

E-ALERT | Public Policy & Government Affairs

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PROPOSED UK LOBBYING BILL FACES CRITICISM

On 17 July 2013, the UK Government introduced draft legislation, the [Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Bill](#) (the “Bill”), that would, if enacted, create a mandatory and publicly-accessible register for “consultant lobbyists”. Any person or organization that falls within the statutory definition would be required to register with a new Registrar of Consultant Lobbyists, and to submit quarterly reports regarding their lobbying activities.

The Bill has faced considerable scrutiny in Parliament, as well as opposition from industry representatives and transparency groups. On 5 September, as described further below, a key House of Commons committee called for the Bill to be withdrawn and substantially amended. Press reports now indicate that the future of the Bill is in doubt, and it is likely that the UK Government will amend its proposals to address the concerns of Parliament and stakeholders.

Summary of the Lobbyist Register Proposal

The proposed definition of “consultant lobbyist” encompasses persons who, in the course of business and in return for payment from clients, communicate with Government ministers or permanent secretaries in relation to the development, adoption or amendment of legislation or policy, or in relation to certain other governmental functions such as awarding contracts or issuing licences.

Controversially, the definition does not extend to persons who engage in such activities if consultant lobbying constitutes an “insubstantial” part of their overall business. Neither does it extend to in-house lobbyists.

After an initial registration, consultant lobbyists would be required to file quarterly returns to the planned Registrar, which would identify any clients for whom a consultant lobbyist had performed consultant lobbying services during the previous quarter. The system would be self-funded by registration fees payable by those persons on the register.

Criticisms of the Bill

Reactions to the Bill have been negative. Critics have highlighted several perceived flaws, including that:

- **The legislative process was rushed.** Although the UK Government conducted a pre-legislative consultation in 2012, the Bill itself was not published until the day before Parliament’s summer recess, leaving very little time for detailed scrutiny before the first House of Commons debate on 3 September.
- **The definition of lobbying is too narrow.** The vast majority of lobbying in the UK involves in-house lobbyists and activities other than communicating with Ministers and permanent secretaries. The UK Government has stressed that it does not wish to regulate the entire lobbying industry, and instead is aiming to tackle the specific problem of transparency in relation to consultant lobbying firms, as it is usually not clear whose interests they represent. But critics have pointed out that the current definition is also likely to exclude large multi-

disciplinary organizations such as law firms, as consultant lobbying may be an insubstantial part of their overall business.

- **The register could do more harm than good.** The register will be relatively costly to implement – £500,000 in the first year and £200,000 per annum thereafter, according to the UK Government's own estimates. If multi-disciplinary firms are excluded from the register, as critics fear, small- to medium-sized lobbying firms may have to bear more of the financial burden for the scheme.

Recent Developments

The Bill was debated in the House of Commons on 3 September, and it will be considered in committee on 9 September. However, recent developments have cast doubt over the Bill's future.

On 5 September, the House of Commons Political and Constitutional Reform Committee published a [report](#) which urged the UK Government to withdraw the Bill, and to set up a special committee to assist with drafting new proposals. Press reports today indicate that some parts of the Bill may be withdrawn, although no official announcement has been made and it is not yet known which sections are likely to be amended.

We will continue to monitor the progress of the Bill in the coming weeks.

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