COMPETITION AND MARKETS AUTHORITY
21ST CENTURY FOX / SKY MERGER INQUIRY

Notes of a hearing with IPSO and IMPRESS
held at Competition and Markets Authority, Southampton Row, London
on Tuesday, 17 October 2017

PRESENT:

FOR THE COMPETITION AND MARKETS AUTHORITY
Sarah Chambers - Panel Member
Tim Tutton - Panel Member

FOR THE STAFF
Joel Bamford - Project Director
Sabrina Basran - Project Manager
Tim Capel - Legal Director
Jennifer Halliday - Project Director
Conor McCarthy - Legal Adviser
Rafia Saif - Project Officer

FOR IPSO
Charlotte Dewar - Director of Operations
Matt Tee - Chief Executive

FOR IMPRESS
Jonathan Heawood - Chief Executive Officer
Ed Procter - Chief Operating Officer

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Q. (Mr Bamford) Thank you for making yourselves available today. I am Joel Bamford. I am the Project Director on the staff side of the inquiry. We will start from our side with some introductions. You can see the names in front of you but we will tell you who we are and what we do and then ask you to introduce yourselves. Then we will go through some of the procedural points. As I said, I am Joel.

Q. (Mr McCarthy) I am Conor. I am on the legal case team here at the CMA.

Q. (Mr Tutton) Tim Tutton. I am one of the panel members.

Q. (Ms Chambers) Sarah Chambers. I am another panel member.

Q. (Mr Capel) Tim Capel, Legal Director on the case.

Q. (Ms Basran) Sabrina Basran, Project Manager on the case.

Q. (Mr Bamford) And in the background?

Q. (Ms Saif) I am Rafia Saif, Project Officer.

Q. (Ms Halliday) I am Jennifer Halliday. I am a Project Director.

Q. (Mr Bamford) And from your side?

A. (Ms Dewar) I am Charlotte Dewar. I am the Director of Operations at IPSO.

A. (Mr Tee) I am Matt Tee. I am the Chief Executive at IPSO.

A. (Mr Heawood) I am Jonathan Heawood. I am the Chief Executive of IMPRESS.

A. (Mr Procter) Good afternoon. I am Ed Procter. I am Chief Operating Officer at IMPRESS.

Q. (Mr Bamford) Before we start, I will just set the hearing in context. We have published, in this investigation, both the administrative timetable which sets out the various steps along the way and also our issues statement which sets out the things that we will be considering and particularly the types of
evidence that we are interested in. The aim of this hearing is to explore some of those issues but, obviously, directly in relation to the fact that we regard you as the regulatory bodies for news publishers in the UK.

We have previously sent you information around procedures and our treatment of evidence and so on. If you would like to amend or add to any of the things you say today we will be very happy to take those in writing, and we may follow up if we have any questions as well.

We will be taking a recording of the meeting. In the spirit of having an open inquiry, we plan to publish a transcript of that on our website. We will put that before you for accuracy and any confidential information as well.

One of the things that I am told by my lawyers I have to say at every one of these is that we need to remind you, as we remind everyone, that it is a criminal offence under section 117 of the Enterprise Act 2002 to provide false or misleading information to the CMA at any time including this hearing. We are hoping to hold this in the spirit of we will ask questions, looking for open, frank and honest answers.

Before we begin, do you have any questions for us? No, okay. So, I am just going to kick off and then I will pass over to others around the table.

Just on newspaper regulation in general and, more specifically, post-Leveson, we understand that both IPSO and IMPRESS were set up following the Leveson inquiry. Before we ask questions of each organisation, we would be interested in the views of yourselves as representatives of those organisations and with your own backgrounds in the media as to the impact on the media following Leveson and in particular the Murdoch Family Trust-owned newspapers. So, this could arise from this inquiry itself or the impact that it
I am going to open it up to whoever would like to talk first.

A. (Mr Tee) I will say a bit first. The first thing I would say is that I think it is quite difficult in written news media, online and in print, to disentangle the cause of certain things that you might observe happening. I can say that I observe things happening but I would be very hesitant before claiming those to be an IPSO effect, as it were.

Let me talk through some of the things that I think have happened that have had an impact. The question of digital is unquestionably a very significant issue for the whole of the news media industry, and for News UK no less than others. In the time that we have been going, The Sun has both been behind the paywall and come out from behind the paywall. That had the effect for us of increasing the number of complaints we received; actually, not by a huge amount but it did increase the number of complaints. If you can see an article online it is easier to complain about it, I guess. I would point to that as a significant factor.

Although News UK have some of the best-selling newspapers both in mass market and in broadsheet, both of them are suffering from falling print circulations. There is nothing new or different about that across the whole of the news media industry. That pushes them into the desire for greater audiences online, which both of them are achieving. The Times is notable across the UK newspaper industry for having probably the hardest paywall of any of the newspapers; essentially, you have to be a subscriber if you want to access most of The Times's content. That has meant that, because you have more difficulty getting access to their content if you do not pay for it, in some
ways fewer people see that content. That is a choice they have made. I would say they appear to be more confident in that economic model than some other newspaper companies are about the economic models that they are pursuing. I do not know the numbers behind that but that is certainly the impression that the company give.

In terms of the behaviour of newspapers post-Leveson, I would observe that Leveson certainly had an impact. The fact of the inquiry had an impact. The degree to which what we see now is a product of that continuing or of a regulatory climate I think is open to some debate. I would certainly say - and Charlotte would share this with me - over the period that we have been going I think we have seen some changes in behaviour. I would not isolate News Group newspapers particularly in this. An example might be the stories about people undergoing gender transition. If you were to look at stories from three years ago in the tabloid press about people undergoing gender transition you would see perhaps a different tone of coverage than you might see today. As I say, I would not claim that as a particularly IPSO effect but I think I would observe it as being true.

Q. (Mr Bamford) Just to pick up, you talked about The Sun, pre and post paywall and the difference in the number of complaints potentially driven by just the sheer viewing numbers. Was there, in your observation, any change in the type of article that was complained about?

A. (Ms Dewar) I would have to go back and check the numbers but I think there is a huge distortion in our statistics why a very small number of articles get an absolutely enormous number of complaints. I would be tempted to suggest, although I would have to check that we have had more of those mass
complaints since the paywall dropped because, of course, people can then share the link to the offending content. Of course, the existence of a paywall did not prevent mass complaints before because people can also share screen grabs or share quotations and we could still get loads of complaints from people who never actually saw it in its originally published form.

Q. (Mr Bamford) When you talk about people sharing articles for the purpose of complaints, are there any other online platforms or news providers who have, essentially, used that tool to generate complaints against what is their competitor or another organisation?

A. (Mr Tee) It is not a behaviour we see very much, if at all.

A. (Ms Dewar) There certainly is critical coverage, especially for newspapers that operate media news, but we do not see that as a major driver. The major drivers are Twitter, Facebook and sometimes petition websites. I would just say that those complaints are all dealt with as one complaint. We consider a set of concerns about an item of coverage or about a behaviour. We do not operate a petition system but that is a perfectly valid way for people to use IPSO services as a means of registering a concern.

Q. (Mr Bamford) In terms of the impact of the media post-Leveson, have you seen a difference in terms of - you talked about a change of tone, for example - any particular story over the last three years? Have you have seen that the newspapers that you would regulate have a change in the impact around those stories as well, ie they get picked up in a different way or they have a different influence over what is discussed more generally through the media?

A. (Ms Dewar) I think conventional wisdom would be - and it may be true - that
the impact of the mainstream media, as it is now known, is being reduced by
the existence of social networks and the ability that it creates for different
people to have a voice. But I think it is often the case that what people are
having a voice about is indeed content that is produced by the same
mainstream media providers and a lot of what is shared is that content. It is
very difficult to say whether the impact is changing, especially given the short
period and the rapid changes.

Q. (Mr Tutton) Just following on from that point, do you have a sense of whether,
effectively, the greater impact of online is simply amongst groups who would
probably not read newspapers anyway? I am thinking particularly of younger
groups. So, how much is it simply the young consume news and media
generated through different means and, therefore, that has the effect you are
talking about? Or is it actually people who are already Times readers, FT
readers or whatever, just making much more use now of online? Or do you
get a feel for that either way?

A. (Mr Tee) We do not do the same sort of research that Ofcom does, for
example, on viewing. So, I do not know is the honest truth. If I look at my
children's consumer habits, which is purely anecdotal, I would say they come
across mainstream news because they are interested in a topic, not because
they are seeking out mainstream news.

Q. (Mr Bamford) Just turning to yourselves, whether you have any thoughts or
observations around changes post-Leveson either in the complaints that you
see or the way that the media that you regulate is put forward.

A. (Mr Heawood) Yes, I would just make a few general points. The one thing to
get absolutely clear is that we do not regulate any News UK publications. I
think you are aware of that. Constitutionally, we could regulate them, should they volunteer to be regulated by us. It is an optional voluntary framework and we, obviously, open to that if that was what they wanted to do. So, these are general remarks rather than specific to News UK.

The big thing that has hit all of us since Leveson is the explosion in the sources of news media that are available, as we have just touched on. That has posed a really obvious challenge for regulation; what are we regulating; who are we regulating and on what basis, what authority, particularly when a publication is trans-jurisdictional and can be very ephemeral. You have such a spectrum now of types of news producer and disseminator, the simple publisher platform distinction does not hold any more. There are private news groups; people using WhatsApp to share news and to talk about news in a private forum. There are people commenting on news threads on newspaper websites and on new kinds of websites in a public forum but without any editorial oversight. Challenges within challenges there.

One thing that we certainly feel is that, actually, the Leveson framework of voluntary but incentivised regulation is actually a better fit with that landscape than it is sometimes given credit for. Most of our members are digital. They are digital-first publishers and most have been established within the last five or ten years. Some are much older and some have print outlets as well. I think the reason that they have joined us is because, partly, they actually want to be distinguished against all the other white noise on the internet. I am not talking about News UK publications. I am just talking about the general immensity of information which may or may not look like news and may or may not be news in any meaningful sense. These are publishers who come
from a journalistic background or who aspire to have journalistic standards
and need some kind of kitemark of credibility, of trustworthiness.
I think particular drivers for that with them are the debate around fake news,
which has, obviously, increased public concern about who do you trust -- and
also about hate speech. That is a much bigger topic now, partly because
there are some quite well organised social media campaigns both against
mainstream media and others for what they would do to tackle hate speech.
So, I think members of ours, certainly, are looking for regulation as a way of
protecting themselves from legal threats but also demonstrating that they are
a bit different from the rest.
To that extent, you might say this framework fits quite well with the new digital
age of publication. Clearly, from a public policy perspective, there are still
huge regulatory gaps and black holes out there. The challenge for all of us is
to decide whether we want to try to close those gaps and create a regulatory
landscape where everyone is regulated in some way, whether it is WhatsApp
or individual users or new media providers, or to retain this very voluntary
approach where, actually, in the absence of incentives to be regulated, you
may see not only new media players choosing to be unregulated, you may
see old media players choosing to be unregulated as well, because who
wants to be regulated? On the face of it, it is not a thing you wake up in the
morning particularly keen to be.
So, the landscape, I do not want to comment on the content of what is going
on but in terms of the social concern and trust in the press, it is lower than
ever; particular concerns around fake news and hate speech and particular
question marks for all of us who are in the game of trying to regulate corners
of this very complex ecosystem.

Q. (Mr Bamford) When you talk about new, mainly online members having it as
a distinctive factor - "Kitemark" I think is the term you used - are you getting a
sense from them, having IMPRESS regulating them and them able to put that
on their website or in their blurb on their app, that they feel they have more
impact or more standing with a consumer base?

A. (Mr Heawood) Anecdotally, yes. I am not sure that we have got hard
quantitative evidence for that. It is very early days. Anecdotally, that is one of
the primary reasons they give for wanting to sign up in addition to various
slightly more tangible benefits that they get.

Ed might want to chip in there.

A. (Mr Procter) A good example of that is access to council meetings.
Increasingly, local councils require news publishers to be part of some sort of
regulation system before they will give them access to meetings. So, that is a
tangible benefit for new online publishers of being regulated by IMPRESS.

A. (Mr Heawood) Similar to that, there is a scheme the BBC has recently
launched, the Local Democracy Reporter scheme, where they have made a
little bit of licence fee funding available to news publishers across the UK.
One of the conditions for access to that funding is being able to demonstrate
that you are complying with some kind of standards, for example, by being
regulated by one of us, essentially.

Q. (Mr Bamford) Thank you for that. I am going to turn to Conor who has a few
questions.

Q. (Mr McCarthy) There are a few things that we are particularly interested in
today, one of which is something we have touched on already, which is,
effectively, the impact post-Leveson of various regulatory changes which have
occurred and how that has impacted in practice on the press and the
standards within the press. We are interested in exploring also some of those
changes in the regulatory framework and what those mean in practice
relatedly. And, ultimately, also how you apply some of the standards in
practice; it would be helpful for us to get a bit of a better understanding in
relation to that.

The first question arises from something that was said a few moments ago
about the fragmentation of the market for news post-Leveson, the WhatsApp
groups, social media. Do you think in some way that has reduced the
significance of IPSO or IMPRESS as regulators as opposed to the time of
Leveson -- so, post-Leveson, are those market changes -- has that impacted
on your significance as regulators?

A. (Mr Tee) I do not feel it has a great deal. We still regulate all of the national
newspapers that are regulated. We regulate the vast majority of local
newspapers. I absolutely acknowledge that people have other news sources
these days, but what research has been done shows that they have news
brands which they trust more than other brands and those are often ones
which used to exist in newspaper format or probably still do. Certainly, the
number of complaints we receive is not going away. In fact, we received
15,000 complaints last year and we are likely to receive over 30,000 this year.
So, there is no sense, from our point of view, that the public are saying, “This
section of the media that is regulated by IPSO is less important and so we do
not care as much if we think they are breaching standards”; almost the
opposite in many ways. I do not get a sense of that.
I acknowledge people get news in different ways and we face a number of challenges in, not least for us, a number of the newer digital news sites, particularly the ones who are less organic perhaps than some of Jonathan's operations. If you take people like BuzzFeed and the Huffington Post, established in the way that, previously, a newspaper would have been established, with quite significant staff; they have both taken journalists from what we would call mainstream press. They are quite significant operations. You would have to ask them but my sense is they would be nervous about being regulated by a UK regulator given that they see themselves as a global operation, operating in a different way to traditional territorially based newspapers. That is, unquestionably, an issue for us.

Still, I do not get a sense that news consumption in this country has shifted, to a degree that makes our regulation less important, onto new providers of news. The BBC is still a huge provider of news. The people who have traditionally published newspapers in this country are still a significant source of news for people.

A. (Mr Heawood) It depends what you want regulation to do, really. If you have an idea that news content regulation could exist in the same way that regional healthcare regulation could where you could have the entirety of the profession and industry braced by a single regulator or a cluster of regulators, I think that is almost impossible to imagine in the modern news context. It might have been conceivable 20 or 30 years ago in the UK. It is simply not possible. So, you have to revisit what is it you are trying to achieve. If you think that the underlying aim is to protect the public from the serious harm that might follow from breaches of their individual rights, then the law has a job to
do as well as regulators. If it is about upholding standards of journalism, then
we can do our bit. Ofcom can do its bit in relation to broadcasting. As long
as - certainly for the press - we exist in a voluntary framework, we can only do
it for those who choose to come on board, which is precisely why Leveson
recommended incentives, for the reason that no one gets up in the morning
wanting to be regulated. He said there is going to need to be some nudge
factors. We still do not have those incentives.

The simple economic analysis - again, no judgement on the publishers in
question - would suggest that there will be a pressure against regulation over
the coming years in the absence of any countervailing pressure in favour of
regulation. It just seems absolutely straightforward opportunity cost analysis.

Q. (Mr McCarthy) You have mentioned the incentives. Is there any indication as
to when those incentives might come into being?

A. (Mr Heawood) The secretary of state announced to the select committee the
other day that she is shortly to make her decision on section 40 of the Crime
and Courts Act, which is currently the missing incentive. We, obviously, do
not know what that decision is and we do not know what the parliamentary
process is -- it would depend what the decision is what then has to happen
next.

Q. (Mr McCarthy) Of course, yes. Just thinking then about Leveson and the
regulatory framework, Leveson levied a number of specific criticisms to the
old Press Complaints Commission. Those were that it was not so much a
regulator but more effectively a complaints-handling body; that it suffered from
certain structural deficiencies, one of which was the lack of independence; it
had inadequate powers, especially regarding the effectiveness of its
investigations; and also that the powers at its disposal were under-utilised. Those were the four big criticisms of the Press Complaints Commission.

I am just wondering if each of you could talk about the extent to which each of your organisations addresses -- or to the extent to which it addresses those criticisms that Leveson levied against the old Press Complaints Commission.

A. (Mr Tee) I would say that our organisation addresses all of those. There will be some disagreement as to the degree to which it addresses all of those.

If we take independence, we have a majority of lay people on our board. Our board is chaired by a former Court of Appeal judge who was particularly known for being independent, possibly eccentric in his judging days. We have negotiated a budget with the industry which lasts till the end of the contract period. IPSO is established on a set of legally binding five-year contracts. Apart from one or two very exceptional possibilities, it is impossible for a publisher to leave that contract by themselves. We have agreed a funding settlement for all of that period and have that in writing. So, funding is not an issue for us. I meet with the industry three times a year to update them on what is going on in the organisation. Other than that, the industry has no part in my organisation.

So, from an independence point of view, I think we have taken the structural steps to ensure independence. In our situation, independence partly comes from how you behave. I think we behave independently. I can say, hand on heart, that no newspaper editor has ever rung me up to try to get me to change a decision that we were about to make or have made.

So, independence I think we manage to a large degree. We have greater powers than the Press Complaints Commission did. Those powers include
the power to carry out a standards investigation where we see breaches of
the code which are serious and systemic. We have not yet seen an instance
that, in the opinion of our board, meets that test. The test was intended by
Leveson to be a high bar and we have not yet seen anything that meets that
test.

I would say to others who will listen -- the independence of the regulator --
part of our new powers were very specifically designed to make us more of a
regulator than just a complaints organisation. We still handle an awful lot of
complaints but we have a compliance function. So, every year, the
newspapers are required to report to us their performance against the
regulatory code and breaches of that code; also to tell us what training they
have in place for their staff in order to be compliant with the code; plus they
need to tell us what remedial action they have taken against any issues where
the code has been breached. An example of that would actually be within
News UK where they were found in breach on a statistical question,
interpretation of its statistics. One of the remedial actions was to get the
Royal Statistical Society in to give statistical training to their journalists and
wider editorial staff.

Have I missed one?

A. (Ms Dewar) I think you have covered that for us in terms of the different --
A. (Mr Tee) Do you want to ...?
A. (Ms Dewar) Yes. One of points that was identified by Leveson was this point
about major investigations. He highlighted the inadequacy of the Press
Complaints Commission’s response to the phone hacking scandal and, in fact,
the fact that it simply did not have the capacity, financial or in terms of the
personnel available. I think that is something; that we have an investigatory fund that is available that we can call on at any time for immediate infusion of funds, should we identify an issue that justifies it.

We have a standing pool of panellists who have been pre-screened for the range of expertise of the kinds of issues that we anticipate could rise to the level of justifying a standards investigation. We actually are having orientation for - however many - 15 of them in the next 2 weeks, so they will be fully trained and understand IPSO’s powers. Our board are fully aware of the level at which we would consider making an intervention. We monitor standards issues that arise from complaints on an ongoing basis, looking across complaints and also pulling from the annual statements. So, we are very aware of not only major issues that could hit us but also the kinds of concerns that could slowly accrue across a very large number of complaints and thus constitute serious and systemic breaches even if they might not individually rise to the level that causes public concern. We feel we are in a position to act logistically when that moment comes.

Q. (Mr McCarthy) Is there something you would like to comment on?

A. (Mr Heawood) Yes. Just to return to Leveson for a moment, there are two aspects to the Leveson package of recommendations. One is that the detail is fairly light touch where he sets out a number of criteria that any regulator should meet in terms of its appointments, its constitution, its powers, its independence, its funding and remedies, offers, et cetera. Crucially, he says that this is not a self-assessment exercise. No regulator should be left to tell the public or other stakeholders, "We are Leveson compliant". He says there are obvious reasons why any regulator might wish to be perceived as
meeting these standards but they need to be externally assessed. That is the crucial 50 per cent of the recommendation.

So, in IMPRESS’s case, we have gone through that process with the Press Recognition Panel, the oversight body. It took nine months last year; PRP reached the decision last October that IMPRESS does meet the standards. That has been challenged by the News Media Association, which went to the High Court, which published its decision last week, which was that the PRP reached the correct decision in the correct way. We can go into the detail, but the key point is that we legally do everything that Leveson has distilled in the Royal Charter and recommended.

Q. (Mr McCarthy) On that, can I just ask, in relation to IPSO, obviously IPSO has taken the decision not to seek regulation.

A. (Mr Tee) The publishers that formed IPSO, to be honest.

Q. (Mr McCarthy) Sorry, yes, of course. I just wonder if you can comment on some of the thinking behind that. I understand that is, essentially, a principled position and there is no intention at any stage to seek recognition.

A. (Mr Tee) As I say, it was a decision taken by our publisher members as opposed to a decision taken by us. I think it was felt - although you might be better asking them - across a very broad range of newspaper companies, including the Guardian which did not eventually join us, that the mechanism of the Royal Charter, although at some arm’s length from government was still too close to government for them to countenance.

A. (Mr Heawood) One thing and I always make this point; I think it is really important for people to understand that, for a period throughout 2013, those publishers as represented by PressBoF, the body which was the historic
funding body for the Press Complaints Commission, actually advanced their own Royal Charter. So, at that point, the debate was not over the principle of royal charters; it was over the detail of these two competing royal charters, the one which is the current charter which went forward with cross-party approval, which creates an independent regulation body, and what was, for shorthand, called the PressBoF Charter, which was broadly similar but suggested that the recognition body should, essentially, be PressBoF; that, essentially, a self-regulatory body should be overseen by another self-regulatory body. That was also the subject of -- an appeal of the Privy Council decision to approve the cross-party charter - it was, that was thrown out.

So, the principle is a slightly complex one to discern.

A. (Mr Tee) On the issue of the external recognition of how one is doing, while we are not going to seek recognition from the Press Recognition Panel, we did commission an independent review of it, done by Sir Joseph Pilling, a distinguished former civil servant, who came out in a review saying that he felt, given the stage of our development, that, both in terms of our independence and effectiveness, we were doing as well as could be expected.

A. (Mr Heawood) Can I just add one thing which has not been mentioned? You asked the question about what have each of the regulators done to address Leveson's criticism of the PCC that it was just a complaints-handling service. An important new service that IMPRESS offers which is a cornerstone of the Leveson recommendations is the arbitration scheme. IMPRESS offers a free-to-access arbitration scheme; that is free to access for members of the public. As of last week, that is also free to access for publishers as well.
IMPRESS has completed its first completed arbitration which led to a damages award being made against one of our publishers.

A. (Mr Tee) So, also, there is an arbitration scheme, which is not free to use, certainly for publishers. It is a low-cost arbitration scheme for claimants. Publishers pay significantly less than they would pay to go to court but they do pay. We have no other source of funding other than our publishers and, to a very small degree, claimants for the arbitration scheme.

Q. (Mr McCarthy) That discussion does lead me on to a separate question although related. It is slightly invidious, so I apologise in advance. You, obviously, both have slightly different regulatory frameworks. IMPRESS now has a different Code of Practice which has been drawn up recently. Your powers are both slightly different. I am just wondering if you could identify perhaps the key differences and, importantly, what impact, if any, you think that has in practice in terms of the effectiveness of your regulation.

A. (Mr Heawood) It is hard to assess the effectiveness in a hard, quantitative, economic way. I have to say, again, I think that there are all sorts of points of detail differences in terms of powers, remedies, et cetera. We feel very strongly that it is at the level of -- the fact of oversight is actually the most significant difference. It is something which is very important to us and to our members; just that guarantee that, as a regulator, that inevitable gravitational pull towards the industry being regulated can be resisted by an equal and opposite gravitational pull to ensure that we are kept on our toes by the Press Recognition Panel. I certainly hope that that means, in the long term, that IMPRESS can become a very trusted partner to the industry and to the public.

A. (Mr Procter) If I can add to that, one of Leveson's criticisms of a previous
system of regulation was that it was not sufficiently accountable to the public in terms of balancing accountability to the public with press freedom. Obviously, what the IMPRESS scheme does through IMPRESS putting itself up for external audit by an independent organisation is it ticks that public accountability box which I think is a key distinguishing factor between ourselves and IPSO.

A. (Ms Dewar) The reality is that both schemes are so closely modelled on Leveson that, in another context, it would be described as "plagiarism". Really, the principal powers are the same; the codes follow similar principles; the dealing with representative group complaints, which is another of Leveson's recommendations -- the level of detail at which there are distinctions is very fine. It feels very different, however, because of the difference in scale in terms of the volume of work that we are getting through, the nature of our publishers, the type of publishers they are. I think we will probably, over time, grow to be different because the culture of the organisation grows up and the ways of working grow up and they will grow up in part around the types of issues that we are dealing with. It just simply is the case that, certainly in the group of publishers there in IMPRESS now, it is going to grow into a different organisation than a body that regulates the Daily Mail, the Mirror, The Sun. They are just quite --

A. (Mr Tee) The key difference in impact is that the size of written words that we regulate compared to that which is regulated by IMPRESS is a very significant scale difference. I would also say, without putting too fine a point on it, we regulate everybody that caused concerns that led to Leveson in the first place.

Q. (Mr Bamford) Just to come back to the point Conor was picking up earlier
when you were talking through services, IPSO, the way you dealt with the four
key criticisms of the Press Complaints Commission. Two of them interested
me. One was around carrying out investigations and the other was around
compliance work particularly with respect to training and remedial action. In
terms of your staff hours and the amount of time that you would spend across
compliance work investigations and dealing with complaints how would that
be split would you say?

A. **(Mr Tee)** You are the Operations Director!

A. **(Ms Dewar)** Yes. It is definitely safe to say the significant staffing focus is in
complaints, absolutely. We have eight complaints officers, and that is
handling not only complaints that are under investigation but also anyone who
complains to us about a matter that falls within our remit, if we decide there
was no potential breach of the code raised by the complaint, every single one
of those complainants receives an explanation tailored to their complaint,
explaining to them why, which we consider is part of the service that we offer
to the public. So, yes, that takes a lot of man hours.

On the investigations and regulation side of things, we have a head of
standards and a standards officer, and that also is the majority of my time as
well.

A. **(Mr Tee)** One point I would make is there is more volume within complaints,
and that is just the nature of receiving as many complaints as we do and
processing them in the way that we do. The head of complaints is of a similar
level of seniority to the head of standards.

Q. **(Mr Bamford)** In terms of the compliance work, is that a case of looking to see
that they have the right compliance processes in place, but do you also check
that those processes have been followed with particular instances?

A. (Ms Dewar) Yes. We get a very good sampling of compliance processes. There are two things. One is we do manually check and make sure that, in terms of the elements of compliance that relate to their public-facing work, they are all doing what they need to do. This has been a huge change from the PCC to the IPSO era that all of these publications have complaints forms or a page on their website; there is a very clear way to complain. They all have an apparatus. They have all, especially the national papers, hired new compliance staff. They operate more like companies should. They offer corrections columns, so they are correcting things every day. That is a huge change. That is one side.

In terms of how they actually are dealing with those complaints, we see many of those because if something is not dealt with to the satisfaction of the complainant in the first instance they then are -- this is part of a requirement by IPSO that the publication has to inform the complainant of their right to come to IPSO in relation to anything that relates to the Editors' Code. So, they then come to us. Obviously, those are the unsatisfied customers. So, we have an opportunity to review what they have done and we require them to supply - usually, the complainant will provide it but, if not, the publication needs to - copies of any correspondence. If there is anything there that raises concern we will be aware of it; it will be part of the standards team's review of the complaint. In fact, in the context of an accuracy complaint, which is the majority of the complaints we receive, a failure by a publication to promptly correct an inaccuracy when it has been recognised is, in itself, a breach of the code. So, we can and do uphold complaints simply on the basis of, okay,
maybe there was no failure in terms of how that got into the paper in the first place or online in the first place but that person then used your complaints form, wrote in, said this is a problem, and you did not fix it; you did not fix it promptly or properly. We will then uphold the complaint for that.

A. (Mr Tee) I will give you an example of where we have observed an improvement in compliance and that is partly -- it is why separating out compliance from complaints is a slightly artificial thing to do.

If we were to take subterfuge; use of subterfuge is a breach of Clause 10 of our code which you can overcome by demonstrating a public interest. We require that public interest is demonstrated before the subterfuge is used. You cannot just do it and hope you get some good answers. I think it would be fair to say that it is obvious, from the evidence we are given by newspapers to prove that they took appropriate steps to establish the public interest before the decision was taken and that the decision was taken at the right level, that is now -- when we begin an investigation we now almost always receive a stack of emails that demonstrates an audit trail for those decisions; they demonstrate the right meetings were held with the right people and that those meetings were recorded and those decisions were recorded. The degree of formality behind something like that which is a potential code issue has become, I would say, much more rigorous.

Q. (Mr Tutton) Just coming back really to the point - you probably touched on it earlier as well - and it is the regulatory versus complaints sub-issue. You have a complaint. You have a finding. Let us say, for the sake of argument, the finding finds a fault, a problem with the publisher. You take action in respect of that complaint. What do you then do, if anything, in terms of either
remedying or ensuring that the underlying processes within that, or, in fact, publishers generally take on board that particular finding?

A. (Ms Dewar) That is two questions, really. It is that publisher specifically and then publishers generally. In terms of that publisher specifically, the publications at the end of the year -- and, actually, somewhat surprisingly to me, to be frank, this has ended up being one of the most useful functions that was introduced by Leveson. It is the annual statement function whereby, at the end of the year when the dust has settled, the publishers must go down the list of any upheld complaints they have had in the year, just anything that is upheld by IPSO, and explain what they have done to try to prevent a recurrence. It totally does away with the situation where an editor has a bad day, getting the email saying, "This has gone against you", and another bad day the day that the adjudication in question has to be published; and then it is in the bin and you move on to the next thing. You have to be able to show what you have done to fix it. That is in terms of the publication in particular.

In terms of in general, any complaint that falls, that raises any potential breach of the code is reviewed by our standards function and standards officer including those that have been resolved amicably with the parties, including those that have been resolved in the publication's internal complaints process if it has come through IPSO. If we see trends, we will consider what to do about it. The main way that we have reacted so far is by issuing guidance.

We are actually momentarily going to be issuing guidance on reporting of deaths and inquests, which, actually, is going to be accompanied by public information about how reporting on deaths and inquests worked. When the standards team did the analysis, they saw two themes arising; one, journalists
really struggling with how to apply the concept of handling publication sensitively, which is a requirement in Clause 4 of the code, but also a lot of public confusion about what their rights were and what they should expect. In particular, one issue that comes up time and again is inquests. The fact that inquests are open to the public and to journalists causes people a lot of grief when they were under the misimpression that they could keep it from granny that the death was a suicide or from the children or -- that is a regular theme of complaint. We are hoping that we can speak to both audiences and draw for the record on those.

Q. (Mr Tutton) That raises a quite important point. In a sense, you have the code which is intentionally high level and then you have the guidance which comes down and, clearly, you can modify the guidance. Have you or have you thought about, in the light of complaints or what has happened, modifying the code itself in any respect?

A. (Mr Tee) I sit on the Code Committee with my chairman and there are three lay members and there are some editors on the Code Committee. The editors are in a majority; it is called the Editors' Code for a good reason. Our view is that what that leads to is an ownership of the code by editors. It is felt to be their professional code. I can see arguments for it either way but I think, on three years' reflection, both my chairman who I sit with and I were a bit sceptical about the rightness of that at the beginning, would say there is a great strength in the system by having a majority of editors on the Editors' Code Committee. In order to change the code, any changes to the code have to be passed by the full IPSO board and by the full board of the Regulatory Funding Company which is the industry representative body. It is not just
The code is open to change at any time but, at regular intervals, currently two-yearly, there is a public consultation about changes to the code. That consultation takes in as well as submissions from any member of the public or any group, suggestions from industry for changes to the code and suggestions from our experience about possible changes to the code.

Q. (Mr Tutton) Just a final one on this; the guidance that you have, is that in the public domain?

A. (Ms Dewar) Yes, absolutely.

A. (Mr Tee) Yes. There is a thing called the Editors' Codebook which is intended to be the learning from IPSO rulings that applies to individual clauses of the code. That is available on the website for anybody who wants to see it.

Q. (Mr Tutton) As far as you know, has that become part of journalists' training?

A. (Mr Tee) Very much so.

A. (Ms Dewar) One of the motivations for us or one of the values of issuing the guidance is editors are very keen at all levels, genuinely, to avoid getting into trouble. Everybody is under pressure, so, for us, it is a question of helping them; giving them resources to get some certainty about where the lines are.

Q. (Ms Chambers) The guidance sits below the code.

A. (Ms Dewar) Absolutely.

Q. (Ms Chambers) Is it greater detail? It is a how to and a reacting perhaps more --

A. (Ms Dewar) It tends not to be how to. As someone who has had a lot of painfully detailed experience in coming up with guidance, people do not want
to be told what the answers are but then they also do want to be told what the
answer are. The form it almost always takes and I think, actually, the most
useful form it can take is questions; telling editors what are the considerations
that the Complaints Committee will expect you to point out.

Q. (Ms Chambers) So, it is things that they need to think about?
A. (Ms Dewar) Yes.

Q. (Ms Chambers) At the top, you have people who have breached the code,
breaches of the code; so, you can tell who the naughty boys and girls are by
people who have breached the code. I just wondered if there is another layer
below that of publishers who you have discovered have fairly regularly sailed
quite close to the wind and have pushed at the guidance - but I am not quite
sure if that is the role that the guidance plays - and are getting close to
breaching the code but are not quite there.

A. (Ms Dewar) First of all, people sometimes make bad decisions in good faith.
People can, with the best will in the world, sometimes breach the code. I think
we are very comfortable with that. Part of freedom of expression is
sometimes making the wrong decision, particularly when you are operating
under short deadlines. So, I think it is up to us to draw the line and it is up to
the Complaints Committee and, ultimately, in very serious cases, the board to
judge what is an appropriate remedy. Part of that will be whether or not there
was something wilful about this, whether people were pushing at it and trying
to get away with something or whether or not it was just a judgement that fell
on the wrong side of the line.

Q. (Mr Capel) Just following up on that actually, I am interested that the
preamble to the code talks about the spirit, not just the letter. So, I wonder if
you could just say a few words following up on what you have just explained
about how you would take that into account if, as Sarah mentioned, someone
was sailing a bit close to the wind. It is quite a hard thing to pin down; it is just
whether you have thought about how to do so.

A. **(Ms Dewar)** Yes. I think the spirit in which journalism has been made is very
important. Sometimes, we do have situations in which none of us feel
comfortable personally with the decision that has been taken and we may
disagree very strongly, for example, with an editorial line that has been taken.
It is very important; sometimes the Committee will choose to note its
disagreement or to gesture its disagreement with the decision that has been
taken. Acting as a regulator means acting with discipline sometimes and we
have the Editors' Code. Those are the rules that we enforce. We have our
regulations and we need to act proportionately, and part of proportionality is
being consistent about applying the code.

Q. **(Mr Tutton)** It may be repeating the question in a slightly different way, in
which case the answer is probably the same; it is in the public domain but
there was at least a slight disagreement between the Secretary of State and
Ofcom on whether to refer broadcasting standards to the CMA. Part of that
seems to be -- and I just say "seems" because, in a sense, Ofcom was
looking at compliance records, the Secretary of State was saying - your
point - it is all about the spirit as well. I was just wondering whether you have
any thoughts about, other than compliance records, what sort of evidence
there is which could be relevant to considering whether someone has
behaved in the spirit of something. I could see an argument. I am not saying
somebody has but I can see a theoretical argument being put which says,
"Fine, we understand the compliance is not what all this is about but what else is there?" What else is there apart from evidence on compliance?

A. (Mr Tee) When it comes to the spirit of the code we would generally take the view that the clauses the code can follow are the demonstration of the spirit. So, we would always be hesitant if somebody was unable to say how a piece of journalism was wrong by being able to cite which clause of the code it had broken but wished to envelop it in a general, "But surely it is against the spirit of professional journalism". So, for us, I think the spirit of journalism is explained by the clauses of the code and those are very much the things on which we would judge whether a piece of journalism was in breach of the code or not.

A. (Ms Dewar) Just building on that, maybe in a way we take this for granted. Maybe the way in which the spirit of the code has practical consequences is that the Committee takes a very common-sense approach and it is not a legalistic, technical, looking -- a very clear example is Clause 6 of the code prevents interviewing and photographing children on issues related to their own or another child's welfare without the consent of the parents. The Committee has decided over a long period and in various rulings that, when you say "interview", it would not be appropriate just to take that as the journalist has a microphone and, "What is your name? Tell me about this medical information". It is taking information about children. Using comments posted by a child on a JustGiving page would be considered interviewing. Similarly, photographs; you do not have to have your photographer standing there, taking a picture of the child; it also includes taking photographs from Facebook that have been put up, without the parents' consent.
That is the way in which we think of it. We do not look at things in a highly technical way. It is, "Is this the behaviour and the protection that the code was meant to create?"

Q. (Ms Chambers) Does that mean you can find somebody in breach even if they can try to argue in a rather legalistic way that they did not actually interview the child? Are there cases in which you have found actual breaches where, on the strict legal interpretation of the words, they might say that is not quite what they did?

A. (Ms Dewar) We have to be very careful to not start imagining that the code says something other than what it says, and to be consistent. The example that I gave about children, editors know very well that this is the position and that we are not going to not uphold the breach of a child's privacy on the basis that they used the photo from Facebook rather than taking the picture themselves. That is different from just imagining that the code says any old thing because we do not like it.

Q. (Ms Chambers) Sorry, we are hammering away at this because this goes right to the heart of our inquiry really. There must be a transitional stage where perhaps you have not made it as clear as anything what an interview means and, therefore, publishers might genuinely believe that the words say what the dictionary definition is, and so you might perhaps not find them in breach. I just wonder if you have any feel for the sorts of publishers, or are there publishers, do you think, who regularly or more than once or twice try to push up against that boundary before the boundary has been clarified?

A. (Mr Tee) It is not a behaviour that I recognise. I look across all of the complaints that reach our bar for being worth investigating and what I see is
editors and journalists taking judgements about whether something is within
the code or not. What I do not see, and I see hardly ever, is something where
I think, "You knew that was against the code or you thought that was probably
against the code and you were wiggling on a basis of semantics to try to keep
within it".

Q. (Ms Chambers) That is not what happens?
A. (Mr Tee) I do not get any sense of that from any of our publishers.
Q. (Ms Chambers) That is what I was getting at.
A. (Mr Heawood) Can I bounce a question back or posit something which might
make it -- with all -- it is whether it is relevant here to look at a particular
publisher's record, for instance, in relation to the question of regulation more
generally; the way it has used its editorial pages and its corporate muscle and
its legal muscle to push a particular preferred model of regulation and to really
try to suppress an alternative model. For instance, if a newspaper has used
its pages routinely to denigrate and to distort people who stand up for another
version of regulation; I just do not know, for your inquiry, whether that is
relevant information that might evince a kind of attitude towards regulation.

Q. (Mr Bamford) Can you give an example of what you are thinking of?
A. (Mr Heawood) Say a newspaper was to consistently run coverage of a
regulator like IMPRESS that was distorted and at times inaccurate and it has
a preferred regulator like, for instance, IPSO which it writes about in very
different terms; it writes about the politicians who back one in different terms;
it writes about the campaigners who back one in very different terms; it writes
about the judge who recommended that particular framework in very different
terms; would that go to the question of attitude towards regulation? You do
Q. (Ms Chambers) We will not be able to come up with an answer.

A. (Mr Tee) I should say, just for the record, that we have never received a complaint from anybody at IMPRESS about any of that.

Q. (Ms Chambers) We are not really in answering mode, I am afraid.

Q. (Mr McCarthy) Just going back to the question of the code, IMPRESS, I believe, has, effectively, reformulated it, because previously, until July of this year, IMPRESS applied or would apply the Editors' Code. Then the decision was made, I suppose, at some time in the last year or so, to amend or depart from the Editors' Code. What was the thinking behind that? Can you talk to some of the most significant changes and why those changes were made?

A. (Mr Heawood) Leveson said that it was not his job to write a code. He said that was one of areas he wanted to stand back from. Nor was it the job of an oversight body or parliament or government. It was a job for the regulator. He was very clear it was a job for the regulator and not the regulator's members, and that the code should be the ultimate responsibility of the board or the regulator. He recommended that any code that was adopted should be subject to thorough public consultation. He had very minimal requirements. It should address standards in relation to accuracy; respect for the rights of individuals, in particular privacy; and the distinction between fact and opinion. So, they were minimal requirements. Other than that, it is the job of the regulator to devise a code in response to consultation. So, we always went into it with that being the plan. It was simply the Editors' Code was the initial standards code.

The consultation process, there were several stages. The first was actually to
look at a whole range of codes from around the world, the current Editors’ Code and the BBC Code and the NUJ Code. We looked at about 56 in total and we tried to distil what the really core themes were. Accuracy is always there. Sometimes it includes, even in press codes, a requirement of impartiality which is very alien to our tradition in this country in relation to press regulation. When you look at this you find every country is different. No two codes are the same, but you can find some common DNA way back in the genes. Accuracy, privacy and respect for the rights of children is actually a very common theme.

So, we took those as our starting point. We then consulted on those. We did some focus groups, asked the public to rank various potential code requirements. Again, those things came out top but discrimination also came into the mix. Again, actually, the public are not very familiar with the distinction between a press-based accuracy code and a broadcast-based impartiality code. One of their great complaints is that the press is partisan. That is one of the things that most of us who come from a journalistic background take great pride in and take as particular for the course.

Q.  (Ms Chambers) That is the point.

A.  (Mr Heawood) We did not meet their desire for a requirement for impartiality. We said, "Actually, no, we think, in the context, accuracy is the requirement, not objectivity, because we have a plural landscape and we think overall that is what we are here to support".

So, various preferences came out from the public as to what they would like to see in the code. We then drafted a code which responded to most of that but dealt with the question of accuracy rather than objectivity. And the real crux
was this question of discrimination and hate speech and how you frame a code in a way, given that freedom to be partisan. So, we are not in an Ofcom context where the BBC, ITN, Sky would have to be much more careful about expressing opinion. We are in a context where people may have strong views on issues of religion; maybe even on issues of disability rights or LGBT rights and they want to express those views. To introduce a simple blanket protection against any content that might appear to discriminate against a group, in the eyes of that group, we felt, was going to be unworkable.

So, what we have is a couple of clauses which are very similar to the Editors' Code with respect to the rights of individuals to be free from explicit discrimination but we introduced a new clause which protects the rights of groups to be free from incitement to hatred. We see that as setting a much higher bar and following the law, broadly, in that respect where, if it was a religious topic, there is a bit more latitude than there would, for instance, on a discussion about race.

Q. (Mr McCarthy) In relation to accuracy, I think it is right to say that the IPSO code, effectively, prohibits the publication of inaccurate information or inaccurate stories. The IMPRESS code is placing the duty on editors to ensure the publication of accurate information. Do you see that as being a different approach and, if so, how?

A. (Mr Heawood) Our requirement is to take care -- I forget the exact wording. I certainly do not think there was an intention to depart radically -- have we got the code there?

A. (Mr Procter) I do not think we see great -- the main difference around accuracy is that the IMPRESS code does define due prominence as normally
meaning equal prominence. I think that is a slight difference.

A. (Mr Heawood) This is the old issue of, if you have a headline of which bits are bound to be inaccurate, do you correct it with a little -- down page correction ...?

"Must take all reasonable steps to ensure accuracy", I guess. And yours is ...?

A. (Ms Dewar) Take care not to publish --

A. (Mr Tee) Not to publish inaccuracy or distorted information or religious ...

A. (Mr Heawood) I do not remember from the Code Committee deliberations a particular significance to that.

Q. (Ms Chambers) A negative, no.

A. (Mr Heawood) A different language. I suppose there is a general sense of just stress the positive and try to set ...

Q. (Mr McCarthy) It may be a slightly lawyer's techy question but actually it does not have any impact in reality, potentially.

Q. (Mr Capel) Maybe more broadly -- you mentioned that a lot of complaints you get relate to accuracy. If you could just give a little bit of a distillation of how you approach accuracy, what it means and when you would worry that something was inaccurate.

A. (Ms Dewar) I think our approach is really in two parts. The first is really the procedural one, which is that the wording of Clause 1.1 of the code of taking care not to publish inaccurate, misleading or distorted information is very much about the process of reporting. You could further break it down into two parts. One is what have you done in terms of the reporting of the story? Who have you called? Are you able to show that you have contemporaneous
notes? The mechanics of good journalism. The second part of that taking care requirement is how it is presented. If there is a denial where is that denial? Are people going to see it? Are you suggesting that you know something is true when, in fact, you just believe something is true or have deduced it from various facts and, if so, are you clear on what your reasoning was there? So, that is taking care.

The second half is recognising that things can go wrong, whether or not you have done a good job in terms of getting it into the paper or onto the website. That is about recognising and behaving properly when something has gone wrong. That is inaccuracies being corrected and, if appropriate, apologies being published in the right cases.

The final bit which comes into play and really goes back to some of these themes is about distinguishing between comment, conjecture and fact. That is always, in some ways, the most difficult because that is an overarching -- sometimes, that covers the same issues as the first part in terms of the way that you present the story but it can be a lot more tricky because one person's claim that appears to be a fact but is actually opinion could be another person's analysis piece. So, that can be very difficult to apply in the real world and try to imagine how readers would have understood in a world that blends fact and comment so much. Readers want that sort of information.

A. (Mr Heawood) In terms of our regulatory activity, it is fairly early days. Of the accuracy complaints we have received or inquiries that we have had, the anecdotal assessment would be that what we are seeing is that a lot of it comes down to the nature of the correction; most of our members seem to be quite keen to correct something if it is drawn to their attention. I do not think
we have yet seen a publisher -- but once, we have seen a publisher who was
very determined that the essence of the story was totally accurate. Normally,
they accept, they may have got some detail wrong and they correct that and
the dispute comes down to the nature of the corrections for the sentence the
complainant wanted to see.

Q. (Mr McCarthy) Just to go back, to summarise or encapsulate some of what
was discussed earlier, as I have understood what has been said, in particular
by IPSO, in terms of your regulatory function, effectively, it breaks down into
three broad categories. There is the complaints-handling element of things;
then there is the possibility of a standards investigation; then the third element
is the regulatory function in respect of the annual statements. Effectively, it is
reviewing the annual statements and potentially raising concerns with
publishers in respect of themes or underlying problems. Does that, broadly,
encapsulate the three elements of things?

A. (Ms Dewar) We are engaged in regulatory activity on an ongoing basis, so
compliance activities in terms of monitoring they are up to all standards, it is
happening all the time, and decisions about whether to issue guidance; or
sometimes, occasionally, if we see something concerning, we will contact a
publisher and raise an issue on an ongoing basis. So, I would be hesitant to
say that it is all about -- because, at the end of the year, we say, "How did the
year go?"

Q. (Mr McCarthy) In terms of the ongoing activity, could you maybe talk through
what that involves a little bit; other than the statements or complaints handling
but this residual activity, on an ongoing basis, what would that involve? Is it
spot checks on publishers or is it a question of reviewing publications?
A. (Ms Dewar) Yes. The key thing is complaints analysis. Any complaint that has any potential merit, it is reviewed at the conclusion of whatever IPSO's involvement is. So, any complaint that comes to us that has potential merit, that is a potential breach of the code, unless it has already been through the publications in the normal complaints process or unless there is some reason not to which may be specific to the case, gets immediately sent, forwarded to the complainant's internal complaints process. Some complaints, that is all we ever see of them because they are resolved to the satisfaction of the complainant within the publications process and that is the end of it, all the way up to complaints that go the full length to a decision by the Committee, all of those are looked at and we have unbelievable spreadsheets of themes and key complaints.

Every two months we have a Liaison Committee meeting. That is a committee that involves members of the executive -- the board and the Complaints Committee. They review the latest key points from the complaints analysis and any themes that have accrued over the previous year and discussions of where there are particularly serious co-breaches, so anything that requires publication of adjudication. There will always be discussion about whether or not we need to be doing more and how that concern fits in, which could be just we are watching it to see if there is a trend developing here all the way up to something more serious. Or we are looking at guidance or whatever the case may be. So, the Liaison Committee has oversight over that on a cross-organisational basis and can decide whether or not the executives' proposed action is proportionate.

Q. (Ms Chambers) Do you have a time series of stats on complaints by theme
and by publication?

A. (Ms Dewar) We do not. It is much more theme based than publication based for the most part. Obviously, we are very aware for these internal purposes we are not making determinations about whether there have been breaches of the code. That is for the Complaints Committee. It is more looking in a more qualitative way as to whether or not issues are arising. An example would be the deaths guidance that I mentioned. That was something that came up in a complaints analysis. As I said, it was not so much necessarily that there was a problem with compliance in the sense that we were not having an extraordinary number of breaches of the code. It was not something that was going to be flagged with lots of upheld complaints; it was that we were having a lot of substantive complaints about it, regardless of whether or not they were actually being found to be in breach. So, it felt that we needed to be communicating with our members about how to comply more and we needed to be communicating with the public about what expectations were --

Q. (Ms Chambers) You do not have a top five publications to watch at the moment?

A. (Ms Dewar) The board does. The board gets reporting at every meeting; they get the headlines of all upheld complaints for the year.

Q. (Ms Chambers) It is just on the basis of complaints that have been upheld; it is not on any other more qualitative ...?

A. (Ms Dewar) Yes, it is very important for us to not just be saying that we think something looks a bit odd without having any information.

Q. (Ms Chambers) So, it is the upheld complaints. Do we have proof of that?
Q. (Mr Bamford) Is that the same as reported in your annual report?

A. (Ms Dewar) Yes.

Q. (Mr Tutton) It is an interesting point you raise there, going back to the earlier question raised; if you were looking for evidence of problems which were not purely there in compliance stats, in other words the compliance stats which are upheld complaints -- but it is just in the way that complaints may be providing what other context to call leading indicator or something of where there is an issue arising which may still be a problem even if it has not caused an upheld complaints and it may lead you, as here, to think that, actually, it needs more refined guidance or whatever it happens to be. So, actually, complaints and upheld complaints may both be interesting indicators of something.

A. (Ms Dewar) They may be, and that something could be a standards issue but it also absolutely could be a disconnect between public expectation. It is a bit like what Jonathan was saying about the public allegedly wants non-partisan publications --

Q. (Ms Chambers) Impartiality.

A. (Ms Dewar) -- which you would not say, looking at newspaper subscription figures, is necessarily what they really want. Again, it could be a disconnect of a different kind.

Q. (Mr Bamford) In terms of themes or looking at those trends, does that ever lead you to go and look at a particular publisher's or a group of publishers' actual compliance processes; even though complaints may not be upheld you might have a concern raised that, on a particular type of complaint, there is a process that needs to be addressed?
A. **(Ms Dewar)** Honestly, we have had occasions where we have had concerns about complaints handling within an individual complaint. There are examples of Committee decisions that note those concerns. We can certainly provide some examples. That could be just the Committee choosing to make public its concern and displeasure about that or it could be that it notes that in terms of deciding what the remedy is necessary for a breach. It is also open to it to comment, even when not upholding a complaint, that it has some concerns. So, we do put that out in the open through those individual complaints. If there were severe problems in the handling of complaints, if severe enough, that could be grounds for a standards investigation but we have not got any of that.

Q. **(Mr Bamford)** Is there a sense that, in your looking at different publications' compliance processes, you see clear differences in quality or types of processes that are put in place? Do you have ones that you say, "You are a large publication. Your processes cover the bare minimum. We think you need to up your game"?

A. **(Mr Tee)** I would say I do not see anybody who does not provide an adequate compliance process -- and adequate complaints-handling process. If we did, we would do something about it. I see different models of handling complaints processes. Particularly if you take some of the local newspaper groups, some of them will handle complaints that are more group level; some of them will have them devolved down. If we saw something that was impeding our ability to work on behalf of complainants to resolve complaints, then, as Charlotte says, we might say something in a judgement on an individual complaint and, if we thought it was a systematic problem across a
publisher, then we would begin the steps that might lead to a standards investigation.

Q. (Mr Bamford) In terms of when complaints actually come in to you, there can be a dissonance between a process that is set out in writing and the way it happens in practice. Is that something that is dealt with through the complaints process and would be particularly highlighted for the complaints process?

A. (Mr Tee) What sort of dissonance?

Q. (Mr Bamford) For example, it could be the process is the complaint will be dealt with in X number of days or it might be escalated to a certain person within a certain number of days and the complaint could be dealt with but not with that speed or with that level of escalation.

A. (Mr Tee) If we were to send you some of the adjudications we have made where we have been critical of the complaints-handling process within a publisher, you would see that that is the sort of thing we would pick up on. We generally have a seven-day turnaround period on correspondence. If publishers are taking a lot longer than that without due cause then we might well say something about that in the adjudication. If we felt that the publisher could have resolved the complaint by giving a more fulsome correction in the first place, we might mention that.

We are not entirely neutral about how those processes are handled. The regulations set out some very clear deadlines and appropriate handling of those complaints and we expect our publishers to stay within those.

A. (Ms Dewar) Yes. It may be helpful to distinguish two quite different things. One is the period during which a complaint is with the publication's internal
complaints process. The second is once an IPSO investigation begins.

In terms of the bit where it is over to them, first of all, when we send the complaint to the publication. At that point the complaint is assigned to a complaints officer and that complaints officer's contact details are known to the complainant. They are told that if they have any concern or question or anything arises -- because we are aware of the concern of inequality of arms and that complainants do not necessarily know what their rights are or what the resolution possibilities are. So, they have someone they can call and speak to or email at any point.

That process can only unfold over a maximum of 28 days. So, if the publication concerned is failing to come to grips with it, first of all they can come to us at any time. In fact, we tell complainants again at the time that we pass them over, "If you do not hear from them within seven days contact us and we will follow this up and make sure --" it is not a formal deadline but, obviously, if something has been sent to the wrong email address or someone is on holiday or whatever, we would like that to be able to be addressed while the publication still has a chance, the best chance to try to resolve that complaint early. If they fail to sort it, that then ends at 28 days. If it is the case that there was something there that they really did need to sort, that is something that the Complaints Committee will look very negatively upon when it comes to make its decision.

Q. (Mr Bamford) A couple more questions just on the compliance side of things. You say that, obviously, the compliance processes, for them to, effectively, be adequate, they need to meet the minimum standard that you put forward. Do you have any examples of publishers that you consider go beyond that and
would be what you might call the "gold standard"?

A. (Ms Dewar) We have not defined minimum -- we do not tell them how to do -- but I think, overall, our concern really -- in fact, we are in the process of developing a basic complaints process as a flat-pack version but that is really geared at very small publishers that get very few complaints who have not needed to have formalised complaints processes and are feeling a bit unable to devote the resources to developing these things, and we have a lot more expertise. I would say that all of our national members have good processes in place.

A. (Mr Tee) I think they also see a merit, which some of them would say they did not feel in the same way under the Press Complaints Commission, of early resolution. For some of our national members, rather than a resistance to receive the complaint and be told you have got something wrong, there is a much greater degree of openness to the idea that a small correction or a clarification might be enough for the complainant and you then do not have to dedicate staff time and editorial time to dealing with this complaint going on. So, I would say, generally, amongst the bigger publishers, and that applies to some of our regional publishers as well, they very much see it is in their own interests to process complaints as efficiently as possible.

Q. (Mr Bamford) Obviously, IPSO regulates News UK newspapers, which you said before. Just to turn specifically then with regard to the complaint we have received, in your view, how does the number or nature or even the seriousness of the complaints received in respect of those publications compare to other similar publications?

A. (Mr Tee) It is very difficult to compare across because newspapers have
different models and attract different complaints but I would say, given the
circulation of the newspapers, that News titles do not receive any more
complaints than I might have expected. They get more complaints about
The Sun than they do about The Times. I do not think that is particularly
surprising. Associated gets quite a lot of complaints about the Mail and Mail
online and, partly because of the sheer size of the readership of Mail online,
Associated tends to get more complaints than News do.

Q. (Mr Bamford) What about the nature or seriousness of those complaints?

Would you say they were comparative as well?

A. (Mr Tee) Yes. I have got absolutely no sense that any of our publishers, their
breaches tend to be more serious than other breaches.

Q. (Mr Bamford) We have talked a little bit about the process and your handling
of complaints and the providers'. In your opinion, is IPSO satisfied with the
way that the News publications handle complaints and the processes they
have in place?

A. (Mr Tee) Yes.

A. (Ms Dewar) It is important to say that IPSO has upheld complaints; there are
cases where there have been titles that have been found in breach of the part
of the code that is about handling complaints properly. So, certainly, there are
cases where there are failures of standards. I think the question would be
about was that disproportionate to what you would expect, given the volumes
and all the rest of it. No.

Q. (Mr Bamford) You talked about, for complaints that are upheld, you have, as
you said, the old days where you would go through the problem, you would
put your retraction out and that would be it and everything would be okay and
you can breathe a sigh of relief; and now you have an annual wash-up where you are going through that. Is the remedial action that you have seen on those upheld complaints something that you are satisfied meets your requirements?

A. (Ms Dewar) The board has not taken any further action in relation to any of those complaints.

Q. (Mr McCarthy) Just one quick question in relation to the complaints process. We were talking a little bit about comments or adverse criticism that may be levelled at newspapers which have not conducted a complaints process properly. There is, as you refer to in the code, a specific provision in relation to the speed with which a complaint must be dealt with. Do you have other expectations in relation to process other than just speed? Do you have other expectations as to how a complaint would be dealt with by the newspaper; who would deal with the thoroughness with which it is dealt with for those kinds of things? Or is it just a question of doing it especially quickly?

A. (Ms Dewar) I would say two things. One is we are very aware of the nature of the entities that we regulate and we try to avoid creating a disproportionate unmerited burden or bureaucratic requirements about who does what or when they do it or in what form. With that said, in terms of the outcomes, we would want complaints to be dealt with properly. That may just mean reading an email really thoroughly; it could mean really different things in really different contexts. Again, not to return unnecessarily but, in terms of the requirements of responding appropriately when things have gone wrong, that also includes does it cover all the points; does it apologise for the things that needed to be apologised for. So, the thoroughness and the form of that remedy is very
important to the Committee and we will uphold a complaint if it does not cover all of the substantive points.

I would say it is also the case that we would expect complainants to be dealt with respectfully and appropriately. That would be very important as well.

A. (Mr Heawood) Can I just come in here? It is an interesting example, that again Leveson and the charter require publishers to have adequate and speedy in-house complaints-handling systems. That is part of his vision of self-regulation. When we put ourselves forward to the PRP for recognition, we thought that we already had adequate systems in place to check that, rather along the qualitative lines that Charlotte was outlining. The PRP took the view that that was not sufficient for them to be convinced that we met the charter requirements. That was one of the things we had to really strengthen over the course of the nine-month application process to the point that we now have really quite rigorous compliance checks which mean that we do not actually regulate anyone until they have satisfied us that they do have systems and named people and time periods and so on in place.

As a point of detail on this, it goes back to the larger point I made earlier. I do not want you to come away with the idea that IPSO is Leveson compliant. It just has not chosen or has not been pushed for recognition. You do not know if you are Leveson Charter compliant unless and until you go forward for recognition because it is simply not in your capacity to know that. It is an external assessment --

A. (Mr Tee) It is also not the basis on which we judge ourselves.

A. (Mr Heawood) Apart from saying that you are Leveson compliant.

A. (Ms Dewar) We do not. We are not -- we cannot compel the publication to
apologise.

Q. (Ms Chambers) It is also not the subject of our inquiry.

A. (Mr Heawood) It is not your inquiry ...

Q. (Ms Chambers) It is not our inquiry either, so do not worry about it.

Q. (Mr Bamford) In terms of the compliance process that you are talking about having in place for publications, you talked about online publications coming to you and it being a mark of the seriousness of them or the quality of their journalism. Have they found having that level of compliance process a particularly challenging thing for them to put in place?

A. (Mr Procter) Yes, some have; and some get through compliance in four or five weeks. Some are still in the system four or five months down the line. Particularly some of the smaller online publications that may only have two or three people working for them, then, sometimes, going through our compliance process can be fairly onerous.

I think the other thing we have to understand is that because, when IMPRESS was formed we did not have a large body of the legacy publishers to join us, we have an open application process and every month we are signing up nearly five new publications; we have for the last year or so. The way our system works is that publishers will apply to join IMPRESS and the point they apply to join us they have to go through an eight-step compliance process. We will then audit and assess that.

For many of them, they are starting from scratch. So, many of these will not previously have been regulated by the PCC. As part of the compliance process, they will, perhaps for the first time, have to put in place a complaints process. They will have to put in place a complaints policy. They will have to
write a statement of arrangements that sets out their compliance structures. These are all things that they will be putting in place that perhaps they may not have had and certainly would not have had to the standards that IMPRESS would require beforehand. I think that is perhaps another reason why it takes slightly longer for them to get through the process.

Q. (Mr Bamford) Once they are through the process, am I correct in saying that you then assess that they are complying with that process, the processes they have in place, on a regular basis proactively? Or is there something you do in the way of checking them against when they actually have to deal with a complaint?

A. (Mr Procter) We have to remember that IMPRESS is a new regulator. We started regulating our first publication in June 2016. We are really just one year through the cycle. What we have done up until now is we do a pre-regulation compliance check and audit. We then enter into a regulatory scheme agreement. At that point, our regulatory remit over the publication commences. At the end of each year, we also undertake further compliance checks at the end of the year and, in a similar way to those that IPSO have explained, there will a report where they will need to sign a self-declaration to say that they are still compliant. They will also need to report information about the number of complaints that they have dealt with and compliance breaches or legal actions taken against them.

We are in the process now of drawing up consultation to look at how our ongoing compliance system would work. Now some of our publishers are entering the second stage, then we will be looking at some sort of audit system based on a targeted system so that we have a rigorous ongoing check
of compliance. So, it will not just be based on a report or self-declaration. It will be a much more proactive compliance process.

Q.  
(Ms Chambers) Have we asked at all about the standards investigations?

We have dealt with that, no?

Q.  
(Mr McCarthy) Just in relation to standards investigations, did you have specific questions in mind?

Q.  
(Ms Chambers) I may have missed it but have you launched any standards investigations since you --

A.  
(Mr Tee) No.

Q.  
(Ms Chambers) You have not. What would be the thing that triggers you to do it? And why have you not done it so far?

A.  
(Mr Tee) Sorry. I thought I had answered that question.

Q.  
(Ms Chambers) You may well have done and I may have missed it. I may not have been concentrating.

A.  
(Mr Tee) There are a series of tests set out in our regulations that will enable us to launch a standards inquiry. The most frequently cited one is serious and systemic breaches of the code. The decision to launch a standards inquiry is a decision for our board. Our board has never considered that anything it has seen has reached the bar to launch a standards investigation.

Q.  
(Ms Chambers) Have things been put to them from the staff team suggesting that maybe they would want to consider doing so in a particular case?

A.  
(Mr Tee) No.

Q.  
(Mr Tutton) I suppose you would - this is a leading question, obviously - probably consider it a bit of a failure in one sense if what, in the first instance, seems to be non-systemic problems actually escalated to
It would, clearly, mean that there had been a failure of compliance because the compliance system should be such that being found to be in breach of a system should mean that they change their compliance arrangements in order to remain not in breach afterwards. So, yes, indeed, it would. It seems to me, if you get serious and systemic breaches, then there is a failure in compliance in the system anyway.

Just thinking back to the phone hacking, obviously, what was at issue there was about, effectively, covert, hidden activity. If there was something like that going on today are you confident that IPSO would, using its press report, pick up something like that and be able to launch a standards investigation or deal with it in other ways?

There are two things that I would say about that, the first of which is we have to be very careful as a regulator and an independent self-regulator of newspapers not to be doing the job of the police. It is very clear to me that phone hacking is a crime. Were we to get evidence of a potentially illegal action, we would report it to the police. I do not see regulation as some sort of halfway house; is this very serious phone hacking? Maybe it is a regulatory matter, not a legal matter. It is very clear that the interception of communications is a legal matter and that should be referred to the police.

The second thing to say is that I would hope that, if something that was seriously against the code and against the ethics of journalism was going on in a newspaper, we would detect that either through it coming through in complaints generally and us seeing that sort of behaviour or through journalists feeling that what was going on in their newsroom was
unacceptable. We run a confidential journalists' hotline. It runs 24 hours a day. It is run by third party. I would hope that we would get notification through that. I think there is still enough movement in employment in newspapers that word of it would begin to get around and we would pick up on that.

You can never say "Of course", but I would hope that, through a variety of forms of intelligence, we would pick up on that.

Q. (Mr McCarthy) Sorry, I said I did not have any more questions but I have one final one. You mentioned the whistleblowing hotline. Is that used very much? Do journalists ...?

A. (Ms Dewar) It has been used on a small number of occasions but it has not provided us with information on any occasion that has suggested evidence of anything that rose to the level that we needed to act.

Just as a final point on what Matt said, it is a requirement of IPSO membership that all members must have it in all journalists' employment contracts that they follow the Editors' Code of Practice. That puts a journalist now on a very different footing than previously existed, should they be asked to breach the Editors' Code.

Q. (Mr Bamford) I think that is it from our side. Thank you again for coming in today and taking the time to talk to us.

A. (Mr Tee) Thank you.
Key to punctuation used in transcript

<table>
<thead>
<tr>
<th>Punctuation</th>
<th>Description</th>
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<tbody>
<tr>
<td>--</td>
<td>Double dashes are used at the end of a line to indicate that the person’s speech was cut off by someone else speaking.</td>
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<tr>
<td>…</td>
<td>Ellipsis is used at the end of a line to indicate that the person tailed off their speech and didn’t finish the sentence.</td>
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<tr>
<td>- xx xx xx -</td>
<td>A pair of single dashes are used to separate strong interruptions from the rest of the sentence e.g. An honest politician – if such a creature exists – would never agree to such a plan. These are unlike commas, which only separate off a weak interruption.</td>
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<tr>
<td>-</td>
<td>Single dashes are used when the strong interruption comes at the end of the sentence, e.g. There was no other way – or was there?</td>
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