

## **Deloitte LLP - Statement of political and policy engagement guidelines**

**September 2019**

### **Deloitte's structure**

Deloitte LLP is the UK affiliate of Deloitte North West Europe, a member of a globally-connected network of member firms and affiliates of Deloitte Touche Tohmatsu Limited. These separate and independent member firms operate under a common brand, Deloitte.

This information, which is updated quarterly, relates to engagement with UK policymakers, political parties and stakeholder groups solely by Deloitte in the UK.

### **About Deloitte**

Deloitte is among the largest professional services firms, a business with clients across all sectors of the economy, a presence in each of the regions and nations of the UK and one of the largest graduate recruiters.

We believe that Deloitte's informed perspective can make a valuable contribution to the development of effective public policy. We therefore seek to engage with government, politicians and third parties to discuss policy issues of relevance to our firm, our profession, the UK economy, regulation and wider society.

We publish an overview of the topics on which we engage with stakeholders and policymakers, alongside our annual Impact Report [here](#).

### **Political donations**

Deloitte's policy on political and charitable donations is published on Deloitte's intranet for all staff to refer to. This policy forbids cash contributions to political parties or other organisations with a political agenda.

Deloitte seeks to develop and maintain constructive and balanced relationships with political parties and, on occasion, may second partners or staff, or provide technical and factual information, provided the objectives are to support the development of the UK economy, proportionate regulation and efficient and effective government. We do not permit any work that would aid a political party in its campaigning or in elections.

Any such secondment requires approval from Deloitte's relevant UK industry leader, the partner with oversight of contact with the relevant political party, the firm's public affairs team and the firm's Public Interest Review Group.

Disclosures on such matters for companies are covered by the Political Parties, Elections and Referendums Act. Although the scope of this Act does not cover Limited Liability Partnerships, we regard it as appropriate to disclose equivalent details when such secondments have taken place. In addition to our own reporting, any such work would be disclosed either by the Electoral Commission or in the Register of MPs Interests.

However, we have not provided any secondments to a UK political party since the 2015 general election. We do not anticipate demand for similar work from political parties for the foreseeable future.

### **Political engagement**

We do engage, on our own behalf, with political parties, government and individual politicians through one-to-one meetings, submissions to government consultations and Select Committee inquiries, attendance at the political party conferences, and via industry bodies. This engagement relates to Deloitte's positions on topics such as economic growth, skills and social mobility, proportionate regulation, the future of audit, the professional services sector and themes arising from our research.

Deloitte supports All-Party Parliamentary Groups on request, where we can make a contribution to the area of debate. We currently support the APPGs on Taxation, Corporate Governance, Manufacturing, Artificial Intelligence and the Fourth Industrial Revolution. The support includes sponsorship, attendance at events and contributions to research projects. Any such involvement is approved following the procedure outlined above.

### **Lobbying**

Our policy is that we do not lobby on behalf of our clients.

There may be occasions when asked to interact with government representatives in the course of assignments for clients. In such cases, the firm's written policy must be followed and the interactions are subject to multiple stages of approval within the firm, including the firm's Public Interest Review Group, Quality and Risk Management team and relevant public sector partners.

In practice, situations such as these rarely occur. Nonetheless, we interact with both the Register of Consultant Lobbyists (to cover any potential interactions with UK ministers and senior civil servants) and the Scottish Lobbying Register (for any engagements with MSPs or senior Scottish Government officials) to ensure any disclosure requirements are considered.

We identify and track the partners and staff who are most likely to undertake any such interactions and make them aware of their obligation to report any activities that could be construed as lobbying and may require registration. We conduct a quarterly monitoring exercise with those partners and staff most likely to be involved in any such engagement, to ensure we capture and report any interactions that may meet the criteria.

We do not currently engage any external agency to lobby UK policymakers on our behalf. Any organisation that Deloitte contracts to provide services on its behalf – not just limited to political engagement and advocacy – is contractually bound to comply with a number of policies, including those relating to Ethics and Code of Conduct.

### **Public sector**

Deloitte is one of the leading suppliers of professional services to the public sector. We help government to drive large-scale, complex transformation programmes, designed to future proof public services. Working closely with public sector leaders, we support innovative delivery models, digital transformation and, leadership and talent development.

We believe that movement between the public and private sectors can be healthy for both sides, is good for both employees, enables better understanding of different working cultures, develops new skills and aids professional development.

Professional services firms do occasionally second staff to public sector organisations to assist them with adding capacity and skills in-house or oversee long-term projects. These are typically small in number and are, more often than not, paid for by public sector organisations at cost rather than *pro bono*.

While we do not actively target public sector organisations for potential recruits, we do receive applications for roles from people in the public sector. Similarly, a number of Deloitte staff leave to work in public sector organisations.

We do engage a small number of former senior public service leaders as strategic advisors – not employees – to our UK business.

In appointing anyone directly from a public sector organisation, Deloitte's public sector business reviews any such applications to apply a conflict of interest test. Contracts of employment include restrictions on engagement with former public sector employers on behalf of Deloitte and, where necessary, detail cooling off periods before any engagement is allowed to commence.

We encourage Deloitte employees to make a positive contribution to society. Any Deloitte employee applying for a part-time, voluntary or extra-curricular role with a public sector or charitable organisation (i.e. as a school governor or charity trustee) is subject to an external appointment process check. The lead partner for Deloitte's public sector business is required to approve such appointments. We also expect all Deloitte people with roles outside of the firm to recuse themselves from meetings where a potential conflict of interest may arise, and request that minutes of meetings document this.

### **Membership of third party organisations**

Deloitte maintains close working relationships with a wide range of third party organisations, including leading business groups, professional institutes, regional networks and sector-specific groups.

We do not regard such organisations as our 'lobbyists.' Our work with these is primarily related to our research, professional networking, attendance at working groups and steering committees and discussion of industry-wide issues and technical matters.

The relationships with each of these is overseen by a partner, supported by a relationship manager and, where needed, a wider team.

Any such relationships with these groups are reviewed for potential conflicts of interest before they are entered into.

### **Governance**

Deloitte UK has a number of internal groups and processes to oversee engagement with policymakers, stakeholders, public sector clients and third parties. These include:

- **The UK Oversight Board** – attended by the Senior Partner and Chief Executive, Chairman and Non-Executive Directors, this group's objective is to enhance and protect Deloitte's brand and reputation in the UK, through providing oversight in relation to assessing how the material risks facing the business are managed and controlled and meeting our public interest responsibilities.
- **The Public Interest Review Group** – a group of senior partners that meets weekly to discuss and provide approvals on potential engagements where there are public interest or reputational considerations.
- **The Public Policy and Public Sector Council** – a monthly meeting, led by Deloitte's Chairman, which provides an overview of engagement with policymakers and politicians, and high-profile public sector client engagements.
- **Firmwide approval processes** – interaction with any third party – political or not – typically requires reporting via our Risk Management processes and includes relevant conflict of interest review procedures.

- **Quarterly monitoring** – as detailed above, in ensuring compliance with relevant lobbying legislation a quarterly check is made among those staff and partners most likely to be engaging with policymakers to enable them to report any interactions that may require public registration.