthy individuals use political donations to influence the government in their own interests, with more than half agreeing strongly and just 5% strongly disagreeing.[1]

The cheapest and fastest route to restoring public trust is to clean up the rules of politics itself.

That view is held across the political spectrum, with 84% of 2024 Labour voters, 78% of Conservatives and 79% of Reform UK voters all believing donations buy influence.[2] When the overwhelming majority of citizens believe that access to government can be bought, the legitimacy of every decision that follows is weakened.

The argument of this briefing is straightforward: the cheapest and fastest route to restoring public trust is to clean up the rules of politics itself, and to be seen to do so quickly. Three measures would draw a clear line between the politics of the past, with its mega-donations, its revolving door between donors and contractors, and its moonlighting MPs, and a more transparent future democratic politics.

These measures are:

- → A cap on political donations.
- → A ban on public contracts for companies that donate to political parties, ending what we have called the giver and taker system.
- → An end to second jobs for MPs.

Taken together they would cost the Treasury nothing, but return something recent decades have steadily eroded: the public's confidence that the government works for them rather than for those who can pay for access.

1 Transparency International UK, 'The public demand is clear: cap big donations now', 12th June 2026. Available at: https://www.transparency.org.uk/news/public-demand-clear-cap-big-donations-now

2 Ibid. Polling conducted by More in Common for Transparency International UK.

Step one

Step one: a cap on political donations

British party funding has, over the course of a decade, been quietly captured by a very small number of very wealthy people. The share of private political donations coming from those giving £1 million or more rose from around 1% in 2015 to over a third (35%) in 2024, a thirty-five-fold increase in under ten years.[3] In 2023, 66% of all private donations to political parties came from just 19 donors, who between them gave more than £56 million.[4] The largest single donation from a living donor, a £9 million gift to Reform UK in 2025, is a sum the average person would take around three thousand years to match even if they handed over every penny of their savings.[5] Alongside individual donations, corporate funding's share of all pre-election finance, across parties, reached 29% in 2024 – the highest level this century.[6]

A system in which a single individual can bankroll a party's entire campaign, or where businesses can prop up MPs' offices, is one that invites precisely the sort of suspicion that this polling lays bare. Asked how they would feel about a party that introduced a limit on large donations, nearly half of Britons (47%) said they would feel more positively, against just 7% who would feel more negatively.[7] Support for a cap reaches into every part of the electorate, outnumbering opposition among Conservative, Labour, Liberal Democrat, Green and Reform UK voters alike. There are few policies on which the public speaks with so settled and so cross-party a voice.

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The remedy is well established and already operates in comparable democracies. A cap on donations to political parties, set at a level that allows genuine grassroots support while ending the era of the mega-donor, would not stop ordinary people from contributing to the parties they believe in. We suggest the cap should be set at £20,000.

3 Transparency International UK (2026), 'Mega-donor grip on UK politics has increased 35-fold in a decade, anti-corruption experts warn', and the accompanying briefing 'Taking Big Money Out of Politics'. Available at: https://www.transparency.org.uk/publications/taking-big-money-out-politics

4 Transparency International UK (2026). In 2023, 66% of private donations to political parties came from just 19 donors, who between them gave over £56 million.

5 Ibid. The largest single donation from a living donor, Christopher Harborne's £9 million gift to Reform UK in 2025, would take the average person around 3,000 years to match even if they donated all of their savings.

6 The Autonomy Institute (2026) ***Labour, the party of capital?***. Available at: https://autonomy.work/portfolio/labour-the-party-of-capital/

7 Transparency International UK (2026)

This would ensure that no individual can purchase a disproportionately loud voice in our democracy than everyone else. The Committee on Standards in Public Life has recommended an annual cap, and Transparency International UK has long argued for one.[8] Caps of this kind are also a feature of political finance in Canada, Australia and Italy.[9] Spotlight on Corruption has set out complementary measures, including a requirement that corporate donations not exceed a company's net UK profits over the preceding two years, and a 'democracy backstop' that would limit donations from any individual, corporation or trade union.[10]

↳ Promoting democratic engagement

Higher caps should apply to democratic organisations, guided by strict rules:

- → The organisation must be genuinely democratic, with clear electoral processes for members.
- → The main sources of income for the organisation are small donations from members.
- → The organisation must be open to a financial audit from the Electoral Commission in order to ensure no external money beyond membership subs has been accepted (and used in the organisation's political donation).

A 'per member' cap should apply in these instances: for every member of that organisation that opts into the initiative, the democratic organisation can donate an equivalent of £1. For instance, if the organisation has 1,000 members it can donate £1,000; 60,000 members allows £60,000 and so on. This follows a similar proposal from the Committee on Standards in Public Life in 2011.[11]

Membership organisations differ from corporations in a number of key ways: first, any political donations normally require formal consent from members, either on each occasion or renewed every few years. There's no equivalent available, for instance, to shareholders who want their company's cash to stay out of politics. Second, these organisations are funded by individual members choosing to pay dues, whereas corporate donations come from company treasuries, funded by revenue, investors, and sometimes public money received through government contracts, none of whom get an individual say in the political donations.

8 Committee on Standards in Public Life, 'Regulating Election Finance' (2021); see also Transparency International UK, 'Taking Big Money Out of Politics', op. cit.

9 Transparency International UK, 'The public demand is clear', op. cit. Caps on political donations operate in Canada, Australia and Italy, among others.

10 Spotlight on Corruption, written evidence submitted to Parliament on political finance reform; see also Havenhand, G. and Hawley, S. (2025) 'Levelling the playing field: How economic policy gets captured and what to do about it', Spotlight on Corruption. Available at: https://bills.parliament.uk/publications/65475/documents/8046 and https://www.spotlightcorruption.org/report/levelling-the-playing-field/

11 Committee on Standards in Public Life (2011). There, Sire Kelly proposed a £10,000 annual cap on donations from any individual or organisation, including unions. To reconcile that with union affiliation fees, the report said a union's affiliation payment could be treated not as one capped donation but as an aggregation of many individual member payments, provided members actively opt in to contribute. In effect that is a per-member calculation: the total a union can give scales with the number of members who choose to pay. Available here: https://assets.publishing.service.gov.uk/media/5a7e3c4ae5274a2e87db06c5/13th_Report___Political_party_finance_FINAL_PDF_VERSION_18_11_11.pdf

The legislative vehicle for donations caps exists: The Representation of the People Bill is before the Commons, and the government has committed tocapping donations from overseas electors and to a moratorium on cryptocurrency donations. These are welcome, but they address the edges of the problem while leaving the centre of it untouched. Closing the door to foreign money while leaving it wide open to domestic mega-donations is a half-finished job, because the risk of undue influence does not depend on the donor's passport.[12] An incoming government could complete the work by amending the Bill to cap all large donations before it becomes law. It would cost nothing and command public support that few measures ever achieve.

12 House of Commons Library, 'Representation of the People Bill: progress of the bill', CBP-10876. The Bill follows the Rycroft Review into foreign interference and commits to a cap on donations from overseas electors and a moratorium on cryptocurrency donations, but does not cap domestic donations. Available at: https://commonslibrary.parliament.uk/research-briefings/cbp-10876/

Step two

Step two: ending the giver and taker system

If donation caps address who funds our politics, the second reform addresses what some of that funding appears to buy. The UK public sector's reliance on outsourcing has created an enormous market in public money: spending on goods and services across public bodies reached £263.7 billion in the year to March 2024, around 24% of total government expenditure.[13] At the same time, corporate donations to political parties surpassed £20 million in a single quarter for the first time in the run-up to the 2024 General Election.[14] The Autonomy Institute's research has examined where these two flows of money intersect in uncomfortable ways.

- → 373 companies are both 'givers', having made declared political donations to parties, and 'takers', having received public contracts when those parties are in power.
- → Over the last 25 years these companies donated around £47 million. Since 2015 they have been awarded public contracts worth approximately £60 billion.[15]
- → This asymmetry is the heart of the matter: for every £1 donated by a giver and taker company since 2000, over £1,294 of public funds has been returned to that same set of companies in contracts over the last decade alone.[16]
- → 29 companies donated over £11 million to the Conservative Party and were then, within two years, awarded contracts worth £2.3 billion while that party was in government between May 2015 and July 2024.
- → Eight corporations donated over £580,000 to the Labour Party and were then, within two years, awarded contracts totalling just under £138 million within the first year of the current Labour government.[17]

This is not a problem peculiar to one party: two companies, Microsoft and PwC, maintained such a relationship with both major parties in government, and four of the "giver and taker" companies are among the government's designated strategic suppliers.[18]

13 Balagopalan, S. and Stronge, W. (2025) 'Givers and Takers: Uncovering the donor-contractor nexus at the heart of government', The Autonomy Institute. Available at: https://autonomy.work/wp-content/uploads/2025/10/Givers-and-Takers.pdf

14 Givers and Takers, op. cit. Corporate donations surpassed £20 million in the quarter preceding the 2024 General Election for the first time.

15 Givers and Takers, op. cit. We identify 373 companies that have both donated and won public contracts; around £47 million in donations against approximately £60 billion in contracts since 2015.

16 Ibid. The figure of £60 billion covers contracts where an awarded value was recorded and the donating company was the sole supplier; the true total is higher once contracts shared between suppliers are included.

17 Ibid. Findings on donations and contracts awarded within two years.

18 Ibid. The four strategic suppliers are Fujitsu, KPMG, Microsoft and PwC. Microsoft and PwC donated to, and won central government contracts under, both the Conservative and Labour parties.

The point is one of principle and of appearance. When companies that hand large sums to a governing party are then seen to profit from decisions that party controls, it erodes the public's confidence

We don't claim that every contract awarded to a donor was awarded because of the donation. The point is one of principle and of appearance. When companies that hand large sums to a governing party are then seen to profit from decisions that party controls, it erodes the public's confidence that their taxes are spent on merit and free from favouritism. The proportionate response is to remove the conflict at source: companies that provide goods and services to the nation through public institutions should not also be funding the politicians who decide how public money is spent.

This reform is again a matter of rule-setting rather than expenditure: public contracts should not be awarded to companies that have made political donations to the governing party, and a ban should apply to firms, along with their directors and persons with significant control, that have made registered donations within the preceding decade. Tendered bids should carry a declaration that neither the bidding company nor its directors have donated to parties or politicians in the preceding two years, and companies in framework agreements with government could be barred from donating for the duration of those frameworks.[19] None of this requires the Treasury to spend anything: it requires only that the government decline to let public contracting and party funding remain entangled.

19 Ibid. Policy recommendations.

Step three

Step three: an end to second jobs for MPs

The third reform concerns the time and loyalty of Members of Parliament themselves. A Member of Parliament is elected to represent a constituency and to scrutinise government, a role that is demanding and, for most, more than full-time. Yet the rules continue to permit extensive paid work outside the House. Analysis of the Register of Members' Financial Interests found that 236 of the 650 MPs declared earnings from outside employment in the eight months following the 2024 general election.[20] Those Members worked a combined 32,000 hours in their second jobs, with several spending the equivalent of a full working day each week on outside roles.[21]

Some outside work is modest or unavoidable. The threshold for declaring outside income is only £300 from a single source in a year, so some of those 236 Members will be earning a few hundred pounds, and a number must keep practising in law or medicine to retain professional qualifications.[22] But the headline figures point to something larger. One party leader's portfolio of outside work earned him around £1 million in a year, and £571,585 in under six months of the current parliament;[23] the highest earners from external roles are overwhelmingly drawn from a narrow group, with the fifteen biggest earners in 2024 all men, and roughly three-quarters of those earning over £10,000 a year from outside roles male.[24]

The objection is partly one of attention and partly one of perception. Hours spent advising a company or presenting a programme are hours not spent on constituents or committees, and roles of the consultant, adviser or brand-ambassador variety raise obvious questions about conflicts of interest. The lesson is that lax rules on outside earnings are not a victimless convenience; they are a standing risk to the reputation of the House.

20 Heaton-Jones, P. (2025) 'Moonlighting MPs: Should our parliamentarians have second jobs?', The Constitution Society, citing analysis of the Register of Members' Financial Interests published by The Guardian, 21 April 2025. Available at: https://consoc.org.uk/moonlighting-mps/

21 Ibid. MPs who declared outside earnings in the first eight months of the parliament worked a combined 32,000 hours in their second jobs; six MPs spent an average of eight hours each week, and a further seven at least five hours a week.

22 House of Commons Library, 'MPs' second jobs', CBP-10055, 22 July 2024. The Code of Conduct requires Members to register payments for outside employment once they exceed £300 from the same source in a calendar year. Available at: https://commonslibrary.parliament.uk/research-briefings/cbp-10055/

23 Heaton-Jones, P. (2025), op. cit. Nigel Farage's outside work earned him around £1 million in the previous year, and £571,585 in just under six months of the current parliament.

24 Unlock Democracy, 'Who Profits in Parliament? The Gender Pay Gap in MPs' Second Jobs' (2025). In 2024 the 15 highest earners from external roles were all men, and 74% of MPs earning over £10,000 a year from secondary income were male.

Reform here has repeatedly been promised and repeatedly diluted.

Reform here has repeatedly been promised and repeatedly diluted. The Committee on Standards proposed a ban on paid parliamentary advice, consultancy and strategy services in 2021, and the Committee on Standards in Public Life argued that outside activities should be kept within reasonable limits; but no restriction was ultimately placed on either the time an MP may spend on outside work or the income they may earn from it.[25] A clearer line is available, and it has already been endorsed at the highest level of government: the recommendation of the Commission on the UK's Future that second jobs be banned, with limited exemptions for Members who must work to maintain a professional qualification, such as doctors and lawyers.[26] Adopting that rule would require a change to the Code of Conduct rather than any public spending, and it would put an end to a practice that a clear majority of the public finds difficult to defend.

25 Committee on Standards, consultation document, November 2021, para 179; and the Committee's assessment of its consultation, para 118, reporting that no restriction should be introduced on the time an MP could spend on outside work nor the income received from it. See House of Commons Library, CBP-10055, op. cit.

26 Commission on the UK's Future (2022), chaired by Gordon Brown, endorsed by the then Leader of the Opposition; the proposal would ban second jobs with limited exemptions for those needing to maintain professional qualifications, such as doctors and lawyers. See House of Commons Library, CBP-10055, op. cit.

Conclusion

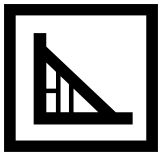
Conclusion: clear water, at no cost

The three measures in this briefing are deliberately modest in their demands on the public purse and ambitious in their effect on public trust.

- → A cap on donations would end the era in which a handful of mega-donors can outspend the rest of the country combined.
- → A ban on government contracts for donors who have given to the governing party would sever the link between funding a government and profiting from it.
- → An end to second jobs would return Members' full attention to the people who elected them.

Each of these three is a rule change rather than a spending commitment, and each can be delivered inside the first hundred days through legislation already before Parliament or through the House's own Code of Conduct.

Maximum transparency is the surest way to restore public trust in the work of government. A new Prime Minister who acts on these three reforms early would not only draw a clear line under the politics of the past, but would do so at no cost to the Exchequer, and with the renewed support of the public.



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