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After recurring sleaze scandals, can Labour regain the public's lost trust?

Controversies over “malversation” and abuses of office have contributed to the Starmer government's and the PM's plunging unpopularity. Patrick Dunleavy outlines the never-ending sequences of “bad governance” crises during 2024-25, and proposes some feasible solutions.

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Before the last general election I warned [on this blog](#) that a Labour government would suffer from endless “sleaze” scandals *unless* the Prime Minister, Pat McFadden and the No 10/Cabinet Office team moved swiftly to combat the unprecedented corruption of governance under Conservative governments. Millions of people voted Labour in 2024 because Starmer promised to “[turn the page](#)” and take decisive action to clean up public life.



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No action was taken. Instead the PM became immediately [enmeshed in scandals](#) about accepting expensive glasses, suits, accommodation and even his wife's clothing from a wealthy donor, a peer allowed privileged access to 10 Downing Street and involved in appointing advisors. Other

“giftgate” incidents included the PM and Rache Reeves using costly freebie tickets from lobbyists to watch Arsenal or Taylor Swift. Since then three junior ministers were forced out for conflicts of interest in housing, insulting constituents, and entanglement in an overseas corruption case. An appalling record of damaging controversy culminated in Deputy PM Angela Rayner’s resignation over underpaying tax on a second home purchase, and the forced sacking of US ambassador Lord Mandelson over his close involvement with Jeffrey Epstein even after the latter’s conviction for procuring a minor for prostitution.

Beyond personal scandals

At a policy level, many critics over two decades have charted pro-Israeli lobby influence. Commentary now links the involvement of 13 Labour cabinet ministers and a third of the Parliamentary Labour Party as members of Labour Friends of Israel (LFOI). Prominent ministers accepted major office costs support from funders Gary Lubner, Trevor Chinn, and Stuart Roden (all major LFOI backers), including Yvette Cooper (who reportedly accepted £215,000), or David Lammy (£70,000 since 2020). These substantial amounts look uncomfortable given the controversial UK government policies on Israel’s unprecedented destruction of Gaza – first failing to condemn Israel’s conduct at all, even when it morphed into alleged genocide, then maintaining arms flows and defence co-operation, and latterly the bizarre decisions to proscribe Palestine Action as a “terrorist” organization, followed by Starmer’s 2025 invitation of the Israeli President to Downing Street (ignoring the International Criminal Court’s findings). All these Labour developments have contributed to 75 per cent of the public now viewing all politicians as “just the same” on corruption and sleaze.



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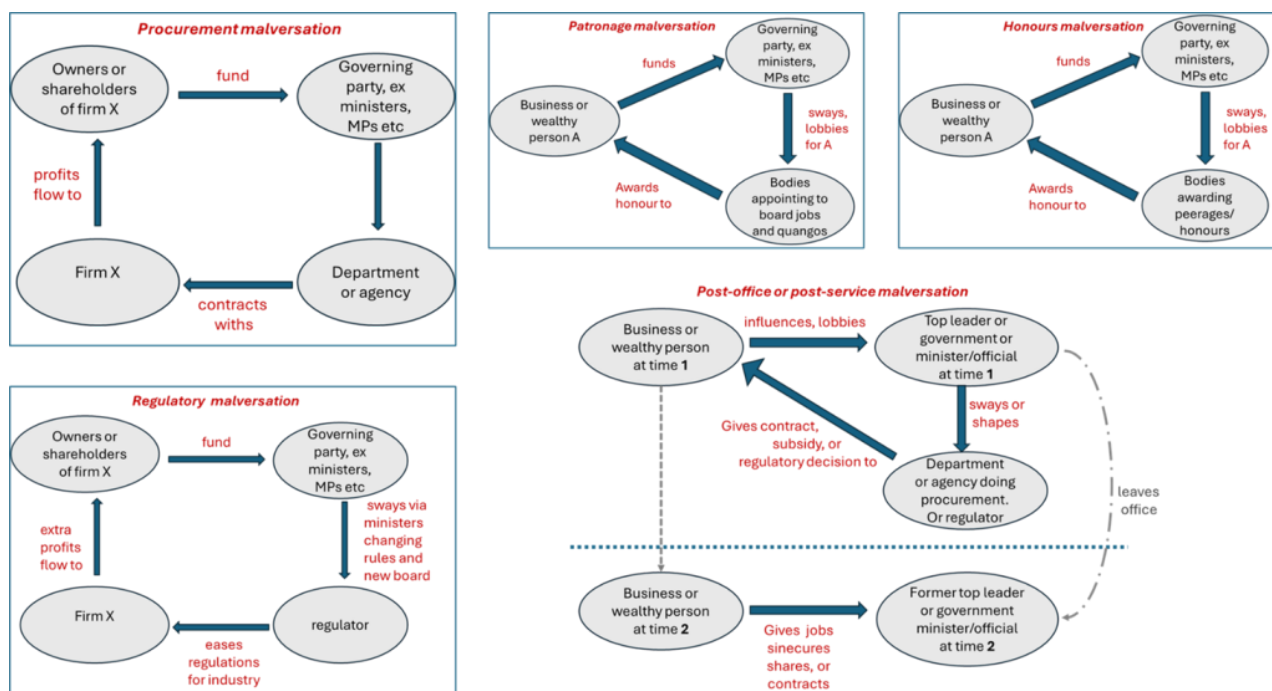
A series of other parties and institutions tarnished by serious sleaze scandals have also contributed to a poor overall picture – including senior Conservatives and Reform figures, plus many other MPs and peers. For instance, in the badly tainted Lords after Johnson’s appointments, the previous Labour Deputy Leader Tom Wason has lobbied for the controversial firm Palantir (owned by far-right

figure Peter Thiel), and the former Army head Lord Dannat has been **investigated** for allegedly speaking in the chamber on behalf of Bahrain without declaring an interest, while even the Commons Speaker has been criticized for **non-transparency about his post-Gaza visits** to Israel. So, to understand the scope of the UK's problems we need to look far beyond Starmer's poor judgement or Labour elites' short-sighted resolve to reject any effective public scrutiny.

How malversation is legal in the UK

In dyadic corruption (involving just two actors) A directly pays B to give them a contract, gift or appointment, or to weaken regulatory demands, or make another decision benefiting A. This really dumb corruption is banned in all democracies. But any intelligent actor A does corrupt dealings in a multi-nodal way. The briber A gets a powerful leader B to lean on an apparently independent third-party C to make a decision favourable for A. Then A spontaneously and legally pays a hefty compensatory reward or donation to B (or their political party, personal office or "junk tank"), while denying any influence (as with the 2007 **"cash for honours" row** under Blair). Figure 1 shows five main types of such 'malversation' that remain completely legal and normally unprovable. Four nodes are needed for procurement malversation, where contracts are given to donors, employed by the Johnson and Sunak government on a massive scale during the Covid pandemic, with a **"VIP hotline" for PEP exclusively for Tory MPs and peers** often linked to much of the £10 billions lost on ineffective PEP. In regulatory malversation individual or party donors get a leader to help secure them weaker standards, non-enforcement of decisions, or special dispensations from an "independent" regulator (as with Ofcom and GB News under Sunak and still). In triadic patronage malversation donors to parties or politicians lobby the top leaders they funded to get their honours applications fast-tracked through supposedly independent approval bodies (or in Johnson's case **just ignored** to get the Russian oligarch and Tory donor Lebedev into the Lords. In appointments malversation firms or wealthy people who donate money or staff time to the party get the PM or minister to move them quickly past vetting into quango roles, or give more junior people jobs **as special assistants** in ministers personal offices (always of course with an eye for their post-government futures).

Figure 1: The five main types of malversation (= "legal corruption") in the UK



Perhaps the most disturbing new form of malversation is what B. Guy Peter and John Burns call “the vast post-service wealth of politicians” in the UK, USA and elsewhere. Here top leaders (PMs, Chancellors, etc.) become fabulously rich as a result of jobs, shareholdings, consultancy, and speech or seminar payments given by interests about whom they had previously made favourable decisions in power. At time 1 wealthy individual or firm A lobbies the top leader or official B to use their dominant influence on other agencies to get them a favourable decision or contract. Later, at time 2 when B has left office, the beneficiary A lavishly expresses their gratitude.

A range of “large language models” estimates (from ChatGPT, Grok, etc.) now suggest that Boris Johnson has made £12 million in personal income since 2022, joining Tony Blair with £20 -£30 million personal income since 2020, plus \$406 million for his name-sake “TBI Institute”. Fierce controversy also surrounded payments to former PM Lord Cameron for his frantic lobbying of top civil servants behalf of Greensill, recompensed by share options whose cash-in value was variously estimated at £60 million, £20 million and £6 million before and during Greensill’s downwards spiral into bankruptcy.

How can worthwhile reforms be done?

Any effective reform regime must be enacted in statute and be systemic. I suggest three components.

- A new **Independent Commission Against Corruption and Malversation** with its own statutory powers to investigate all forms of seriously unethical conduct. It needs to be a somewhat stronger version of Australian Labor’s **Independent Commission Against Corruption**, already in trouble after timid inaction on the \$1.8 billion **Robodebt scandal**. The tough and successful commission in **New South Wales** provides a great model.

- A **Statutory Code of Ethics** for all public office holders based on strengthening, policing and implementing rigorously in practice **the seven Nolan Principles**, set out in Figure 2 and actually being monitored and applied by nobody at present.

Figure 2 The Nolan Principles for public life

- A new **Collegium of Scrutiny and Integrity Agencies** to bring together the hopelessly fragmented bodies supposedly maintaining good governance in this or that area of public life. There are at least 30 such badly failing scrutiny bodies by my count, plus industry sector regulators. All of them need re-energizing and accountability under the leadership of the new Commission above to make clean governance a top priority.

Starmer's (**now fewer**) defenders point to his **Independent Adviser on Ministerial Standards**, who works faster than before, while the PM claims zero tolerance of sleaze – (except for himself, Reeves and Mandelson for a year), but this change is tiny. It doesn't cover the PM or controversial staff **like Morgan McSweeney**, MPs, peers, top civil servants, retired office-holders, or ambassadors. A promised **Ethics and Integrity Commission** is another super-weak change to the previous "anything goes" stance on post-service incomes escalation for PMs, ministers and officials. It's headed by a Lt Colonel transferred from the completely toothless Committee for Standards in Public Life.

No such tinkering will ever get noticed by voters nor improve rampant malversation problems in the UK government. Still less can it protect us from the Trump-scale corruption likely under a possible future Reform government headed by Farage – an apparently **"money-addicted" person** already

making £1 million a year while an MP, unchecked by any Parliamentary or government regulation. We can only hope that Starmer and Labour at last recognizes the need for worthwhile constitutional reforms embedded in statute to endure.

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Patrick Dunleavy is Emeritus Professor of Political Science and Public Policy at the London School of Economics, and a Fellow of the British Academy and the Academy of Social Science. He co-edited (with Mark Evand and John Phillimore) *Australia's Evolving Democracy: A New Democratic Audit* (LSE Press, 5 December 2024). His recent articles (all OA) cover reorganizing the UK core executive, and (with Helen Margetts) the third wave of digital era governance and the political economy of government IT.

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