

THE PRESS STANDARDS BOARD OF FINANCE LIMITED

Strictly private and confidential

Minutes of meeting of Directors
held at Halton House, 20/23 Holborn,
London, on Tuesday, 24 June 2008 at
2.35 pm.

PRESENT: Tim Bowdler (Chairman), Guy Black, Robin Burgess, Paul Dacre, Clive Milner, David Newell, Jim Raeburn and Jonathan Shephard.

IN ATTENDANCE: Tim Toulmin (PCC Director) for item 11.

The Chairman congratulated Robin Burgess and Jim Raeburn on the award of their respective OBE's in the Queen's Birthday Honours List.

1. **APOLOGIES :** Apologies for absence were intimated on behalf of Nicholas Coleridge and Simon Fairclough.
2. **MINUTES:** The minutes of Directors' meetings held on 15 November 2007 and 17 April 2008, copies of which had been previously circulated, were taken as read and were approved.
3. **MATTERS ARISING:**

3.01 Criminal Justice and Immigration Bill: The Chairman congratulated Paul Dacre and other senior industry figures on successful lobbying resulting in the Ministry of Justice withdrawing the clause providing for custodial sentences of up to two years for journalists who breached the Data Protection Act (DPA). It had been replaced, however, with a new clause giving the Secretary of State power to introduce such sentences by regulation following proper consultation. There was also an amendment to the public interest defence contained in the DPA to introduce the defence of reasonable belief.

Paul Dacre commented that the compromise was a Damoclean sword and the onus was now on the industry itself to demonstrate that data protection was being treated seriously. It would be important to improve relations with the Information Commissioner and show that the industry was putting its house in order.

3.02 Appointments Commission: It was noted that Lord Evans had replaced Baroness Smith as a member of the Commission. A further vacancy would arise at the end of the year when Sir David Clementi stood down.

- 3.03 House of Lords Communications Committee:** It was understood that publication of the report on the Committee's inquiry into media ownership and news gathering was imminent.

4. PRESS COMPLAINTS COMMISSION:

4.01 Chairman:

- 4.02 Membership:** The Board noted the appointments of Ian MacGregor (Sunday Telegraph), Tina Weaver (Sunday Mirror) and Peter Wright (Mail on Sunday) replacing Roger Alton (Observer), Paul Dacre (Daily Mail) and Peter Hill (Daily Express).

- 4.03 Financial Statements:** The Board noted the Report and Financial Statements of the PCC for the Year ended 31 December 2007 together with the Treasurer's analysis (previously circulated) of actual figures against budget. Substantial savings on legal fees (£42k) and travel and subsistence (£15k) had been the two main factors contributing towards actual expenditure, excluding depreciation, coming in £10k below budget.

5. CODE COMMITTEE:

- 5.01 Membership:** The Board noted the formal appointment of Paul Dacre as Chairman in place of Les Hinton and also the appointment of June Smith-Sheppard (Pick me Up) to replace Lyndsay Nicholson, now a member of the PCC.

- 5.02: Minutes:** The minutes of the meeting of the Code Committee held on 15 November (previously circulated) were noted. Paul Dacre

highlighted the Committee's discussion and proposed actions on data protection.

6. **NORTHERN & SHELL plc (Express Newspapers):** The Chairman reported that Richard Desmond had not responded to his letter following the PressBoF Board meeting on 17 April. He planned to contact him again in the latter part of the year.

The Board agreed that there could be no negotiation on the payment of registration fees by the company.

7. **REVIEW OF PRESSBOF & PCC ARTICLES OF ASSOCIATION:**

The Secretary presented a paper reviewing the respective Articles of Association in light of legal advice previously obtained from Sheridans on matters related to Express Newspapers. It recommended that rather than ask the PCC to make changes to its Articles effectively eroding its powers PressBoF should proceed on the basis of seeking a Memorandum of Agreement with the PCC and, if appropriate, the Appointments Commission setting out an understanding of respective responsibilities, covering issues of remit, the appointment of press members to the PCC and the revocation of such appointments. Recognising, however, the sensitivities of pursuing the course of action proposed at the current time it was suggested that matter remain on the agenda.

The Board approved the approach recommended, Guy Black adding that PressBoF should reserve the right to seek at some future stage changes to the PCC Articles where appropriate.

8. **PCC REMIT- ONLINE-ONLY PUBLICATIONS:** The Board considered a paper by the Secretary dealing with policy with regard to publications existing purely as an online offering coming within the remit of the PCC. It recommended a cautious approach based on such publications being recognisable as a UK based newspaper or magazine coming within the jurisdiction of the PCC subject to the publisher subscribing to the Editors' Code and paying registration fees to PressBoF. Further work required to be carried out on establishing an appropriate scale of fees, possibly based on the number of UK unique users per month as recorded by ABC Electronic.

The Board deferred a decision while obtaining the views of JICWEB.

9. **MEDIA FREEDOM GROUP:** Guy Black addressed the Board on action points (previously circulated) arising from the meeting of representatives of print media held on 13 May.
10. **TREASURER'S REPORT:** The Board noted the Treasurer's report as at 23 June (tabled).
11. **SELF-REGULATION:** Tim Toulmin reported that the Commission's legal costs in 2008 were running higher than the previous year due to three attempts by complainants to seek judicial reviews.

He tabled charts showing the upward trend in the number of complaints being dealt with by the PCC. The workload required the appointment of an additional complaints officer, the cost of whom would be covered by savings elsewhere. Recruitment of a new lay member was underway.

He went on to report on the findings of research commissioned by the PCC regarding public concern about social networking and privacy and also a recent speech by the Secretary of State for Culture, Media & Sport which did not seem to distinguish between broadcasting and print media in terms of a converged regulatory system. The position would be monitored.

12. NEXT MEETING: 2.30pm Thursday, 30 October.

CANDIDATE SPECIFICATION

CHAIRMAN

THE PRESS COMPLAINTS COMMISSION

THE PRESS COMPLAINTS COMMISSION:

The Press Complaints Commission (PCC) has the remit of dealing with complaints of unjust or unfair treatment and unwarranted infringements of privacy against newspapers and magazines and their websites. It is a well respected and high profile body dealing with extremely sensitive issues which are frequently very public.

The Commission comprises a staff of 16 headed by a Director and currently chaired by Sir Christopher Meyer. The PCC itself is made up of 9 public members and 7 editors in addition to the independent Chairman.

THE ROLE:

The appointment will be the fourth Chairman of the PCC, and is likely to be high profile.

The PCC Chairman has overall responsibility for the working of the Commission in all aspects, the performance of the Director and his staff, the development of the role of the PCC and of self-regulation, liaison with all external relevant bodies, and generally to ensure that self-regulation is well maintained within the newspaper and magazine publishing industry. This will include the protection of self regulation at a time when the judiciary is expanding its role in privacy matters.

The PCC's remit has recently been expanded to include audio visual material on newspaper and magazine websites, and the Chairman will have an important role in developing and enhancing the Commission's jurisdiction in this area.

TERMS OF APPOINTMENT:

The Chairman will be appointed for an initial 3 year term with the possibility of a subsequent 3 year term. The appointment is made by The Press Standards Board of Finance Ltd (PressBoF). Once appointed the Chairman acts in an independent capacity.

TIME COMMITMENT:

The time commitment may be irregular and unpredictable but could be expected to average out at the equivalent of 3 working days per week. He or she is likely to attend at the PCC's office in London for two or three hours on three or four days each week with longer attendances at the time of Commission meetings or when some significant matter demands attention. Time away from the office will include liaison, entertaining and public relations and reasonable availability on the telephone, along with access to e-mail, when necessary.

KEY RESPONSIBILITIES:

- **External face of the Press Complaints Commission:** needs to be the public face of the PCC, representing it as the guardian of self-regulation in the industry. This will include representing the views of the PCC as appropriate to relevant groups such as government, politicians, civil servants, the judiciary, other regulators (such as the Information Commissioner), where appropriate, the European Commission and Parliament, consumer bodies, publishers and editors: and the media when required.
- **Overall direction of the workings of the Press Complaints Commission:** including ensuring an effective complaints procedure; effective performances by the Director and his staff; the establishment of budgets and ensuring that activities keep within those agreed budgets.
- **Chairing the Press Complaints Commission meetings** and any necessary sub-committees. The meetings are held nine times per year.
- **Chairing the Appointments Commission** and ensuring that membership of the Press Complaints Commission is properly represented by both press and independent members.
- **Liaison with PressBoF:** to liaise with PressBoF on matters relating to Press Complaints Commission finance and on the operation of self-regulatory arrangements.
- **Liaison with the Code Committee:** to liaise with the Committee on matters relating to the Editors' Code of Practice.

KEY SELECTION CRITERIA:

- Will be a highly respected figure, known to the newspapers and magazine publishing industry and to key public bodies including government.

- Will be committed to the idea of freedom of the press, and self-regulation.
- Must be able to speak on behalf of the Press Complaints Commission and to command attention in a statesman-like manner.

EXPERIENCE:

- Will have a broad knowledge and understanding of the newspaper and magazine publishing industry and digital developments within the industry.
- Will have worked at the most senior levels in his profession or area of activity but cannot have any direct connection with the business of newspaper or magazine publishing.

PERSONAL QUALITIES:

- A deep seated belief in the freedom of the press – and thus self-regulation.
- The ability to “handle” a very mixed meeting of eminent people with strong individual views.
- A public persona which inspires the trust of the populace at large, as well as having excellent contacts among major politicians, and in Whitehall.
- Charm and an acute knowledge of how Whitehall, Westminster and the judiciary operates.
- The ability to communicate well with all the above and those who lead the newspaper and magazine industry.
- A highly developed fund of wisdom.
- An advanced sense of spotting where dangers lie and how to avoid them.
- The ability to lead and inspire a team of dedicated officers.
- The appreciation of the value of wise advice from senior people like the Charter Commissioner.
- A mind flexible and pragmatic enough to appreciate the subtleties of a delicate system.

JULY 2008

THE PRESS STANDARDS BOARD OF FINANCE LIMITED

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Minutes of Annual General Meeting of the Company held at Halton House, 20-23 Holborn, London on Tuesday 24 June 2008 at 2.30pm

PRESENT:

Tim Bowdler (Chairman), Guy Black, Robin Burgess, Paul Dacre, Clive Milner, David Newell, James Raeburn and Jonathan Shephard.

APOLOGIES:

Apologies for absence were intimated on behalf of Nicholas Coleridge and Simon Fairclough.

NOTICE:

The notice calling the meeting was taken as read.

ACCOUNTS:

The accounts for the year ended 31 March 2008 and the reports of the Directors and Auditors thereon were received and unanimously adopted.

ELECTION OF DIRECTORS:

Separate resolutions for the re-election of Jonathan Shephard, who retired under Article 59, and of Clive Milner, David Newell and Nicholas Coleridge, who retired by rotation, were carried unanimously.

RE-APPOINTMENT OF AUDITORS:

A resolution to re-appoint Nelson Gilmour Smith & Co., Chartered Accountants, auditors of the Company and authorising the Directors to fix their remuneration was carried unanimously.