

Office of the Registrar of Consultant Lobbyists

*Memorandum of Understanding between the
Cabinet Office and the Registrar of Consultant
Lobbyists*

30 June 2015

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Introduction

This Memorandum seeks to outline the working relationship between the Cabinet Office (as Sponsoring Department) and the Office of Registrar ("the Office"). It will set out the framework for the relationship between the Office of the Registrar and the Cabinet Office and in particular:

- The role of the Office;
- Finance and accountability arrangements;
- The services and resources the Cabinet Office will provide the Office in order that it can carry out its statutory duties; and
- The governance arrangements under which the Office of the Registrar will operate.

The Memorandum will be effective from 1 April 2015. It will be reviewed every three years. Amendments may be made at any time by agreement between the Cabinet Office (CO) and the Registrar.

The Memorandum is not intended to have any legal effect and is not justiciable in any Court of Law.

Guiding principles

This Memorandum is based upon the guiding principles that:

- The Office, in discharging its functions, is independent of the Government;
- The Office and the Government are committed to openness and transparency in their dealings with each other; and
- Changes to this Memorandum will only be made with the mutual consent of the Cabinet Office and the Office.

The role of the Registrar

The Office has been set up following the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014 ("the Act") in order to create and administer the statutory Register of consultant lobbyists.

The Registrar is an independent statutory office, established to keep and publish the Register of consultant lobbyists, in which those who lobby on behalf of a third party will be required to declare the names of their clients and whether or not they subscribe to a relevant code of conduct.

The Registrar has a duty to monitor compliance with the requirement to register and a power to undertake enforcement action in instances of non-compliance. She will be expected to develop and publish guidance to industry on its duties under the relevant provisions of the Act.

The Registrar will:

- Maintain and publish the UK Register of consultant lobbyists;

- Develop and publish guidance to industry on its duties under the Act;
- Monitor and enforce the industry's compliance with the Act's legal requirements; and
- Publish an annual statement of accounts.

Finance and accountability arrangements

Parliamentary accountability

The Minister for the Constitution will account for the Registrar's business in Parliament. Where communication with Parliament is necessary, the Registrar and CO will carefully and unambiguously lay out their respective roles and responsibilities. In particular, the Registrar and CO will endeavour to make clear the independence of the Registrar.

The Registrar must send a copy of the statement of accounts, within a period specified by the Minister, to the Comptroller and Auditor General, who will then examine, certify and report on the statement ahead of laying a copy of the statement before Parliament, in accordance with the Act.

The Registrar may be called to account for the activities of her Office at relevant select committees.

Financial accountability

The Registrar is designated by the Permanent Secretary of the CO as the Office's Accounting Officer, and (as set out in the letter of designation) is responsible for assuring Parliament and the public of high standards of probity within the following areas:

- Governance;
- Decision-making and risk management arrangements;
- Promoting and safeguarding regularity, propriety, affordability, sustainability and value-for-money; and
- The ethical and behavioural standards, which are observed by staff, especially in their dealings with other departments and agencies.

Budgeting

While the Registrar is ultimately accountable for the finances of the Office, the Cabinet Office Finance Director (COFD) will send the Head of the Office, on behalf of the Registrar, a sub-delegation of budget allocation and financial authority in order that payments can be made on the Registrar's behalf (the budget approval process is attached at **Annex A**). The Registrar will in return provide an assurance to the COFD that she accepts the terms and conditions set out in the budget allocation and financial authority letter, in particular her acceptance of its financial constraints and financial governance.

Once the budget has been agreed, the Office shall have the authority to incur expenditure approved in the budget without further approval from the CO (subject to

the outcome of discussions about spending controls¹). This authority is subject to any restrictions imposed by this document, by statute or by the terms of the COFD's letter of sub-delegation of budget allocation and financial authority. Also, once the budget has been agreed, any alterations to it proposed by CO would be subject to Ministerial approval.

The Registrar shall obtain CO's prior written approval before:

- Entering into any undertaking to incur any expenditure that is not provided for in the Registrar's annual budget as approved by the CO;
- Incurring expenditure that could have significant future cost implications; and
- Considering action that would constitute a role for the Registrar beyond that envisaged by the Act.

It is important to note that the Registrar does not envisage any of the above events taking place.

Fees and charges

In accordance with Section 22 of the Act the Registrar may impose charges for or in connection with the making, updating and maintenance of the Register in accordance with regulations made by the CO.

The CO will determine the level of those charges and in doing so the Minister must seek to ensure that the total paid in charges is sufficient to offset the total of the costs incurred by the Registrar in exercising her functions. Responsibility for setting the charge rests with the CO and not the Registrar.

The financial framework for the Office is at **Annex B**.

Governance and responsibilities

The Office of Registrar

Corporate Governance

The Registrar will ensure that the Office is run in accordance with best practice in corporate governance. In particular the Registrar will:

- Comply with HMG guidance on good governance; instructions issued by the sponsor department and recommendations made by the Public Accounts Committee, or other Parliamentary authority, that have been accepted by Government and are relevant to the Office (a full list of the guidance that the Office will comply with is at **Annex C**);
- Ensure that risks are dealt with in an appropriate manner and documented in a risk register in accordance with the Treasury guidance, *Management of Risk: Principles and Concepts*; and
- Complies with her duties in relation to Freedom of Information and Data Protection legislation and have appropriate policies in this regard;

¹ Under discussion at 25 June 2015

- Maintain a register of interests, which will be publicly available on the Office's website.

Staff of the Office of the Registrar

Staff of the Office will be provided by the CO and will work under CO pay and performance management systems. For appraisal purposes they will come under the CO performance management systems, with input provided by the Registrar and will be managed on a day-to-day basis by the Registrar. Any concerns relating to the staffing of the Office can be raised by the Registrar with the Sponsor Team, which will ensure that the Office is appropriately staffed.

Cabinet Office

Provision of staff and shared services

Paragraph 4 of Schedule 2 of the Act provides that:

- The Registrar may make arrangements with the Minister or other persons
 - For staff to be seconded to the Registrar;
 - For accommodation or services to be provided to the Registrar.

Ministers will provide secretariat staff and shared services for the Office. In providing staff and services to the Office, the CO should ensure appropriate expertise and continuity consistent with the Office's Business Plan and not seek to re-prioritise or downgrade staff according to other CO priorities.

Sponsor Team

Within the CO, the Sponsor Team² will act as the day-to-day point of contact for the Office and will coordinate work with other teams across Whitehall as appropriate. The Sponsor Team is the main source of advice to Ministers regarding the Office advising on:

- The progress of the Office with regard to its statutory remit;
- An appropriate budget in order that the Office can fulfil its statutory remit;
- Performance of the office in achieving value for money in the delivery of its statutory remit.

The Sponsor Team is also responsible for ensuring arrangements for:

Staff

The following services will be included:

- Facilitating the recruitment and appointment of appropriately qualified staff by the Registrar and/or the Head of the Office

Governance

The following services will be included:

² In June 2015 the team was part of the Constitution Group

- Informing the Office in a timely manner of any prospective changes to the statutory framework governing the work of the Office;
- Providing the Office with any relevant guidance issued by the Treasury or the CO regarding public bodies;
- Enabling the Office to put into effect any recommendations accepted by the Government which affect the Office and that are issued by the Public Accounts Committee, other Parliamentary Select Committees, or other Parliamentary authority;
- Helping to resolve any difficulties which arise, seeking to address them in the first instance informally, at the lowest level and with the lightest touch.

Shared services provision

The Act stipulates that the Registrar “may make arrangements with the Minister or other persons(a) for staff to be seconded to the Registrar; (b) for accommodation and services to be provided to the Registrar.” As such, the CO will provide a range of services on a costed basis to the Office either directly or via its own external contracts. The arrangements for the payment of these services will be reviewed on an annual basis as part of the budget approval process (see Annex A). The services provided include:

Finance and Estates

The Office will use CO systems for carrying out financial transactions. The CO will provide administrative support for those transactions on behalf of the Office, including the payment of invoices. The Office’s financial processes will be independent of the CO, which must ensure appropriate Chinese Walls are maintained.

The CO will ensure that the Office is supported by the Business Management Team (BMT), which is staffed by finance and procurement specialists taken from the Department’s Finance and Estate’s Management Division. The BMT’s role will be to provide the Office with financial management expertise to ensure the Office’s financial transactions are processed and recorded effectively. Transactions must be disaggregated in such a way as to be consistent with NAO requirements for production of independent accounts and banking. The BMT will also provide commercial expertise to ensure that the Office procures goods and services in accordance with CO policy and EU procurement legislation. It will provide the following services:

- Financial policy and practice guidance;
- Processing of financial transactions for payment upon approval by the Head of the Office that they are fit for payment;
- Maintenance of a record of expenditure and income, production of monthly financial statements, budget monitoring and management accounts;
- Preparation of annual statutory accounts;
- Banking services;
- Asset management and asset register;
- Internal assurance;
- Accommodation and support services including:
 - Desk space for each member of staff and the Registrar separate from the Cabinet Office; and

- o Access to meeting room facilities when needed.
- Should the Office require them, Finance and Estates can provide support services including:
 - o Security advice and guidance, including processing of any national security personnel checks;
 - o Health and safety advice and guidance;
 - o Business continuity planning;
 - o Specialist commercial advice and guidance;
 - o Provision of contracts for goods and services, including consultancy;
 - o Contract management of national arrangements and contracts awarded to the CO;
 - o A Government Procurement Card;
 - o Internal auditing services (where appropriate); and
 - o Fraud and irregularities investigations.

Information Communication and Technology Service Delivery

The following services will be included:

- Desktop services and development of IT strategy and policy;
- IT hardware and software support;
- Telephony services;
- Internet (email and web-browsing access); and
- Print room services.

Working jointly

The Sponsor Team and the Registrar agree to be open and frank in all communications, fostering a relationship based on no surprises.

Review and forward planning

As well as the necessary day-to-day interactions between the Registrar and the CO the parties will arrange regular meetings to discuss matters, which may include amongst other things:

- The aims and objectives of the year ahead;
- Any potential risks that could make the achievement of the Office's statutory functions more or less difficult or which may affect the smooth running of the Office;
- Financing;
- Staffing;
- Information on the number of consultant lobbyists registered and the income received, as part of the transparent reporting arrangements of the Office; and
- Any other issues that the Registrar and CO agree need to be addressed.

Signed

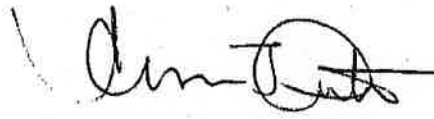


Date 7 July 2015

Alex Thomas, Deputy Director
Constitutional Settlement

On behalf of the Cabinet Office

Signed



Date 30 June 2015

Alison J White, Registrar of Consultant
Lobbyists

On behalf of the Office of the Registrar of
Consultant Lobbyists