The dominant issue for APPC this year has continued to be the government’s proposed statutory register of lobbyists, now enacted in the Transparency of Lobbying Act. The register is expected to be implemented before the General Election in 2015.

Before and during the passage of the Bill, APPC worked with the Opposition, the Political & Constitutional Reform Committee, CIPR and PRCA, as well as engaging in extensive media contacts. Briefings for Parliamentarians were prepared before all major debates.

Despite strong opposition from all sides during its passage, the Act remains basically unchanged from the Bill, memorably described as a “dog’s breakfast” by the chair of the Political & Constitutional Reform Committee. The changes that were made included the requirement for registrants to indicate whether they adhere to a relevant voluntary code of conduct and the exemption now being for “incidental” business rather than “insubstantial”. Speaking to APPC in April, the Cabinet Office Minister confirmed that the register would include lawyers and management consultancies. The Act also now allows for the possibility of regulations to extend the “direct communication” to include special advisers as well as Ministers and Permanent Secretaries.

There remain significant “grey areas” that are to be left to the discretion of the statutory registrar. At the time of writing, the statutory registrar has not been appointed but, when that happens, APPC is looking to engage with the registrar to seek clarity for members. APPC will also continue to press on the cost of the register, which could fall on a relatively small number of consultants.

In April, the Labour Party announced that, if elected, it would introduce a universal register with a statutory code of conduct. Whilst universality is welcome, there are concerns that a statutory code could ultimately restrict the right to lobby and so should be no more prescriptive than the Guiding Principles. The Management Committee will be engaging with the Labour Party.

The future of UKPAC is not yet clear but its register will be maintained at least until the end of 2014. If re-organised, UKPAC could possibly become the statutory registrar.

At its annual strategy meeting in June 2014, the Management Committee will discuss the impact of the Act on the future of APPC, recognising that some members may not wish to bear the cost and the significant bureaucracy involved in signing up to two incompatible registers.

In parallel, the Scottish Parliament is considering its own Lobbying Transparency Bill. Following a meeting with the relevant Minister, APPC Scotland made a submission in January 2014 in response to the consultation on the draft Bill Lobbying Transparency Bill (Scotland), making the main points that Scottish Ministers and Civil Servants should publish their diaries and that, in the event of a statutory register for Scotland, it should be one of lobbying activities (not lobbyists) and should include only verifiable information, ie excluding financial information. APPC(S) also gave oral evidence.
The Scottish Government has undertaken to bring forward a Bill before the end of the current parliament in 2016, but this is unlikely to be before the referendum in September 2014. Whilst there was a clear commitment to legislation, it will not necessarily include a statutory register, and the Scottish Government seems keen not to follow the Westminster model.

As well as addressing lobbying legislation, APPC has continued other activities in line with the action plan set at the Management Committee’s strategy meeting in June 2013.

**Membership**

APPC made a major change to its constitution at an EGM in July 2013 by extending membership to trade associations, in-house PA teams and individual associates. To date, there is one non-consultancy member but there will be a membership drive in the year ahead.

As at 1 May 2014, APPC has a record 82 members, a net increase of five since last year’s report, despite a number of resignations for business reasons. A number of applications are in the process of approval.

**Events and Engagement**

The Management Committee considered that the first year of its proactive media strategy had yielded useful results in raising APPC’s profile and influence, particularly in respect of the Lobbying Transparency Act. As well as the usual ongoing contacts with PA News and PR Week, the key media met during this year have included flagship national print (the Financial Times, the Guardian, the Times, the Mirror, the Sun on Sunday and the Independent) as well as the BBC and Sky News. Members of the Management Committee also participated in a number of TV and radio programmes when the Lobbying Bill was published.

The APPC undertook research to demonstrate the low levels of direct engagement that third-party lobbyists have with government officials compared with other types of lobbyists. These data were cited regularly by both journalists and MPs in making the case for the statutory register to cover all lobbyists. The APPC also spearheaded an online initiative with Unlock Democracy and Unite during the passage of the Bill which won the support of more than 30 CEOs.

A continuing programme of media engagement is in hand, led by Olly Kendall of Westminster PA. APPC is also progressing its social media programme through its Twitter account, managed by Paul Beckford.

The main event this year was a Reception to mark APPC’s 20th Anniversary, held on 9 April at The Mall Galleries. The guest speaker was Tom Brake MP, Cabinet Office Minister and Deputy Leader of The House. The event was well attended by over 250 members and guests and there is a report on the APPC website.

Other events have been the Code training sessions and those organised by the YCC, all very well attended. However, there continues to be poor attendance at members’ meetings, which have been reduced to two per year. Using the YCC survey results and other feedback, the Management Committee will consider how best to engage with members at its strategy meeting in June 2014.
**Code of Conduct Training**

Four training sessions were held in London, each attracting over 50 delegates, plus one in Edinburgh led by the Chair. With the support of the Young Consultants’ Committee, the format for the training sessions is constantly evolving and active consideration is being given to how the system can be developed further. Members of both the Management Committee and the Young Consultants’ Committee participate in the sessions. We continue to be grateful to HK Strategies for hosting the sessions.

During the year, to further improve Code training, the online training module on APPC’s website has been extensively revised. The purpose of the online training is to both offer a revision and/or introduction for those who have attending face-to-face sessions, as well as a practical solution for those who cannot attend the sessions.

**Compliance Issues**

The Code of Conduct was amended to allow for extended membership but without substantive changes. The Management Committee will undertake its annual review of the Code at its strategy meeting.

The Complaints & Disciplinary Rules & Procedures were revised during the year to clarify specific points without making substantive changes. They are published on the APPC website.

During the year, there were two complaints lodged by the Management Committee, both determined by an Independent Adjudicator appointed by the Centre for Effective Dispute Resolution.

**APPC Scotland**

APPC(S) held its AGM in June 2013, when Illiam Costain McCade was re-elected Chair.

APPC(S) has met regularly over the past year, when the principal focus has been on proposed lobbying legislation in Scotland (as reported above).

A training session was held in November 2013, using a newly developed format. The Scottish Young Consultants’ Committee has continued its outreach activities. The forward agenda for next year will be continued engagement on proposed lobbying legislation.

**Young Consultants’ Committee**

The YCC has had a successful year, marked by excellent levels of participation from all members of the Committee, particularly as membership decreased to 10 over the course of the year. Katharina Derschewsky served as Chair, supported initially by Amna Ahmad who was succeeded by Andrew Gates as Deputy Chair. The Committee’s activities have continued to focus on Code of Conduct training (as reported above) and on two other areas.

The YCC ran its fourth annual survey of the APPC membership in early 2014, aimed at gathering the views of consultants on the APPC and industry issues. Actively encouraging Scottish public affairs consultants to participate in the survey for the first time, this year’s survey saw a record response of 125 respondents. Survey results, including trends from the previous surveys, were presented to the Management Committee in April and specific recommendations will be used to develop APPC’s action plan for 2014/15.

The events programme has been a key activity for the YCC, aiming to achieve high levels of attendance from its core constituency: young consultants working for APPC member
consultancies. The programme included a joint summer reception with PRCA, a joint event with PubAffairs in October, and an inter-agency pub quiz. At the time of writing, a panel discussion on EU issues is being planned in cooperation with the CIPR. All events have been very well attended and have helped to raise the profile of both the APPC and the YCC. This year’s YCC has also, for the first time, reached out to its Brussels-based equivalent, ECPA 2.0 to encourage dialogue between young consultants not only across UK but also across European borders.

The unprecedented number of 21 candidates standing for election for the 2014-15 Young Consultants Committee is certainly testament to the increasingly recognised value and contribution the YCC is making to the APPC and the future of the public affairs industry as a whole.

Michael Burrell
Chair
30 April 2014