

# Revealed: The Secret Cash that Put Boris Johnson in Number 10

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*Cash from secretive Tory groups and anonymous donors played a critical role in demolishing Labour's 'red wall' of northern seats, the key strategy that won the election for Boris Johnson.*

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According to new research by openDemocracy, almost half a million pounds of highly targeted donations from secretive Tory funding clubs bankrolled the Conservatives' historic gains in Labour-held constituencies in the Midlands and northern England.

Although this 'dark money' funding is technically legal under UK law, transparency campaigners and opposition parties have demanded a review of British election laws and called on the Conservatives to end the secrecy and publish the names of all those who bankrolled the party's victory.

Dozens of victorious Conservative candidates in so-called 'red wall' seats received significant cash injections from secretive Tory funding clubs, much of it without any need to identify the donors.

Many of the same winning 'red wall' candidates also received cash from [individual billionaires](#) and obscure companies based in London, far from the constituencies where the money was spent.

The Conservative Party has frequently emphasised its local fundraising, telling openDemocracy that "small-scale, grassroots support" is ["the bedrock of the Party"](#).

But the newly released Register of Members' Financial Interests for the House of Commons reveals the extent to which winning Tory candidates were reliant on donations from super-rich party backers and 'dark money' from secretive funding clubs.

Companies involved in the Midlands Industrial Council – [a mysterious group of Conservative business interests](#) formed in the late 1940s to oppose Clement Attlee – donated almost £230,000 to Tory candidates, mostly in key 'red wall' target seats.

Another Conservative funding club, the United and Cecil, doled out £113,500 to 36 successful candidates. The political committee of London's prestigious Carlton Club – whose honorary members include Michael Gove, Theresa May and Liam Fox – handed £48,500 to Tory candidates in at least seventeen seats. Again almost all this money went to candidates in 'red wall' seats.

These Conservative clubs are what is known in British law as ‘unincorporated associations’. Although they must register with the Electoral Commission when they make political contributions of more than £25,000 in a calendar year, they do not have to register donations made to candidates in elections.

Concerns have been raised about unincorporated associations and dark money before. The [Democratic Unionists’ record £435,000 Brexit donation](#) was funnelled through an unincorporated association, the Constitutional Research Council. Ahead of December’s election, [openDemocracy revealed the network of unincorporated associations funding the Conservatives](#).

Labour shadow cabinet secretary Jon Trickett told openDemocracy that the law needs urgent change: “The simple fact is that our electoral law is riddled with loopholes and simply not fit to contain the explosion of dark and unaccountable money that has contaminated politics.”

The Scottish National Party’s Deidre Brock said that there had been “a coordinated movement of large amounts of cash from concealed donors to frontline Conservative political campaigns” and called on the Electoral Commission to investigate “to see what laws have been broken and the true original sources of this cash should be published”.

Steve Goodrich, head of research at Transparency International, said: “The law should be changed to provide much greater clarity over the source of political donations made by unincorporated associations.”

Electoral regulations set a tight spending limit of around £15,000 in total per seat, so these donations of £2,000 to £7,000 per seat, from multiple sources, would have been enough make all the difference.

Few Tory funding clubs gave any money to candidates in the safe Tory seats where most are based. The Association of Conservative Clubs – a limited company, but representing Tory unincorporated associations up and down the country – sent £45,000 to at least fourteen candidates. The obscure Midlands-based Leamington Fund gave £31,000 to seven candidates.

And even relatively small Conservative clubs in the prosperous south-east sent money up north. The Tandridge Club in Surrey, for one, split £12,750 in donations between the Tory victors in Colne Valley, Delyn and the former coal-mining district of Ashfield.

Tory clubs were not the only ones bankrolling the Tories’ demolition of the ‘red wall’. Billionaires in [the Conservatives’ elite Leader’s Group](#) dining club also supported many of the same candidates in the Midlands and northern England.

## Return of the MIC

Boris Johnson chose a symbolic location for his first post-election speech: Sedgefield in north-east England. On 14 December, a few days after winning a “stonking” majority, the prime minister promised voters in Tony Blair’s former constituency that he would deliver a “people’s government” and thanked former Labour supporters who had “lent” their vote to the Conservatives.

In the general election, Sedgefield returned its first Conservative MP in 84 years when local councillor Paul Howell overcame a Labour majority of more than 6,000. A £2,500 donation from the Association of Conservative Clubs helped the unexpected victory.

Ten miles east, in Bishop Auckland, successful Conservative candidate Dehenna Davison received almost £25,000 in recordable donations, all from Tory funding clubs and major party donors.

The 26-year-old Davison, seen as a rising Conservative star, received £5,000 from J.C. Bamford Excavators Ltd, better known as JCB. The donation from the mechanical digger firm – headed by the billionaire Tory peer Lord Bamford – was listed as coming “via the Midlands Industrial Council”.

The Midlands Industrial Council is one of the longest running, and most secretive, Conservative funders. Initially set up in 1946 to oppose Labour leader Clement Attlee’s nationalisation programme, this unincorporated association has long shunned publicity: for decades it refused to print a members’ list, [until a 2006 leak of 22 names](#).

Since new disclosure rules took effect in 2001, donations from the Midlands Industrial Council seem to have dwindled. The Electoral Commission lists only one donation from it since 2008 – a relatively modest £10,000 to Torbay Conservative MP Kevin Foster, in 2015.

However, openDemocracy’s research found that the Midland Industrial Council was involved in a string of donations in 2019 – all sums received from other organisations, but given via the council to Tory candidates overwhelmingly in ‘red wall’ seats.

These named companies linked to the council include the former Tory peer [Lord Edmiston’s IM Group Ltd](#), J.C. Bamford Excavators Ltd and developer Nicholas Cooper’s NFC Homes (East) Ltd. Cumulatively, these firms gave £229,500 to Conservative candidates.

#### Millionaires and billionaires

Many members of the [Conservatives’ elite Leader’s Group dining society](#) – who pay a minimum of £50,000 a year into party coffers – also provided a shot in the arm to key marginals.

Lord Bamford’s brother Mark personally donated £45,000 to five Tory MPs, while the JCB scion’s son Jo gave £10,000 to two successful Tory candidates.

Alongside the Bamfords, the billionaire Cayzer family of financiers donated over £60,000 to six successful candidates, mainly via the Cayzer Trust Company Ltd, but also as individuals such as Elizabeth Gilmour (née Cayzer) and Charles Cayzer. Again these candidates were predominantly contesting traditional Labour seats in northern England.

Long-standing Tory donor Stalbury Trustees gave £116,000 to 26 successful candidates.

Stalbury Trustees is a private unlimited company, registered in a Mayfair solicitor’s office since 1979. Its four directors are the seventh Marquess of Salisbury (a former Tory Leader in the Lords), his younger brother, the seventh Earl of Verulam, and stockbroker David Barnett, who lists his occupation as “gentleman”.

Elsewhere, former Conservative treasurer, Leader’s Group member and multi-millionaire

Lord Harris of Peckham continued to donate generously to target seats, giving £48,500 to thirteen successful candidates.

Lord Harris's fellow Leader's Group member, the property billionaire Tony Gallagher – [who threw a fiftieth birthday party for David Cameron at his stately home](#) – gave £47,800 to five candidates, through his companies Countywide Developments Ltd and Gallagher Developments Ltd.

One major new donor also gave similar amounts: racing tycoon Lawrence Neil Tomlinson, worth a reported half a billion pounds, who donated £40,500 split across thirteen Tory candidates.

One of the most mysterious features of the new donor data is the prominence of a little-known company, D Contracts Ltd, which gave £26,500 to eight successful Tory candidates. D Contracts has never given registerable donations before, shares a registered address in Trafford with over 250 other companies and describes itself as a “business support services” company.

D Contracts has one director, Cristinel Drug, a Knightsbridge-based Romanian citizen who has no obvious record of previous political activity in the UK. Drug owns construction company Tecton-DHC Ltd, a client redeveloping a major Knightsbridge site around the corner from Harrods.

#### Well-funded seats

As well as sending money to key Labour-held seats, many of the same Tory funding clubs and major donors also diverted money to shore up key Conservative-Labour battleground seats including Corby, Crewe and Nantwich, Derby North, Dewsbury, High Peak, Ipswich, Keighley, Lincoln, Peterborough, Stroud, Vale of Clwyd, Warrington South and Wolverhampton South West.

Other well-funded seats were gains from the 2017 general election, which needed defending, such as Banff and Buchan, Mansfield, Moray, North East Derbyshire, Stoke-on-Trent South, and Walsall North.

In [Middlesbrough South and East Cleveland](#), the 2017 Conservative gain saw an eye-watering £64,600 donated to the local party in the year running up to December's election campaign. A variety of donors gave the money, including private equity tycoon Jeremy Hosking (a major donor to the Brexit Party only a few months earlier), Kilfrost Chemicals CEO Gary Lydiate and Ukrainian-born energy mogul Alexander Temerko (via his company, Aquind Ltd). Stalbury Trustees and the United and Cecil Club, mentioned above, also gave to this local party.

The donations seem to have paid off. While the Conservative vote across the UK only rose by 1.2%, the Tory vote in Middlesbrough South and East Cleveland jumped 9.2%, with the majority increasing from 1,020 to 11,626.

The four Conservative gains from the Liberal Democrats at the last election – Brecon and Radnorshire, Carshalton and Wallington, Eastbourne, and North Norfolk – all saw significant funding from Tory funding clubs and billionaire donors, too.

Intriguingly, a few ‘red wall’ seats which fell to the Tories, such as Blyth Valley, Burnley,

Durham North West, Leigh, Redcar, and Rother Valley, received no declarable donations. It is unclear whether this was because they enjoyed central party funding instead, or is merely a sign of unexpected electoral success.

There were a few significant donations in safe Conservative seats too. While Lord Harris of Peckham typically donated around £2,000-£3,000 to candidates in marginal seats he also gave £10,000 to Michael Gove who was defending ultra-safe Surrey Heath.

Multi-millionaire Michael Spencer, who [has reportedly been blocked from a peerage three times](#) but [has been tipped for a peerage this time around](#), gave at least £80,500 to some twenty seats, including safe seats such as Gove's, Boris Johnson in Uxbridge and South Ruislip, and the backbencher Alan Mak in Havant.

#### Anonymous donations

Transparency campaigners have previously raised concerns about unincorporated associations' role in political funding. If they are registered, these groups are supposed to report all gifts they receive over £7,500. But the last time a donation to an unincorporated association was registered was in November 2014.

Reacting to openDemocracy's research, MPs and campaigners called for action to prevent unincorporated associations funnelling dark money into British politics.

Labour's Jon Trickett said: "For years incredibly wealthy donors have used shell companies and unincorporated associations to funnel anonymous donations into our political process, undermining transparency and democracy, often to benefit the Conservative Party.

"In the 2019 general election I announced a series of policies to combat this head on, and these are more necessary now than ever."

Steve Goodrich, head of research at Transparency International, said: "Unincorporated associations make it far too easy for those shy of publicity to withhold their names from public view.

"Whilst this may be within the current rules, it also shows the rules aren't achieving their aim: providing transparency and probity over the origins of money in politics. Having this information out in the open is crucial to understanding potential access, influence and power in our democracy."

The SNP's Deidre Brock said that the Conservative donations were "clearly run at a UK level and it should follow the same reporting rules that the rest of us follow in reporting donations during election campaigns.

"From the hidden cash of the DUP's Brexit campaign to the fortunes clearly sloshing around Tory candidates, dark money is leaving a stain on UK politics that will be difficult to wash away."

openDemocracy asked the Conservatives for comment. At the time of publication no comment had been received.

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