HOUSE OF COMMONS

Public Administration and Constitutional Affairs Committee

Oral evidence: Lobbying and Influence: post-legislative scrutiny of the Lobbying Act 2014, HC 638

Tuesday 15 November 2022

Ordered by the House of Commons to be published on 15 November 2022.

Watch the meeting

Members present: Mr William Wragg (Chair); Ronnie Cowan; John McDonnell; Karin Smyth; John Stevenson; Beth Winter.

Questions 55-148

Witnesses

I: Jon Gerlis, Public Relations and Policy Manager, Chartered Institute of Public Relations ,and Liam Herbert, Chair of Public Affairs Board Executive Committee, Public Relations and Communications Association.

II: Harry Rich, Registrar of Consultant Lobbyists.

Written evidence from witnesses:

- Public Relations and Communications Association
- Chartered Institute of Public Relations
– Harry Rich

Examination of witnesses

Witnesses: Jon Gerlis and Liam Herbert.

Chair: Good morning and welcome to this sitting of the Public Administration and Constitutional Affairs Committee. Today the Committee is continuing its inquiry on post-legislative scrutiny of part 1 of the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014, more commonly known as the Lobbying Act. This sitting will focus on the operation of the Act and how lobbying activity is regulated for those who fall within its scope.

Our witnesses are spread across two panels, and the Committee is grateful to them for giving us their time. Our first panel comprises Jon Gerlis, public

relations and policy manager at the Chartered Institute of Public Relations, and Liam Herbert, chair of the public affairs board executive committee at the Public Relations and Communications Association. Good morning to you both, and I wonder whether you would both provide a brief introduction for the record.

Jon Gerlis: The Chartered Institute of Public Relations—the CIPR—is the world's only royal chartered body for public relations practitioners. We have more than 10,000 members, many of whom are lobbyists. Our mission is to improve the public understanding of public relations and to improve standards within public relations. We do that through the code of conduct, which all members sign when they join the institute and when they renew their membership. We are pleased to have the opportunity to speak to the Committee today. It is our view that the Act has not served its purpose, and we are calling for a complete overhaul of the legislation to create a more open and transparent Register, which creates a level playing field for the benefit of the industry, parliamentarians and the public.

Liam Herbert: I am Liam Herbert. I am the chair of the public affairs board executive committee, which is a subset of the PRCA, which is the world's largest trade association for the public relations industry. We represent 152 members and organisations which practise public affairs, covering some 2,500 registered and recorded lobbyists, and dealing with some 3,400 clients. Our role is to ensure transparency of lobbying activity through our public affairs Register. We also, like the CIPR, have a code of conduct, which regulates how our members behave and how they perform their duties.

As with the PRCA, we consider lobbying to be a vital and important part of our democratic process, and we regard it as important to inform members of activities, regulations and legislation that might have an impact, whether positive or negative. We work in a transparent and ethical way to deliver that. Much like the CIPR, we consider the Lobbying Act not to be fit for purpose, and following the activities around Greensill we have published a six-point plan, which forms part of our evidence to the Committee, regarding what we consider should be done.

Q55 **Chair:** Thank you. The Government undertook to conduct post-legislative scrutiny of the Lobbying Act in 2021. To date, have you had any engagement with the Government as part of that process?

Jon Gerlis: In late 2020, we were invited to participate in a virtual roundtable event in early 2021 and contribute to written evidence on the same subject, but nothing since then.

Liam Herbert: We have had no direct contact currently. We have had contact, as we would expect, with the Registrar.

Q56 **Chair:** Following your introductory remarks, Mr Herbert, the Lobbying Act targets only consultant lobbyists. How confident are you that the Register covers all those engaged in consultant lobbying, as defined by the Act?

Liam Herbert: As defined by the Act, we think that it captures all our members. It would capture my colleague's members, but we do not think it captures effectively all those conducting lobbying, and that is where we have a disparate view. We would consider the consultant lobbying position a very small part of a wider group of lobbying activities that go on in and around Parliament.

Q57 **Chair:** Specifically, given the narrow definition in the Act, are there bodies engaged in what is essentially consultant lobbying that escape registration?

Liam Herbert: Yes.

Chair: Would you elaborate?

Liam Herbert: We would consider that organisations such as management consultants, law firms and so on that offer lobbying activities and advice as part of a broader service to be acting as consultant lobbyists but, so far, they are not counted as consultant lobbyists under the Act.

Q58 **Chair:** Do you have a view on the scale of that?

Liam Herbert: I would not want to put a number to it, but we would consider it to be of at least the same proportion as the work we are doing.

Q59 **Chair:** Mr Gerlis, could I pose those questions to you as well?

Jon Gerlis: I agree with Mr Herbert. Even if the Act and the Register are used capture everyone they should, it would still be a tiny proportion of the lobbying activity that happens in this country. Other research has shown that it is around 4%. Does it capture everyone it should? At the moment, we have our doubts. There are some quite significant loopholes, including the VAT thresholds, the incidental lobbying question, the narrow definition of who is to be lobbied in order to register, and the fact that it does not cover modern forms of communication. We have described it as analogue legislation for a digital world.

We have heard from members and I have spoken to them. Agency members will tell us that their clients have asked them to bill them in different financial years in order to avoid the VAT threshold. We have had in-house lobby members tell us that agencies have offered the option of sending communications directly to Ministers or whether the organisation would prefer to do it, because it would therefore not require registration. We can be confident that there is consultant lobbying happening and, to Mr Herbert's point, other organisations outside the public relations agency world are engaged in lobbying as well and are not captured.

Chair: A number of the things you touched on there will be explored in greater detail this morning. We will start with my colleague John Stevenson.

Q60 **John Stevenson:** You have both argued for the extension of the Lobbying Act to cover in-house lobbyists as well campaigning organisations, trade bodies, think-tanks and so on. Why, if these bodies

are lobbying on their own behalf, is registration required?

Liam Herbert: It is about public confidence. That is our position. The word "lobbying" engenders quite a lot of reaction in the public sphere. It is generally a negative reaction. As I said earlier, we consider lobbying of all forms to be a positive function of democracy. The transparent and ethical declaration of who you are lobbying would seem to be appropriate for everybody, not just consultant lobbyists, who as we have just said make up a very small proportion of the actual lobbying activity undertaken in this country.

Q61 **John Stevenson:** If a charity were created, for example, whose charitable purposes are very obvious and people know exactly what it is about and what it does, why burden it with the requirement of registration when is blatantly obvious what it is doing?

Liam Herbert: I am not sure I would consider it to be a burden. The NSPCC is a member of the PRCA and adheres to its code of conduct. The burdensome element does not seem to apply particularly. They are very clear about how they lobby and what they are lobbying about.

Q62 **John Stevenson:** Mr Gerlis, do you have any comments?

Jon Gerlis: In the absence of consistent and, I would argue, useful information published by Departments, there is an absence of information to which the public has access. Our members are calling for a level playing field because that will benefit everyone. It benefits them, because those policy discussions they are having are as important as anyone having consultant lobbying engagement. It also benefits parliamentarians, because in our ideal situation there would be a record of someone having met with a wide range of voices and getting as much information as possible on policy subjects. We think it would be an incredibly useful thing, both for the benefit of the industry, as Mr Herbert has explained, and for parliamentarians and the public, to have it in one place that is easily searchable. It will put the industry on a level playing field, which is what we are calling for.

Q63 **John Stevenson:** Is there a danger, if everybody is effectively registered, that nobody pays any attention to it? By having it narrowly defined, you clearly know who these organisations are and there will be more scrutiny of them.

Jon Gerlis: As I have pointed out, having it narrowly defined has only led to quite significant loopholes. I think a really interesting example is the international registers that exist. If you look at the EU, they have around 13,000 records on their Register. The US, certainly a couple of years ago, had about 11,500. Canada has 7,000 and we currently have 237. We are calling for an extension to something that works quite well elsewhere.

Q64 **John Stevenson:** You have both advocated extending the scope of disclosure for communications between Ministers and permanent secretaries. Who else should be included and why?

Jon Gerlis: We would certainly look at senior civil servants and SPADs being included in that.

Q65 **John Stevenson:** Is there a level or grade you would draw the line at?

Jon Gerlis: Directors general and above would be useful. There is an argument to be had about extending it further, to MPs and peers as well. When you think about reshuffles and general election periods, many organisations that our bodies represent are doing a significant amount of work with the Opposition, because there is an election coming up potentially in a couple of years and we might have some new Ministers. If there is no record of that, that does a disservice to all parties in that discussion. We certainly think that there is a discussion to be had about extending, but as a quick fix we would argue that special advisers and senior civil servants would be a way to solve some of those problems.

Liam Herbert: I agree with Mr Gerlis. We agree entirely on SPADs and director general and above. It helps to close the loopholes that my colleague has already identified. It also targets a level where most contact activity would probably happen in the first instance.

Q66 **Karin Smyth:** Mr Gerlis, we will move to you first. You briefly mentioned VAT and incidental exemptions, and we would like to pick up on that in a little more detail if we can. You both criticised the exemption around VAT. How much lobbying do you think is conducted outside the Register as a result of that requirement?

Jon Gerlis: These are difficult to put numbers on. Part of our concern with the Act is that we are not getting the information that we require, so it is hard to say what is not happening when we are not getting information. In the last couple of weeks, there has been a high-profile case where the Registrar found a former parliamentarian to have engaged in two acts of consultant lobbying, and after much correspondence in the last couple of weeks it was found that they fell under the VAT threshold. We know that it happens and is used. What we do not want to do is put anyone off engaging in the political process. In fact, it is quite the opposite; we want more voices to be engaged. We want to ensure that organisations of all sizes can engage in this process, but we do not think that the VAT threshold is a particularly good way of creating that division.

Q67 **Karin Smyth:** For small businesses, then, what would be a better way?

Jon Gerlis: There are a number of different ways, whether it is turnover, organisation size or the activity of the lobbying itself. There are a number of different ways that you can look at it, but essentially the impact of lobbying activity can be quite significant with a small budget. We are not asking for a long, complicated process of registering, but there are digital solutions out there—as I pointed to, other Registers use them—that do not involve significant amounts of process when it comes to registering. We are not asking for a particularly burdensome system; we are asking for a system that gives the information that is required.

Q68 **Karin Smyth:** But the VAT one is not fit for purpose?

Jon Gerlis: I do not believe that it is, no.

Karin Smyth: Do you want to add anything to that, Mr Herbert?

Liam Herbert: From our point of view the VAT threshold seems to be an arbitrary decision point, and it does not reflect the activities undertaken. I broadly agree with what Mr Gerlis has said.

Q69 **Karin Smyth:** Staying with you, Mr Herbert, can we talk about the incidental exemption? Is it necessary or justifiable to have as part of the Act?

Liam Herbert: There are some. We do not take a strong view particularly on that side. We do not consider that the level of registration and amount of disclosure required is a burdensome effect, but we do not think that these exemptions are particularly significant.

Q70 **Karin Smyth:** Do you think that the new guidance has helped?

Liam Herbert: A little, but not greatly.

Q71 **Karin Smyth:** Okay. What is required—more guidance?

Liam Herbert: I guess so. It is more a case that we are starting from a position where we are retrofitting something that was not drafted well in the first place.

Q72 **Karin Smyth:** The Registrar denied that large law, accountancy or management consultancy firms are providing lobbying service while evading registration. You have touched on this a bit, but do you agree with the Registrar?

Liam Herbert: No.

Q73 **Karin Smyth:** We do like succinct answers in this Committee. Thank you very much. Mr Gerlis, do you want to add anything about incidental exemptions?

Jon Gerlis: It is a grey area. I appreciate that the Registrar is here, but in his own words he said the other day that nobody really knows quite what it means. The guidance that was published earlier this year certainly did help for a couple of reasons. It helped to clarify some of the issues that people had around it, but also demonstrated that there was an attempt to widen the Register and the fact that it is not just public relations agencies that are required to register. One person's incidental lobbying could be another person's significant part of their campaign—it is fairly vague.

We do not have a huge amount of data on this, but if you look at the Register from 2021—before the new guidance was published—to 2022, there has been an increase in 30 records, so it has not been a significant increase at all. However, as I say, we do not have a huge amount of data on that. If there are to be exemptions, I think that would be a very good area to look at again.

Q74 **John Stevenson:** Very quickly—to disclose an interest, I am a lawyer, albeit not in a large law firm—out of curiosity, why do you think large law

firms should be registered?

Jon Gerlis: Very simply, because of the impact that their lobbying has.

Q75 **John Stevenson:** How are they lobbying? They are acting for clients and giving advice to the client.

Jon Gerlis: I would argue that if you look at our definition of lobbying, that probably falls under that definition. They are advising their clients on, and potentially doing work in terms of, their parliamentary activity. I am sure there are many different ways in which law firms can do that, but when it comes to direct parliamentary engagement—I suspect there are examples where that does happen—there needs to be a recognition that when you are working with elected officials on things that are in the national interest, the public have a right to find out and have access to that.

Q76 **Ronnie Cowan:** I am still getting my head round that last question before I come on to my own. The Registrar is saying one thing, and you are disagreeing with him, but how do any of you actually know how much lobbying is going on in the grey areas?

On this Committee, we find that a lot of times, there are guidelines and conventions. When good people adhere to those, things work, but if they decide not to, they go into a grey area. With lobbying, this seems to be happening: lobbying is getting itself quite a bad reputation. How do you know who is not adhering to the regulations, who is not registering themselves, and who is going into that area?

Jon Gerlis: Precisely: we do not. The simplest way I can put it is that if we took the C out of ORCL—the word "consultant"—and had simply a register of lobbying that captures lobbying activity, rather than a small number of lobbyists, that would solve that problem. What we are arguing about at the moment, to Mr Stevenson's question, is what is defined by consultant lobbying, and as we know—I made this point at the beginning—that captures an incredibly small number of the people who are lobbyists. There needs to be some work done about what lobbying is, and where those lines need to be drawn in terms of what requires registration, but we would like to see a widening so that the lobbying activity is captured, rather than the question of who is doing it.

Liam Herbert: We would agree with that. The purpose is transparency: to see who is engaging with Government and Ministers, and on what basis. It is the act of lobbying, and as my colleague said, the "consultant" word makes it easy for organisations that are not defined as lobbying organisations to circumvent the regulation as it is at the moment. The concept that a law firm, for example, might be advising clients on any aspect of Government policy, and that that advice also involves some engagement, becomes a registerable activity. It is in everyone's interest—it is in the client's interest, we would argue—that it is clear and transparent who has been doing what and saying what to whom.

Q77 **Ronnie Cowan:** Currently, the Registrar can issue fines or refer cases of non-compliance for prosecution. Do you think this has proven an effective

deterrent?

Jon Gerlis: I can only speak on behalf of my members, and I know that my members are not looking for ways to not register. I do not believe that is an issue for them. As I think I have pointed out, through some of the loopholes I have explained, those four—the modern communication issue, the fact that only a small definition of who is being lobbied requires registration, VAT, and incidental lobbying—if anyone wanted to get round this, it is quite easy to do so without the threat of a fine.

Q78 **Ronnie Cowan:** I think the fine is something like £7,500. Is that a deterrent, or is it not?

Jon Gerlis: It is a deterrent, reputationally as well as financially, but if people wanted to navigate their way around that—to not pay a fine and not register—there are ways to do that, as I think we have outlined.

Liam Herbert: To the point that you have made, if people are following the rules and behaving ethically, it is not a problem. The reputational impact is probably greater than the financial impact. I would suggest that the likelihood of getting caught is probably more significant here than the threat of a fine.

Q79 **Ronnie Cowan:** So let's look at your self-regulation, then. How do the disclosure requirements of your own registration schemes compare with information required by the Office of the Registrar of Consultant Lobbyists?

Jon Gerlis: The CIPR manages the UK Lobbying Register, the UKLR. That is the UK's only open and free lobbying register. Anyone engaged in lobbying can register on the UKLR. That is a requirement for members. Anyone who does not have an industry-recognised code of conduct—namely, the PRCA's or ours—agrees to sign up to the CIPR code of conduct by registering on the UKLR. So, if organisations are claiming the CIPR code on the ORCL Register, they are advised to sign up to the UKLR, and if they are not members of the CIPR, to have the CIPR code of conduct become relevant to them. We relaunched the UKLR earlier this year, essentially starting from scratch, and we already have around 150 more records than ORCL—about 380 or so lobbyists.

Liam Herbert: In a similar way, our code of conduct applies directly to the members who define as public affairs actors in this space. We maintain the Register, which defines on a quarterly basis which organisations are engaged in lobbying and within each organisation who is actually conducting the lobbying activity for that company. We also declare clients on a quarterly basis, so that would probably be more information than is available on the ORCL Register at the moment. On the code of conduct, when members register on ORCL, they can define the code of conduct, which is manged by the public affairs committee. There is rigorous regulation and an independently managed process if there are any complaints about the behaviour of any of our members.

Q80 **Ronnie Cowan:** If I am a lobbyist, what is the incentive for me to

register with your organisations?

Liam Herbert: If you are a lobbyist who believes in transparent, ethical and democratic lobbying, you would want to be a member of either or both of our organisations.

Q81 **Ronnie Cowan:** So are you saying that those who are not members of your organisations are not open, transparent, ethical—

Jon Gerlis: They are not demonstrating that publicly.

Q82 **Beth Winter:** Do you know what coverage your own registration schemes have? You have touched on this, Mr Gerlis, but what types of agency as a proportion, and what proportion of those that are registered are also registered on the statutory Register? Do you have that level of detail?

Jon Gerlis: You can get that information, but I don't have it to hand. I can write to the Committee.

Q83 **Beth Winter:** It would be useful to have that. Mr Herbert?

Liam Herbert: It would be the same for us. I couldn't say how many of our members are registered on ORCL.

Q84 **Beth Winter:** Okay, thanks. You both mentioned that members and non-members can register with you. Is that right? Somebody could voluntarily register without already being a member? That's interesting.

Jon Gerlis: That is with our UKLR Register. As I say, if they are not members, they agree to signing up to the CIPR code of conduct, which has an independent complaints process that is published and available for anyone to make a complaint.

Q85 **Beth Winter:** Again, if you have the figures on how many organisations voluntarily register, it would be interesting to see them.

Jon Gerlis: Again, I will come back to the Committee on that.

Q86 **Beth Winter:** You have both touched on the fact that you have a code of conduct. How effective do you feel those codes are in ensuring that lobbying is conducted in a proper, fair and transparent manner?

Liam Herbert: All members sign up to the code of conduct. When I say members, I am talking about public affairs agencies and public affairs firms. Within that, for some of the staff working in those firms the code of conduct forms part of their contract of employment. For everyone, we conduct training on an annual basis and when new people join so that everyone is aware of the code and the ethical dimensions of that. We have a very rigorous process of reviewing the code on a regular basis, and we have made amendments relating particularly to APPGs recently and to other activities. The process for complaints is independently managed. Going back to my point, the concept that our members are interested in transparent and ethical lobbying means that they seek to adhere to the rules without a great deal of drama.

Q87 **Beth Winter:** My understanding is that the statutory Register does not

include a code of conduct. Should it?

Liam Herbert: It should have a code of conduct. We would say that it should be ours. I assume that Mr Gerlis would say that it should be similar to theirs, but the routine that it should be independent and not self-declared is the important aspect here. It needs to be independent, and it needs to be independently reviewed in terms of discipline and regulation.

Jon Gerlis: I agree that self-written codes are not credible unless they are independently administered. If there was a move towards a statutory code of conduct, there would obviously need to be the resources available to manage the complaints process separately from the governance of the Register and the Registrar's office.

Q88 **Beth Winter:** Are schemes such as your self-regulating schemes an alternative to statutory, or do you think that we need both?

Jon Gerlis: Both our codes of conduct are recognised by the Registrar, so in that regard yes.

Q89 **Beth Winter:** Do they complement or compensate for the limitations of the Lobbying Act in your opinion?

Jon Gerlis: I would say compensates, because it allows for in-house lobbyists.

Liam Herbert: We would agree on the basis that it includes in-house lobbyists, but also the level of declarations that we make. There is more detail and more information.

Q90 **John McDonnell:** Mr Herbert, some of your members held covid contracts with the Government—Hanbury, for example—and they did recruitment for the Conservative party of misfits and weirdos. That seems to have worked. How is that regulated by your code of conduct?

Liam Herbert: It isn't, because it is not lobbying activity; it is a contract to supply services to the Government.

Q91 **John McDonnell:** So you provide no advice to a company that has a Government contract but is continuing its lobbying role elsewhere.

Liam Herbert: We would consider that their lobbying activity is separate, and that they are declaring all the lobbying activity that they would be undertaking. If there is evidence that that is not the case, we would be taking that under our disciplinary processes.

Q92 **John McDonnell:** Do you monitor that?

Liam Herbert: Yes.

Q93 **John McDonnell:** So you will invite evidence from the company, for example. Will you question the company on that?

Liam Herbert: No, because again we are looking at organisations that have taken out commercial contracts in much the same way that management consultants, large law firms and other corporates that supply

services to the Government have, so they are operating in exactly the same way. We do not see that there is any difference in that, given that their core activity is lobbying. The question I guess you are getting at is a question of access on that basis. That would seem to be the same for any organisations delivering any services to Government, and we would consider that more to be a function of how that Government contract is managed.

Q94 **John McDonnell:** You are not worried at all about whether those two activities can sometimes get confused or merged. For example, Hanbury was challenged on propriety grounds with regard to the covid contract.

Liam Herbert: That is a matter for Hanbury. That is a commercial contract decision for Hanbury.

Q95 **John McDonnell:** You do not feel that that in any way impacts upon the overall sector.

Liam Herbert: In the same way that any organisation that has sold services to the Government might be criticised for the services that they sell, I do not see that lobbying firms and public affairs firms are any different in that context. In fact, the fact that they are lobbying firms probably puts them under greater scrutiny than some of the other organisations that we have been talking about this morning.

Q96 **John McDonnell:** But when questions are asked about the propriety of a contract with a company that is both providing a service under contract for Government and lobbying at the same time, you do not feel that there is any conflict of interest.

Liam Herbert: Unless a complaint is raised directly with us, we do not police in that sense, but we respond if complaints are made.

Q97 **John McDonnell:** You do not feel that you have a role in protecting the sector's reputation.

Liam Herbert: Our role is to protect the reputation of our members and to support ethical and transparent lobbying. Our role is not to police the activities of our members in search of commercial contracts.

Q98 **John McDonnell:** So when there were reports in the press about this, you did not feel that it was your role to intervene—you just turned a blind eye?

Liam Herbert: We did not turn a blind eye, but, as I said, our process is not to directly police our membership. Our process is that, where complaints are raised, they are investigated through an independent process and then directed on that basis.

Q99 **John McDonnell:** You only react to complaints; you do not observe what is happening in the world and therefore think, "This might affect our sector and the reputation and standing of our body"—you do not intervene, at all, in that respect?

Liam Herbert: Our organisation, and the public affairs board, is run by volunteers, such as myself, who also run public affairs firms, so we would consider challenging, investigating and policing people taking up initial contracts to be beyond our scope. There is also the concept that, while we are collaborative in our lobbying activities, in terms of regulation and transparency, we are competitors, so it would be deeply inappropriate for other firms to investigate the commercial contracts of members.

Q100 **John McDonnell:** I completely understand that. Do you think that would be a role for the Registrar, then?

Liam Herbert: Potentially.

Q101 **John McDonnell:** Okay, that is very helpful. Liam, to you first, as well, there has been criticism of the Government's disclosures of Ministers' and permanent secretaries' meetings and hospitality. To what extent do the changes you propose to the Lobbying Act, which you have set out today, simply compensate for the Government's failure to release information that they are required to in an accurate and timely manner?

Liam Herbert: We have put forward six elements, one of which is that Ministers and the Government should declare, on an accurate and regular basis, all meetings. We think that that would then also save any additional burden, in terms of additional regulation, because it becomes much easier to see who is speaking to whom about what. The question is not, "Who is lobbying?" It is for Government and Ministers to say who is lobbying them, and it is for them to declare, as such.

Jon Gerlis: We are quite sympathetic with the view of the Committee on Standards in Public Life on centrally managing that process from the Cabinet Office. Clearly, the point of the Lobbying Act is to complement the declarations, and it does not, at the moment, because, as we pointed out, the information that we are receiving from Departments is not timely and it is not accurate. If that was managed more centrally, that would be incredibly useful.

To a previous answer, if we were to look to extend the Register to include those who are lobbying—including MPs, for example—that would then require a different conversation, and would look to MPs offices and resources available to be able to manage that.

In answer to your question, yes, it needs to be more timely and accurate, and I think that a simpler approach—a fairer approach for the industry and for the benefit of the public—is to have a Register where lobbying activity is captured, not, as I say, a small number of lobbyists.

Q102 **John McDonnell:** That leads on to the next question—we get these questions, which are almost philosophical, but I will read it to you anyway. Can lobbying be regulated successfully if only the lobbyists are regulated and not those they are lobbying?

Jon Gerlis: Lobbying is a two-way activity, so there does need to be some recognition on both sides. Our members, as Mr Herbert has pointed out, are very happy to put themselves under that scrutiny and to do things as

transparently, ethically and properly as they are allowed to do—and want to.

We send a guide on ethical lobbying to all new MPs following a general election. That includes behaviours that parliamentarians should expect from lobbyists. I think that the public probably expect certain behaviours from parliamentarians, too.

There are good rules there, but I think they probably need to be strengthened, whether around second jobs, ACOBA and lengthening the time between periods of someone leaving office and taking consultancy roles, using personal contacts for commercial gain, and obviously methods of communication, including modern forms of communication. So, in answer to your question, very simply, yes, I suspect that there are some good rules out there that need to be strengthened, more than anything else.

Liam Herbert: If we are going to be philosophical about this and we accept the view that MPs and Ministers do not know the answer to everything, that good legislation and bad legislation require information, and that in the concept of anyone who is lobbying, by "lobbying" we mean explaining their position with regard to what Government might intend to do, we see that to be a positive thing. It is a positive thing that the Government should also seek to publicise, because it makes the operation of Government more transparent to the general public. Again, we are back to this concept of public confidence in the entire process. I see no reason why Government should not be willing to talk about who they have met and on what basis, and how that has influenced change positively.

Q103 **John Stevenson:** Your evidence this morning has been very interesting. I have one query. If you were a cynic, you might say that it was in your interests to lobby for the lobbying Act to be extended. What would you say to that?

Jon Gerlis: It would probably make the lives of our members easier if we did not, but they want to do their job properly, transparently and ethically. That is the remit that we have from our members. They are proud of the work that they do, and they understand that it benefits the public and Government. We commissioned some polling on this issue. The public overwhelmingly believe that parliamentarians should hear from as wide a range of voices as possible on policy matters, but when you ask them, "Do you think that parliamentarians or Ministers meeting businesses erodes your trust?", about a third do, so there is a conflict there. There needs to be some education and explaining. The point that has been made well already is that this is a benefit not just to our industry, our members or us as institutes but, as Mr Herbert just pointed out, to parliamentarians, to what happens in this place and, ultimately, to the public as well.

Liam Herbert: I agree almost entirely with what Mr Gerlis said. If we could change the word from "lobbying", it might make a difference. That might be a public relations campaign. As ever, lobbying has had bad connotations from people doing the wrong thing at the wrong time.

Broadly, people are not actually lobbyists. What we are interested in, as we said at the outset, is a level playing field, so that activity is recorded, and transparency and ethical behaviour are encouraged.

Q104 **Chair:** What word would you change it to, or is it about changing the connotations of the word?

Liam Herbert: If I knew that, we would have trademarked it already.

Q105 **Chair:** So the change in connotation would come from—

Liam Herbert: The change in connotation will come, as Mr Gerlis said, from education and people understanding what lobbying activity is and entails, and how it works in the parliamentary system. It is interesting that engaging with and talking to MPs and Ministers is a good thing unless business is doing it, when it seems to be a bad thing. That is more a contention of what stories and elements of poor practice, poor activity and unethical behaviours are uncovered. The process of engaging with the people elected to govern the country applies to everyone. It should be clear and open to see what is happening and why.

Chair: Thank you. I thank both witnesses in our first panel for their time. Seamlessly, we will move to our second panel.

Examination of witness

Witness: Harry Rich.

Q106 **Chair:** We are joined by Mr Harry Rich, who has held the role of Registrar of Consultant Lobbyists since 2018. Under the lobbying Act, the Registrar is responsible for maintaining the Register of consultant lobbyists and for monitoring compliance with the terms of the Act. Mr Rich, good morning, and will you introduce yourself briefly for the record?

Harry Rich: Good morning. I am Harry Rich, the Registrar of Consultant Lobbyists. As you say, I have been in post for four years. My appointment has recently been renewed for another three. My responsibilities are to enforce the provisions of the lobbying Act. In a formal sense, I am not responsible for policy in this area, but clearly my experience of four years doing the job means that I will have some views on some of the strengths and less-strengths of the current process.

Q107 **Chair:** In your written evidence, you mentioned engaging with the Government as part of their post-legislative review of the Act. What stage in the process was that, and have you had any further engagements since then?

Harry Rich: Yes. I had an initial conversation with the then Minister back in October 2020, and submitted some views, which are very similar to the ones that are in the written evidence I provided to this Committee. The Minister then ran two public roundtables for interested parties, and I

participated in both of those. Subsequently, there has been no formal contact.

Q108 **Chair:** Those roundtables, I presume, were a scoping or listening exercise.

Harry Rich: Yes, it was an opportunity for the Minister to try to understand the kind of questions that you are probing today.

Q109 **Chair:** This inquiry was prompted by the issues arising from the case of Greensill Capital's lobbying. To what extent do you regard that as a demonstration of the limitations of the Lobbying Act?

Harry Rich: I think what it demonstrates is the confusion or lack of clarity around the incidental exception, in particular, and also the exception within the Act for employees, that is, in-house lobbyists. The incidental exception is, in my view, the way it is drafted unsatisfactorily. I would not necessarily have a view on how it should be drafted, but I think it should be drafted in a way that is clear to everybody what the intention behind that exception is.

You touched in the previous panel on the guidance I have issued in relation to the incidental exception. I have continually worked to try to clarify the meaning of the exception, but it feels a little bit like papering over the cracks. If you are decorating a room and there is a crack in the wall, the more you paint over it, the more complicated it gets. Actually, I think we are at a point where I can probably provide no further clarity by means of formal guidance. So, either we are where we are, or the exception has to be clarified.

Q110 **Chair:** A crack in the wall occurs over time but, if the plasterer did a deliberately botched job, it is there for a reason. Is it deliberately vague, do you think?

Harry Rich: I do not know. I cannot look into the minds of those who drafted the Act at the time. I ascribe to them good intentions, but I do not know what the intention was behind that. At its most benign, it was to ensure that an informal conversation by a professional adviser with a Minister—a one-off mentioning of a client—would not automatically require registration. Boundaries are very hard to set but, in the light of experience, it would be possible for Government to decide what policy objective they had around that, and then parliamentary counsel to draft something to enact that.

Q111 **Chair:** Mr Duncan Hames of Transparency International told us recently of the tension within the coalition Government, between wanting to see greater regulation of the lobbying industry and the desire to be seen to be reducing regulation on business, when introducing the Act. Do you think that tension is apparent in the Act? If so, how significant is that in limiting its effectiveness?

Harry Rich: There are bound to be tensions in a piece of legislation that seeks to regulate or register any activity. The tensions are inevitably there. At the one extreme, you could have a system where any

conversation by anybody with anyone involved in Parliament, whether that be Ministers, Members of Parliament or advisers, must be logged in detail. At the other extreme, you just trust to people's goodwill.

You have to land somewhere in between, so there are tensions in it. I do not think they are utterly destructive tensions. It is very glib to say the whole thing is not working. It is much more useful to identify, as you are through this process, the areas where the system can be improved, holding on at all times to the policy intention behind the Act.

Q112 **Chair:** In terms of that policy intention, narrowly defined as it was, what is your judgment on that?

Harry Rich: The policy intention, as I understand it, was to ensure transparency in communications by paid lobbyists with Government Ministers. Overall, that works. My understanding is that the reason that in-house lobbyists, employees, were excluded, was that those conversations ought to be apparent to the public through the transparency declarations made by Government Departments, so that one way or another, the public or interested parties can see who is talking to whom about what. The problem is that that requires the transparency data to be complete, accurate and timely.

Chair: That is an interesting point.

Q113 **Ronnie Cowan:** The Register only requires disclosure that lobbying has taken place, not who has been lobbied, for what purpose, and on whose behalf. Given that, how far does it contribute to the stated aim of providing transparency?

Harry Rich: On the one hand it does, because it allows somebody to ask the question, "What was this activity around?"

Q114 **Ronnie Cowan:** Why not just tell them up front?

Harry Rich: My clear position, as I said in my written evidence and am happy to repeat now, is that the information required of consultant lobbyists who are registered ought to be wider than that which you described. It ought to be who was lobbied, on what date they were lobbied, what subject they were lobbied on and on behalf of which client. That can be changed by regulation; it does not require primary legislation. It is something that I would strongly advocate for the reasons that you indicated in your question.

Q115 **Ronnie Cowan:** Under the Act, the requirement to register is triggered by communication with Ministers and permanent secretaries. Is that sufficiently broad, or should it be widened?

Harry Rich: The drafters of the Act clearly envisaged the potential to widen that because it is possible by regulation to bring special advisers into the remit of this disclosure. Again, that is something that I would strongly advocate because if you are trying to influence Government, special advisers are clearly one of the key routes to do that. If that

lobbying is not disclosed, it is not supporting the transparency aims of the Act. Yes, I would definitely include that.

There has been talk about bringing directors general into the fold. That would require primary legislation. I can see some merits in doing that. From my perspective that strays too far into the policy area, but I can see that it is something worth looking at.

Q116 **Ronnie Cowan:** The Act lists posts that are equivalent to permanent secretaries, including the SPADs and the directors general. Do you think that is sufficient itself, or should we be going beyond that? I am thinking about the senior civil servants, who are about 1.5% of the entire civil service.

Harry Rich: As I said, I think that that would stray too far into the policy areas. I am not aware of the mischief that we would be trying to solve there because I think special advisers, having the kind of influence they have, should be brought in, undoubtedly. Whether you want to extend it to directors general or senior civil servants is a matter for the Committee and for Government to consider.

Q117 **John Stevenson:** Lobbying, inevitably, will involve exchanges of text messages. Do you think the Act sufficiently captures communication by WhatsApp, text, and so on?

Harry Rich: I do. There are a lot of myths put around—I don't know why—by interested parties that suggest, for example, that WhatsApp messages or text messages are not registrable communications. That is false. The Act is very clear. The way that my office enforces the Act is very clear. It is written very clearly in the guidance that I issue that any communication—whether that be by letter, fax, text message, WhatsApp, or semaphore—with a Government Minister on behalf of a paying client is registrable.

Q118 **John Stevenson:** Only those required to pay VAT are required to subscribe to the Register. Do you have any estimates of the amount of consultant lobbying activity that is exempt from being registered?

Harry Rich: No. It is very hard to estimate that, but I would imagine it is quite substantial, which is the reason that I would question the merit of the VAT threshold being one of the primary tests. I am assuming that that was included in the original Act as a sort of de minimis to avoid small businesses being caught, but given where the VAT threshold is, you can do an awful lot of good consultant lobbying for much less than that threshold.

Q119 **John Stevenson:** It is interesting that you said you think it is quite extensive. Out of interest, why do you think that?

Harry Rich: There is no reason to assume that people who are billing more than £85,000 a year are a completely different category from those who might be billing £75,000, so it is bound to be a continuum. If there are people that we know of who are registered, who are lobbying and who are above the VAT threshold, it seems to me a rational conclusion that there are people who might be billing £50,000, £60,000 or £70,000 a year

who are also consultant lobbying. But I have no data on it; you are quite right.

Q120 **John Stevenson:** UK firms are registered for VAT. What about foreign lobbying?

Harry Rich: I think that is probably an unintended consequence of the VAT test, which is that if you are an enormous overseas consultant lobbyist, and you are not VAT registered in the UK, you fall completely outside the remit of the Lobbying Act.

Q121 **John Stevenson:** I appreciate you do not want to go into policy, but would you like to see the removal of the VAT exemption?

Harry Rich: If the policy intention behind the Act is transparency of lobbying, then yes. It is a very crude way of achieving a policy aim. It might be quite reasonable from a policy perspective to have a limit of some sort—either a financial limit or numbers of lobbying activities; some sort of de minimis so that a single one-off act of lobbying would not necessarily require registration—but I do not think the VAT threshold is a sensible way of doing it.

Q122 **John McDonnell:** Could I go back to a question asked by Ronnie Cowan about registration triggered by communication with Ministers and permanent secretaries. A previous panel member suggested that it should also be triggered by lobbying of Opposition parties as well, particularly in relation to when there is a prospective general election. I notice that there is one firm that has actually set up a Labour unit to lobby the shadow Cabinet. Do you think it should be extended in that way?

Harry Rich: I am afraid this is quite a weak answer because I think that would be an entirely different system from a policy perspective. While I have views on the way the Act itself operates and how it could be made to operate well, that was not one of the policy aims of the Act, as I understand it, so I cannot really give you a sensible answer.

Q123 **John McDonnell:** But if you were to have an open and transparent system of lobbying, would you, ideally, include lobbying of the shadow Cabinet?

Harry Rich: If you assume that Opposition parties have influence, which they clearly do, or have potential future influence, then yes, you would make it a more comprehensive system, but this goes back to my earlier comment about the spectrum along which you operate. I believe it is very important for any system of this sort to be proportional. As soon as you make it so elaborate, so perfect, so complex, so complete, you will end up with a whole industry trying to either find ways round it or to police it. One of the merits of the current system is that the public affairs industry is strongly onside and sees the merit of having transparent lobbying, so, to that degree, we are working in tandem. The risk of making the system too elaborate and too complex is that you overbalance the system completely.

Q124 **John McDonnell:** It could be limited to shadow Cabinet, even for a

timescale that—

Harry Rich: I have no doubt. You could construct a system that would do that—definitely.

Q125 **John McDonnell:** Thanks for that. Let us come on to the large law firms—not to excite Mr Stevenson too much. There have been long-standing concerns that large law firms, accountancy firms and management consultant firms have been offering what are effectively consultant lobbying services without inclusion on the Register. In your submission, you dispute that claim. On what basis and why? If that is not a problem, why are we still hearing complaints about it?

Harry Rich: This is myth No. 2. As I have just indicated, we work very well with the public affairs trade or professional bodies, and I do not want to fall out with them, but it is a persistent and, in my view, damaging myth that both the PRCA and the CIPR put out that law firms, accountants and management consultants are not subject to the Act. The reason it is damaging is that it undermines the confidence of professional public affairs businesses in the system as a whole, and it can also lead those businesses, such as lawyers, accountants and management consultants, to think that they do not have to register, so it is a really damaging myth.

The Act is very clear that the requirement to register is not brought out by the way you define your company—whether you call yourself a public affairs business—it is defined by the activities that you undertake. So if you are a business of any kind who is operating over the VAT threshold and you are being paid by a client to communicate directly with a Government Minister or a permanent secretary, you have to register.

The reason I don't believe this is a current problem is twofold. Point No. 1 is that whenever this myth is promulgated, we go back to those two bodies and say, "Please provide us with evidence of one law firm, one accountant, one management consultant who is carrying out this activity and not registered, and I will investigate it." No. 2 is that we have run, over the past two years, awareness campaigns with lawyers and accountants. We have worked with the professional bodies for lawyers and accountants. We have written to the largest lawyers and largest accountants in a formal process, requiring them to answer formal questions about the activity they conduct.

By the way, prior to that, there were already—and remain—lawyers and accountants registered, on the Register. And by the way, included in this is charities; there is a weird idea that charities are excluded. If you are a charity, if you are a secretariat to an APPG, if you are conducting activity of the type I describe, you are required to register, and we enforce that. We have run a series of formal campaigns with each of those sets of organisations to ensure that they are, No. 1, aware of their obligations and, No. 2, are registered if they are required to register.

Q126 **John McDonnell:** How many of the major law firms and accountancy firms have registered?

Harry Rich: Good question. That is a piece of work that we are looking at at the moment, the actual number, so I am happy to provide that to the Committee. Certainly, for example, the big four accountancy firms are all registered.

Q127 **John McDonnell:** Let me come on to the other issue that you raised—I think you have covered this to a large extent. You issued guidance on the incidental exemption. How effective do you think this has been in clarifying the relevant provisions of the Lobbying Act?

Harry Rich: I think it has been effective to some degree, but it is making the best of a bad job.

John McDonnell: I think you covered it earlier, in your description.

Q128 **Beth Winter:** We have received a lot of written evidence—I think this point was reasserted by the previous contributors—about the narrowness and limitations of the current Act in dealing only with consultant lobbyists. What is your response to the call to widen the scope?

Harry Rich: To go back to my original spectrum of regulation example, it would be a completely different system. From a policy perspective, I do not have a view about that, inasmuch as my job is to enforce the law as it currently is and to do that as well as possible. There are some countries around the world that absolutely do include all lobbying in their centralised system, and that would be a completely workable activity, but it would be a completely different system. Again, I am afraid I cannot give a helpful, clear answer on that, because I believe it is a policy question, not a regulatory question.

Q129 **Beth Winter:** But given your role, you must have an opinion on the effectiveness of the current Act if it excludes so many lobbyists.

Harry Rich: Thank you: that is a very helpful way of asking it. I believe that if changes were made to the current Act that required greater disclosure by registrants of whom they have lobbied, on what subject they have lobbied and when they have and if the mirror image was that the transparency disclosures by Government Departments were complete, accurate and timely, that would achieve the transparency aims of the Act in terms of allowing the public and the media to understand who is being talked to about what and then to ask further questions. Then, I think, that would cover the territory.

Q130 **Beth Winter:** Do you accept that there are significant limitations, given the evidence that you heard—

Harry Rich: Undoubtedly, the Act is limited. There is no question about the fact that it deals purely with consultant lobbyists. But if the aim overall—this is a policy question—is that it is clear, to anyone who seeks to look, who is being spoken to on behalf of whom, the way I have described would achieve that.

Q131 **Beth Winter:** How confident are you that the Register is capturing all consultant lobbyists within the Act, as it is currently defined?

Harry Rich: I would say reasonably confident. It is one of those questions: you do not know what is out there until you know what is out there. But we have taken steps over the past couple of years, as I described earlier, to increase awareness and ensure that, if people need to know, they know what their obligations are. I mentioned the work we have done with lawyers, accountants and so on. We have focused on APPG secretariats. We have done a trawl of public affairs businesses that are not registered on the statutory Register, and have written to all of them to inquire why that is the case.

The result of all that activity has been an increase in registrations. That increase is partly due to our awareness activity, but also due to the two very public, high-profile investigations that I conducted in the past couple of years. I think the awareness levels are higher. We think it is quite likely that that increase in registrations has now levelled off. To give you some data, in October 2020, we had 148 registrants; in October 2021, it was 179; and last month, it was 216. That is a significant increase. We can only speculate as to why that is, but I think it is because of our awareness activity and public awareness.

Q132 **Beth Winter:** It is quite a small number, though, when you look at lobbying activities.

Harry Rich: It is a very interesting point. My understanding is that, when the Act was considered in 2014, there was an impact assessment, and the Government thought that there could be up to 360 registrants. My predecessor Registrar thought it might be 70 registrants. As it happens, we seem to have landed somewhere in between. That small number reflects the fact that, as you said, the consultant lobbying definition is narrow.

Q133 **Beth Winter:** Can I ask one more question? Do you have an opinion on why organisations that are committed to having a transparent, ethical process have felt compelled to set up their own self-regulatory systems alongside the legislation? Does that concern you?

Harry Rich: No, it does not concern me. I think you will see that in any field of oversight. First, the distinction between regulation and registration is quite important. My job under the Act is to register this activity. It is not to look behind, or comment on, the quality or tone of that activity or the subject matter. That is not my job, whereas a regulator—and in these cases, self-regulators—have, quite properly, a broader remit. Again, it would be completely possible to set up a statutory regulator, but for what it's worth, that goes against the fashion of the age: there are fewer and fewer statutory regulators and more self-regulation. Again, that is a policy question, and it is all doable.

Q134 **Karin Smyth:** I will come on to your own powers, but I will just expand on that for a moment. Mr Gerlis gave us the numbers in the EU registration system and in the States. In your view, is there evidence that either of those systems works better, however we define "better"?

Harry Rich: There may be, but I haven't seen any. To be fair, it is not something I have examined; I have not done a comparison. But those systems, as you hint, are very different systems. They require much wider disclosure.

Q135 **Karin Smyth:** Do you think that that would be something that we would want to pursue?

Harry Rich: I would think it is a matter for the Committee and Government to consider.

Q136 **Karin Smyth:** Are the investigation and enforcement powers granted to you under the Act adequate, in your view?

Harry Rich: I think so. I have not yet stubbed my toe against any areas where I cannot get the information I need. When I launch a formal investigation, the powers under the Act are pretty broad. In fairness, once I investigate, the bulk of people will volunteer information in order to make the process work. We have had a few cases, of course, where people resist it. I have a power under the Act to issue an information notice, which is a formal procedure that has penalties for non-compliance. That works pretty well. In terms of penalties, I think the biggest penalty is reputational. I do not think any of the people I have investigated over the time I have been in post have been especially bothered by the fine or civil penalty. It is much more a reputational question.

Q137 **Karin Smyth:** You don't think the fine is particularly a deterrent?

Harry Rich: No. I think the whole process is a deterrent, and nobody wants to write a cheque for a few thousand pounds, but it is not the main issue.

Q138 **Karin Smyth:** You talked about your role and regulation—I cannot remember your exact words. How far do you feel you are able to monitor compliance?

Harry Rich: We monitor compliance in terms of the people who ought to be registered registering in the ways that I have described, in terms of both proactive awareness and the formal inquiry of groups of businesses and organisations. I am not looking beyond that in terms of what they are lobbying about—that is not my business.

Q139 **Karin Smyth:** We don't know what we don't know, do we?

Harry Rich: We don't. That is why I would certainly advocate, as I have said a couple of times, greater information provided by registrants in terms of what the subject matter of their lobbying is. It is not helpful to anybody that all we know is, for example, that company X worked on behalf of these three clients in the past quarter. That does not take you very far; in order to go further you have to probe quite a lot.

Q140 **Karin Smyth:** Company X has to register otherwise we don't know—

Harry Rich: The lobbyist has to register, and what I am advocating is that they should provide greater information each quarter. That can be dealt with by regulation; it does not need statute.

Q141 **Karin Smyth:** I think you have covered this, but just to be clear, have you faced any constraints on exercising your power of investigation and sanction?

Harry Rich *indicated dissent.*

Q142 **Karin Smyth:** The Act only regulates for transparency, and not the way that lobbying is conducted, which we have also touched on. The professional bodies have talked about the way that people go about their business, and I think the word used was "behaviour". Do you think that the Act should regulate conduct—that behaviour—as well as requiring transparency?

Harry Rich: Myth No. 3 is around self-written codes. Codes of conduct are a very interesting area. The Act does not require a registrant to declare a code of conduct; it gives a registrant the option to declare one if they choose to. On current data we have 215 registrants. Seven of them declare a self-written code—I will come back to that in a moment—79 of them declare the PRCA code of conduct and 15 declare the CIPR code of conduct. That tells me that 114 have no code of conduct.

Self-written codes of conduct are an interesting area. I am required under the Act to allow a registrant to declare any relevant code. I have described in guidance what a relevant code is. Most importantly, and this is where the myth comes in, in order for a registrant to declare their own code they have to have within that code independent external oversight of that code. They cannot mark their own homework. To be fair, when I enforced that, the number of self-written codes diminished rapidly—we are down to just seven at the moment. The code of conduct issue, as far as I am concerned, veers more towards a policy question. I believe that if the Act was changed to require a code of conduct, and to require the registrar to oversee those codes of conduct, we are straightaway moving from registration into regulation. My office would become a regulator of consultant lobbyists. I do not think that is desirable. I think it is more desirable for clients to make a judgment about the people they are employing, look to see how they operate and if they have a code of conduct and then make that decision. In my four years, this is not an issue that has arisen once in terms of a member of the public, a client or anybody else coming to us to say, "Company X has misbehaved."

Q143 **Karin Smyth:** We talked about the reputation of lobbying being seen in a negative light because of that and the fact that it takes two to lobby. The behaviour of Ministers is something that concerns this Committee as well as the general public. I am not sure you will agree with this, but there is a gap around the behaviour of both sides. I guess that is not for you; that is for things like the ministerial code and the Government to be monitoring, but you are treading a difficult line.

Harry Rich: Yes, for sure. Most people would believe that the behaviour of lobbyists, their clients and Ministers is utterly critical to the sustainability of a good, effective parliamentary system and a good, effective lobbying system. I believe that good, open and transparent lobbying is a good part of the policy-making process. My only doubt is whether it is the job of the Registrar of Consultant Lobbyists under a changed Act or the state to step firmly into that field. That is my question, and it is a question, not an answer.

Q144 **Karin Smyth:** In our other investigations, we have talked about the relationship between organisations and the behaviour particularly of Ministers falling between the gaps of those organisations. Are you involved in those conversations with those other sorts of bodies or informally with people like ACOBA?

Harry Rich: ACOBA, my office and the Standards Committee will touch on one another occasionally where, for example, I am conducting an investigation and the individual being investigated says to us, "But ACOBA said it was okay." I'm afraid my answer to that is, "It's not my business what ACOBA says. You have to follow the requirements of the Act." To that degree, we touch on one another, but we absolutely do not try to work together to make a system. I think a coherent system would be useful, but it is not my job to put one in place.

Q145 **Chair:** I will put a pointed question, if I may. If the Government were able to produce the quarterly releases of information about Ministers and permanent secretaries' meetings, gifts, hospitality and so on in an accurate and timely manner, would there still be a need for the Lobbying Act?

Harry Rich: Possibly not. If one had confidence that all the information that was needed for the transparency data was there and if you make the assumption, as I do, that the aim behind the Act is so that everybody can know who is lobbying who on behalf of whom, that would be a means of achieving that.

Q146 **Chair:** Do you think any shortcomings in that respect undermine the efficacy of the Lobbying Act?

Harry Rich: Absolutely yes, it does undermine it. The system was constructed, as I understand it, to be a balance between the Lobbying Act disclosing paid-for consultant lobbying where it would not be automatically obvious who is being lobbied on behalf of whom—that is, lobbying company X goes to see a Minister and no one knows who it is representing; that is one half of it and the Lobbying Act discloses that—and the other half, where you have in-house lobbyists—employees of companies—that is disclosed via the transparency data. If you do not have both halves, the system cannot work.

Q147 **Chair:** In your written evidence, you note that the Act invests authority in the Registrar themselves. What would be the potential effects on availability beyond the functioning of the Act?

Harry Rich: As I mentioned in my evidence, that is an issue. Luckily, it has never happened. Either in the case of my being unavailable or if I happen to have a conflict of interest in relation to a particular registrant or a potential registrant, the Act simply does not function. There is no means by which anybody else can take on those responsibilities, so a new Registrar would have to be appointed.

Q148 **John McDonnell:** So if you fell off the scaffolding, that would be it.

Harry Rich: Yes, we would all be in trouble if I fell off scaffolding.

Chair: We wish all our witnesses well at this Committee.

Harry Rich: This isn't "House of Cards", is it?

Chair: Don't take that as any particular slight. That seems like rather an interesting note to conclude our proceedings this morning. Is there anything further that you wish to bring to our attention?

Harry Rich: No, I think we have covered all the key areas. I will try to get you that information around the number of professional bodies on the Register.

Chair: Thank you; we are grateful for that.