

Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Bill

Executive summary

The Sheila McKechnie Foundation believes the Bill has multiple weaknesses and should be delayed, properly scrutinised and amended to ensure this legislation does not have a detrimental impact of the voice of charities and other civil society groups in speaking out on key issues, injustices and public concerns. **We believe that Government amendments before its third reading in the House of Commons did not go far enough; we have grave concerns that the Bill will not achieve its stated objectives.**

SMK's position on the Bill is clear. If enacted, this legislation will not:

- Achieve the government's aim to 'restore trust and confidence in the political system'
- Clean up the lobbying scandals we expect it to address
- Allow the public to see how third parties seek to influence the political system
- Allow charities and groups to (effectively/without fear or undue constraint) speak out on issues that affect their beneficiaries

SMK is calling for:

- 1. The Bill to be delayed and properly scrutinised and consulted upon**

In the case that it is not delayed, it must still be amended so that:

- 2. The definition of controlled expenditure is amended**
- 3. The current existing expenditure requirements are retained**
- 4. A more comprehensive lobbying or 'transparency' register covering a wider set of people is included**

About the Sheila McKechnie Foundation

Established in 2005, the Sheila McKechnie Foundation (SMK) is the only UK charity dedicated to connecting, educating and supporting those who want to take action on issues important to them and their communities. Our work is UK-wide and so we understand the challenges this Bill poses to individuals and groups in England and across the devolved nations. In 2012 SMK submitted responses to the Government's proposals for a lobbying register (including Scottish Lobbying Bill). We made specific, workable suggestions that would have made more of an impact on transparency and lobbying scandals in contrast to what has now been produced in part one of this Bill.

1. The Bill should be delayed and properly scrutinised and consulted upon

There are already sufficient rules and regulations in place to ensure “trust and confidence” in charity campaigning. This must be taken into consideration.

- **Forty-nine per cent** of respondents to a YouGov poll say they **trust charities to lobby** government 'for the benefit of society' - only **8 per cent trust lobbying consultants**
- Public **trust in charities has increased for the third year running**. 66% of people now trust charities 'quite a lot' or 'a great deal' compared to 64% last year (nfpSynergy poll)
- **Political parties are still bottom on 8% trust levels**, with 57% trusting them very little (nfpSynergy poll)
- A recent Hansard Society report noted that **third party campaigns increase interest in elections**, can increase voter turnout, and draw otherwise disenfranchised citizens into the democratic process.¹ At a time when so many feel cut off from politics, politicians and the political process, these must surely be good things.

The Bill is badly timed and at odds with other activity, including guidance from the devolved nations.

- The [Office of the Scottish Charity Regulator \(OSCR\)](#) issued guidance saying that charities would be able to campaign for a specific 'yes' or 'no' vote in the Scottish Independence Referendum. This raises concerns that charities in the devolved nations working on issues controlled by Westminster could face conflicting guidance.²

2. Current expenditure requirements should be retained

- **A Save Our Sure Start or Save Our Hospital** in a small town would find every linked Sure Start or NHS campaign counted into its local spending for electoral purposes.³
- **The HOPE not hate campaign** is a registered third party that spent £319,231 campaigning against the BNP in the 2010 General Election. The legislation would restrict HOPE's expenditure to 2% of that available to the BNP; restrict their ability to build coalitions; and ultimately place more restrictions on HOPE than the BNP, National Front or any other political party, dramatically reducing their ability to campaign against fascism and racism.⁴

Non-party campaigners already spend far less than political parties during elections; there is no clear reason to limit non-party campaigning expenditure beyond existing regulations.

- **In the 2010 General Election, campaign expenditure by all political parties was £31.5 million; non-party campaigners spent £2.8 million.**⁵

The Bill would place harmful expenditure requirements on charities, whilst failing to address the huge amount of money pumped into the political arena by the private and financial sector before and during election periods. Both nationally and internationally, private/financial sector spending is far higher than the voluntary sector

¹ Audit of Political Engagement 10, Hansard Society

² <http://www.thirdforcenews.org.uk/2013/08/scottish-charities-at-risk-of-being-shut-out-of-uk-elections/>

³ <http://www.theguardian.com/commentisfree/2013/sep/03/lobbying-Bill-corporate-prs-silence-protest>

⁴ <http://www.hopenothate.org.uk/gagging-hope-not-hate/>

⁵ http://www.electoralcommission.org.uk/_data/assets/pdf_file/0011/109388/2010-UKPGE-Campaign-expenditure-report.pdf

- In 2011, the British **financial sector spent £92m lobbying** politicians and regulators.⁶
- The voluntary EU lobbying register showed that the **pharmaceutical industry spend 40€ million** annually lobbying the EU, compared to **3.4€ million by civil society organisations**.⁷

Further reading

5.1 SMK's consultation response to Introducing a Statutory Register of Lobbyists, 2012:

<http://www.smk.org.uk/storage/Register%20of%20Lobbyists%20SMK%20consultation%20response%20FINAL.pdf>

5.2 SMK's consultation response to the proposed Lobbying Transparency (Scotland) Bill, 2012:

<http://www.smk.org.uk/storage/Response%20to%20Scottish%20Lobbying%20Register%20consultation%20FINAL%2029-10-12.pdf>

5.3 SMK's submission of evidence to the Political and Constitutional Reform Committee, August 2013: <http://www.smk.org.uk/smk-provides-briefing-to-commi/>

5.4 The full document of evidence submitted to the Committee can be read here:

<http://www.parliament.uk/documents/commons-committees/political-and-constitutional-reform/ConsGLB01-81.pdf>

⁶ <http://unlockdemocracy.org.uk/pages/scandals>

⁷ <http://corporateeurope.org/pressreleases/2012/big-pharma-spends-over-40-million-year-lobbying-eu-dwarfing-public-health-ngos>