

EXPLANATORY MEMORANDUM TO
THE REGISTRATION OF CONSULTANT LOBBYISTS (AMENDMENT) (No. 2)
REGULATIONS 2015

2015 No. 1998

1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Cabinet Office and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

- 2.1 This instrument amends regulation 5 of the Registration of Consultant Lobbyists Regulation 2015 (S.I 2015/379) to increase the annual charge per registered consultant lobbyist in connection with the maintenance of the register. The annual maintenance charge will increase from £700 to £950 per calendar year. If a person joins the register part way through a year, the annual charge will be calculated as the appropriate proportion of £950 for the remainder of that calendar year.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

- 3.1 None.

Other matters of interest to the House of Commons

- 3.2 As this instrument is subject to negative resolution procedure and has not been prayed against, consideration as to whether there are other matters of interest to the House of Commons does not arise at this stage.

4. Legislative Context

- 4.1 This instrument is being made to amend the Registration of Consultant Lobbyists Regulations 2015 (S.I. 2015/379) made under Part 1 of the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014 (“the Act”). The Regulations will come into force on 1st January 2016.

5. Extent and Territorial Application

- 5.1 The extent of this instrument is all of the United Kingdom.
5.2 The territorial application of this instrument is all of the United Kingdom.

6. European Convention on Human Rights

- 6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

What is being done and why

- 7.1 The statutory register of consultant lobbyists (“the Register”), provided for by Part 1 of the Act, came into force on 1st April 2015. The Register is designed to increase the transparency of the consultant lobbying industry. It complements the Government’s transparency initiatives – which include the quarterly publication of details of ministers and permanent secretaries’ meetings with organisations – and the industry’s existing self-regulatory regime. The Register addresses the specific problem that it is not always clear whose interests are being represented by consultant lobbyists
- 7.2 Regulation 5 sets the level of the charges to be paid by registered consultant lobbyists. In accordance with section 22 of the Act, the charge is set to recover all costs incurred by the Registrar in exercising her statutory functions, other than those where services are provided by the Cabinet Office. The charging structure comprises three separate charges:
- An application processing charge: an amount to cover the cost of processing an application to register;
 - An information return processing charge: an amount to cover the cost of processing the return; and
 - An annual maintenance charge that covers maintenance costs of the register.
- 7.3 These charges have been specified separately to ensure transparency about what functions are being paid for by each charge.
- 7.4 This instrument amends regulation 5 in pursuit of sub-section 22(3) of the Act to increase the annual charge per registered consultant lobbyist in connection with the maintenance of the register. The annual maintenance charge will increase from £700 to £950 per calendar year. If a person joins the register part way through a year, the annual charge will be calculated as the appropriate proportion of £950 for the remainder of that calendar year.

8. Consultation outcome

- 8.1 No consultation has been conducted as the regulations are made in pursuit of the requirement in sub-section 22(3) of the Act.

9. Guidance

- 9.1 Guidance on joining the register of consultant lobbyists (including the payment of charges) is published by the independent Registrar of Consultant Lobbyists and is available at: <https://www.gov.uk/government/organisations/office-of-the-registrar-of-consultant-lobbyists> .

10. Impact

- 10.1 The impact on business, charities or voluntary bodies is that the measure will remain low cost to industry.
- 10.2 The impact on the public sector is one-off implementation cost of £111,000 and an anticipated annual cost of £147,000 for the initial years of the register’s operation. It is expected that the annual cost will decrease in future years. This impact represents the cost of certain services, including accommodation, and IT, and secretariat staff

which will be provided to the Office of the Registrar by the Cabinet Office under the terms of Paragraph 8, Schedule 2 of the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration 2014. These costs form a proportion of the overall costs of the Office of the Registrar, the remainder of which will be recovered by a charge on consultant lobbyists, as set out in this instrument. The accommodation and IT will be provided as part of existing Cabinet Office resources; the secretariat staff are existing civil service staff. These costs will be reviewed on an annual basis.

10.3 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The legislation applies to activities that are undertaken by small businesses.

11.2 To minimise the impact of the requirements on small businesses (employing up to 50 people), the approach taken is that the legislation does not apply to companies who are not registered under the Value Added Tax Act 1994.

12. Monitoring & review

12.1 The Government will keep under review the impact and the level of the charges levied on consultant lobbyists and the implementation for public finances.

13. Contact

13.1 Katy Budge at the Cabinet Office Tel: 020 7276 1234 or email registerlobbyists@cabinetoffice.gov.uk can answer any queries regarding the instrument.