

STANDARDS, PROCEDURES AND PUBLIC APPOINTMENTS

INQUIRY INTO LOBBYING

SUBMISSION RECEIVED FROM POLITICAL AND CONSTITUTIONAL REFORM COMMITTEE, HOUSE OF COMMONS

Thank you for your letter about the inquiry into lobbying being held by the Standards, Procedures and Public Appointments Committee.

The Political and Constitutional Reform Committee of the House of Commons has carried out two substantive inquiries into lobbying in the current Parliament. The first inquiry examined the proposals in UK Government's consultation paper, Introducing a Statutory Register of Lobbyists. The consultation paper proposed that only third party lobbyists would be required to be on a statutory register and that those working in-house would be exempt. The second inquiry examined the Government's Bill, the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Bill. This Bill, which is currently making its way through Parliament, also restricts the lobbying register to third party lobbyists. The Committee produced its initial report on the Bill in September, and has just published a follow-up report, which was intended to inform the Commons consideration of Lords Amendments. All three reports on lobbying are available on the Committee's website and are attached for your information.

In its report on the lobbying consultation paper, the Committee noted that the right of citizens to lobby Government and Parliament, or to engage others to lobby on their behalf, is a fundamental part of a vibrant democracy. However, it also noted that there is a perception in some quarters that some people have undue access to, and influence over, the policy-making process. The Committee concluded that there is a public perception in some quarters that there are inappropriate relationships between Ministers and lobbyists, and that there is a need for action to address this perception.

The Committee was of the view that a statutory register of lobbyists could help to improve transparency, but noted that the definition of "lobbying" would be key to the success and effectiveness of any future register. The Committee was concerned that the proposals in the consultation paper restricted the register to third party lobbyists. After examining different options for a statutory register, the Committee concluded that medium regulation was the most desirable and feasible approach. Medium regulation would encompass the following:

- a broadened definition of a lobbyist, to include anyone who lobbies professionally in a paid role (thus in-house lobbyists, trade associations, trade unions, think tanks, campaign groups and charities may be required to register)
- disclosure of the issues being lobbied on;
- disclosure of when lobbying services have been provided on a pro bono basis;
- a statutory code of conduct or a hybrid code of conduct (whereby organisations and individuals must indicate that they have signed up to their

industry's relevant code of conduct, so it is clear where complaints can be addressed); and

- incorporation of published data on whom ministers are meeting (Introducing a Statutory Register of Lobbyists, para 53)

The Committee recommended that the Government implement medium regulation as a starting point for a statutory register of lobbyists.

However, when the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Bill was published in July 2013, it became clear that the Government had not listened to the Committee's recommendations. The Government's purpose in Part 1 of the Bill is extremely limited. Part 1 introduces a statutory register to make it clear whom third party lobbyists—or "consultant lobbyists" to use the Government's term—represent when they meet Ministers or Permanent Secretaries. Lobbyists and transparency campaigners alike were united in telling us that this was not the problem they thought the Government should be addressing.

In its initial report on the Bill, the Committee noted that the Government's definition of "consultant lobbying" was so narrow that not only would it exclude in-house lobbyists, which was the Government's intention, but, as originally drafted, it would also have excluded the vast majority of third party lobbyists, and particularly the larger organisations. The exemption that would have led to this situation was tightened up during the passage of the Bill through Parliament.

There were some other improvements to the Bill as it made its way through Parliament. In particular, the Government introduced an amendment that will require third party lobbyists to state on the register whether they have signed up to a relevant code of conduct. This was a change the Committee called for in its initial report on the Bill. A non-Government amendment was made in the House of Lords to add special advisers to the list of people with whom contact counts as lobbying. The Committee supported this amendment, but the amendment was overturned in the House of Commons and replaced with a weaker compromise whereby the Government "may" use regulations to include special advisers within the scope of the Bill, at a later date.

Overall, the Committee concluded that in order genuinely to enhance transparency and confidence within the public sphere, a lobbying register would have to cover all those who lobby professionally and all those who offer professional advice on lobbying, whether they are third party or in-house lobbyists, including those working for law firms, trade associations and think tanks. The Committee also argued that the information that the register requires to be listed should include the subject matter and purpose of the lobbying, where this is not already clear from the company's name. The Committee stated that, without the changes it recommended to broaden the register, the Bill would do very little to increase transparency about who is lobbying whom and for what purpose.

I hope our experiences are useful to your inquiry.

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HOUSE OF COMMONS
JANUARY 2014**