

The Never-Ending Scandal: an investigation into Parliament's view of lobbying reform

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in partnership with

Policy/logul



Introduction

Lobbying is a force for good and a vital part of the democratic process. It has also been let down by the 2014 Lobbying Act: rules that ought to have clamped down on unethical, shady lobbying but have instead allowed such practices to flourish.

As will be shown, the case for reform is by now clear, but the attitude of Parliament much less so. The CIPR's report - *The Never-Ending Scandal* – explores the position of UK parliamentarians on lobbying reform by analysing data provided by the Parliamentary monitoring software PolicyMogul, which captures every use of the word lobbying since December 2019. The findings are as stark as they are alarming: Parliament is not doing enough to champion reform.

- Three in four MPs have not explicitly raised lobbying - concerns, specific instances or lobbying rules – since December 2019
- None of the three main parties is leading on the issue, with only 9% of Conservatives; 17% of Labour; and 14% of Liberal Democrat MPs explicitly raising the Lobbying Act in Parliament since December 2019.
 Overall, for explicit references to the Lobbying Act, the figure stands at just one in eight MPs
- There is a lack of year-round interest in lobbying: contributions using the word lobbying briefly spike in the immediate wake of the Greensill Capital and Owen Paterson scandals, but otherwise **remain low** at just 9 a month
- A significant proportion of the discussions of lobbying reform – 14% of contributions – focus on the issue of foreign lobbying. Though ripe for reform, foreign lobbying is distinct from domestic lobbying and so an undue focus risks concealing the flaws in the 2014 Lobbying Act
- The Commons is far more focused on lobbying rule reform than the Lords with 70% of the references to lobbying occurring in the former, compared with 30% in the latter

Alongside its analysis of data provided by PolicyMogul, the CIPR also commissioned Opinium to explore public perceptions of lobbying. The survey of almost 2,100 UK voters made some no less alarming findings:

- A clear majority 62% have heard of the string of lobbying scandals and almost half think that lobbying rules are too weak
- Most alarmingly, however, is the finding that almost three quarters of respondents say that lobbying scandals make them less confident in the political system, whilst 44% say scandals make them much less confident

This is an issue, then, that cuts to the heart of British politics. And faced with clearly defective rules and mounting public concern, lobbying reform ought to be higher on Parliament's agenda.

"Our industry is all about building trust – in our own organisations, for our clients, and those we work closely with. The Lobbying Act has made that harder and has failed in its intention to build trust in our politics – amongst legislators and those that seek to influence and inform policy decisions. We want a fairer system, a level-playing field, and greater transparency."

Alastair McCapra, CIPR CEO

Part One

Background to lobbying

Background to lobbying

Few words excite passions quite like lobbying. Yet for all the recent headlines, lobbying is by no means a recent innovation.

The act of seeking to influence government, or advising others on how to influence government, stretches far back into history. The use of the word lobbying in its political sense dates back to the 1640s, taking its name from the "outward room of the Commons House, called the Lobby" where parliamentarians and the public would congregate, affording the latter the opportunity to try and influence lawmakers.¹

Parliament has long been a focal point for lobbying. Parliamentary petitions have been used throughout history to communicate the views of the electorate with MPs. As the importance of Parliament within the wider political system has grown, so too has petitioning. In 1839 alone, 13,657 public petitions were presented on more than 90 different subjects carrying more than 4.5 million signatures.² Of course, ministers have also been a target of "lobbyists". The late eighteenth century saw the emergence of "industrial lobbyists" whilst the diaries of various nineteenth century politicians detail meetings with business figures and those championing various causes.

Lobbying developed in lockstep with broader societal, economic and political developments. As more companies expanded into international markets, and as the enlarged post-war state increased its regulation of businesses, the need to lobby government also increased. By 1985, the *Financial Times* reported that 41% of 180 major British corporations it surveyed were using political consultants whilst over a quarter were using PR companies for government relations work.³ In the intervening years, there has been no let up in lobbying.

Lobbying as a force for good

Lobbying plays a vitally important role in the democratic process. Progressive change has often been preceded by substantial lobbying efforts whilst, as the co-author of *Lobbying for Good* Paul Monaghan notes, businesses – be it Cadbury, Rowntree or Midcounties Co-operative – have often used their influence to push "for good [to make] a substantive, positive difference to people and the planet".⁴

"Lobbying is often a dirty word. Recent and historic scandals haven't helped. But the industry plays a critical role in our democracy, helping inform Government and contribute to better public policy. That's why greater openness and transparency, as advocated by the CIPR as part of this campaign, are so vital. Sunlight is the best disinfectant."

James Boyd-Wallis, Vice Chair of the CIPR Public Affairs Group

¹The Guardian, https://www.theguardian.com/books/2021/apr/29/from-monasteries-to-ministers-how-lobbying-got-its-meaning

 $^{{}^2 \}text{UK Parliament,} \\ \frac{1}{\text{https://www.parliament.uk/about/living-heritage/transformingsociety/electionsvoting/chartists/overview/participationthroughpetition/} \\ \frac{1}{\text{https://www.parliament.uk/about/living-heritage/transformingsociety/electionsvoting/chartists/overview/participationthroughpetition/} \\ \frac{1}{\text{https://www.parliament.uk/about/living-heritage/transformingsociety/electionsvoting/chartists/overview/participationthroughpetition/} \\ \frac{1}{\text{https://www.parliament.uk/about/living-heritage/transformingsociety/electionsvoting/chartists/overview/participationthroughpetition/} \\ \frac{1}{\text{https://www.parliament.uk/about/living-heritage/transformingsociety/electionsvoting/chartists/overview/participationthroughpetition/} \\ \frac{1}{\text{https://www.parliament.uk/about/living-heritage/transformingsociety/electionsvoting/chartists/overview/participationthroughpetition/} \\ \frac{1}{\text{https://www.parliament.uk/about/living-heritage/transformingsociety/electionsvoting/chartists/overview/participation/} \\ \frac{1}{\text{https://www.parliament.uk/about/living-heritage/transformingsociety/electionsvoting/transf$

³ Corridors of Power: Lobbying in the UK, https://journals.openedition.org/osb/409#tocto1n2

⁴The Guardian, https://www.theguardian.com/sustainable-business/lobbying-business-leaders-history

Lobbying as a force for good

Take the case of Interel UK's 10-month #notalaughingmatter lobbying campaign. During the Covid-19 pandemic, there was widespread concern within the sector that the beauty and wellness industry was not receiving the attention and support it needed from the Government. Businesses were hanging in the balance in a sector amongst the hardest hit by the pandemic.

By using the APPG on Beauty, Aesthetics and Wellbeing – set up by leading parliamentary campaigners Carolyn Harris MP and Judith Cummins MP, with Interel as Secretariat – the campaign united cross-party politicians and the fragmented beauty and wellness industry. The results were stark, with the campaign securing a wholesale turnaround in how the beauty industry, typically considered a "pink and fluffy" women's industry, is perceived by the Government. This resulted in, amongst many other positive changes, the formation of a new sector-specific team in BEIS (Department for Business, Energy & Industrial Strategy) dedicated to the beauty industry.

Similarly, the Royal College of Nursing Wales's #ForTheFullTeam collaborative campaign with Cowshed, to ensure safe and effective patient care in all nursing settings, provides a further, powerful demonstration of lobbying's force for good. Through a highly visible awareness and lobbying campaign, including the projection of political messages on four well-known buildings in Cardiff and the creation of an ad specifically for digital advertising on a range of social channels, the RCN worked to secure signatures for a petition demanding that the Welsh government extend section 25b of the Nurse Staffing Levels (Wales) Act 2026 guaranteeing greater safety for nurses and patients alike.

Parliamentarians are aware of the power of lobbying. PolicyMogul's data records a number of instances of MPs attesting to the benefits of hearing from expert opinion. During one debate, Sir Chris Bryant MP discussed how, when he sat on the Public Bill Committee for the Mental Health Act 2007, he "relied on lobbyists, some of them from mental health charities, some from patients groups, and some from the pharmaceutical industry". ⁵ Anum Qaisar MP, meanwhile, noted that lobbying brought Fibrodysplasia Ossificans Progressiva to the House's attention, ⁶ whilst the lobbying of various "learned societies" was singled out for praise by Tim Loughton MP.⁷

The rise of unethical lobbying

Sadly, though, as is the case in so many sectors, the lobbying industry has been tainted by unethical, shady practices. And for all the undoubted good that lobbyists do every day, it is the unrepresentative but egregious examples that stick in the public's consciousness – and the public's craw.

Lobbying and corruption scandals certainly did not begin in the 1990s – such allegations brought down a Home Secretary in the 1970s, for instance – but it was *The Guardian's* breaking of what would become known as the Cash for Questions scandal in 1994 that brought unethical lobbying firmly to the fore. The scandal, in other words, represents something of a watershed in shaping public perceptions of lobbying. It cast a long shadow over the entire sector from which it hasn't escaped.

"The Lobbying Act was designed with the best intentions but has failed in its mission to improve public confidence in our politics. Today's parliamentarians have the opportunity to fix it. The industry is calling for change, several reports and inquiries recommend change, and the public also wants change. Together we can create something better that works for everyone. Doing nothing is not an option."

Adam Honeysett-Watts, Founder of do Different., Executive Director at Conservatives in Communications and Secretary of the CIPR Public Affairs Group

⁵ PolicyMogul, https://policymogul.com/parliamentary-record/hansard-content/27140/foreign-lobbying

⁶ PolicyMogul, https://policymogul.com/parliamentary-record/hansard-content/22735/fibrodysplasia-ossificans-progressiva

PolicyMogul, https://policymogul.com/parliamentary-record/hansard-content/18393/learned-societies-at-burlington-house

According to reports at the time, Neil Hamilton and Tim Smith, two sitting Conservative MPs, had allegedly accepted payment to ask questions in Parliament. In fact, according to *The Guardian*, Hamilton was rewarded with "a free week's holiday for himself and his wife, Christine, at the Ritz hotel in Paris" and a free shopping trip to Harrods, with none of the payments or free trips being declared to Parliament. Public fury was as immediate as it was impassioned - and it did not quickly subside. Four years after the news broke, in the 1997 election, the anti-corruption campaigner Martin Bell ran against Neil Hamilton in his Tatton seat and won with a majority of more than 11,000.

Efforts at regulating

In response to the scandal, the then Prime Minister John Major announced the creation of the Committee on Standards in Public Life, chaired by Lord Nolan. The result of this inquiry was the publication of the famous Nolan Principles: seven rules for public servants, including selflessness, integrity, accountability and openness, that political journalist Peter Oborne has called "a magnificent statement of how a country (or any organisation) should be governed".

The Nolan Principles are perhaps as notable for what they didn't say as what they did. Ultimately, Nolan opted against the regulation of lobbyists themselves, arguing that the creation of a public register would become a marketing device for lobbyists. What's more, as Oborne notes, "breaking [the Principles] carries no consequences". 11

Perhaps inevitably, then, scandals didn't suddenly subside. Rather, the dying days of the nineties brought with it the famous 1998 "Lobbygate" scandal, which saw a former aide to Peter Mandelson, who had become a lobbyist, boast to undercover reporters that there were "17 people who count" inside government, "and to say I am intimate with every one of them is the understatement of the century". The noughties opened with allegations of undue business influence over tobacco advertising exemptions and were closed out with the suspension of two Labour peers - the first members of the Lords to befall such a fate in over 350 years – over allegations that they would help to amend a bill going through Parliament in return for a fee. 12

The decade following the publication of the Nolan Principles was ultimately bookended by unethical lobbying scandal.

Enter Cameron and the Lobbying Act 2014

Things could have changed after 2010. As part of his efforts to modernise the Conservative Party, David Cameron pledged himself to lobbying reform, declaring in a speech in February of that year that unethical lobbying was "the next big scandal waiting to happen". He wished to shine the "light of transparency" on British politics.

Cameron's words reflected a widely-held view that unethical lobbying hadn't been effectively addressed. In response to the speech, for instance, David Miller of the Alliance for Lobbying Transparency said that "if [it is] serious about listening to ordinary people, the Conservative Party must pledge to introduce a mandatory register of lobbyists". ¹³ Public concern was growing, shaped not just by scandals but also the rise of twenty-four-hour news and social media, which provided fresh outlets for expressions of frustration. Mounting public pressure is perhaps one of the key factors in the creation of the eventual Transparency of Lobbying, Non-party Campaigning and Trade Union Administration Act 2014.

⁸ The Guardian, https://www.theguardian.com/politics/1994/oct/20/conservatives.uk

⁹ Peter Oborne, Assault on Truth p.112

¹⁰ Corridors of Power: Lobbying in the UK, https://journals.openedition.org/osb/409#tocto1n2

¹¹ Peter Oborne, Assault on Truth p.113

¹² All three examples are cited in The Guardian: https://www.theguardian.com/politics/2021/apr/13/what-other-lobbying-scandals-have-there-been-in-british-politics

¹³ Telegraph, https://www.telegraph.co.uk/news/election-2010/7189466/David-Cameron-warns-lobbying-is-next-political-scandal.html

Put simply, the Act created a statutory register of consultant – or third-party - lobbyists. Publicly available, the register is intended to increase transparency, by enabling voters to see exactly who is seeking to influence whom.

Though well intentioned, the Government's efforts to address unethical lobbying were seriously flawed from the outset. The proposed Bill included significant loopholes – discussed at greater length on page 11 – that were clear before the ink had even dried on the page. The CIPR's then-CEO Jane Wilson was chief amongst those criticising the Bill, offering a scathing – and prescient – analysis:

"This Bill – which offers an incredibly narrow focus on who is a consultant lobbyist – could even exclude many third-party consultants who are more likely to offer advice to clients than engage directly with Ministers, MPs and special advisers. The overwhelming majority of lobbyists, including representatives from the top ranked organisations as listed at Data.gov.uk on 'Who Ministers Are Meeting' are already left out. Because it ignores the scale and scope of professional lobbying, the proposed register will fail to meet the government's own aim of increasing transparency. The Bill, which is ill-conceived, would not even come close to preventing the alleged breaches of parliamentary standards that have seen this legislation rushed through. The Government should explain exactly what they believe this Bill will achieve."14

Even the Electoral Commission – addressing the potential effects on non-party campaigning - declared that "the Bill raises some significant issues of workability", prompting one observer to claim that the "diplomatic wording" didn't conceal the Commission's belief that the Bill was "badly thought out". These criticisms, and efforts to pass the Bill, seemed to have had quite the effect on Lord Wallace, who told the Lords in a debate that "the scars are still on my back from having taken" the Act through the upper chamber.

And yet this Bill passed into law; its ineffectiveness not only failing to close the door on unethical lobbying, but actually leaving it ajar for the practice to continue.

Enter Cameron and Greensill

If public concern had been at all allayed by the 2014 Act, it was soon piqued once again by the very man who led the government that introduced the measures. In the midst of the Covid-19 pandemic, news broke that former Prime Minister David Cameron – the man who once talked of shining a light of transparency on UK politics – had allegedly bombarded government officials with at least 50 emails, texts and WhatsApp messages on behalf of Greensill Capital between 5 March and 26 June 2021. Ultimately, the Treasury declined to supply Greensill with Covid-19 loans, but the sight of a former Prime Minister seemingly seeking to influence the Government was enough to provoke fresh scandal.

In the words of the *Financial Times*, the Greensill affair represented the "the biggest UK lobbying scandal in a generation". ¹⁸ Opinion polls published shortly after the scandal showed confidence in democracy had been dented. According to the Institute for Public Policy Research, 57% of respondents now felt that UK politicians were "out for themselves" – a figure that was just 35% in 1944. ¹⁹

Akin to the Cash for Questions scandal almost thirty years before, Greensill represents a second watershed moment in setting public attitudes towards lobbying. It also sparked fresh attempts at regulatory overhaul.

"Lobbying is a vital part of a healthy democracy, helping to inform policy makers of the impact of their decisions. The 2014 act has never been fit for purpose and should be amended to enhance transparency on the activities of lobbyists and equally importantly those being lobbied."

Paul Beckford, Former Chair of the CIPR's Public Affairs Group

 $^{^{14}\}text{CIPR, } \underline{\text{https://newsroom.cipr.co.uk/cipr-responds-to-announcement-of-transparency-of-lobbying-non-party-campaigning-and-trade-union-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-campaigning-administration-bill/party-cam$

¹⁵ Tax Research UK, http://www.taxresearch.org.uk/Blog/2013/09/03/the-electoral-commission-says-the-governments-lobbying-bill-is-bad-law-thats-unenforceable-and-a-massive-burden-on-free-speech/

 $^{^{16}} Policy Mogul, \\ \underline{https://policymogul.com/parliamentary-record/hansard-content/25547/elections-bill}$

¹⁷ Guardian, https://www.theguardian.com/business/2021/may/11/greensill-the-scale-of-david-camerons-lobbying-texts-revealed

¹⁸ Financial Times, https://www.ft.com/content/2f7a1a0b-ac28-48cc-83b1-f5a98713ec45

 $^{^{19}} IPPR, \underline{https://www.ippr.org/news-and-media/press-releases/revealed-trust-in-politicians-at-lowest-level-on-record/linearity.}$

Recent progress towards reform

In the immediate aftermath of the Greensill scandal, the Government launched the Boardman Inquiry. Crucially, the first part of the report noted that whilst Greensill enjoyed "extraordinarily privileged" access to Downing Street, the fact that no loans were granted suggested that "the current system and those operating within it worked well". In the words of the Institute for Government, this analysis "downplay[ed] the fragility of the rules on lobbying".²⁰

In the second part of the report, Boardman argued that the UK needed a lobbying regulator with the ability to "impose severe sanctions" on those who break the proposed statutory code. He also called for all former ministers or senior civil servants engaged in lobbying to formally register as consultant lobbyists. ²¹ Though this was a step in the right direction, Boardman did not recommend including in-house lobbyists in the lobbying register. As the CIPR argued at the time, this would continue to leave the new regulator blind to huge amounts of lobbying. ²²

Boardman's wasn't the only parliamentary inquiry or report that addressed unethical lobbying or the issues in its immediate orbit. In fact, since the Greensill scandal broke there have been seven. Progress appeared to have been made in the Treasury Committee report of July 2021 – Lessons from Greensill – which "accepted" that the fact that Cameron hadn't actually broken the rules reflected their "insufficient strength". There was thus "a strong case for strengthening [lobbying rules]" - albeit a case that fell outside of the Committee's remit to pursue.²³

The sector, then, is still waiting for lobbying reform. Faced with cost of living and energy crises, the ongoing Brexit and Covid-19 fallout and the Ukraine war, it is likely that Government simply hasn't had the time to pursue lobbying reform. As the General Election draws ever closer, there is a further risk that this issue continues to be submerged.

Truthfully, there isn't simply a case for lobbying reform. As part two of this report will make clear, there is an urgent need to overhaul broken rules to restore confidence in a political practice that has the power to be an overwhelming force for good.

"It's time for all good lobbyists to come rally and shout out for good lobbying reform. Quite simply, if we are to have a statutory register it needs to work to increase lobbying transparency and openness. The lobbying industry knew that the Lobbying Act wasn't fit for purpose in 2014 and nearly 10 years later we have been proved right. I would strongly suggest that we now have less lobbying transparency not more. There is a real opportunity ahead of the General Election to put this right and build trust in this essential part of our democracy."

Gill Morris, Chief Executive, DevoConnect

 $^{^{20}} Institute \ for \ Government, \\ \underline{https://www.instituteforgovernment.org.uk/article/comment/boardman-review-needs-lead-change-government}$

²¹ Financial Times, https://www.ft.com/content/8cca132a-6c73-4d8c-b1b4-731ab768a9f9

 $^{{}^{22}}Spotlight\ on\ Corruption, \\ \underline{https://www.spotlightcorruption.org/boardmans-greensill-review-makes-a-pitch-for-bold-reform-will-it-shift-the-dial/policy-for-bold-refor-bo$

 $^{^{23}\,} House of \, Commons \, Treasury \, Committee, \, \underline{https://committees.parliament.uk/publications/6800/documents/72205/default/\,p.5}$

Part Two

The public's view in 2023

The public's view in 2023

There is widespread public concern at the growth of unethical lobbying. This is inevitable. Without rules that require all lobbying to be registered, the headlines will continue to serve up the public a diet of seemingly never-ending scandal.

The danger of allowing unethical lobbying to flourish unchecked is not just that the sector develops a bad name, and the good work being done daily by lobbyists is lost, but that the political system is itself damaged. Worryingly, the evidence provided by a survey of almost 2,100 voters from across the UK found that:

Voters are watching

The survey found that a vast majority of respondents are aware of lobbying scandals. The figures are stark:

- In total, 62% of respondents had heard of lobbying scandals – 13% going so far as to say they knew about them in detail
- Only a quarter (24%) of respondents had not heard of recent lobbying scandals involving MPs

• The rules are seen as too weak

For all the effort that has gone into regulating lobbying – from the Nolan Principles through to the Lobbying Act 2014 – the public is of the view that the rules are too weak:

- Almost half of voters (46%) feel that lobbying rules are too weak and need to be strengthened to prevent undue influence
- By contrast just 10% think that the rules strike the right balance between preventing undue influence and allowing legitimate lobbying

Unethical lobbying undermines confidence in democracy

Most worrying of all for lawmakers, the survey provides strong evidence that lobbying scandals have shaken the public's faith in democracy:

- Almost three quarters of respondents (71%) said that lobbying scandals make them less confident in the political system
- Even more alarmingly, 44% of respondents said that lobbying scandals make them much less confident in political systems

The message for parliamentarians couldn't be clearer: the public is watching and it is time to reform lobbying rules to finally shine the promised light of transparency on our democracy. A significant number of voters are not only aware of the cycle of scandal and think the rules are too weak, but an overwhelming majority feel less confident in the political system as a result. This is not an issue of little significance to voters. Rather it underpins confidence in the UK's political edifice.

"The current Lobbying Act has multiple flaws, and it is failing on many different levels. Its biggest flaw lies in the fact that it only covers consultant lobbyists – roughly one fifth of the industry. If a new, more effective Lobbying Bill is to be introduced, it must address this flagrant flaw in the existing Act."

Lionel Zetter, former CIPR President

Lobbyists calling for reform

Lobbyists are not those dragging their feet or objecting to reform. The CIPR works with lobbyists representing a huge range of industries and this disparate, passionate sector speaks with one voice: that reform of lobbying rules is urgently needed.

And short of an overhaul of the existing rules, the sector has set about trying to regulate itself. Given the limitations of the lobbying register, in 2015, the CIPR launched its own UK Lobbying Register (UKLR).

The UKLR provides a platform for all lobbying activity to be voluntarily recorded, through which all registered members must adhere to a strict code of conduct and are committed to lobbying in plain view. All lobbyists, including agency, inhouse and freelance, are encouraged to join as part of the CIPR's efforts to drive higher standards in professional lobbying and transparency into the practice.

The flaws in the 2014 Lobbying Act

The Lobbying Act 2014 is not fit for purpose. As the CIPR pointed out almost a decade ago, the legislation contains so many loopholes, and so many exemptions, that it is blind to huge amounts of invisible lobbying. For instance, only third-party, consultant lobbyists are required to record their oral, written, or electronic communications sent personally to a minister or permanent secretary. Anyone who is not a third-party consultant lobbyist is not permitted to sign the register. The Act is not simply failing to encourage transparency; it is actively preventing it.

By the same token, in only requiring the lobbying of ministers or permanent secretaries to be registered, the Act is blind to any communication with MPs, regional mayors, peers and APPG chairs. Crucial though these two flaws undoubtedly are, they do not spell the end of the legislation's limitations:

- The law includes an "incidental lobbying" exemption. This means that a business does not need to register their lobbying activity if "they carry on a business which consists mainly of non-lobbying activities" and "the particular communication is incidental to the carrying on of those activities". This acts as a get-out-of-jail-free card for law firms, charities, trade unions and a number of other businesses. Put another way, casual WhatsApp messages from a lawyer to an MP, or a banker to a special adviser in the Treasury, no matter the significance of the content, are not captured by the law
- In addition, businesses that are not VAT registered are also exempt from registration. This creates a perverse incentive to employ lobbyists who are not required to register for VAT in order to sidestep the registration requirement

The problem is made worse by the fact that other sources of transparency – ministers' diaries and the Register of Members' Interests – are either infrequently published or lack certain declarations. Combined, the patchy Lobbying Act and the political system becomes unhelpfully opaque.

With such patchy legislation, it is no surprise that unethical lobbying has been left to flourish largely unchecked. In fact, Transparency International estimates that fewer than 4 per cent of UK lobbyists are covered by the register.²⁴ What's more, the OECD also found that the narrow scope of the UK's register means it captures less information when compared with other registers including those in the EU, the US, Canada, Spain, Slovenia, Mexico, Peru, and others.²⁵

"The lobbying legislation introduced almost a decade ago is not fit for purpose. We need fresh legislation that creates a level playing field for all lobbying with transparency at its core. Only then will policymakers establish confidence."

lain Anderson FCIPR, Executive Chairman of H/Advisors Cicero

 $^{^{24}} Transparency International, \underline{https://www.transparency.org.uk/less-4-lobby ists-covered-uk-lobby ing-register} \\$

²⁵ OECD, https://www.oecd-ilibrary.org/sites/c6d8eff8-en/1/3/2/index.html?itemId=/content/publication/c6d8eff8-en&_csp_=381daa981c42f6b279b070444f653f78&itemIGO=oecd&itemContentType=book#section-d1e3076

What this means in reality is that significant amounts of lobbying, be it for Greensill or otherwise, do not need to be registered. Take the case of Andrew Bridgen MP, whose lobbying to secure "appropriate tax treatment' for a specific business was investigated by the watchdog. As Bridgen who was actually briefly suspended from the Commons - was not being paid the activities were not deemed to be 'consultant lobbying', so he could not have registered even if he had tried to.

It is not the case that all the lobbying that isn't registered is bad. Rather, it lacks transparency - and without visibility, how can the public ever have confidence?

Lobbying reform and legislation that is fit for purpose, raises standards and drives transparency

industry, has the potential to drive positive change. To get

Lobbying is an essential component of democracy and with

the proper legislation in place to support the lobbying

to this point, the L4GL campaign relies on three pillars:

- Greater openness and transparency in public life and the public's trust rebuilt in lobbying and democratic process
- A level playing field whereby all lobbying activity not just those of consultant lobbyists - is captured

The 'Lobbying for Good Lobbying' campaign

We are locked in a cycle of seemingly never-ending scandal, and enough is surely enough. The rules and the risk of reputational damage are clearly not deterrent enough to stop a small number of parliamentarians and unethical lobbyists damaging the reputation of their peers and the wider political system. The Lobbying Act is not fit for purpose and must be overhauled. That is why the CIPR has launched the 'Lobbying for Good Lobbying' campaign.

At a time when public trust in politics is at an all time low, the campaign was launched as an attempt to rebuild trust and re-introduce transparency and ethics back into lobbying. As previously discussed, as so much of the discourse around lobbying is focused on its loopholes and scandals, the perception of lobbying as a force for good is often lost amid the noise.

"The constant scandals, mostly involving politicians caught in media stings, are infuriating. Worse still that their behaviour often does not fall foul of existing rules and regulations. We need a new lobbying act, one that the public can have confidence in and that protects this vital democratic function in an open and transparent way."

Peter Campbell, Head of Public Affairs and Media, Airport Operators Association

"Lobbying is essential in a free and democratic society, and those of us who are lobbyists should be proud of what we do. The lobbying industry has been calling for greater transparency ever since the Lobbying Act was introduced. Even though those who work in lobbying want to be open and accountable, the legislation simply doesn't allow for it and the public is tired of hearing stories and scandals about lobbying, even though these rarely involve bona fide professional lobbyists. Working with elected politicians and officials in polities around the UK, the challenge now is to do something effective about it."

Darren Caplan, Chief Executive, Railway Industry Association

"The many cases of MPs being reprimanded for bending lobbying rules tells us that the whole system needs to be changed. We need to see a cultural shift towards transparency in the industry."

Elliot Robinson, Founder and CEO, PolicyMogul

Part Three

What does Parliament think?



What does Parliament think?

Since 2019, Parliament has been rocked by a number of lobbying scandals. But for those outside, the neverending slew of unethical lobbying reports appears to have done little to catalyse reform.

Divining Parliament's attitude on any issue is tricky, not least on one as emotive and misunderstood as lobbying. After all, for all the frequent references on the floor of the House to the benefits of lobbying, one MP, whilst giving an example of how it ensured legislation was drafted correctly, still felt compelled to say that "I know that everybody is against lobbying" ²⁶.

Parliament is certainly aware of the need for reform as well as the flaws in the 2014 Lobbying Act. Indeed, the loopholes in the Act have been singled out in several debates throughout the last few years:

- The Rt Hon. Baroness Smith of Basildon, for instance, argued it was "very appropriate" that "the Government should give up-to-date guidance to make it clear that informal lobbying and lobbying via WhatsApp or Zoom should also be reported to officials"²⁷
- Jon Trickett MP submitted a Parliamentary question to ask about amending the Lobbying Act to include "in-house employees engaged in lobbying"²⁸
- John Penrose MP argued the Lobbying Act should be amended to capture "more people in the disclosures"
- Rachael Maskell MP noted the "loopholes" in the Lobbying Act³⁰
- Dan Carden MP, meanwhile, asked about "plans to expand the scope of the lobbying register"³¹

The Labour Party, meanwhile, has set out possible reforms to lobbying rules, including banning former ministers from working as lobbyists for a minimum of five years.³² But progress has been slow – and though this may partly be explained by various crises beyond Parliament's walls, it is clear that MPs are not consistently beating the drum.

Analysis of contributions

To establish the mood in Parliament, the CIPR partnered with PolicyMogul to analyse the discussions of lobbying on the floor of the House. PolicyMogul's platform scraped Hansard for all references to "lobbying". The results were then examined to manually remove vague or irrelevant uses of the word – references to MPs lobbying MPs; where the reference is only incidental; or non-specified references to potential future lobbying, for instance - to leave 420 results.

 All explicit references to lobbying: This consists of any relevant reference to lobbying, including concerns over unethical lobbying (references to Greensill or discussions of lobbying in a particular sector, for instance); references to positive or specific instances of lobbying; and any discussion of the Lobbying Act or calls for reform

 $^{^{26}} Policy Mogul, \\ \underline{\text{https://policymogul.com/parliamentary-record/hansard-content/17931/a-plan-for-the-nhs-and-social-care} \\ \\ 26 Policy Mogul, \\ \underline{\text{https://policymogul.com/parliamentary-record/hansard-care} \\ \\ 26 Policy Mogul, \\ 26$

²⁷ PolicyMogul, https://policymogul.com/parliamentary-record/hansard-content/25039/lobbying-of-ministers

²⁸ PolicyMogul, https://policymogul.com/parliamentary-record/written-q-and-a/120449/lobbying

²⁹ PolicyMogul, https://policymogul.com/parliamentary-record/hansard-content/16981/lobbying-of-government-committee

³⁰ PolicyMogul, https://policymogul.com/parliamentary-record/hansard-content/16899/greensill-capital

³¹ PolicyMogul, https://policymogul.com/parliamentary-record/written-q-and-a/86673/lobbying-registration

³² Labour Party, https://labour.org.uk/press/labour-demands-radical-and-immediate-overhaul-of-lobbying-rules/

 Explicit discussion of the Lobbying Act or calls for reform only: This further breaks down the previous category into 249 contributions. This includes only specific reference to the Lobbying Act; references that highlight the limitations of the regulatory framework; or references that see individuals call for reform

The result of this analysis was clear: Parliamentarians are not taking the issue seriously enough; the issue lacks year-round attention; and a cigarette paper can hardly be fitted between the three main parties when it comes to their level of enthusiasm.

The findings

Lobbying and lobbying reform is not discussed enough. According to the analysis of the PolicyMogul data:

- Just one in four MPs has explicitly raised lobbying

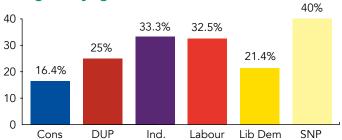
 specific instances, concerns or the rules since
 December 2019. This includes everything from discussions of Greensill Capital and Owen Paterson, through to lobbying with regards to alcohol, telecoms and education, for instance
- When it comes to explicitly raising the Lobbying Act (or lobbying rules), or calling for reform, the figure falls even further, standing at just one in eight MPs

Crucially, when broken down by party, there is little to encourage voters. The Labour Party is certainly significantly more vocal when it comes to raising lobbying - although two-thirds of Labour MPs have not raised the subject since October 2019. But when it comes to discussing the rules themselves, interest drops significantly. The same is true for the Liberal Democrats. Evidently, given the damage lobbying scandals are doing to voters' confidence in UK politics, MPs from across the parties could be doing more to drive forward reform.

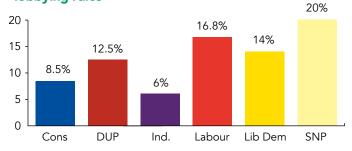
"The current statutory register of consultant lobbyists only captures a fraction of the public affairs engagement that goes on at Westminster, it does nothing to improve transparency or give people confidence that lobbying is an important and legitimate part of the democratic process. The statutory register should record lobbying activity, regardless of who is doing it. This would go a long way towards ensuring that lobbying is open, transparent, professional and ethical."

Donna Castle, CIPR Council and committee member of the CIPR Public Affairs Group

Percentage of MPs by party explicitly raising "lobbying"



Percentage of MPs by party explicitly raising "lobbying rules"

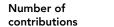


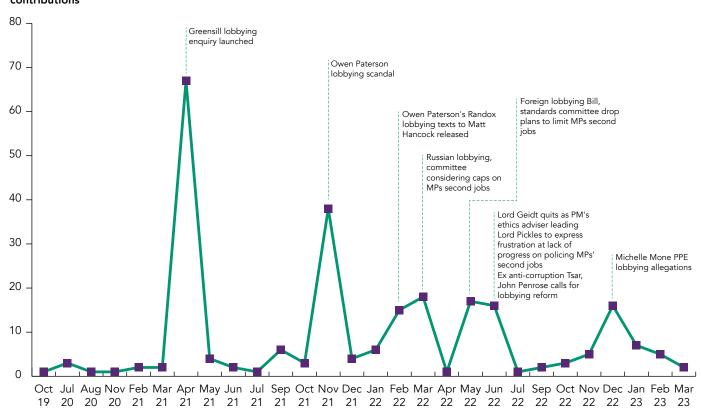
References to lobbying, and discussions of reform, spike in the immediate aftermath of a scandal. The Greensill Capital and Owen Paterson scandals in particular breathed life into parliamentary interest – albeit fleetingly.

"We're incredibly proud of the important lobbying we do for our clients and equally proud to be transparent and open about that work. But the existing register captures such a small amount of lobbying activity that, far from building public trust, it only serves to damage the reputation both of our industry and politicians. The legislation lets people look through the keyhole when they need to see the whole room."

Sara Bristow, Director, Head of Healthcomms, part of the PLMR Group

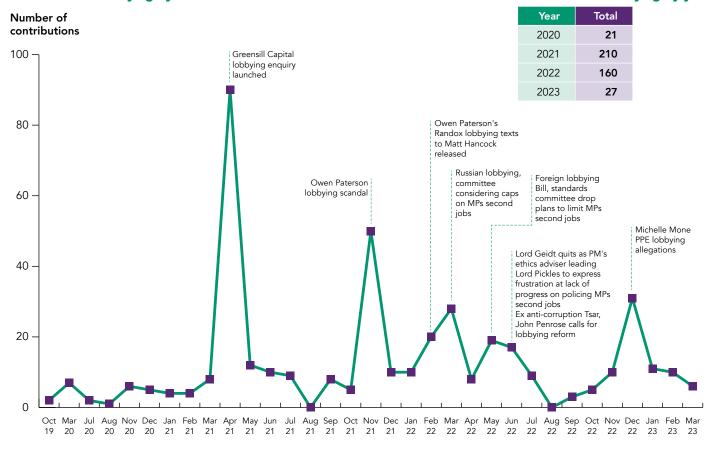
References to lobbying reform by month





References to lobbying by month

References to lobbying by year



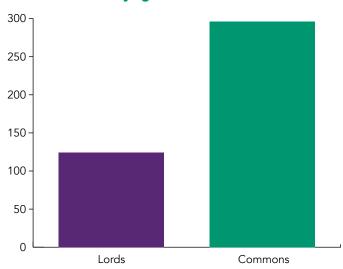
What is notable though is that excluding the peaks, the average number of contributions for all references to lobbying by month (9) and for references to lobbying reform (5.5) is low. Concern about lobbying is not sustained. In other words. It flares up, but then as quickly subsides. Without year-round concern, reform is bound to move slowly.

What's more, discussion of domestic lobbying is often buried in broader ethical concerns, popping up in debates about procurement, second jobs and foreign lobbying.

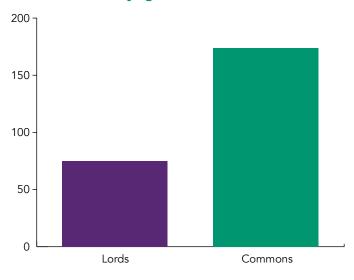
In fact, **14% of the references to lobbying reform** are made alongside discussions of the proposed foreign lobbying register. Though these issue are, naturally, interlinked, domestic lobbying reform carries with it a unique set of considerations and rules. Foreign lobbying is ripe to be reformed, but including discussion of the 2014 Lobbying Act alongside discussions of hostile state actors risks clouding the issue; overwhelming or confusing MPs; or blowing the issue off course.

Finally, though some might assume that the Lords would be able to offer a considered perspective, or experience drawn from years in business, the evidence suggests the UK's second chamber is even less focused on lobbying than the Commons.

References to lobbying



References to lobbying rules



"Lobbying is an essential part of our democratic system. It is impossible for politicians to be experts across the wide range of topics they cover. That's why input from those most interested and affected by policymaking, such as trade bodies, is so valuable. Sadly, the image of lobbying and public affairs has been tainted by pockets of poor behaviour and bad practice. It's time to rebuild the public's trust."

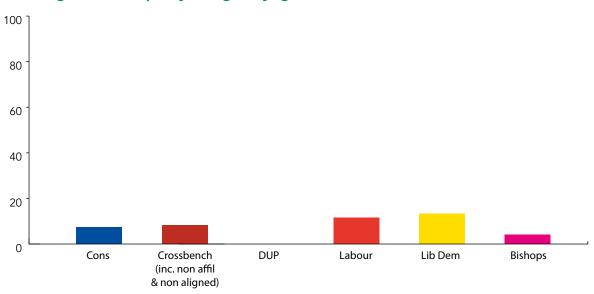
Tom Reynolds, Chief Executive, Bathroom Manufacturers Association

"Through championing lobbying reform, our profession demonstrates our commitment to transparency and accountability, for the benefit of civil society, the organisations we represent and those we engage with."

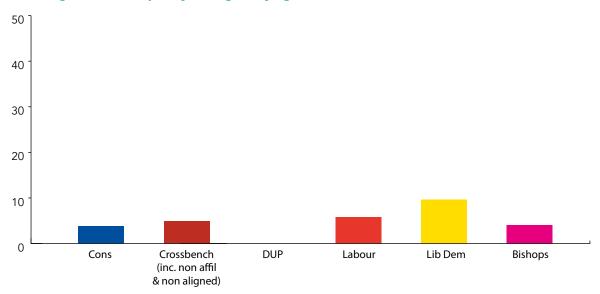
Vernon Hunte, Associate Director, April Six

Meanwhile, attitudes in the Lords broken down by party appear to be in lockstep with the Commons.

Percentage of Lords explicitly raising lobbying



Percentage of Lords explicitly raising lobbying rules



"Lobbying reform is long overdue. What we have today is not fit for purpose as proven by recent headlines. Currently what is out of scope is too broad and therefore does not truly reflect all lobbying activity. If we want transparency – and everyone I speak to does – we need to consider a public register of lobbying activity and not consultant lobbyists."

Rachael Clamp, CIPR President-elect

Methodology

The figures on lobbying

The figures on lobbying

The methodology used to build the data on lobbying was as follows:

- 1. PolicyMogul used web scraping technology to scrape the UK Parliament Hansard (https://hansard.parliament.uk/) and UK Parliament Written questions and answers official record (https://questionsstatements.parliament.uk/) for entries between 17th October 2019 (when PolicyMogul's records begin) and the 13th March 2023
- 2. The scraped data was processed and combined with PolicyMogul's database of UK parliamentarians (which itself is based on public knowledge)
- 3. Using indexed search technology, all references of "lobbying" were performed against the scraped UK Parliament data to produce a list of all debates and written questions and answers that mentioned the word "lobbying"
- **4.** Manual verification was done to confirm that the references of "lobbying" was relevant
- Relevant debates and written questions and answers were manually classified into two lists (all explicit discussions of lobbying and explicit discussion of the rules and reform)
- 6. These lists were run through the PolicyMogul system again to extract the individual mentions of the word "lobbying" and who the UK Parliamentarian was that made the mention, along with additional data (where available) such as party, constituency, parliamentary position, region)

Entries were excluded on the basis that the word lobbying was not used to discuss specific instances of lobbying or the rules, or was used to refer to MPs lobbying each other. The references are incidental (or referring to the Parliamentary lobby). Examples of excluded entries include:

 FCDO and MOD are actively lobbying Ukraine to expand permissions to broaden the scope of demining activities by partners, thereby creating further capacity to tackle this urgent issue

- My views are my own and not influenced by any lobbying group (this being the only, passing reference)
- We are more than capable of lobbying and influencing different institutions to put our view forward
- This is a question of public good. It is important to be clear: lobbying, campaigning, disagreeing and opposing representatives is not what I am talking about

All references to lobbying: this includes any explicit reference to a specific instance of lobbying; concern being expressed about lobbying; or a discussion of the rules. Indicative contributions as follows:

- To ask the Secretary of State for Digital, Culture, Media and Sport, what assessment he has made of the potential effect of lobbying by the gambling industry on MPs ahead of the publication of the Gambling Review
- That says something about the power of lobbying, and it puts a great onus on Members of this House that our communities have felt so strongly that this matter
- The change was due to lobbying by the finance industry, which obviously then makes money by asset stripping, examples of which I gave previously

"Improving transparency around who is lobbying who is the only way to restore trust in our political institutions. Policy and Regulation can't be made in a vacuum, building an economy that works for everyone requires a partnership between business interests, policy makers and regulators that must be open to public scrutiny."

Emily Wallace, Partner, Inflect Partners

References to lobbying rules: these include any explicit reference to the Lobbying Act or calls for reform of the rules. Indicative contributions as follows:

- Democracy depends for its support on good governance, which means fair lobbying rules, obedience to the Ministerial Code, and open and fair recruitment to decision-making bodies not something much in evidence
- I come back to my previous point: work is going on through the review by the Public Administration and Constitutional Affairs Committee and through the Registrar of Consultant Lobbyists, who, for example, made some changes earlier this year to tighten up the definition of incidental exception. We need to be careful where noble Lords are taking us on the matter
- We are conducting post-legislative scrutiny of the lobbying legislation. That has obviously been affected by the progress of Covid, but the point the noble Baroness and others make will be taken into consideration

Opinium survey methodology

Opinium conducted its survey of 2,076 adults between 12th - 14th April 2023. The sample was weighted to be politically and nationally representative.

About the Chartered Institute of Public Relations

Founded in 1948, the Chartered Institute of Public Relations (CIPR) is the world's only Royal Chartered professional body for public relations practitioners with over 10,000 members.

The CIPR advances professionalism in public relations by making its members accountable to their employers and the public through a code of conduct and searchable public register, setting standards through training, qualifications, awards and the production of best practice and skills guidance, facilitating Continuing Professional Development (CPD), and awarding Chartered Public Relations Practitioner status (Chart.PR).

About PolicyMogul

PolicyMogul is the UK's only all-in-one public affairs platform. Features include real-time political monitoring, stakeholder mapping and analytics as well as a suite of tools designed to help organisations and campaigners lobby parliamentarians in an open, transparent and impactful way.

The analytics feature used in the creation of this report takes advantage of the latest in Al and natural language processing to analyse millions of political contributions, and can be used to determine political importance and sentiment in relation to any area of interest, broken down by party, location and various other parameters.

"Public affairs is based on trust. That's why transparency is so fundamental for the industry – to function now and to prosper into the future. Regardless of who is lobbying, openness strengthens the process and ensures it happens in an ethical way. The Lobbying Act has focused too narrowly on consultant lobbyists – just a small proportion of those undertaking lobbying. For most of my career I have worked as an in-house lobbyist – why should my interactions not be registerable, but those working in an agency on behalf of a client are? We need to open up lobbying, and that means focusing on lobbying, not just lobbyists."

David Boot, Head of Public Affairs, National Oceanography Centre and co-chair of the CIPR's Public Affairs Group

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