



Memorandum of Understanding Between the APPC and the PRCA

This Memorandum of Understanding (MOU) sets out the terms and understanding between the APPC and the PRCA to merge on 1st November 2018 following a majority vote on 8th October 2018 of APPC members.

Purpose:

- This MOU will create one public affairs organisation (the Public Affairs Board, hereafter known as “The Board”); one annual membership fee; one Code of Conduct; one disciplinary procedure; and one voice for the public affairs industry.

Vision:

- The merger of the APPC and the PRCA will give crucial resource to the new organisation to fulfil its role of ensuring transparency through a joint register; enforcing high standards through a unified Code of Conduct; and promoting a wider understanding of public affairs and the contribution it makes to public life. These are the shared aims of the APPC, and the public affairs element of the PRCA.
- The reputation of lobbying has been transformed since the formation of the APPC and self-regulation, and the professionalism and exacting ethical standards that the APPC insists of its members. There is however a new challenge for the industry, with the UK Government having introduced the Office of the Registrar of Consultant Lobbyists (ORCL) for the industry in 2014, the Scottish Government having launched its own register in March this year, and the National Assembly for Wales closely watching the Scottish system before taking a decision.
- Moreover, once the principle of Government regulation is confirmed, it is extremely unlikely that levels of compliance for third party lobbyists will ever be reduced. Pressure will grow for an extension of regulation, with the Labour Party already promising to replace the existing legislation with new laws, and a clear instinct to increase the cost and duty of compliance should they form the next UK Government.
- The public affairs industry has evolved considerably since the formation of the APPC, and London is undoubtedly the most sophisticated and innovative market in Europe. There exists a lack of awareness (including among politicians) of the benefits of lobbying to Government and democracy, and of the changing nature of the industry.
- Above all, should the APPC and the PRCA merge, a new, stronger, united voice for the industry will be created. It will have the appropriate professional resource from the PRCA, and the historic credibility and reputation of the APPC. It will be



the best-placed organisation to defend the principles we believe in of transparency and ethical standards; and to be able powerfully to promote and defend the industry in dialogue with Government; political parties; and the media.

Benefits for the industry:

- Clarity for the industry, the media, and politicians. Merger between our two bodies will significantly reduce the current confusion about who regulates and speaks for public affairs.
- Reduced registration burden. By creating one Register, we will reduce the burden on our respective – and often overlapping – members in completing their quarterly returns.
- Stronger voice. The Chair of the new unified body will become the default voice of the industry, helping to avoid any conflicting messages.
- Reduced cost. For those many organisations that are members of both the APPC and the PRCA, there will be an immediate reduction in costs, as they will automatically save the lower of their two membership fees.
- Access to the PRCA's 30+ team and £3.7m resources will give the new industry body considerably enhanced capacity in areas such as accounts, communications, events management, and research. This in turn will allow us to consider significant new activity in training and professional development; and research into the composition and future of the industry.
- Deeper international links. Via the PRCA's relationship with ICCO, the umbrella body for PR associations in 55 countries, the new Board will be able to work more closely with other national associations and international public affairs agencies in addressing common questions of lobbying regulation and best practice.
- More organisations embracing self-regulation and disclosure. A default body for the industry will take away the excuse still deployed by many organisations that they are a member of no organisation because there is no *obvious* one to choose. This merger will make such an argument redundant, and lead to wider self-regulation, and greater client disclosure.

The two parties agree that:

- One Public Affairs Code will be created for our industry. The PRCA will accept the current APPC Code as the basis for this new unified code. The Public Affairs Code will replace the existing Codes, and apply to all members in their conduct of public affairs.



- One Register will be created, containing all existing information provided by both current ones.
- One disciplinary process will be created, based on the existing structures of both bodies, and incorporating the independent element of the current APPC model.
- No current APPC or PRCA member will pay more post-merger than they do at the current time. Where agencies, in-house teams, or individuals are members of both the PRCA and the APPC at the moment, they will pay one fee, whichever is the higher of the two. They will gain access to all services offered by the merged body.
- Where agencies, in-house teams, or individuals are currently APPC but not PRCA members, their initial fee will be set at the current APPC level; will rise by no more than RPI for three years; and they will retain access to services at precisely the current provision level of the APPC. Where agencies, in-house teams, or individuals are currently PRCA but not APPC members, their initial fee will be set at the current PRCA level; and they will retain access to services at precisely the current combined provision level of the PRCA and APPC.
- New prospective public affairs members will have the option to join the merged body at the current APPC level and therefore access services at precisely the current provision level of the APPC.
- The Board will be governed by the Public Affairs Executive Committee (hereafter known as “The Executive Committee”), composed of the current APPC and PRCA Group Committees. The existing Chair of the APPC will become Chair of the Public Affairs Board, and of the Executive Committee. Future Chairs will be elected as per the rules set out in the existing APPC structure. Changes and amendments to the new Public Affairs Code will require majority support from the two constituent bodies: the Executive Committee, and the PRCA Board.
- The Board Chair will have an automatic, voting place on the full PRCA Board and Council, becoming a PRCA Director.
- Unless agreed otherwise, on all public affairs issues, the public spokesman of the Board will be its Chair.
- The Board Chair will be the primary point of contact with ORCL.
- The current reserves of the APPC will be transferred to the PRCA, but ring-fenced in a separate account, for expenditure solely on public affairs, as directed by the Executive Committee.



- Mary Shearer will have her current contract extended under its present terms and conditions.
- There will be one unified programme of events, as directed by the Executive Committee. There will be at least two events per year for public affairs members in each of the four nations.
- The Public Affairs Awards programme will continue as at the current time.
- The Board will continue to collaborate with other relevant bodies within the public affairs sphere (e.g. ASPA, CIPR, PAC, NIGAG).
- All individuals conducting public affairs will appear on the Public Affairs Register. No person registered may hold a pass conferring entitlement to access to the Palace of Westminster, the Scottish Parliament, the National Assembly for Wales, the Northern Ireland Assembly, the Greater London Authority, or any department or agency of government, except with the explicit written and public permission of the Board Management Committee, and only then in truly exceptional circumstances.
- The Board will continue to provide ethics and Code of Conduct training.
- The Board will maintain the current preclusion of the APPC and the PRCA on members of the Parliament of the United Kingdom, Scottish Parliament, National Assembly for Wales, Northern Ireland Assembly, European Parliament, and Greater London Authority conducting public affairs in any capacity for members.
- New prospective public affairs members will be interviewed for compliance purposes.
- The Board will continue to support the APPC Young Consultants Committee and its activities; and the public affairs practitioners of the PRCA Next Gen Group and their activities, in a new unified sub-group composed of young public affairs practitioners.
- The merger will come into effect on 1st November 2018.



Agreed by:

For the APPC, Paul Bristow, Chairman.

Signature and Date:

For the PRCA, Francis Ingham, Director General.

Signature and Date:
